

Marketing Strategy of a Logistic Company Facing the Industrial Revolution 4.0

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Abstract

PT. Bali Wikan is a company engaged in large-scale goods transportation services throughout Indonesia and internationally. This study aims to determine the marketing strategy used by PT. Bali Wikan facing the Industrial Revolution 4.0. This study uses a qualitative method with the type of case study research. Data collection techniques in this assessment are in-depth interviews with related parties. The data that has been obtained were analyzed using the SWOT analysis method and the SWOT matrix. The results of the SWOT matrix analysis show that PT. Bali Wikan is in quadrant I, which is the quadrant that supports a progressive policy of growth and development. The final result of this research is that the right business strategy for the company is obtained based on the results of the SWOT analysis and the SWOT Matrix is an Aggressive Strategy by opening branch offices in several areas and increasing development with training from outside the company.

Keywords

management strategy; marketing strategy; marketing 4.0; SWOT

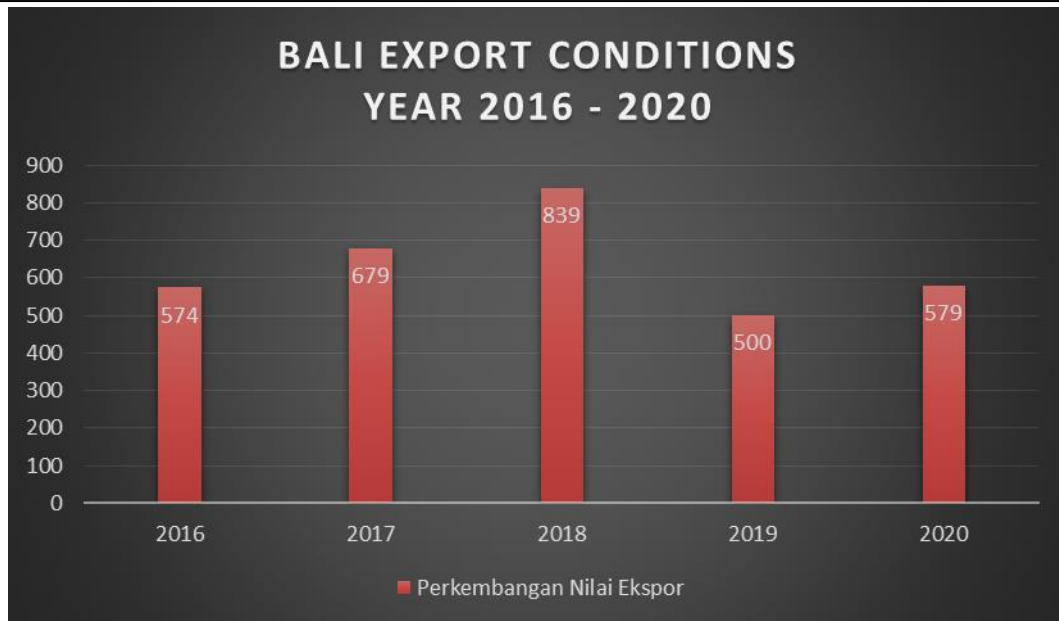


I. Introduction

In the face of high economic competition, companies are directed to have more ability to compete in order to continue to exist in the world or market. It takes a system that fits the needs of a company to achieve its success. One of the achievement factors is a company's marketing system. The presence of a free market requires mature readiness by continuously working on quality, creativity and progress. Currently, Indonesia is a country with a fairly large and positive financial development. This makes Indonesia a diva who has been coordinating companies for a long time to develop businesses and invest in Indonesia.

The outbreak of this virus has an impact of a nation and Globally (Ningrum *et al*, 2020). The presence of Covid-19 as a pandemic certainly has an economic, social and psychological impact on society (Saleh and Mujahiddin, 2020). Covid 19 pandemic caused all efforts not to be as maximal as expected (Sihombing and Nasib, 2020).

In 2019 the whole world felt the impact of the spread of the Covid-19 virus. All sectors feel it, including the logistics transportation sector. In Bali itself, logistics companies had experienced a decline at that time. There is no activity for shipping goods because some port doors in several countries are closed. In addition, not many understand and are interested in doing business in the logistics world, no wonder there were still few logistics companies in Bali. Now more and more new logistics companies are popping up, in Bali there are already 85 logistics companies registered with ALFI companies. This indicates that many have begun to be interested in the logistics business. You can see the graph of export developments in Bali from 2016 - 2020 below.



Source: provincial statistical agency

Figure 1. Graph of Export Conditions in Bali in 2016 – 2020

It can be seen in figure 1. that the condition of export activities for 5 years from 2016 - 2020. Logistics companies had declined in 2019. From 2020 logistics companies have started to develop and have started operating again until now.

