



Virtual Negotiations in Shaping the Characteristics of a Digital Society in Buying and Selling Transactions on the Marketplace

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Abstract. This research is entitled “Virtual Negotiations in Shaping the Characteristics of Digital Society in Buying and Selling Transactions in the Marketplace”. The COVID-19 pandemic is a major disaster for Indonesia’s economic sector. The slump in the economic sector has forced UMKMs as micro, small, and medium-scale economic actors to spin their brains by conducting a virtual transformation of negotiations. The purpose of the study is to determine the formation of the characteristics of a digital society with the transformation of negotiations from conventional to digital. The existence of an intercultural business negotiation process between sellers and buyers in the virtual world forms a characteristic of digital society in the virtual world of buying and selling. The method used by the author is a qualitative method with a virtual ethnographic approach, and uses the theory of Cyber-Social Construction in order to know the social reality that is formed from the transformation of conventional negotiations into virtual ones. The object of this research is the transactions that occur in the UMKM kaktusbue. The research subjects are the business actors of UMKM kaktusbue, consumers of the kaktusbue, and the head of the Cooperative and UMKM service. Data was collected by means of in-depth interviews, field observations, and documentation. The validity of the data was tested by means of triangulation of sources. The result of the research is that the virtual negotiations that are carried out form two types of community reality with characteristics, namely indifferent buyers and careful buyers.

Keywords: Digital Society · UMKM · Virtual Negotiation

1 Introduction

The world of marketing continues to change with the times and technological developments as well. Digital society is commonly applied to every organization and company, from micro to macro scale. The era of conventional society has begun to be replaced with virtual society, especially in the midst of COVID-19, conventional buying and selling activities are prone to transmitting the virus. The mediums used such as brochures, pamphlets, banners are considered less efficient financially. Conventionally interacting communities are limited in terms of their targeted audience or only reach a limited area.

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This is a consideration that implementing conventional communication in the era of the COVID-19 pandemic is not appropriate and there is a need for breakthroughs in society. Viewed from another point of view, globalization requires all aspects to develop and carry out transformations in all fields, one of which is in the field of social life which is carried out digitally through social media and marketplaces.

The progress of communication between communities is supported by information technology that is changing and becoming more sophisticated. Utilization of information technology for micro, small and medium enterprises can expand market coverage, especially in the online world. "Digital marketing or Digital marketing is a marketing activity starting from market exploration, binding, and discussing markets using horizontal media. Digital marketing is now a very popular strategy and is used by most marketers around the world. This is the impact of the increasing world of the internet and technology, thus making the internet a very prospective market." [1].

Digital society can be implemented on several platforms, one of which is social media which is growing very rapidly. "Social media is designed to expand human social interaction using the internet and web technology. Social media has succeeded in changing the practice of direct communication with broadcast media from one media institution to many audiences (one to many) into a dialogical communication practice between many audiences (many to many)" [2].

Social media has caused significant changes in the use of tools and company strategies related to communication and customers. "Only with social media, business will run smoothly, for example from the explanation of the social media site that is currently widely used is Instagram, where Instagram is a photo sharing service application that allows users to take pictures and provide filters to make it even more interesting, then share it on social networks, including Instagram's own." [3].

Digital society is part of the application of technology that contributes to the online marketing sector, digital society can unite consumers and sellers so that communication is well established even though it is limited by space and time. "In the field of online media marketing communications, the process that is emphasized by business actors is more on consumer understanding of digital promotional tools that have been implemented by companies." [4].

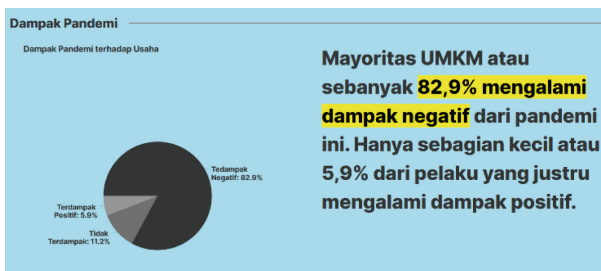
The website has been used quite appropriately to enhance and support sales efforts. "Websites can provide a lot of information about a company's products and services hence, it shows how the internet can improve a company's relationship with its customers. In addition, the use of the internet by the company allows customers to learn more about what is on offer given that more information is provided in a more timely and efficient manner." [5].

