

Innovation in Digital Marketing Erigo Indonesia during Pandemic Covid-19

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Abstract

This study aims to describe the concept of innovation in digital marketing MSMEs in Indonesia during pandemic covid-19 and still be number one as a local brand in Indonesia. The research used literature study. From the results of the literature study above Erigo is able to comprehensively carry out marketing concepts by taking advantage of pandemic conditions. The existence of a pandemic does not reduce Erigo's innovation and steps as a child of the nation to provide the best for Indonesia so that MSMEs and Indonesia will still have a place in the eyes of the world.

Keywords

digital transformation; digital marketing; MSMEs



I. Introduction

The world is not in a good condition, something that has never been imagined before is happening, namely the worldwide covid-19 pandemic which makes the world start to change everything with new habits. The pandemic has had a tremendous impact, especially in the business field, where some traditional businesses are currently turning digital. With this sudden situation, of course, business people try to survive as much as they can so that the business continues to run according to plan even though there are changes that continue to be adapted to circumstances. The World Bank projects that the pandemic will cause an estimated 5.2 percent contraction in global GDP by 2020 (World Bank, 2021). The International Monetary Fund (IMF) even called this crisis the worst economic downturn since the Great Depression (IMF, 2020). To avoid the collapse of health facilities and prevent an increase in deaths from COVID-19, almost all countries have implemented social distancing policies and temporarily closed immigration doors. As a result, their economy experienced both internal and external shocks due to the decline in global economic activity. Indonesia is the country with the highest number of cases in Southeast Asia. As the largest economy in the region, the Indonesian government's policies in handling the COVID-19 pandemic have also brought attention to regional impacts. The Indonesian government is determined not to choose a total lockdown as an option to reduce the spread of COVID-19. As an alternative, the government has implemented a social restriction policy in provinces and regions that have a high number of COVID-19 cases. Sihombing (2020) state that Covid-19 pandemic caused everyone to behave beyond normal limits as usual. The outbreak of this virus has an impact especially on the economy of a nation and Globally (Ningrum, 2020). The problems posed by the Covid-19 pandemic which have become a global problem have the potential to trigger a new social order or reconstruction (Bara, 2021). In recent months, as vaccination rates have increased, the government has tried to loosen restrictions. However, a second wave appears in June 2021; Thus, the social restriction policy, especially in Java and Bali, was re-implemented.

The Indonesian government has been repeatedly reminded by epidemiologists and public health experts to be careful in deciding to relax social restrictions, as it is feared that easing restrictions could lead to more serious pandemic waves. Given the large population of Indonesia, there are still many people who are not well educated about COVID-19 and the health protocols that need to be implemented (Malahayati et al., 2021). However, the Indonesian government is also worried that the pandemic will threaten the economy. However, with changes in the pattern of life, the wheels of the economy continue to run through digital transformation.

Digital transformation has shown how all businesses have adopted, adapted to the changes brought to society through the digital revolution (Charlesworth, 2018). Digital transformation provides an illustration that activities can be carried out anywhere and anytime, especially in conducting business processes. One business that is able to develop even in a pandemic is a local Indonesian brand, Erigo Indonesia. Erigo is a brand from Indonesia which is engaged in fashion where Erigo Indonesia sells from t-shirts, pants to jackets. Erigo Indonesia was founded in 2011 where the owner named Sadad pioneered from Erigo without a team. Of course, the ups and downs had been through before becoming a leading local brand in the world, especially during this covid pandemic. During this covid pandemic, Erigo made many breakthroughs that were able to bring his brand further to increase profits, one of which was Erigo being a representative at New York Fashion Week and at the same time Erigo kept opening booths at 40 leading exhibitions, this explains that during the pandemic Erigo Indonesia is still in the process to be innovative in order to remain number one.

According to the results of observation, researchers curious how MSMEs can survive pandemic with new era of digital transformation. Therefore, it is necessary to describe properly the concept of marketing in digital transformation during pandemic. Based on the explanation above, researchers are interested in conducting research on " Innovation in Digital Marketing Erigo Indonesia During Pandemic Covid-19".

