

Implementation of Online Marketing Strategies in Apen Grocery Shops as A Solution to Facing Competition and The Covid-19 Pandemic Crisis

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ABSTRACT

Background: Marketplace make it very easy for customers to meet their needs besides that, it is also a means for SMEs to be able to survive facing competition and the Covid 19 pandemic crisis, so this is one of the challenges for sellers who sell offline. An example of offline sales is traditional market traders. This community service (public servant) was carried out at one of the basic food shops located in traditional markets, namely Apen Groceries. Apen Groceries Store is a shop that provides staple goods located in Pasar Kebayoran Lama, South Jakarta. Apen Groceries Store is a shop that is in a traditional market, so Apen Groceries Store has challenges that must be faced, including competitors in modern markets (supermarkets) and online sales, as well as the Covid 19 pandemic situation which is still ongoing today where these conditions are very limiting space for the conventional Apen Shop business.

Contribution: This public servant activity contributes to small and medium businesses, in this case the Apen Grocery Store.

Method: Implementing online marketing strategies using social media applications and e-marketplaces (such as whatsapp, Instagram and the Shopee application).

Results: The results obtained include sales forecasting, namely being able to estimate whether the number of customers will be sufficient with the existing stock or even less, so that they can monitor the product.

Conclusion: Grocery stores can already sell their products with offline and online access, namely with the help of social media and e-marketplaces.

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INTRODUCTION

Online sales make it very easy for customers to meet their needs. Apart from that, it is also a means for SMEs to be able to survive in the face of competition and the Covid 19 pandemic crisis, so this is one of the challenges for sellers who sell offline [1]–[3]. An example of offline sales is traditional market traders. This community service activity (public servant) was carried out at one of the basic food shops located in traditional markets, namely Apen Store.

Apen Groceries Store is a shop that provides staple goods located in Pasar Kebayoran Lama, South Jakarta. Apen Groceries Store is a shop that is in a traditional market, so Apen Groceries Store has challenges that must be faced, including competitors in modern markets (supermarkets) and online sales, as well as the Covid 19 pandemic situation which is still ongoing today where these conditions are very limiting space for the conventional Apen Shop business. Apen Groceries Store is a shop that provides staple goods located in Pasar Kebayoran Lama, South Jakarta. Apen Groceries Store is a shop that is inside a traditional market, so Apen Groceries Store has challenges that must be faced, such as modern markets (supermarkets) and online sales [4]–[6].

Where modern markets and online sales have advantages. One of the advantages of modern markets, namely facilities that are more convenient than traditional markets [6], [7]. In addition, the modern market also has advantages, namely a clean place, neatly arranged products, payments using modern technology, and no negotiation between sellers and buyers [8]. While one of the advantages of online sales, namely transactions that can be done anywhere and anytime, as well as payments that are easy to make in various ways, such as: payments via bank transfers, via virtual banking, payments through the nearest mini market, and Cash On Delivery payments (COD) or pay on the spot when the goods arrive [9]–[11].

It shows convenience. shop online, so that customers feel helped by online sales to meet their daily needs. While traditional markets have places that seem less clean, there are negotiations and transactions that still use traditional methods. This is what makes Apen Groceries Store develop a marketing strategy to be able to face this challenge. Strategy is something that is designed to achieve a goal precisely [12]. The strategy must be prepared with the right steps in order to achieve the goal [13], [14]. Marketing is a process of exchanging goods or services to meet the needs and wants of customers. Marketing focus, namely providing solutions to customers for their concerns about needs and desires in everyday life. Marketing strategy is a design activity for exchanging goods or services to achieve a goal, one of the goals is to provide solutions to customers for the anxiety they experience in meeting their needs and desires [15], [16].

According to Philip Kotler and Keller marketing strategy is a marketing mindset that will be used to achieve marketing goals, in which there is a detailed strategy regarding the target market, positioning, marketing mix, and budget for marketing [17]. In marketing, there is one very important strategy, namely the marketing mix. The definition of the marketing mix according to Kotler and Keller is "Marketing mix is a set of marketing tools that companies use to continuously achieve their marketing objectives in target markets" [18].

According to Zeithalm and Bitner cited by Ratih Hurriyati states that the concept of the marketing mix (marketing mix) consists of 4P, namely product (product), price (price), place (place), and promotion (promotion) [19], [20].

The Apen store is located in a traditional market, so the marketing strategy is very simple, namely only using the 4P marketing mix strategy, namely product, price, place and promotion.

