

Online Shops Integrated Marketing Communication in Indonesia (Comparison Study on Trading Service in Web World)

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Abstract—Futuristic scientist, Daniel T Bell, has predicted on his prominent study about world's future that there will be an era where people become dependence on service instead of goods. This statement is proven by the phenomenon of online trading via online shops. Though they offer goods, but the processes including selection, payment, delivery, and consumers responses are conceptualized through websites or applications provided by owners (sellers). As if it becomes a new hope to increase sales, online shops providers like Shopee, Lazada and Bukalapak keep developing different integrated marketing strategies (4P; Place, Price, Production and Promotion) in order to keep their existence. The research problems for this study are; what integrated marketing communication strategies are used by Shopee, Lazada and Bukalapak along this period of time? and what differences in marketing service run by Shopee, Lazada dan Bukalapak. The method of this study is qualitative comparison study using interviews and documentation as data collection techniques and accidental sampling as information gathering technique. This study is expected to be able to map the marketing strategies run by online shops that are successful in maintaining their special customers on web world.

Keywords—integrated marketing communication; online shops; comparison study; trading; web world

I. INTRODUCTION

Integrated marketing communication is one effort in a company to converge all sales and promotion processes. The process is unity, and sustainable offered to every consumer, in the hope of producing effective marketing. An effective marketing can encourage prospective customers to be attracted to the process of buying and selling transactions in it. This effort is made to show how consistent a company is in distributing the contents of messages to be sold to consumers. So that the message received has the same meaning and is directed at the company's own goals (Morrison, 2010).

Along with the development of technology, this is becoming increasingly competitive in a company. Not only competition, but the quality and quantity in terms of goods, services, and services must have a competitive advantage. If a company does not have a good strategy with a mature conceptual, it will lose competitiveness.

One of the determining factors for the success of integrated marketing communication programs is a promotion. The promotion has the purpose of informing, influencing, and persuading, also directing customers to the equality of perception between the company and consumers (Sutjipto, 2008). The promotion has strong power in attracting customers' interest, through the promotion process consumers become more aware of the products offered by the company, so that in buying and selling the items they buy are not necessarily based on satisfaction, but also on the basis of promotions that have been made by the company.

The basic instrument used for companies online shop to achieve marketing communication goals is called a promotional mix.



Figure 1. The Elements of Promotional Mix

The development of the media has become one of the facilitators to facilitate the purchase of people besides the development of technology that is increasingly sophisticated and many new concepts for selling products and services through the internet. This is indeed a part of life that cannot be abandoned. It can be said that this is a routine and an activity becoming the needs of consumers, because it saves time and energy and easily surveyed so they have reference and compare prices from one shop to another without being tired and facing difficulties (Kolter, 2007).

Today, with the presence of the fast internet, many online shop companies in Indonesia are trying to implement integrated marketing communications in cyberspace to integrate various sales promotions to consumers. This is done to improve product sales and services, increase product value and line up products. There is a number of reasons why online store companies in Indonesia are turning to integrated marketing communications. The fundamental reason is the emergence of an understanding of the need for efforts to unite various existing communication functions so as not to work individually (Sergio in Morrisan, 1999).

The application of integrated marketing communication conducted by online store companies in cyberspace is driven by various changes related to the way the company markets its products. In this case, there was a revolution in the field of marketing which included marketing rules and the role of advertising agencies (George & Michael, 2001). The main characteristics of a marketing revolution occur among others. 1) Changes in the strategy of advertising from mass media to other forms of promotion, specifically in sales price promotions; 2) The occurrence of a change in attitude to not rely more on mass media advertising and try to reach on communication problem solving; 3) Changes in market competitiveness from producers to thinners; 4) The increase in marketing database; 5) Increasing demands on advertising agencies as well as changes to the advertising agencies' compensation; 6) The development of the internet is very fast changing the pattern of companies to market their products and the way companies communicate and interact with consumers.