The transfer of communication between communities, which was originally done conventionally to become digital, was driven by a trend that was currently happening, one of which was COVID-19. This phenomenon urges economic actors, especially UMKM actors to carry out a lightning-fast transformation to maintain their survival. Conventional inter-community communication is considered less relevant to the phenomena and circumstances that occur today. Changes in communication patterns of conventional society to digital automatically change the order of people's lives. Communication that

is carried out virtually makes economic actors have to prepare new strategies to penetrate the market and adjust market tastes.

Micro, small and medium enterprises have a big role in national economic development. Empowerment and development of UMKM in the era of globalization, as well as the high level of competition make UMKM have to face challenges on a global scale. In accordance with the image of West Bandung Regency, which is known as an agricultural and tourism city, where many UMKMs are engaged in the agricultural sector including the primary and tourism sectors including the tertiary sector (services), one of which is the cactus plant which is engaged in the agrarian sector, namely cactus plants. The COVID-19 pandemic has been a huge blow to UMKM. Micro, small and medium enterprises (UMKM) in the agrarian sector have become the sectors most vulnerable to being hit by the corona virus pandemic. The COVID-19 outbreak has made UMKM slump with large-scale restrictions, during this pandemic, people's outdoor activities tend to decrease. This causes the income of UMKM actors to also decline. Micro, small, and medium enterprises (UMKMs) are confused about their hampered business, they may not even survive if they look at the current conditions.

The condition of UMKM during the COVID-19 pandemic is getting worse, this is revealed in a statistical data uploaded by katadata.com as follows [6]:



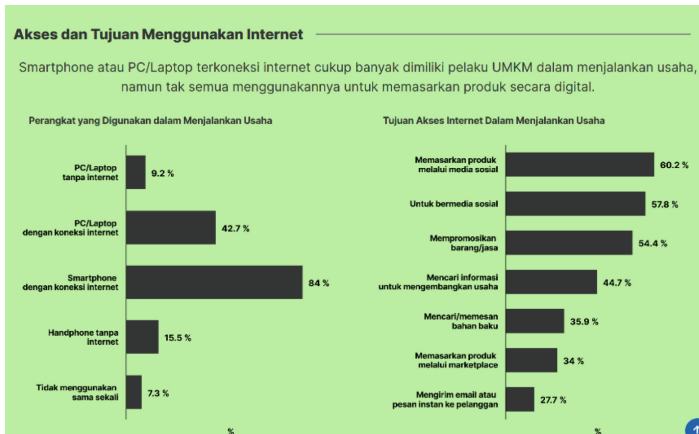
Source : <https://katadata.co.id/umkm>

Based on this data, it can be concluded that COVID-19 has indirectly been able to reduce sales figures due to reduced customers, difficulties in supplying raw materials, decreased profits, or even suffering losses. They begin to find it difficult to balance cash flow. This includes meeting the operational needs of production because the turnover obtained is not as expected, even some UMKMs are already on the verge of being critical and losing money.

Reporting from the official website of the COVID-19 Front Group Public Communication Team, Minister of Cooperatives and Small and Medium Enterprises Teten Masduki said that based on a survey, people's consumption patterns in the midst of the COVID-19 pandemic are gradually changing, namely switching from offline to online. In fact, according to Teten, "Stay at Home Economy" will become an economic trend in the future [7].

Independence in utilizing the sophistication of Information and Communication Technology is the key to the success of UMKMs in the era of digital communication. The use of a marketplace with various startup companies in it must be increasingly

encouraged by all UMKM actors. Even though the offline sales strategy is still being carried out, the presence of online stores and promotions with various social media and marketplaces must be properly utilized to increase added value in UMKM communication with their consumers. Reporting from data uploaded by Katadata.com, UMKM actors have started using communication technology to maintain their business.



Source : <https://katadata.co.id/umkm> [6]

The data reveals that as many as 60.2 percent of UMKM actors have started using social media and marketplaces as did kaktusbue to market their products, meaning that kaktusbue has begun to transform in responding to current conditions in the midst of the COVID-19 pandemic.

Negotiations that occur virtually become the next challenge for consumers and UMKM, in the real world communication takes place both verbally and non-verbally. Examples that often occur are angry expressions, in the real world angry expressions are characterized by high intonation and non-verbal expressions with bulging eyes. The virtual world does not present real expressions, angry expressions in the virtual world are represented through the use of capital letters and this applies universally on the internet. The emergence of a unique language in the world of digital society often occurs, for example to refer to consumers in the real world, consumers are called “father” or “mother”. In contrast to digital society, in the digital world, the term has undergone a transformation, the term consumer becomes “sis” for women and “agan” for consumers universally. Consumer satisfaction that arises in a digital digital society does not arise directly, consumer satisfaction can occur through consumer reviews or stars given by consumers. Reviews and stars that are given become an award as well as can become a symbol in digital society.