II. Review of Literature

2.1 Digital Marketing

One of the changes that occurred during this pandemic is that digital marketing is a big thing in the current era, with digital marketing it can penetrate markets that have never been touched before. Advances in technology and communication in this industry trigger the creation of an ecosystem with the latest marketing (Sarath Kumar Boddu et al., 2021). Digital marketing is digital marketing between consumers and businesses to carry out business processes. Digital marketing facilitates the interaction between consumers and businesses (Shankar et al., 2021). With digital marketing, it means that marketing is done online using data to get opportunities for excellence. Basically, traditional marketing still exists, but with digital marketing it complements marketing activities so that it can expand the network. With digital marketing, marketing includes all digital-facilitated activities, intuitions, and processes to create, communicate, and deliver value for customers (Herhausen et al., 2020). Digital marketing is developing rapidly so that this marketing can increase customer focus on the internet, digital marketing allows businesses to find more suitable customers, digital marketing can also provide information that can be recommended for marketing research. With the COVID-19 pandemic, digital marketing is more prominent, 80% of consumers are more open to digital marketing.

2.2 Social Media

Social Media and real life at this time go hand in hand where social media has become a necessity in everyday life to exchange messages, do business, to just to unwind. Social media is broadly interpreted as a communication technology that provides opportunities to engage in social interactions with one or many audiences to explore posts, private messages, and share posts with followers, on an ever-expanding portfolio of web and mobile applications (Taylor et al., 2021).

2.3 E-Commerce

The COVID-19 pandemic has caused major changes in lifestyle such as a decrease in outdoor travel, recreational activities, and activities involving large numbers of people (Kawasaki et al., 2022). Previously, consumer shopping behavior preferred to shop at offline stores, but with the Covid-19 pandemic, shopping patterns have changed, consumers spend more time at home and buy necessities at online stores or e-commerce. Several studies on e-commerce, shopping behavior, and COVID-19 focused on the experiences of several countries, during the pandemic in the United States of America 65% growth in online shopping there was a significant increase (Kawasaki et al., 2022).

2.4 Brand Awareness

Brand awareness is the ability of consumers to recognize and remember a brand by only seeing a logo, image or something that describes the identity of a brand. Brand awareness is something that needs to be carefully conceptualized because the ability of consumers to recognize and remember a brand needs to be created because it will be the main factor when consumers make decisions on a purchase.

2.5 Brand Equity

Increasing brand equity is an organizational goal to undergo transformation. Brand equity is an important concept because a high level of brand equity often translates into higher cash flow and increased competitiveness (Marques et al., 2020). The main objective of managing brand equity is to attract new customers, retain existing ones and use it as a mechanism to influence the emotional connection between customers and brands. For customers, brand equity provides a strong assessment related to customer understanding to process information, with high brand equity value, it can increase the value of a business.

2.6 Customer Experience

During this pandemic, online shopping has become the latest mode of purchase and allows customers to shop anytime and from anywhere, so it is necessary for a platform to facilitate 24 x 7 availability (Anshu et al., 2022). Due to the pandemic there has been a 76% growth in online shopping compared to last year but the question is whether this growth will continue in the future when the pandemic is over?. In this case it is necessary to involve customers in the process of conceptualizing, creating new products and services and involving customers in the creation of shared value. As businesses shift their focus from increasing sales to retaining customers, businesses have realized that the key to success in business is providing great customers and experiences. Businesses today are also geared towards creating value for customers. Customer experience is divided into 2, namely offline experience includes features of artifacts, lighting, layout, and signage while online experience includes features related to technology, friendly interface and clear design (Ameen et al., 2021).

2.7 Customer Relationship Management

Customer Relationship Management is one way to stay connected with customers after after-sales. CRM can involve information technology or non-information technology because CRM is processing detailed, meaningful, and important information for decision makers. CRM has a global vision where companies put the customer at the center of their business, given the potential offered if implementing this CRM properly. CRM originally consisted of sales, marketing and service which are the three classic axes of customer global business management (Guerola-Navarro et al., 2021). In this dynamic business world, a customer-centered approach is the key to business success where CRM is to achieve customer loyalty and achieve customer trust. CRM as a sustainable business model that provides benefits to businesses to provide a new future for the company and provides opportunities to achieve and maintain sustainable customer partnerships

III. Research Methods

This research method is carried out using desk research. The process of collecting data is done by means of literature study. This method is a literature review from various sources and relevant references. According to (Creswell & Creswell, 2018) literature review is provides a framework for establishing the importance of the study as well as a benchmark for comparing the results with other findings.