The marketing strategy used by Apen store, namely the 4P marketing mix consisting of Price, Product, Place, and Promotion. Another strategy used so as not to lose out in competition, Apen Stores must keep up with technological developments by developing businesses that previously only sold offline, must try to sell them online. For this reason, this community service activity tries to help develop the Apen Store business by selling online. All of these marketing strategies are very important to advance the business because with the right marketing strategy it is expected to be able to attract customers so that customers feel satisfied shopping in traditional markets which then customers will become loyal and the business will run well.

Marketing strategy is a design activity for exchanging goods or services to achieve a goal, one of the goals is to provide solutions to customers for their anxiety in meeting their needs and desires. The marketing strategy used is the 4P marketing mix. According to Philip Kotler, the marketing mix is a classic tool to help plan what to offer and how to offer it to customers. Basically, the marketing mix has 4P, namely Product, Price, Place, and Promotion [18].



Figure 1. Decrease in the number of grocery stores in 2017-2021 [21].

As can be seen in Figure 1, there has been a massive decline in grocery stores. therefore the use of social media technology to assist marketing is the right solution to increase the competitiveness of grocery stores. Based on research by Nadia 2021 Nadia, there are weaknesses and strengths in each marketing strategy. This study concludes that offline stores have many enthusiasts due to the trust factor from consumers, but marketing is constrained by a limited market reach [22].

The purpose of this community service activity is to provide knowledge about how to develop a marketing strategy in dealing with today's challenges by implementing the 4P marketing mix, namely product, price, place, and promotion. The contribution of this activity is to add experience and knowledge to the object, namely Apen Grocery Stores regarding how to compile and implement marketing strategies in dealing with competition between traditional markets, online sales and modern markets (supermarkets), in addition, to help develop the shop business groceries Apen by selling online.

METHOD

The method for implementing community service activities (public servant) includes the survey and problem identification stages, preparation of mentoring activity plans, preparation for implementation of mentoring activity plans, implementation of mentoring activities. However, considering the situation is still during the Covid 19 pandemic, most activities are carried out online, while offline activities are carried out very limitedly and strictly follow the health protocol according to the rules set by the government.

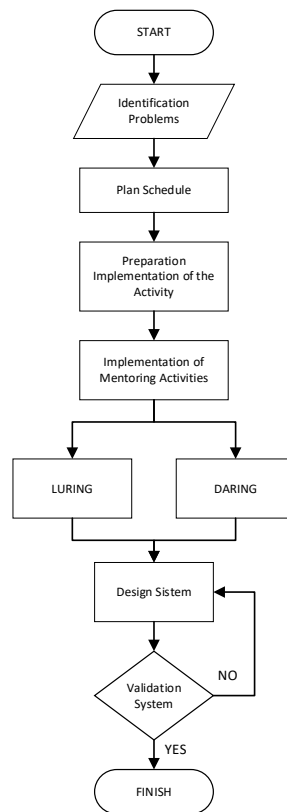


Figure 2. Flow Diagram.

The object of this community service activity (public servant) is the Apen Basic Food Store which is located at Pasar Kebayoran Lama No. 176, Jl. Sultan Iskandar Muda, North Kebayoran Lama, Kebayoran Lama District, South Jakarta City.

The shop owner's name is Mrs. Erwati, and has one employee named Mahfudin. The shop is open every day, starting from 04.00 - 20.00 WIB. Even though it is open every day, on Fridays, the shop owner takes turns taking care of the shop with her husband, because her employees are on holiday. Products offered by Apen Groceries Store include: vegetable oil, chicken eggs, butter, salt, sugar, wheat flour, sago flour, rice flour, glutinous rice flour, sardines, tea, coffee, soy sauce, sauce, crackers, dry noodles, peanuts , tolo beans, green beans, soybeans, vermicelli, vermicelli and spices such as pepper, coriander, candlenut, nutmeg and cinnamon.

The following is a map of the location of the object of community service activities (public servant) Apen Grocery Stores located in the Kebayoran Lama Traditional Market.

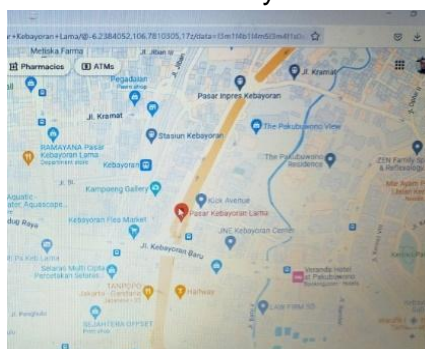


Figure 3. Location of Community Service Activity Objects.