This implies that communication in a digital society is closely related to culture. The process of social interaction creates a process of self-concept that shapes the attitude of each individual and creates socio-cultural life in society. Because at the time of social interaction there is a process of exchange of perspectives and thoughts. The transformation of social life for UMKM actors creates a new buying and selling style

in the era of the COVID-19 pandemic, especially for UMKM actors. In essence, communication is a basic thing that humans need both in the real world or digitally, because basically humans are social creatures, cannot be separated from one another or depend on each other. When communicating, humans will give meaning, create and change the meaning of the symbols in the interaction. A person will interact with other humans in everyday life. Through interaction, one's self and others who interact will be known and understood. Communication is one of the most important elements in human life.

2 Methodology

The research method used in this study is a qualitative research method, namely by seeking information about existing symptoms, clearly defined goals to be achieved, planning the approach, collecting data as material for making reports. Qualitative research examines the participant's perspective with interactive and flexible strategies as the researcher will do in the title that will be studied. Qualitative research is aimed at understanding social phenomena from the participant's point of view, in line with what is stated by Molleong in his book entitled *Qualitative Research Methodology. Views, feelings, and behavior of an individual or group of people*" [8].

Informants in the research on the transformation of UMKM business negotiations are divided into three categories, namely key informants, main informants, and supporting informants, which are key informants, namely Kaktusbue as UMKM actors in the agrarian sector. The main informants in this research are consumers who make purchases both conventionally and online. The Supporting Informants selected were the head of the cooperative service, small and medium enterprises in West Bandung Regency. In addition to conducting interviews, data collection techniques use observation and documentation techniques.

The data analysis technique used in this study consisted of three flow of activities that occurred simultaneously, namely data reduction, data presentation, conclusion drawing/verification. Data analysis according to Miles and Huberman, that there are three flow of activities, namely data reduction, data presentation and drawing conclusions or verification [9].

1. Data reduction is defined as the process of selecting, focusing on simplifying, abstracting and transforming 'rough' data that emerges from field notes.
2. Presentation of data is a set of structured information that provides the possibility of drawing conclusions and taking action.
3. Drawing conclusions or verification is the final activity of qualitative research.

3 Result and Discussion

Micro, Small and Medium Enterprises in agriculture can also last a long time by doing promotions. Promotions that are generally given are discounts by direct bargaining regarding the shape, price, and quantity that will be obtained. These negotiations are often carried out in conventional buying and selling. Conventional buying and selling does provide freedom between the seller and the buyer in negotiating, there are no restrictions, there is no barrier medium between the seller and the buyer. Negotiation is part

of a form of social interaction from economic activities, especially buying and selling when the parties involved want to resolve a problem that is against the seller to reach an agreement between the two parties. Conventional negotiations in the sale of cacti usually include size, price discounts, and the quantity of goods that can be obtained. Negotiations on conflict resolution due to product defects are rare, which often occurs in online sales (Fig. 1).

The COVID-19 pandemic demands that economic actors carry out buying and selling online. Micro, Small and Medium Enterprises in the agrarian sector such as Kaktusbue have enormous challenges in negotiating in the virtual world. Negotiations that occur in the virtual world are often related to conflicts and buyer dissatisfaction with the goods received. Often the goods received are damaged in transit due to collisions or mishandling from the courier, this must always be anticipated by the seller with quality control and safe packaging. Negotiations often use chat intermediaries used by the marketplace. Transacting online cannot be separated from the risk of product damage in shipping or the fault of the seller himself. In response to this, many consumers have contacted Kaktusbue to make complaints, the following documentation shows some of the complaints submitted by Kaktusbue consumers who feel that their orders are not as expected. Several solutions will be offered when there is a complaint like this case, from the two cases, Kaktusbue provides solutions in the form of replacing goods and returning money in the form of shopeepay balances. Negotiations conducted online are part of the Online Dispute Resolution in which decisions are made through e-mail, web conference, and online chat as is generally the case in digital societies. Online negotiations are considered more economical than in-person negotiations because both parties are not required to travel to meet and meet face to face in a special place.

