

Company Profile Creation, Marketing Channel Development through Website, and Market Development Strategy Implementation for SME

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Abstract – Lora Blessindo is one of the SMEs working in tailoring formal and customized suit who serves the general public with commercial purpose industry. The industry has a high level of competition, which made Lora Blessindo difficult to increase client's order. Furthermore, it caused by Lora Blessindo lack of marketing activities itself too. Therefore, the purpose of business coaching is to create a company profile that can represents the company's identity generally. The second purpose is to develop marketing channels through digital marketing by website creation. Then, Lora Blessindo has the potential to develop their existing service through market development, hence a market development strategy needs to be implemented in order to serve new markets. After the process of business coaching, positive changes are expected to occur on Lora Blessindo's business model. Thus, Lora Blessindo's brand identity is created through company profile, then they can utilize website to market their services, and enable to serve new market through market development strategy.

Purpose – This study objective is to develop new marketing channel and market development strategy

Design / Methodology / Approach – This thesis research using business coaching design. The data collected through in-depth interview, observation, and secondary data obtained from the owner. The data will be processed using qualitative method.

Findings – This research reveals PT Lora Blessindo does not have brand identity and lack of marketing channels. PT Lora Blessindo also did not use any digital marketing channels to generate awareness and sales. Therefore their sales had been lacking in certain points.

Research Limitations / Implications – The results of this study can only be used by PT Lora Blessindo and other similar workshops in the industry, especially in Komplek PIK, Pulogadung, East Jakarta.

Originality / Value – This study provides a detailed description of the condition of PT Lora Blessindo and the overview of the industry.

Keywords: Website, Digital Marketing, Company Profile, Market Development, Marketing, SME.

Paper Type – Research Paper

1. INTRODUCTION

Garment and textile industry has a huge potential to support and contribute the economic growth of Indonesia. The contribution given by the industry had already proven, the industry is one of the top three industry in Indonesia and would one of the sector that can provide a contribution for the labor market [9]. The growth in the garment and textile industry rose by 7,53% on the first quarter in 2018. The growth is higher than the industry growth on the fourth quarter in 2017. With the depicted facts, the industry may can be categorized as a growing

industry and has a potential to increase the growth within the economy.

One of the factors influencing the development and growth of industries in Indonesia is technology. As the technology grows, the economy will be automatically be supported and provided. Technology can provide business people to do their business processes. Start from the business models, production processes, to promotion channels that can be implemented and access can be developed.

We cannot deny the technology has been providing business to be effective and efficient.

Digital economy surely had an impact towards economic democratization generally, that was a statement made by the Minister of Finance Sri Mulyani Indrawati. "Digital economy gave what we call as an economic democratization. Because, SMEs now have accesses into multiple platforms and they do not need to be a successful businessman with a huge amount of marketing costs. They can enter a platform and have the same opportunities," said her when being interviewed on Sindo News. Social media is one of the marketing channels that can help SMEs growth, hence they have the exact opportunity with other big businesses. SMEs can interact with consumers they want without seeing each other face to face, merely using the internet to exchange data, therefore SMEs can develop an effective and efficient business process.

PT Lora Blessindo was established in 2001, it is an exclusive jacket tailoring service business. Currently, PT Lora Blessindo has an active production house at the Small Industrial Village Area (Perkampungan Industri Kecil). PT Lora Blessindo provides tailoring customization services for jacket, formal or informal. The enterprise is currently operating in the Small Industrial Village Area (Perkampungan Industri Kecil) Pulogadung and has approximately 30 to 35 workers which includes tailors, operators to operate production equipments, and an administration officer in the production phase, also a person in charge (PIC) which covers the finance and other tasks. PT Lora Blessindo has a vision to be the best jacket tailoring service business. And to achieve that vision, PT Lora Blessindo believes the mission is to create high quality products by always controlling and maintaining a high quality production.