Due to its large scope, the transportation of goods (Cargo) can use various transportation routes, especially land, sea or air. Assuming you need the product to reach its destination quickly, it is advisable to use air shipping even though air transportation is more expensive than sea and land travel. The extent of logistics activity is to assist manufacturing activities starting from the acquisition of goods until the product is received by the final buyer (Hendayani, 2011).

The results of research conducted (Kuncoro, 2010) , stated that the most amazing factor is the completeness of the services offered, both sea, air and domestic transportation, which is the biggest force that affects the company's internal variables. The consequences of directed exploration (William, 2017) , especially the transportation fleet can not be achieved because it can only transport certain products and support costs. However, there has been no external and internal research that discusses marketing methods for logistics companies. Therefore, this review is expected to fill a hole in the writing by providing experimental evidence with respect to the promoted methodology. In addition to filling gaps, this exploration is also useful for strategy making in the business world and can add to the world of training. Therefore, researchers are interested in examining how marketing strategies are carried out by logistics companies, especially in facing the modern revolution 4.0.

Marketing management is an administrative interaction and causes people or groups to obtain what they need and want by making, offering and trading products of significant value to various parties or the movement in all forms related to the delivery of goods or services from the manufacturer to the buyer. A business cannot run smoothly without good advertising. Marketing management is a significant angle in business goals. Appropriate marketing management is to survey and encourage the development of ideal marketing procedures.

Meanwhile, according to (Fandy Tjiptono, 2000:59), "Marketing techniques are the main tool that companies want to achieve by creating practical advantages through the market they enter and promoting programs that are used to serve an objective market." Marketing methodologies basically provide guidance based on factors, for example, market share, evidence of target market differentiation, placement, components of the ad mix, and cost of display mix.

II. Research Method

This research is a qualitative research based on a symptom, phenomenon, or social information. This research uses a case *study approach* to answer this research problem. Case study is a research method that uses various data sources that can be used to research and explain. In this study, many teenagers are now interested in getting into the world of logistics. To be able to survive and compete with newcomers, of course, you must have the right strategies. Therefore, this research was conducted to determine the marketing strategy carried out at PT. Bali Wikan.

The type of data in this study is qualitative data. The qualitative data of this research are the results of interviews with research informants who have been determined. Primary data obtained from interviews with informants, namely the CEO of PT. Bali Wikan. Data collection techniques in this study are interviews with several informants, field notes, and documentation, by sorting information into categories, separating into units, integrating, combining into the design, choosing what is significant and what will be examined, and ended with the goal that they are effectively perceived without other people .

III. Results and Discussion

In the era of the industrial revolution 4.0, business development is strongly influenced by the role of sophisticated information technology. Especially, in terms of the way business people offer their products and services, including the growing logistics industry in the country. The modern logistics business or shipping service industry is currently run with a business management process that is not simple. Companies need to adapt to technology implementation following unpredictable technological developments. In addition, the Company also needs to analyze information related to thousands of clients around the world and think of the most effective service route.

The strategy used by PT. Bali Wikan is a 4.0 marketing strategy. The marketing 4.0 concept itself is a marketing approach that combines *online* and *offline interactions* between business businesses and customers or *clients*, combined with building *branding* that is complementary and interconnected between *machines* and *humans* that will strengthen each other . One of them is a promotional strategy where promotion is part of the marketing communication mix that can be done offline or online. Offline promotion is carried out using media that are not directly connected to the internet or not accessed via digital devices (Djayakusuma, 2010). Meanwhile, online promotion is one form of advertising efforts and efforts in cyberspace with the aim that the products or services offered are better known to the wider community and increase sales transactions (Opportunity, 2019).

Of the two informants interviewed in this study, on average they said they used *offline* media and *online media* for promotion. For offline promotion, the informant said that he carried out promotions through door to door and collaboration with several artshops in Ubud, Seminyak, and Tegalalang. In addition, the company also distributes brochures

and books regarding cargo to artshops and guests around the artshops. For online marketing, PT. Bali Wikan uses the website for promotions. The website has and has an extensive network, so it can promote to all corners of the country. In addition to using the website, companies also use E-mail and Whatsapp to promote their services to existing and new *clients so that they are* interested in the services offered.