Some online negotiations shape two characteristics of the buyer. These characteristics are Indifferent Buyer and Careful Buyer. Indifferent Buyer is defined as a buyer who doesn't really care about the problems that occur and just takes the middle path

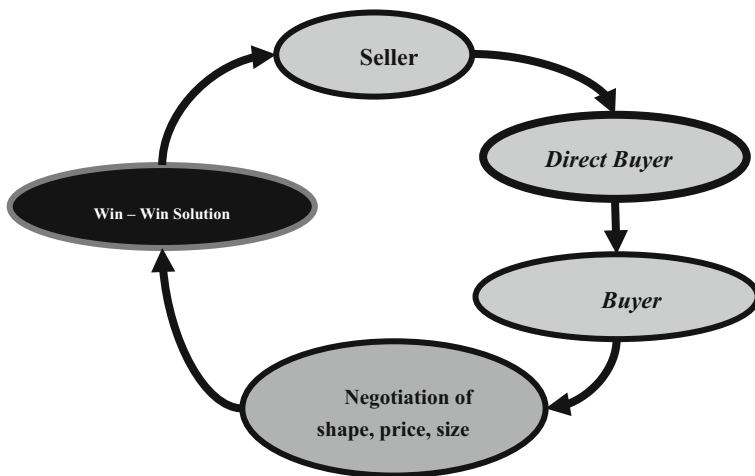


Fig. 1. Patterns of Business Negotiations in Conventional Transactions

and accepts the risks that can be received and doesn't want to have problems with the purchases made. Indifferent buyers categorize themselves as buyers who actually make purchases directly without negotiating first. This kind of buyer tends not to want to take the risk of any negotiations being carried out, but buyers who are classified as Indifferent Buyers should be wary of because they often give negative judgments directly to the seller. This is very detrimental to the seller where the hope of the seller is that all buyers are satisfied when making a purchase at Kaktusbue. Indifferent buyers become a ghost for online sellers because they can reduce sales performance. Sales performance itself is very influential on consumer confidence and consumer loyalty.

The next type of consumer is the careful buyer. Careful Buyer is defined as a conscientious buyer. Negotiating before making a purchase and after buying. Careful buyers are often found when old buyers who have made conventional purchases want to reveal their identities to sellers when making online purchases. Purchases are always opened by asking for product availability, to ensure that there are no purchase cancellations in the middle of the transaction. The careful buyer doesn't just end there, the careful buyer adheres to the trust and loyalty of the consumer in making transactions. The careful buyer tends to be careful in making transactions in the online world (Fig. 2).

Careful Buyers tend to build a bond first even if the purchase is made in the online world. Careful Buyers are considered selective in choosing sellers. Then there is the identity recognition stage, where the Careful Buyer will usually introduce his identity to the seller from the start of negotiating or before making a purchase in order to maintain consumer loyalty and the various benefits that can be obtained. Conflict resolution is also different from the Indifferent Buyer type of consumer, the careful buyer always wants to

