Omnichannel Strategy an Innovation of Marketing in New Normal Era

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ABSTRACT

This paper examines an innovative marketing strategy carried out by marketplaces in Indonesia in the new normal era, namely omnichannel. This strategy is interesting to write about because it is still something new in Indonesia, even though some developed countries have already implemented this strategy. The author took a sample from one of the local marketplaces that first tried to apply this strategy in the retail industry, namely Blibli. com, written descriptively which tries to describe and describe the problem in a narrative way by using references from books, journals, articles both manual and digital relating to the study material raised. From the results of this study, it is known that this omnichannel strategy is very suitable for use in the current new normal condition because it can reduce consumer mobility to shop directly, the drawback is that this strategy requires enormous costs, it requires experts in web programming, technology, software, and needs. very strong data security system. So that only large-scale business industries are able to implement this marketing strategy such as blibi.com. For small-scale businesses, of course this is too heavy a burden to bear, especially in the midst of the Covid-19 attack that has made business people have to endure difficult conditions.

Keywords: Marketing Strategy, New Normal, Omnichannel

1. INTRODUCTION

The development of the business world today cannot be separated from the development of information and communication technology. How businesses are run from all parts of the world only with the sophistication of technology, the invention and innovation of means and means of communication make information very easy to obtain, all information about whatever happens in different parts of the world we can get just in hand. The emergence of E-Business models cannot be stopped, various E-Commerce are like mushrooms in the rainy season. Large companies appear virtually, the development of artificial intelligence makes various businesses so efficient that companies can easily move with Office Automation because of the support of the internet and cloud networks. Various marketpalace applications have sprung up collaborating online and offline sales models. Marketing strategies began to be developed on a digital basis, this evolution happened so quickly, how the Single Channel strategy was transformed into an Omnichannel which is very popular in retail business today.
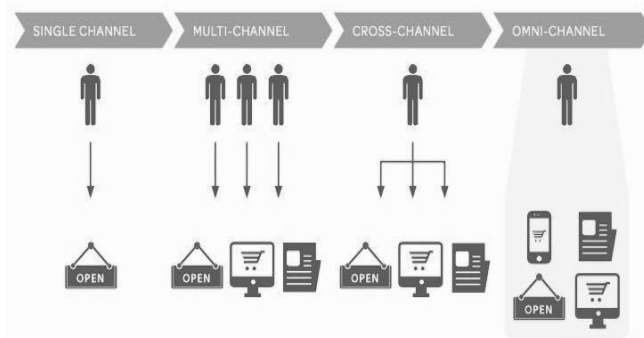

Figure 1. Development of corporate communication Channel
Source: Oxygen Group in TM Forum, 2015

Several studies have shown that companies can increase their annual sales by launching an omnichannel strategy. This is influenced by consumer buying interest, a good product coupled with the role of technology makes the product have more value that can attract more consumers to buy.
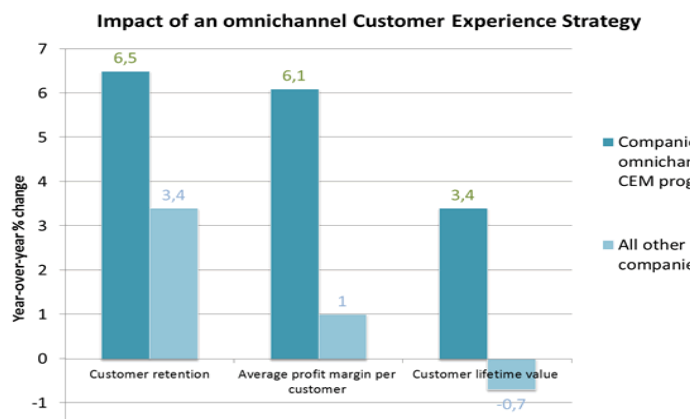
Figure: 2 The impact of implementing the Omnichannel Strategy on customer growth
Source: Aberdeen Group 2018

Blibli.com is one of the largest local marketplaces in Indonesia and is the first retail business to implement an omnichannel strategy. Blibi.com began implementing the omnichannel strategy in early 2020 as a form of anticipation, reaction and adaptation to the spread of the Covid-19 virus. This strategy is used by Blibi.com to provide the sensation of shopping and make it easier for consumers to get the products they need even without having to leave the house. This strategy relates to many other elements in business not only related to transactions but also matters of payment, operations, and As technology develops, consumers can also easily find out what they want to buy through the media anytime and anywhere. This is what makes consumers expect to be able to shop in any way, anytime, as easily as possible, and with the same brand experience.

