

# Implementation of Business-Partner Relationship in Empowering Small Business

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**Abstract**—A strong relationship between entrepreneurs and various parties, includes small business is one of the requirements to achieve success in product sales. The relationship is called a partner relationship or relationship-based marketing. This study aims to analyse the partner relationship skills carried out by Adorable Projects entrepreneurs in empowering small business in Bandung Regency, West Java. The purpose of this study is to analyse the program, the benefits, the use of verbal and nonverbal messages, and communication media to empower small business. This research method uses qualitative research methods with a case study approach. This research found a partner relationship program by the management team provides quality products, and affordable prices. It is useful for sales promotions in the form of discounts, and word of mouth marketing. Preparation of verbal and nonverbal messages through websites, Facebook and Instagram. The management team have a good relationship with small business as vendors so they can maintain the continuity of product availability and also develop small business.

**Keywords:** *business-partner relationship, empower, business, small business*

## I. INTRODUCTION

Entrepreneurs have an important role in encouraging economic growth, so it is expected to prosper the community. In the current digital era, entrepreneurs are required to have sufficient capabilities to compete. These capabilities must be independent, human resource development, marketing, and capital [1].

Entrepreneurs are expected to succeed in business. One effort to make this happen through marketing communication through a partnership relationship between companies and small business. The goal is to make consumers, friends and family members to do business [2,3].

Partner relationships with consumers are needed by management to find out what consumers need, so as to foster customer loyalty.

The Adorable Project Entrepreneur applies a partner relationship in running a business, so that the company has competitiveness and applies business practices properly. There are 30 small businesses joined in the Adorable Project with

various types of products developed such as fashion, crafts, souvenirs (Interview with Yusuf Nugraha, 25 November 2018).

Based on this explanation, it is necessary to conduct research on the business partner relationship model in empowering small business. This research has a deeper interest, so that efforts to increase entrepreneurship from the government and other institutions are more on target. Based on these explanations, this research focuses on partner relationships including programs, benefits, verbal and nonverbal messages through social media (website, Facebook and Instagram) to empower small business.

Marketing communication is used by entrepreneurs in communicating with the market, in order to understand and identify what the needs and desires of consumers are. To meet the needs of these consumers entrepreneurs, need to maintain communication with the product provider.

The ability of entrepreneurs in conducting partner relationships is one of the determining factors for a company's success, because of a good partner relationship, the need for raw materials can be met, shorter production times, competitive prices and high quality, and ultimately can increase customer satisfaction.

A research by Wu, M. Y. stated that information sharing has positive influence on partner relationship management and supply chain performance; e-Process has positive influence on partner relationship management and supply chain performance; finally, partner relationship management has positive influence on supply chain performance. Overall, through information sharing and use of e-process, enterprises can enhance the closeness of their relationship with partners to increase their own competitiveness and maximize supply chain performance [4].

Opinions from Agarwal and Singh, innovative approaches to enhancing partner relationships with scale development resulted from five factor models namely trust, satisfaction, rational communication, collaboration and contributing environmental factors [5]. The research from Grundey and Daugelaite entitled Developing Business Partnership On The Basis Of Internal Marketing, partnership primarily requires not only flexible, strong and continuous relationship, which is a key factor for beneficial cooperation, but also constant linkage of the both partners' know-how, competence, successful

motivation, and search for new partners to obtain competitive advantage against other companies [6]. The next research Setyawan, Swastha, Purwanto and Susilo entitled Model of relationship marketing and power asymmetry in Indonesia retail industry [7]. Result of this paper is to analyse Indonesia retail industry. Analysing empirical model use Path Analysis. Samples of this study are retailers and suppliers in three major cities in Indonesia, they are Semarang, Surakarta and Jogjakarta. Our unit analysis is dyadic based on the nature concept of relationship marketing proposed by Morgan and Hunt.

Research from Agarwal, Singh and Agariya entitled What Really Leads to Partner Relationship Management? A Review of Literature [8]. This research article aims at providing a comprehensive overview of the Partner Relationship Management (PRM) domain through an exhaustive literature survey. Current scenario, definitions/perspectives, breakdown of studies by nation, PRM as a software application, the need for PRM, the process of developing partner relationships, and major models, along with major defining constructs and other major insights, have been summarized in the area of partner relationship management using content analysis. The focus is on bridging the gap in the existing academic literature by providing a comprehensive compilation of partner relationship management literature inclusive of B2B and B2C scenarios for future researchers. Research from Purnomo, Suryana, and Sari discusses the effect of business partnerships and innovation management on the performance of multi-provider business units in Indonesia [9]. The test results indicate that business partnership and innovation management effect on business performance. The innovation management has a greater impact than the business partnership in improving the business performance of Business Units of the multiplay provider in Indonesia.