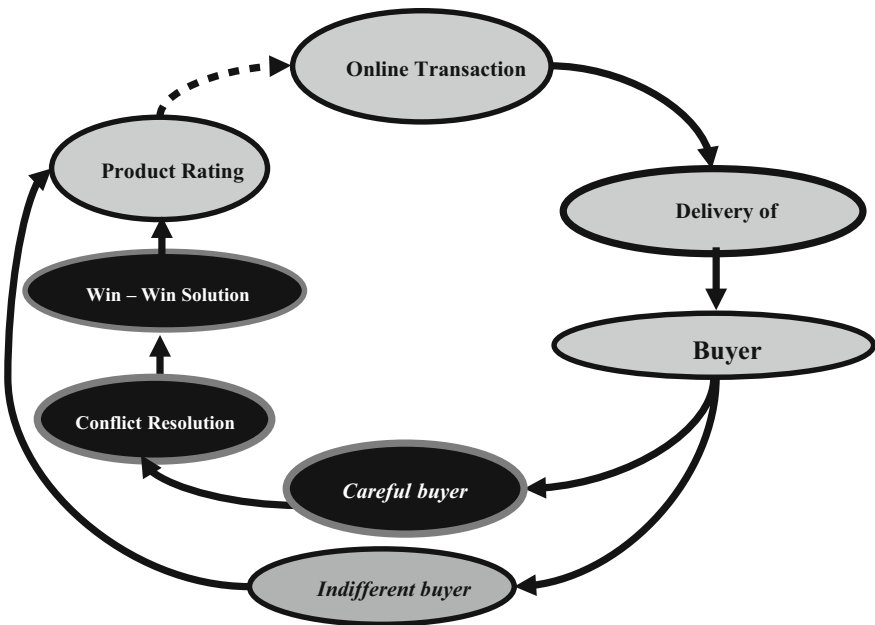


Fig. 2. Business Negotiation Patterns in Online Transactions

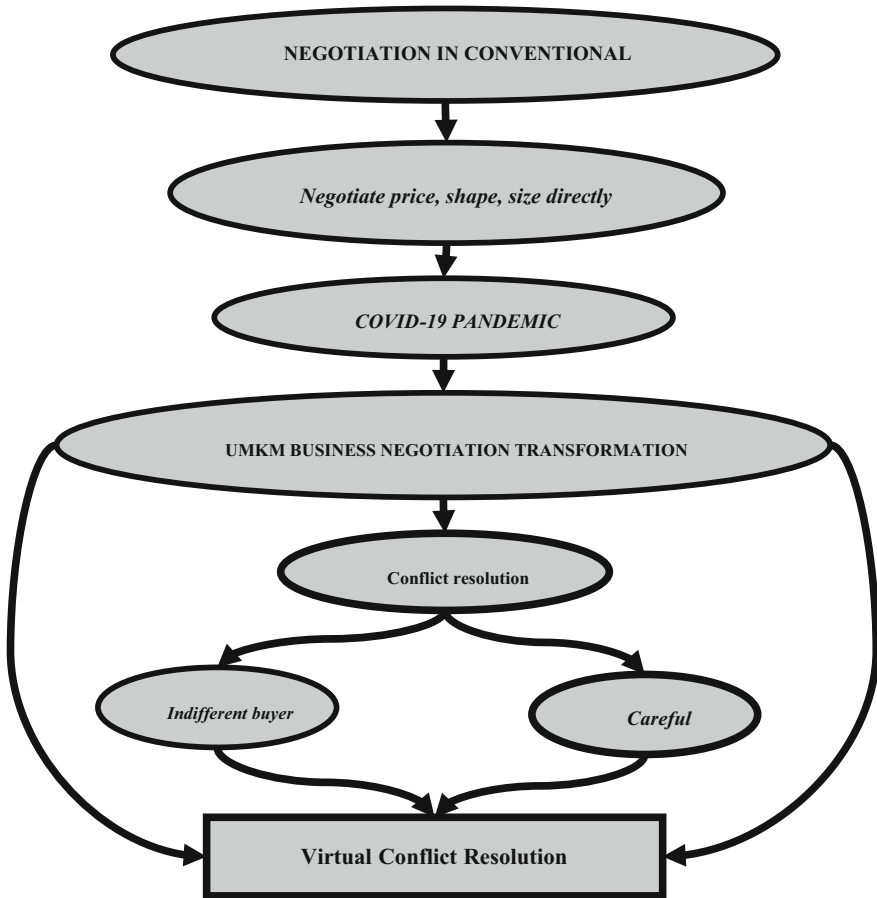


Fig. 3. Transforming Conventional Business Negotiations To Digital

get a win-win solution from the problems they get and always confirms clearly with the seller about the conditions experienced and will make it easier for the seller to provide a solution that benefits both of them. Careful Buyer is defined as a conscientious buyer. Negotiating before making a purchase and after buying. Careful buyers are often found when old buyers who have made conventional purchases want to reveal their identities to sellers when making online purchases (Fig. 3).

4 Conclusion

Running a business, both conventional and digital, cannot be separated from conflict and negotiation. Negotiations that occur in the plant business are not too broad if done conventionally. The negotiations include price offers, discounts, quantity of goods, and forms of goods. Negotiations are limited to the aspects mentioned above. In contrast to online sales, negotiations tend to be dominated by consumer complaints, there are

two types of buyers or buyers that researchers found in online negotiations. These characteristics are Indifferent Buyer and Careful Buyer. Indifferent Buyer is defined as a buyer who doesn't really care about the problems that occur and just takes the middle path and accepts the risks that can be obtained and doesn't want to have problems with the purchases made. The next type of consumer is the careful buyer. Careful Buyer is defined as a conscientious buyer. Negotiating before making a purchase and after buying. Careful buyers are often found when old buyers who have made conventional purchases want to reveal their identities to sellers when making online purchases. Win-win solution offers in conventional and online negotiations are also very different. The seller is very careful in speaking, dealing with consumers to offering solutions to consumers. The solutions offered as much as possible do not make consumers disappointed if done online. Negative ratings result in a bad store image as well. So that as much as possible the seller maintains product ratings and provides the best possible experience to buyers in the online world.

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