The development of online stores in Indonesia is currently growing rapidly by offering various kinds of products, not only that, service is also a very important factor to be considered with the aim of improving service and product selling value to consumers. Online shops in Indonesia that still survive today certainly use a variety of marketing strategies, such as Shopee, Lazada, and Bukalapak use free shipping and fast delivery strategies. This is one form of marketing strategy using integrated marketing communication methods including 4P; Production, Place, Price, and Promotion and considered the most strategic to catch the hearts of consumers (Shimp, 2003).

Lazada, Shopee, and Bukalapak are companies buying and selling goods online offering various kinds of products to consumers in cyberspace. Lazada, Shopee and Bukalapak use websites and applications through the internet to reach consumers. The internet is a computer network that can connect all users wherever they are in conveying information and storing unlimited information (Kotler & Armstrong, in Reza, 2016: 68). Lazada, Shopee and Bukalapak are the largest online shops in Indonesia that offer a variety of products such as books, clothes, electronic equipment, baby equipment, health and travel equipment and sports equipment. The number of products sold makes them have to make creative promotions to consumers.

Online Shop is one of the conveniences of buying and selling transactions and also proof of the internet technology development in Indonesia in the last few years. The public feels the ease of shopping through the internet in searching for information about products without wasting much time through the internet besides other conveniences offered by online shop companies. Even so, in buying and selling online, there are certain weaknesses, such as product color differences, length of delivery, internet interruption, and even not getting the goods to their destination, this is a concern for people to shop online.

Lazada, Shopee and Bukalapak's success until now has been supported by a good marketing activity that can penetrate the e-commerce market in Indonesia which has many cultural differences. The characteristics of consumers in Indonesia who always consider the value and usefulness of a product carefully can be faced by Lazada, Shopee, and Bukalapak. The rapid growth of Lazada, Shopee, and Bukalapak shows the e-commerce market in Indonesia, which is increasingly growing in trade through the Internet media.

Based on the description above, then in this study, researchers will provide an overview of the integrated marketing communication strategies used by Lazada, Shopee, and Bukalapak in maintaining their customers in cyberspace and mapping the different marketing services of Shopee, Lazada and Bukalapak to strengthen the competitiveness of products in the eyes consumer.

II. METHOD

This study used a comparative study method in a qualitative way intended to describe and compare the different marketing services owned by Lazada, Shopee, and Bukalapak and describes what strategies Lazada, Shopee, and Bukalapak possess in maintaining their customers in cyberspace.

In a comparative study, the data were collected qualitatively using three main sources: documentation, interviews, and various publications in text and online. Document data include letters, books, articles, scientific journals and manuscripts relating to strategies and improvements to online buying and selling services at three online store companies; Lazada, Shopee, and Bukalapak. Data through interviews were taken from respondents determined by the researcher; interviews were carried out as deep as possible so that information provided detailed information related to online trading services in cyberspace (Wimmer and Dominick, 2014).

The data in the study will focus on document search and online data related to strategies and differences in buying and selling services. Data in this context concerns all important information that can describe in detail about the online shop. The essence is to look at various libraries, printed and online documents that are very large in number and deliberately chosen which are related to the research topic.

Information retrieval with Accidental Sampling was that the respondent chosen to be interviewed a buyer and seller who conducted online buying and selling services at Lazada, Shopee, and Bukalapak online stores. Respondent was chosen based on the feasibility and availability of researchers' access to informants (Stokes, 2006), and their competence was related to online buying and selling services.

Data analysis techniques used three stages; data reduction, Data presentation, and conclusion drawing (Miles & Huberman, 2009). The data obtained is related to the topic of the research and clarifies it, and adapts to concepts that are comprehensively connected as a scientific research (Dey, 1993). Data obtained from documentation and procedures will be presented thoroughly if there are things that are not in accordance with the research topic, then the data generated from the documents and interviews will be removed to maintain the integrity of the research results (Greenhalgh & Taylor, 1997).

III. FINDING AND DISCUSSION

Integrated marketing communication strategies are used by Shopee, Lazada and Bukalapak along this period of time. Lazada, Shopee, and Bukalapak use integrated marketing communication by building websites to meet the needs of consumers in buying and selling transactions and to promote products. A marketing website is a place for users to communicate so that they can be closer to direct buyers (Kotler & Armstrong, in Reza, 2016: 70).