IV. Discussion

In digital marketing, Erigo has the opportunity to develop its market, Erigo Indonesia does digital marketing, namely Erigo Indonesia builds its own ecosystem by expanding its marketing and sales reach through the site, so that the site can be used more easily, Erigo has photos and clear product descriptions so that the shopping process becomes easier and more efficient. Comfortable, apart from building the official Erigo Indonesia website, they also create their own brand-specific applications with a variety of innovative features.

Erigo is one of the brands that has succeeded in doing digital marketing with an out of the box strategy that is packaged as neatly as possible and at this time Erigo is a brand that is targeted by competitors because it is the number 1 local brand in Indonesia. With the existence of social media, Erigo Indonesia utilizes social media as a thing that makes Erigo Indonesia better known, one of which is Erigo Indonesia being one of the representatives from Indonesia at New York Fashion Week by reading dozens of influencers from Indonesia to hold take over Instagram where this program is through influencers promote the trip to new York and upload the trip to Instagram, youtube, and online news so that the news spreads widely.

In this program, Erigo Indonesia carries the theme “Fashion meets Function” where Erigo presents the first collection of the Erigo X line with a total of 60 looks that combine unusual neon colors. In an effort to reach the American market, Erigo has also opened a pop-up store in SoHo New York where this program is supported by the Ministry of Tourism and Creative Economy. Through Instagram take over, influencers in New York made consumers interested in following Erigo Indonesia's journey in New York with several Instagram stories and Instagram post influencers who made conversation around the world because simultaneously the influencers were documenting the journey from the beginning to the influencers. Back to Indonesia and quarantine.

In Erigo's strategy, tactics are made as attractive as possible. In New York take over, Erigo managed to bring 13 different influencers with different backgrounds so that they were able to attract the followers of these 13 influencers into the New York take over, this strategy

was considered successful because the followers were followers of 13 influencers. This continues to follow the activities of the influencers while in New York.

According to (Herhausen et al., 2020) explain with digital marketing, marketing includes all digital-facilitated activities, intuitions, and processes to create, communicate, and deliver value for customers Erigo, the pride of Indonesia's local brand, Erigo, succeeded in doing digital marketing on social media because the Erigo brand advertisement was displayed in New York's Time Square. Erigo Store CEO Muhammad Sadad shared this on his personal Instagram where he posted photos and videos showing Erigo in Times Square. This was done for the launch of the Erigo brand in the US because Erigo will expand its market to the US in 2021. Through Digital Marketing that Erigo does, Erigo also carries out the #StopAsianHate campaign which is an anti-violence movement against Asian citizens in the US, this proves that Indonesian local products have great potential in foreign markets. Erigo's step in doing digital marketing, of course, started with successful offline activities, then CEO Erigo began to set strategies so that online sales increased, starting from promotions on social media to people wanting to visit online webstores and even exploring e-commerce, one of which is Shopee, considering that consumers have more confidence in shopping at e-commerce. With the steps that Erigo took starting in 2011, starting the business Erigo realized that from a brand that is no less important than sales is brand awareness because with brand awareness, consumers will not hesitate to make repeat purchases and even recommend to the closest people, therefore to build brand awareness, Erigo also does it through social media by collaborating with famous artists such as Raffi Ahmad to support the activities carried out by Raffi Ahmad. Of course, when Erigo is known everywhere, it will increase brand equity, it becomes clear evidence when Erigo does promotions through influencers and artists at New York Fashion Week where influencers and artists take a lot of attention with their activities while in New York so that the Erigo brand is embedded in it. The thoughts of Instagram users are of course influencer followers who follow this series of Erigo activities. With the efforts made by Erigo to increase sales, of course, the main thing for Erigo is Customer Experience where it is important to know how consumers experience when using the Erigo brand when buying the brand and especially when consumers retell their experiences with the Erigo brand, in this case Erigo apart from By using the best ingredients in their product materials, of course, Erigo also does out of the box marketing which is refreshing to the eyes which continues to make consumers curious about the existing content. Given the importance of this, it is important for Erigo to carry out Customer Relationship Management where what Erigo does to maintain this relationship is by visiting cities by opening booths and continuing to respond when consumers need assistance with Erigo products and of course Erigo continues to build relationships with consumers with content that makes consumers feel that Erigo is right to be the biggest local brand in Indonesia.