Furthermore, research from Barac, Ratkovic-anoivanovic, Labus, Milinovic and Labus titled Fostering partner relationship management in the B2B ecosystem of electronic media [10]. Results revealed that relationship capability, analytical and social PRM have a significant impact on relationship quality. In addition to this, the survey suggested that activities such as organizing social events, developing new services, personalization and tailoring of services could improve PRM outcomes

Lastly, research from Lostakova and Pecinova entitled The Role of Partnership and Flexibility in Strengthening Customer Relationships in the B2B Market [11]. The results of a quantitative research among managers of chemical business units with products, which focused on mapping benefits and actual level of the individual aspects of the partnership and flexibility for developing and strengthening relationships with customers in the customer network.

#### *A. Business Partner Relationship*

In building partner relationships, among others, through hospitality, trust, self-disclosure, and responsibility [12]. Hospitality comes from a person who is happy, and fun. This can be done by expressing a positive attitude, and positively encouraging individuals who are friends to interact [13].

Factors that can be done to develop business cooperation include serving well business partners. If that is fulfilled, there will be a repeat of cooperation. Neiman & Marcus reminded, "sell satisfaction not just merchandise" [14]. So, sell satisfaction, not just sell.

Business partners have an important position in the pace of the company, because the company is said to be successful if it can carry out cooperation with him. Thus, fostering relationships with vendors is an important activity that must be carried out as well as possible by companies that want to remain in the midst of business competition.

Forms of communication made by companies with business partners include consulting customers' problems, providing solutions in a timely manner, and adjusting to vendor conditions, and convincing them that they have made the right decision [15].

The ability to use verbal and nonverbal messages by employers is one of the keys to success in partner relationships. The ability to use these messages properly, is expected to produce communication and establish good cooperative relationships.

Verbal messages are messages in communication in the form of speech (verbal or words). Choice of words (diction) in verbal messages has an important role in partner relationships [16]. Actually, words have an impact both on oneself and others, both positively charged words and negatively charged words [17]. Bird whistle research finding words that are spoken to yourself, produces 100 percent of the results obtained in life, because the mind interprets and obeys your instructions" [18]. Oswald suggests changing negative messages to positive ones, because negative messages will be interpreted according to the commands of reason [19]. Therefore, to increase business success, entrepreneurs try to use positive words, so that their expectations are truly realized. Skills in producing positive sentences are skills that require strong motivation to always maintain positive circumstances in the resulting discourse [20,21]. Nonverbal messages include all stimuli (except verbal stimuli) in a communication setting, produced by individuals and the use of the environment by individuals [22].

Nonverbal messages are the creation and exchange of messages by not using words, such as communication that uses gestures, posture, vowels that are not words, eye contact, facial expressions, closeness of distance and touch. Most of the communication used to convey information is conveyed through body language [23].

Entrepreneurs use communication media to market products, which will ultimately empower small business. The use of such media includes websites, Facebook and Instagram. The communication media are media used by entrepreneurs as a tool to promote and sell their products widely. From this goal, the management team will know how much media coverage, how often consumers see the media, and how much media generate product sales.

## II. METHOD

The partnership relations research was carried out in collaboration with the team of lecturers at the Faculty of Communication, Bandung Islamic University. The research problem is how the business partner relationship in empowering small business. The research objective is to analyse the partner relationship seen from the program, benefits, verbal and nonverbal messages, and the use of communication media in empowering small business.

This research method uses case studies in the form of a single case design, in which the researcher retains the holistic and meaningful characteristics of real-life events [24].

There are several steps in the case study research. First, reduce the data by writing interview data in a general form. Second, research makes a research matrix in making reports. Last, the study draws conclusions and verification. At this step the researcher looks for meaning of data regarding partnership relationships in empowering business entrepreneurs. The unit of observation in this research program, and the benefits of partner relationships, verbal and nonverbal messages, and the use of communication media in empowering small business

The informants of this research are the Adorable Projects management and marketing team that runs partner relationships. In addition, this research informant is a business partner of Adorable Projects (vendors) selected purposively who have a business (product) creative industry in the field of clothing, shoes, bags and women's accessories, located in Bandung Regency.