There are some gaps indicated from PT Lora Blessindo business' activities. The order trend occurs without a significant contribution from marketing activities carried out by PT Lora Blessindo. So far, marketing activities carried out by PT Lora Blessindo are participating in procurement services from the government. From the results of the analysis carried out by the coach, based on data, observations, and the results of interviews with UMKM parties, so that the phenomenon that occurred in PT Lora Blessindo was identified. One of the phenomena is that PT Lora Blessindo is less

well known by prospective customers because it does not have a brand identity that represents the credibility of the company, so the company is difficult to increase the number of customers or just order in general. This prompted PT Lora Blessindo to create an instrument such as a company profile that could reflect the company's image in general. In addition, PT Lora Blessindo has only used marketing channels in the form of WhatsApp and telephone. The marketing activities that can be done with the marketing channel are very limited, so PT Lora Blessindo needs a new marketing channel as a promotional channel to work on the market more. So far, PT Lora Blessindo only provides services for sewing suits, while when seen from figure 1.2 it shows that coat orders cannot be relied on throughout the year. This phenomenon prompted PT Lora Blessindo to carry out a market development strategy by adding jacket sewing services.

2. FRAMEWORK

SME Internal Analysis

- o SME Profile
- o Organizational Structure of PT Lora Blessindo
- o Business Process of PT Lora Blessindo
- o Business Canvas Model Analysis

A business model has a role to describe a mindset of how organization create, deliver, and capture company's value and principle.

- o Value Chain Analysis

A business consists of several internal activities that can be called as value chain, whereas the main objective of company is creating value to meet customer needs.

- o Marketing Mix

Consist of set marketing variables that can be controlled such as product, price, place, and promotion that can be used by company to anticipate response from target market.

SME External analysis

- o Porter Five Forces Analysis

The framework used to examine competitive pressure in industry from five external factors such as competition from rival, competition from new entrants, competition from substitute product, bargaining power of supplier, and bargaining power of buyers.

- o Strength, Weakness, Opportunity, & Threats

(SWOT) Analysis

The purpose is using SWOT analysis is to consider step that company will take to improve company performance based on internal and external condition.

SME GAP Analysis

Analytical comparison to see the difference between actual performance with desired performances. If an organization is failed to utilize the current resource effectively and ignoring the needs of investment in terms of capital and technology, it will impact the capabilities of that organization to maximize their production. Furthermore, the purpose of doing gap analysis is to enable the organization to generate solutions based on the identified problems.

3. METHODOLOGY

This research subject is SME unit in PIK Pulogadung, named PT Lora Blessindo. Running their business in garment industry, but they can only create formal and informal suits. Mr. Septon is the owner of PT Lora Blessindo which had help from Mr. Bagus, who responsible for the operations and human resources. For the implemetion in business coaching, Primary data collected from in-depth interview and observation to owner and worker in PT Lora Blessindo, also some their prospect customer.

- In-Depth Interview

There was 10 meeting session for the business coaching process. This session start from February 2018, but effectivly from June to December in the same year at PT Lora Blessindo, PIK Pulogadung with Mr. Septon and also Mr. Bagus. The topic of discussion at the first and second meeting about introduction of business coaching and the general information of the company. The third meeting until sixth meeting talking about information for the analysis about PT Lora Blessindo. For sixth until tenth meeting the discussion topic was about the implementation to create company profile, marketing channel, and market development strategy.

- Observation

With observation, coach observes about the staff, fields condition and business process that exist in PT Lora Blessindo. Coach only observe what they do daily to run their business day-to-day.

- Questionnaire

Researcher disperse questionnaires to prospective customers of PT Lora Blessindo about brand identity and marketing channels.

The purpose of qualitative research is to describe, discuss and explain the meaning or purpose of a pattern that come form, the results of interview. There are three steps that used for analyze data which is:

- Data Reduction

This process is selecting and sorting the collection of data to be selected which data can be use or not.

- Data Presentation

This stage is creating visual interpretation for the processed data.

- Taking Conclusions and Data Analysis

4. FINDINGS

- Business Model Canvas Analysis

PT Lora Blessindo having very few channels to giving information about their services into the market. Furthermore PT Lora Blessindo did not have digital marketing channels.

- Value Chain Analysis

According to value chain analysis there is a problem in their marketing & sales component. PT Lora Blessindo lack of marketing channels and activities.

- Marketing Mix Analysis

PT Lora Blessindo did not have marketing channel to do their promotion effectively. Then they did not have any brand identity for their company.

- SWOT Analysis

PT Lora Blessindo does not have their identity so their consumer can access their services easily. Furthermore, they did not tell their potential customer about what service they can provide.