The strategy that Erigo brought was quite unique because he made a strategy that brought the 13 influencers personally from the moment of arrival there was an influencer who was going viral, namely Rachel Vennya who left for New York and was followed by her boyfriend, this looks normal but actually the influencer's girlfriend has been hired too by Erigo which is one part of the strategy. Not long ago, Erigo made a take over Turkey strategy where the influencers involved were also influencers who had stories that were able to make the Erigo strategy boom. Throughout Erigo activities, influencers use Erigo products from top to bottom while in these activities, the following is one of the right strategies to promote Erigo products. With an uncertain situation, of course, business people will not pass up the opportunity to sell online because online purchases do not require an offline store and all business processes are faster like Erigo Indonesia. Erigo Indonesia officially cooperates with Shopee e-commerce where the New York take over program is also supported by Shopee Indonesia to help MSMEs to penetrate foreign markets. With this e-commerce, the prices

offered are relatively affordable compared to well-known international brands but still of high quality. As one of the favorite local fashion brands in the country in the midst of the pandemic situation, Erigo in addition to continuing to innovate in presenting quality fashion products, Erigo also adapts to the sales activity plan starting from how to communicate to strengthen online sales channels through e-commerce which is the best solution to reach society at large and provide easy access for buyers wherever they are. CEO Erigo presents Super Brand Day Erigo through the Erigo Official Shop at Shopee, CEO Erigo explained that Erigo believes that exclusive collaboration with Shopee, an e-commerce platform that has a wide reach to consumers throughout Indonesia will help Erigo to reach more consumers and provide access easy access to all products with various attractive programs and offers. With the development of the fashion industry every year according to CEO Erigo, it also adapts to digital literacy, namely online shopping platforms such as e-commerce, and as a technology-based company Shopee continues to strive to provide the best online shopping experience for consumers as a for a commitment to support local Indonesian brands. In terms of brand awareness, Erigo Indonesia is already known by the wider community, but what makes the name Erigo Indonesia more known is when doing celebrity endorsements where Erigo brings influencers to participate in promoting the Erigo program and in its market expansion, Erigo creates a very profitable domino effect when Erigo advertises its brand on New York the effect reached Indonesia, the phenomenon of the amazement of the Indonesian people regarding domestic products that managed to penetrate the international market, in this case Erigo got high brand awareness in the eyes of the Indonesian people, Erigo was also able to explore a niche market in Indonesia by advertising in New York Times Square which went viral in no time. In relation to brand equity, the take over of Erigo's rebranding in New York makes Eigo x whose fashion model is more striking than the previous Erigo, with this Erigo is able to increase the value that makes customers remember Erigo.

Erigo Indonesia has high brand equity, especially with the great celebrities behind the Erigo brand so that Erigo is resistant to other fashion line competition. However, in the midst of competition, Erigo realizes that it is important to bring the Erigo brand so that it has varied marketing activities, of course with the availability of a wide network that is able to bring Erigo into the best local brand, especially when Erigo makes activities that can increase the value of the brand. In terms of customer experience, the products marketed by Erigo Indonesia are unquestionable and make consumers feel satisfied with the products marketed at affordable prices. Erigo to customer service who are ready to serve customers for 24 hours. In terms of Customer Relationship Management In terms of building relationships with customers Erigo has a layer strategy that is not visible and becomes a secret, but it is ensured that in maintaining relationships with consumers Erigo is able to invite consumers to always be involved in the activities that Erigo does so that consumers feel they have a distant attachment to them. Erigo and become the largest local brand Erigo that is able to provide the best local brand experience.

V. Conclusion

Based on the above explanation, the conclusion is that So Erigo as the number 1 local brand in Indonesia is able to take advantage of the pandemic situation to develop its business supported by digital transformation and marketing concepts through digital marketing, social media, e-commerce, brand awareness, brand equity and customer relationship management. Erigo is able to comprehensively carry out marketing concepts by taking advantage of pandemic conditions. The existence of a pandemic does not reduce Erigo's innovation and steps as a child of the nation to provide the best for Indonesia so that MSMEs and Indonesia will still have a place in the eyes of the world.

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