## III. RESULTS AND DISCUSSION

### A. Program and Benefits of Partner Relationship

The informants of this study were the Adorable Projects management team and business partners who were chosen purposively. Types of business partners include women's clothing, shoes, bags and accessories. In this research, the partner relationship is explored in the program aspects and the benefits of partner relationships, verbal and nonverbal messages through social issues (website, Facebook, and Instagram) in empowering small business.

The partner relationship program implemented by Adorable Projects includes companies maintaining product quality, in addition to aspects of product quality and style. This is in accordance with the opinion of the informant (interview with Ira Hanira, owner of Adorable Projects, interview 3 May 2019), saying, "in carrying out its business, entrepreneurs need to maintain the quality, characteristics, style / style, brand, and packaging. When the products are sold it gave happiness because it is the price of patience. Thus, patience is an important matter in which other parties are satisfied with the quality of the products of the company. As an entrepreneur, his staff are trained to be disciplined in overseeing the accuracy of buyer's orders, for example the size of shoes, clothes, colours, cleanliness of production equipment, on time delivery, so that buyers know that the product is maintained in continuity.

Regarding the brand and packaging of the research informant also said (interview Yusuf Nugraha, owner of Adorable Projects, 3 May 2019) stated, "Entrepreneurs have a commitment to maintain the best products in terms of quality, style or model, the company's research team tries to understand customer desires by being a listener the good one. In addition, the company is very concerned about the interests of consumers by maintaining quality, speed, and accuracy. This is because the company is engaged in the fashion sector is very important to maintain consumer confidence. Another aspect maintained by the company is product pricing. The informant determines the price set according to the target market, and the client's order. For example, the informant determines prices according to the target market at a young age, and prices that are quite affordable. The results of research on the prices of Adorable projects generally set prices that are affordable, but the quality of products (shoes, bags, wallets, or clothes) has good quality.

Research findings regarding the benefits of fostering partner relationships, among others, for the promotion of products offered to consumers. Promotions that are often used are sales promotions, and promotions through word of mouth. Sales promotion in the form of discounts, among others, by giving discounts tailored to certain events in the community. Big discounts given ranging from 10-50 percent. The benefit is to check the opinion of the product according to consumers based on data in sales. This is done to find out whether consumers are satisfied with the product purchased, for example shoes, bags, or clothes. Consumer opinion will help promote the product, or provide a reference to the family, or other parties. This form of promotion is called word of mouth communication (interview with Ira Hanira owner of Adorable Projects, 3 May 2019).

### B. Verbal and Nonverbal Message Through Website, Facebook, and Instagram

In order to introduce the product to the community, entrepreneurs compile verbal and nonverbal messages in empowering small business. Based on the research findings, the informant prior to use promotional media, the informant conducted a media selection. The selected media are website, Facebook, Instagram, the use of which is integrated with the telephone (WhatsApp). Informants explain verbal and nonverbal messages on social media, such as on websites aimed at informing potential customers of the product. Based on information from consumers, consumers open their company's website before buying a product. The informant explained the use of the website really helped his company in explaining the products it produced. (Interview with Ira Hanira, owner of Adorable Projects, 3 May 2019), like this.



Fig. 1. Website of Adorable Projects, Source: Adorable Projects 2019.

According to the informant, the preparation of verbal and nonverbal messages on Facebook, before using communication media, first learn the ability of the type of media that will be used to produce reach, frequency, and impact. The use of communication media is very helpful for promotional activities, because with media can create awareness (awareness) consumers will know the existence of products and as a sign of sales promotion activities (interview with Ira Hanira, owner of Adorable Projects, May 3 2019). Adorable Projects actively informs its products on Facebook as follows.

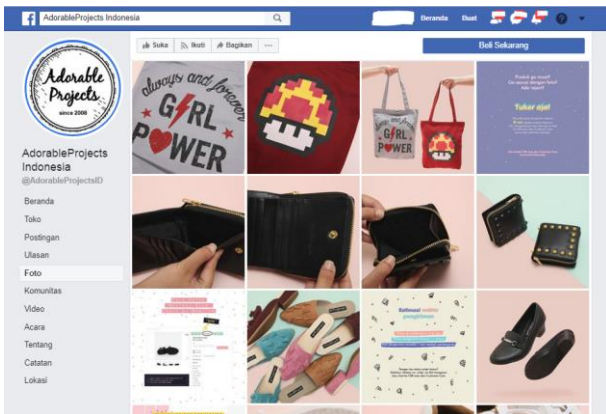


Fig. 2. Facebook of Adorable Projects, Source: Adorable Projects 2019.