The effective web-design of Lazada, Shopee, dan Bukalapak involves consumers in interacting so they can browse various product categories on the Lazada, Shope, and Bukalapak websites and see the information of the products they want to buy, besides seeing what sales promotions are taking place every day.

Consumers who want to buy and sell transactions at online stores must use an email. Email as a tool or means for online marketing is very important (Kotler & Armstrong in Reza, 2016: 71). The use of the e-mail is to access product information, delivery of products and service complaints from consumers. Email is the main thing that must be owned by consumers, without email, consumers will not be able to buy and sell products at Lazada, Shoopee, and Bukalapak. In order not to interfere with consumers by sending unwanted marketing emails, Lazada asks consumers for permission to offer marketing via email. Consumers are given the option; if they want to get information via the e-mail they must register their e-mail first to get sales promotion information. This approach, known as permission-based marketing, has become the standard model of email marketing.



Figure 2. II Marketing Strategi through Website

Sales promotions made by Lazada, Shopee, and Buka Lapak through a website to inform and trade products owned by Lazada, Shopee and Bukalapak. Sales promotion through the online media website is a low-cost promotion because it does not require a building, sales promotion girl, exhibition places, and so on. Sales promotion is a tool used to increase the selling value of products to consumers on the market (Suyanto, in Reza, 2016: 72)

Furthermore, the marketing communication strategy carried out by Lazada, Shopee, and Bukalapak online stores uses an application that can be installed on a smartphone. The application created by Lazada, Shopee, and Bukalapak is a place to buy and sell online where buyers and sellers can make transactions quickly if the application is installed on a smartphone. Through this application, consumers can also request further information regarding the products provided by the seller. Not only that, in the application many features can be utilized such as the most popular products, product twigs, cheap shipping costs and so on.

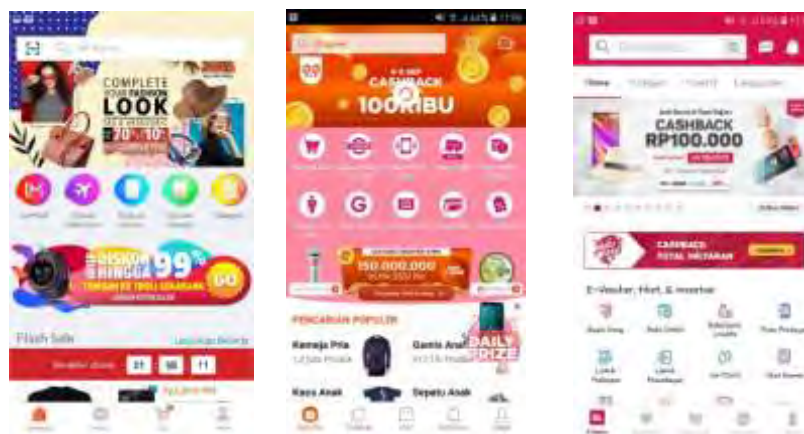


Figure 3. Smartphone Applications

A. Advertising

To utilize integrated marketing communications, online stores advertise their products via the internet and others also use television. Advertising is a form of non-personal presentation and promotion of ideas, goods or services carried out by a company (Hermawan, in Riyanto, 2017: 53). Advertising is very important to connect consumers with online stores so that with advertisements consumers can improve their education to keep choosing the products or services advertised. Advertising by Lazada, Shopee and Bukalapak is very different. Lazada uses advertisements by providing links from the website, while Shopee uses television and Youtube to advertise their products, while BukaLapak uses television and also by advertising on the internet.

Advertising developed by Lazada, Shopee, and Bukalapak through their respective media is aimed to attract consumers 'buying interest and improve consumers' memory of the products offered in the market. This advertisement is continuously carried out by the online store so that identity is maintained in the eyes of the market and for competition in cyberspace. (Simp, 2003), ads have several functions including; 1) Informing; advertisements that can make consumers aware of the new brand and the brand's facilities. 2) Persuading; effective advertising that can influence customers to buy the brand. 3) Remeding; keep the brand fresh in the market. 4) Adding Value; ads that have three fundamental ways to add value to their bidders. 5) Assistance; an

important role of advertising is to provide information assistance to consumers so that consumers are aware of the product they want to buy.