- STP Analysis

PT Lora Blessindo can expand their customer base to a larger market, but they did not know how to do.

- Porter's Five Forces Analysis

The industrial attractiveness in PT Lora Blessindo industry is low. Therefore, the industry productivity cannot be significantly grow.

5. CONCLUSION

In order to solve PT Lora Blessindo problems about brand identity, marketing channels, and market

development strategy, coach gave alternative solutions for the company. Coach gave solution for brand identity problem through company profile creation. For marketing channel problem is website creation. Then, market development strategy is to expand the market through new service variant and market it from the website.

To tackle the brand identity and marketing channels problem, the company needs to create a tool to represent their company image in general and develop their marketing channels. Hence, company profile creation and marketing channels development are based on Color Psychology, shapes, fonts, and typography. But, the content creation process is different between those implementations.

For the company profile creation process, the first step is to define the association between company values and the color, shapes, also fonts. The color black associated with power, elegance, formalities. The color white represents trust, perfection, and purity. While the color blue associated with intelligence, confidence, and also trust [2]. Then, square shapes was designed to symbolized stability, trust, honesty, organized, and order [8]. The used font is Bahnschrift which its letter's character seen simple and neat [4]. The next substantial step is to determine which of the Kriyantono's company profile elements need to be included, which are [3]:

- Company's History

Stories about how they were built until present condition and generally represents the company.

- Vision and Mission

Company's vision and mission, also how will they achieve their goals.

- Value

Company embraced values.

- Product and Services

Specification about company's products and services.

- Performance and Achievements

Measure of success from recent projects and testimonials from satisfied customers.

- Contact and Address

Information about how to reach PT Lora Blessindo, physically and digitally.

These concept and contents are the result of coach and Mr. Bagus discussion. Then he agreed

with the proposed company profile concept, ready to print it and exhibit it digitally.

The second implementation is to develop marketing channels through website creation. The first step of this implementation is to gather data regarding what is the most used media when searching this particular service. The results is 67,5% of 40 respondents used search engines to search suit or jacket tailoring vendors. Which can be concluded that most of people use search engines then click on certain websites which relevant to what they have searched. Then, Mr. Bagus agreed to buy a website domain by the name of www.blessindotailor.com. The next step is to create the website design and content, based on 7C Frameworks, which are [5]:

- Context

PT Lora Blessindo website exhibits simplicity and provides user friendly navigations. The context itself purposely to educate visitors about their service advantages and engage visitors to use.

- Content

Generally educating visitors, ranging from service specifications, advantages, results, company profile, and contacts.

- Community

In the website, PT Lora Blessindo only provides an interaction medium for visitors and them, there is no medium to facilitate visitor between visitor interactions.

- Customization

PT Lora Blessindo website has a low customization, because there is no personalization features for the visitor.

- Communication

PT Lora Blessindo utilizes the website for deliver information towards the visitor about the website's content. Furthermore, there is a button to link visitors to communicate with PT Lora Blessindo employees for service discussions and orders.

- Connection

The outside link this website provides is the WhatsApp link to connect visitors and PT Lora Blessindo employees.

- Commerce

In the website, there is a feature which can help transactions to occur. Despite only one feature to provide transaction flow to start, which can be engaged through WhatsApp button that linked to the employees.

The last implementation is how to applicate market development strategy through creating new line of service and marketing channel. In Ansoff Matrix, market development is used by companies to explore new segments with existing product lines [1]. The potential growing market which PT Lora Blessindo can target are communities and organizations. Since January 2018, there are approximately 359.000 organizations registered on several government institutions [6]. In addition, 50 to 100 new organizations are built and registered in one day [7]. Hence, PT Lora Blessindo can provide new line of service to serve these particular customers. A community or organization jacket tailoring service was built, Mr. Bagus accept the idea to execute that service, because suit and jacket tailoring are indifferent in the context of process. Therefore, minimal changes are need to be done in order to execute this plan.

The new line of service cannot be independently executed and need to be supported with actual marketing channel. Hence, the website is one of the most valuable resource PT Lora Blessindo has will be the proper marketing channel to deliver the new line of service towards new market, which are communities and organizations. Furthermore, the coverage PT Lora Blessindo service itself are broader by utilizing website. Now, PT Lora Blessindo can reach customers outside of Jakarta, even outside of Java Island.

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