Adorable Projects informs products (shoes) on a Facebook wall. On the wall are photos of shoes, various models, colours and sizes. The informant explained the use of walls is quite effective in informing new products. The aim is to inform the product it produces, and communicate with prospective buyers. For example, consumers ask about the availability of sizes, colours, and models. Another purpose of using Facebook is to share motivation, to expand social networks, to express opinions or views on something. The informant also believes that using Facebook to express themselves, through status writing, comments, notes, and photo uploads (interview with Ira Hanira, owner of Adorable Projects, 3 May 2019).

The informant explained in the preparation of verbal and nonverbal messages on Instagram to inform business activities. The results of the interview include informing business-related activities and other activities, from this media it can be seen how much interest the followers have and can see the number of likes from followers or comment input from followers.

In 2013 Adorable Projects created an Instagram account and is actively used to this day, aiming to market the product through online. Adorable Projects use Instagram more often than any other social media they have, because consumers can see their new and old product updates, and Instagram has been a photography portfolio since the 2000s (interview with Ira Hanira, owner of Adorable Projects, 3 May 2019).

Adorable Projects uploads product photos on Instagram around 12-15 photos per day and is almost the same for all its products namely shoes, bags and clothing. Until now about 400,000 pcs of goods that have been produced by Adorable Projects have been uploaded via Instagram. Every month Adorable Projects produces 240 pairs of shoes. To meet demand, workmanship for every single shoe model must be completed in less than 3 days. The contribution of shoe sales to the total sales of Adorable Projects is 70% calculated with the sale of bags, clothes and accessories. (interview with Ira Hanira, owner of Adorable Projects, 3 May 2019).

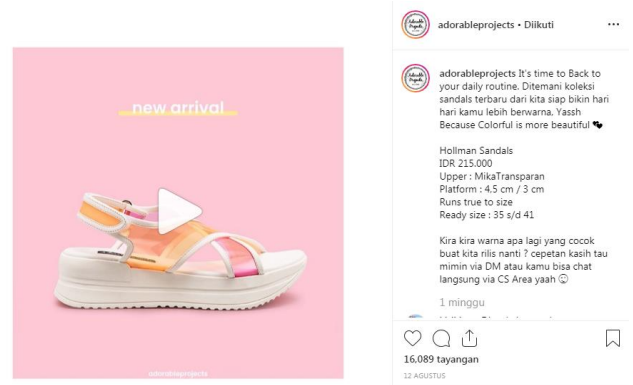


Fig. 3. Instagram of Adorable Projects. Source: Adorable Projects 2019.

**C. The Use of Media Social**

Research findings on the reason’s informants use social media for promotion in the form of advertisements on websites, Facebook, Instagram, and WhatsApp are managed, to carry out word of mouth communication. Informants inform the products they make on the website, and Facebook, and place advertisements about these products on Instagram. The reason to install the product on Instagram is because the price is cheap according to the target market. In addition to providing information about products sold, location of sales, and add to the customer. The target is young people.

The informant explained that his company did not use endorser services in the digital realm. He prefers the word of mouth marketing strategy. The reason is that he believes that customer satisfaction can ultimately help increase sales (interview with Fajar Nugraha, owner of Adorable Projects, May 5, 2019).

**IV. CONCLUSION**

First, in a partner relationship program, small management team focus on relationships that produce quality products that are obtained through selecting good raw materials, attractive designs, comfortable wear, and durable, and soliciting input

from consumers about their products. In addition, the pegged price is an affordable price for the youth market segmentation. Second, entrepreneurs in obtaining benefits from the promotion mix, use sales promotions, and word of mouth marketing. The activity received a positive response from consumers. Third, in informing products to potential consumers, management team composing verbal and nonverbal messages using social media (websites, Facebook, and Instagram) which are supported by the use of the telephone (WhatsApp). The purpose of using these media is to build brand awareness, have relationships with potential customers, spread product information. Informants in maintaining partner relationships with small business entrepreneurs include knowing small business entrepreneurs as vendors personally, listening to their wishes and realizing them. Because of this relationship, the product is always available so that consumers can easily get their products.

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