B. Sales Promotion

Variables in promotion mix are sales promotions. It should be understood that sales promotion is an element or marketing part used by companies to communicate with consumers. Promotion includes all elements in the promotion mix (Morissan, 2010: 25). Lazada, Shopee, and Bukalapak online stores in sales promotion do the following things to keep customers consistent in buying and selling products. 1) giving discounts, 2) giving coupons, 3) lottery prizes, 4) giving product samples, 5) free shipping.

These online store companies prefer to use sales promotions compared to other promotions for two main reasons; First, if consumers do not like the product offered at least consumers are sensitive to the offer because of the low price and free shipping costs. Second, traders have a strong position from producers so that producers are required to provide other promotions that can give more value to the product (Morrisan, 2010: 25)

C. Public Relations and publications

Building relationships with the community is a promotional program that must be done to maintain the company's image or maintain product values. Public Relations uses many ways to achieve public trust in online buying and selling services. Lazada, Shopee, and Bukalapak have similarities in building relationships with the community including: 1) Press relations, providing appropriate information to increase consumer confidence in online store companies. 2) Product publications, efforts made to publicize certain products. 3) Corporate communication, this activity includes communication with sellers in online stores and online stores with consumers.

D. Personal sales

Personal selling is a form of communication between individuals, where salespeople provide information to customers about certain products (Shimp, 2003). This interaction can be done through the website or by using Lazada, Shopee, and Bukalapak applications. The activities carried out by sellers in online stores have three ways; 1) personal confrontation, the seller answers questions about the product, provides more information about the values of a product. 2) the relationship tightening, the relationship between the buyer and seller is closely related when the item is not matched between the one listed on the online store and when receiving the item, the communication continues until the seller and the buyer response to the product due to invalid product value. 3) response, personal sellers make buyers feel obliged to hear salespeople talk.

E. Direct Marketing

Direct marketing uses e-mail, telephone and through applications so that there is direct communication between certain customers and potential customers. This direct marketing is done on social media such as Facebook, YouTube Inserts. The internet is very potential to be used by online store companies for direct marketing about their products.



Figure 4. Integrated marketing communication strategies used by Shopee, Lazada and Bukalapak

F. Differences in marketing service run by Shopee, Lazada dan Bukalapak in Web World

The aim of online store companies is certainly to be the top company of the market as well as to provide maximum service, inspire the shopping, and provide positive messages in online buying and selling transactions. Each company has its own style in serving its customers because service is a positive thing to make customers comfortable in buying and selling transactions. The following are the services offered by the online store companies Lazada, Shopee, and Bukalapak.

1) Lazada

Lazada offers a variety of quality products with various categories including; electronic equipment, electronic accessories, women's fashion, men's fashion, watches and accessories, health and beauty, babies and toys, TV and home electronics, lifestyle, households, sports and outdoor equipment, automotive equipment. Besides providing services by offering many categories, Lazada also provides services such as providing credit and eStore, shopping vouchers, and global collection.

Lazada Indonesia, in maintaining the sale value of products to consumers, has a variety of services provided, including:

a) Hotline telephone service

Customers can communicate directly with the seller by using the telephone number listed on the website or application.

b) Online chat service

Customers who want to make transactions related to products can use chat services where customers can contact the seller directly through online chat; this service is only available on applications and websites, if the customer is not connected to the internet, this service cannot be used.

c) Return of goods.

If the goods sent by Lazada have deficiencies or are damaged, then the buyer can exchange the items back by the time specified

d) Free shipping

Lazada provides free shipping with a minimum accumulation of purchases of Rp. 200,000, but this may always change.

e) Payment methods

Lazada provides many options for payment methods including; pay on the spot, via bank transfer, pay at the counter, installments with credit cards, klikBCA, and credito.

f) Delivery time

Lazada Indonesia gives 2-6 days delivery time throughout Indonesia.