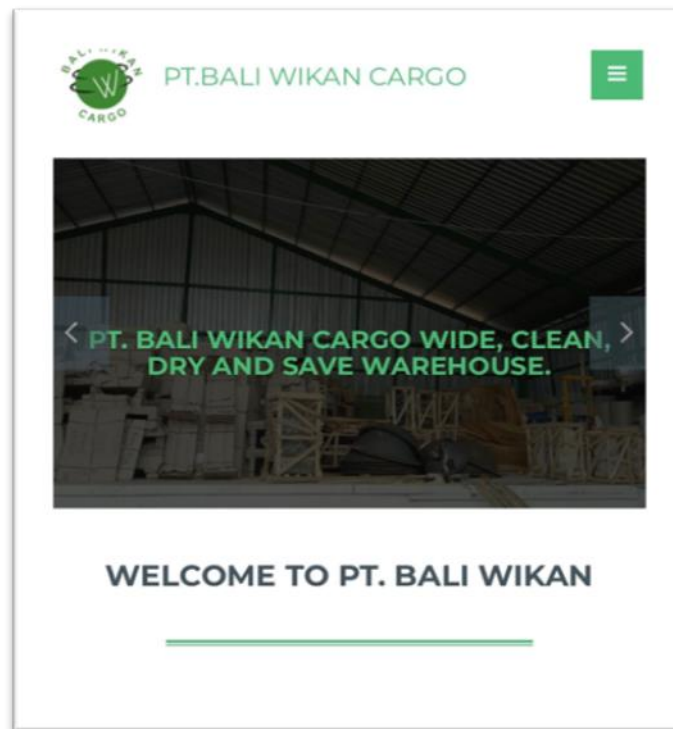


Figure 2. Website Display of PT. Bali Wikan

The results of this study are supported by research (Daru et al., 2018) which states that offline marketing activities are still used to support online systems .

PT. Bali Wikan also applies a general marketing strategy, namely applying segmentation, targeting and positioning. The segmentation of the company is that which has a selling business such as *wooden, handicraft, stone* , which can be sent abroad but not in the form of natural products such as coffee or cloves. Targeting the cargo company itself is more dominant outsiders / non-local. Overseas such as Australia, USA, and others prefer unique works for them to resell there. PT. Bali Wikan also does not close for local customers to send their goods to Jakarta, Surabaya, and so on. Finally, company positioning where the company prepares market offerings to place a competitive position with competitors that is embedded in the minds of consumers or clients. The company determines a competitive advantage where the services it sells use high quality packing materials and are packaged in detail, so that they arrive safely in the destination country .

Consumers or clients often make price as a consideration before using a service or buying a product, pricing is the most important thing. Informants in this study also said that PT. Bali Wikan markets its services at low prices and good quality. Good quality can be seen from the packing materials used and how detailed the packaging of an item is, especially items that are easily broken and broken. PT. Bali Wikan ensures that the packaging is very neat, detailed, and safe but at a friendly price in the midst of this pandemic so that everything can run and can benefit .

PT. Bali Wikan provides quality packing according to its standards at competitive prices. That is the reason the cargo company is ready and it doesn't matter if it has to compete with other startups, especially in the logistics sector. The cargo already has its own way of competing, such as a 1 x 24 hour service, which means that *clients* can and are able to communicate at any time because as we know time difference is one of the factors in communicating. In addition, *clients* are provided with warehouse rental facilities, where clients can store their goods in the warehouse. PT. Bali Wikan itself provides a warehouse rental for 3 months, after more than 3 months a fee will be charged.

Increasingly competitive business competition requires companies to implement appropriate business strategies in dealing with the business environment, which is indicated by a continuous innovation process. One of the keys to a company's success in business competition is to have and maintain a competitive advantage which lies in the company's ability to differentiate itself from its competitors and the ability to produce at a lower cost.

In addition, with the advancement of technology, PT. Bali Wikan also uses modern tools. Not only advanced information technology but in terms of tool technology also advanced. Now PT. Bali Wikan already has several important tools to do the job, such as wood cutters, forklifts, and other heavy equipment. With advances in technology, especially for technology, warehouse tools are very useful, because they can complete work quickly and precisely.

With the industrial revolution 4.0, currently many companies from all over the world are starting to implement digitalization in their logistics activities. According to (L. Barreto et al., 2018), the concept of digitizing logistics is to allow transparency over time from suppliers to customers or in other words there must be transparency along the supply chain. In line with the CEO of PT. Bali Wikan said that in facing the era of industry 4.0, logistics companies should carry out digital transformation. Companies can take advantage of industry 4.0-based systems to obtain accurate information on the movement of goods.

IV. Conclusion

From the results of the study, it can be concluded from the SWOT matrix above that the analysis tool states that PT. Bali Wikan is in quadrant I (progressive). This position shows PT. Bali Wikan can increase the growth and development of the company. The company is also experiencing high market growth and is in a strong competitive position and this position indicates that PT. Bali Wikan is in a very good position. Therefore a suitable strategy for PT. Bali Wikan is an Aggressive Strategy (growing). The strategy that can be applied within the company is the SO strategy by opening branch offices in several areas and increasing development with training from outside the company.

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