2.   OMNICHANNEL STRATEGY

In this modern business era, there are many activities, places, platforms or campaigns that companies carry out to reach their customers, and a "channel" is one of the places where companies can communicate directly with their customers. channel strategy is a series of planned activities to reach consumers with company products, both services and goods by selling activities to consumers and providing experiences with these products. More precisely, channel strategy is a company effort to find the best way to expose service, product and brand identity to the right consumers through the right channel (quoted from rocketmanagement.com).

Maybe we've all heard the term omnichannel in marketing. According to Muliadi W Jeo (PT Inovasi Informasi Indonesia), Omnichannel is a cross-channel business model that prioritizes their customer experience. Customers of companies that practice Omnichannel can shop using multiple channels both online and offline. According to him, Omnichannel is a combination of various ways and channels to shop, but still gives the same brand feeling. It's like when we buy

from a physical store, webstore, smartphone, television, or social media.

Along with the development of technology, consumers can also easily find out what they want to buy through the media anytime and anywhere. This is what makes consumers expect to be able to shop in any way, anytime, as easily as possible, and with the same brand experience.

In Indonesia, the use of omnichannel is still relatively small. Even though internet users in Indonesia are very large. On a scale of 1: 100, companies that use omnichannel are only at 25. Most users are in the media industry, consumer electronics and appliances, and traditional toys and games. The media product is the largest because currently the media industry is doing shifting or digital migration on a large scale.
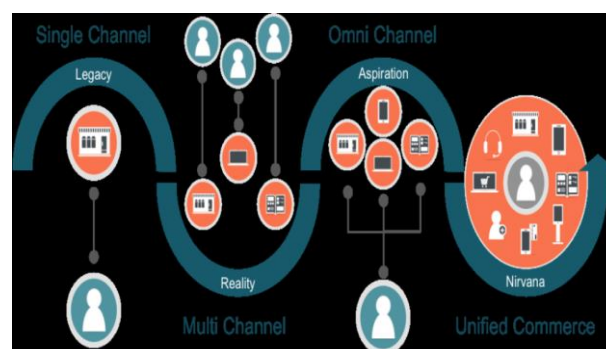

Figure 5 : *The Evolution marketing channel implementation*
Source : majalahmarketing.com

3.   OMNICHANNEL STRATEGY DEVELOPMENT ON BLIBLI.COM

Given the increasing number of internet users in Indonesia, the sales solution through the Omnichannel strategy is very suitable to be applied in the midst of the current pandemic. With omnichannel, a consumer can get whatever their daily needs are without having to leave the house to shop. According to (Verhoef, Kannan, and Inman, 2015), omnichannel has an important role in overcoming problems such as social restrictions that are currently being faced by coordinating processes and technology in all channels, providing good, regular and fast, consistent and reliable service. trusted by consumers for their transactions, it can be concluded that omnichannel is very focused on how to create a media / network of solid interactions between producers (retail) and consumers (customers) which are mutually beneficial and mutually beneficial.

Omnichannel will be a solution that combines the power of online and offline retail into one integrated shopping way. Buyers who use omnichannel media to shop for their needs will usually become loyal and loyal customers. A study by Harvard Business Review found that compared to single-channel

customers, those who shop on multiple channels spend an average of four percent more every time they shop on their own and ten percent more when they shop online. Also, these buyers are more likely to become repeat buyers and recommend sellers to family and friends.