2) Shopee

Shopee and Lazada are not much different in providing services provided to consumers. Shopee also has quality and inexpensive products listed in the categories on the website and application. The categories in Shopee are; men's clothing, women's clothing, cell phone and accessories, beauty, computers and accessories, beauty, home supplies, fashion baby and children, mother and baby, men's shoes, women's shoes, men's bags, women's bags, watches, Muslim fashion, electronics, accessories fashion, health, hobbies and collections, photography, food and beverages, sports and outdoor, automotive, books and stationery, vouchers, sundries, souvenirs and parties. In addition to providing needs as already mentioned in the categories, Shopee also provides the following services:

a) Cheapest Price Guarantee

In the Shopee website and application, we will find a menu that can be clicked featuring guaranteed lowest price with a variety of products available.

b) Free shipping

This free shipping service can be used by consumers in a predetermined period and can also use voucher codes. The voucher code is given every month which can be deducted on the main page of the website and application.

c) Telephone service

The seller can contact the buyer directly by telephone to make a sale and purchase transaction and ask for further information about the product

d) Online Chat Services

This service is almost the same as Lazada, that consumers can interact directly with the seller in Shopee with the chat feature. The chat feature can be used if connected to the internet and this feature can only be used if the consumer has registered on the application and website using an email address and telephone number.

e) *Returns of Goods*

For customers who have ordered goods and it turns out that the item has damage, they can return the item to Shopee.

f) *Payment Method*

In making transactions at Shopee we can find a variety of payment methods, including; online credit/debit cards, ShopeePay, credit card installments, Indomaret, bank transfers, credivo payments, and my account.

3) *Bukalapak*

The online store company Bukalapak also has services provided to consumers. Provision of product services provided is not much different from Lazada and Shopee. In the field of product categories there are almost similarities, the following are the product categories provided by Bukalapak; Men's fashion, women's fashion, cellphone, hobby and collection, household, mobilpart and accessories, motorbike, sports, computers, care and beauty, electronics, children's fashion, health, baby gear, cameras, industrial, food, office supplies, bicycles, tickets and vouchers. The following is Bukalapak's service to consumers:

a) *Free shipping*

Not much different from the two online stores above, Bukalapak also provides free shipping services to make customers interested in buying at Bukalapak

b) *Direct telephone*

Bukalapak also provides telephone numbers to be contacted by consumers if they want to ask for more information.

c) *Online Chat*

The interaction between sellers and buyers at Bukalapak can be done through online chat. The availability of this online chat, the buyer can cancel the purchase and can also add the purchase to the conditions that passed. In general, this online chat applies to questions about products sold.

d) *Returns of Goods*

Bukalapak online store in maintaining a good image, they also provide services to consumers if there are consumers who make purchases but the goods are damaged or not suitable for use then it can be returned to the seller in an online store with the conditions set.

e) *Payment Method*

Further services provided by Bukalapak, buyers can make payments with various payment methods including; open FUNDS, BukaDompot, virtual account transfers, bank transfers, visa cards, BCA klikPay, Mandiri E-cas, CIMBClicks, Indomaret, Alfamart, credivo, akulaku, Indonesian post.

IV. CONCLUSION

In creating online marketing to carry out sales promotions Lazada, Shopee, and Bukalapak do the following: 1) Using the internet; the internet helps online store companies Lazada, Shopee, and Bukalapak create websites and applications to make it easier to buy and sell products. 2) Advertising on various online media such as websites, Facebook, Instagram and also use other electronic media such as television and radio. 3) Conducting promotions; sales promotions are carried out online by offering a variety of benefits. 4) Building relationships with the community; the community is a potential buyer, Lazada, Shopee, and Bukalapak maintain a good relationship with the community.

Service is something that must be carried out by every online store company since without good service, consumers can give a negative response to the company. Based on the results of the research services, each online store has fulfilled its own criteria in maintaining the company's image in order to maintain selling value in the consumer's eyes.

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