One of the leading retail marketers in Indonesia who has implemented an omnichannel strategy in their sales model, namely Blibli.com, Blibli's EVP of Consumer Goods Fransisca Krisantia Nugraha explained to DailySocial that the company believes the future omnichannel trend in Indonesia will be far more promising. According to Fransisca, the pandemic has accelerated the adoption of e-commerce by both sellers and customers because e-commerce services can provide a stable service in the midst of challenging situations. "In April 2020, the number of sellers in Blibli even increased 90% from year to year with the rise of sellers opening an online shop so they can continue their business. " This acceleration is a positive thing for omnichannels, as consumers and customers are increasingly aware of the power of online retail.

They can experience the various benefits of online retail when doing offline retail. "So when offline stores start operating as usual, they can adopt omnichannel to combine offline and online sales channels to further develop their business." To welcome this trend, the company not only launched innovations in the omnichannel field, but also educated sellers about the various benefits of implementing an omnichannel solution. Apart from Blibli Offline Store and Blibli InStore, the company has released two other omnichannel solutions. Namely, Blibli Click & Collect (buying seller products online and taking products at offline seller stores to get after-sales service) and Blibli Mitra (targeting shop owners and grocery stores to sell digital products and buy merchandise at wholesale prices) (quoted from *dailysocial.id*).

Nielsen's study shows that omnichannel is becoming more important for consumers to have a pleasant shopping experience. This is evidenced by the growth of consumers who prefer omnichannel shopping. If 2016 consumers who shop for omnichannel reach 56%, then in 2018 the percentage will increase to 66% (quoted from mix.co.id). The high increase in consumers shopping through the omnichannel network convinced Blibli.com to strengthen its omnichannel through the launch of BlibliMart in January 2020. in Jakarta. This move reinforces Blibli.com's position as an online superstore. As an initial stage, BlibliMart presents the Blibli.com groceries category, by introducing the latest delivery features as well as the first cashless and cashierless offline stores.

The inaugural project of BlibliMart offline store is the embodiment of Blibli.com's omnichannel concept. This cashless and cashierless shop is supported by 'Scan & Go' technology where customers can use the Blibli.com application to scan price barcodes on product packaging, then pay directly for groceries with Go-Pay service. BlibliMart targets a three-fold increase in orders and a 2.5-fold increase in gross merchandise value (GMV) in 2020. They are optimistic that this target will be achieved, considering that since its introduction in November 2019, BlibliMart has been able to reach 1,000 orders per day (quoted from pressreliase.kontan.co.id)

In order to achieve this target, BlibliMart will launch three strategies, namely:
1. Strengthening supply chain management,
2. Provide innovative services according to customer needs, and
3. Expand omnichannel presence with new retail concepts.

Executive Director of Retailer Vertical, Nielsen Indonesia, Wiwy Sansongko stated that the rapid growth of omnichannel services was supported by the increase in penetration of cellphone and internet use in Indonesia over the past few years (quoted from id.berita.yahoo.com) Based on Nielsen's data, 55 percent of Indonesians use After the use of cell phones and the internet grew, the number of people shopping online increased by about 30 percent. In addition to the millennial generation, the generation above are getting familiar with technology. Omnichannel retail is a condition when customers can use more than one sales stall such as a physical store or e-Commerce to do research, buy, return or exchange goods from retailers. Apart from owning BlibliMart, Blibli.com also develops Blibli Instore and Click and Collect omnichannel services to keep products closer to consumers in the new normal era.

4. CONCLUSION

Omnichannel is an innovative marketing strategy that collaborates online and offline sales models. In the new normal era where people are not free to do activities outside the home, this omnichannel strategy is quite ideal to be implemented. Moving on from Blibli.com's experience as the first retail company in Indonesia to implement omnichannel in their sales strategy and be able to increase their sales figures, this strategy can be emulated by other business people in similar businesses, which business people who want to adopt an omnichannel strategy need to remember. This means that this strategy is not cheap and easy, it requires network support elements and facilities that are complicated and expensive, as well as applications that are related and integrated with each other. Experts and systems analysts are needed to handle the software, the high costs that must be incurred are a barrier for small-scale retail businesses to implement this omnichannel strategy..

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