The following is the organizational structure of the Apen Grocery Store:

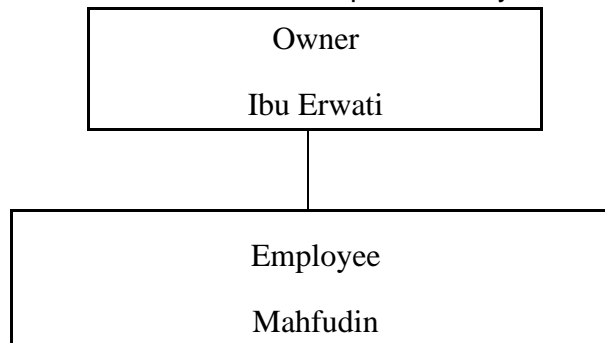


Figure 4. Organizational Structure.

The organizational structure of the Apen Grocery Store consists of the owner, namely Mrs. Erwati and an employee named Mahfudin. The owner's duties are to set prices, manage finances, serve buyers, and manage product stock. While the duties of employees are to display empty products neatly, restock by buying products from agents, and weighing products such as sugar, oil, wheat flour and sago flour.

RESULTS AND DISCUSSION

The period for carrying out community service activities (public servant) starts on June 17 2022 until July 17 2022 (Mid June - Mid July 2022). Implementation time starts at 10.00-18.00 WIB on Monday, Tuesday, Wednesday, Friday, Saturday and Sunday (6 days with a total of 48 hours which are divided into 30 hours online and 18 hours offline). The following is Table 1 Implementation of Community Service Activities (public servant) at the Apen Grocery Store.

During the survey and problem identification stage, the community service activity implementation team (public servant) identified the main problems faced by Abdimas activity objects and jointly discussed the best solutions to overcome these problems. From the survey results and problem identification it is known that the products offered by Apen Groceries Store include: vegetable oil, chicken eggs, butter, salt, sugar, wheat flour, sago flour, rice flour, glutinous rice flour, sardines, tea, soy sauce, sauces, crackers, instant noodles, peanuts, plain beans, green beans, soy beans, vermicelli, vermicelli and spices such as pepper, coriander, candlenut, nutmeg and cinnamon and others.

Furthermore, after agreeing on a solution to be carried out, a mentoring activity plan is prepared as shown in Table 1, followed by preparation for the implementation of the mentoring activity plan, the implementation of the mentoring activity on the first day is to jointly carry out an inventory or data collection of products sold at Grocery Stores Apen to facilitate steps in the next stage, namely assisting in the preparation of attractive product packaging for uploading to social media and e-marketplaces. Products that have been packaged from the factory are not repackaged directly, they can be arranged on the display rack according to their category, while bulk products or those that have not been packaged from the factory or supplier are then packaged according to the needs and product category. Here are some of the products sold at the Apen Grocery Store



Figure 5. Apen Grocery Store Products

Source: Apen Grocery Store, 2022.

Based on Figure 5, the products offered by the Apen Grocery Store are:

1. Oil (cooking oil and sesame oil).
2. Crackers (onion crackers, fish crackers, prawn crackers, skin crackers, and cassava crackers).
3. Beans (peanuts, green beans, plain beans, and soybeans).
4. Noodles.
5. Sugar (granulated sugar, palm sugar and brown sugar).
6. Tea (teabags and tea awur).
7. Soy sauce (sweet soy sauce, salty soy sauce, and fish sauce).
8. Kitchen seasonings (pecans, coriander, pepper, and nutmeg).
9. Macaroni (fried and boiled macaroni).

Apart from the products in Figure 5 there are also other products, namely:

1. Eggs.
2. Flour (wheat flour, sago flour, rice flour, and glutinous rice flour).
3. Salt (fine salt and brick salt).
4. Flavoring (chicken broth, beef broth, mushroom broth and MSG).
5. Sardines.

The products offered by the Grocery store are always sorted using the FIFO method, namely First In First Out, where the old products must be sold first, so the products they sell are of good quality [23], [24]. The product, as well as if there is a product whose packaging is damaged, usually Apen Groceries Store immediately exchanges it with the agent for the product and then replaces it with a new product.

For product layout, products are arranged by type. For legume products such as peanuts, green beans and soybeans, they are placed in boxes made of wood, and placed close together, for soy sauce products, they are arranged according to size, for soy sauce refills measuring 550 ml are placed on cardboard boxes, for soy sauce measuring 220 ml, they are hung. in order to save space, and for soy sauce bottles displayed on shelves. Crackers are displayed in front of the shop on the left so that buyers can easily choose cracker products. Noodle products are displayed in front of the shop on the right. For brown sugar displayed in front of

the shop using cardboard. For granulated sugar displayed on the shelf. For oil is placed in a special oil barrel. Trigu and sago are placed in special trigu and sago barrels. Eggs are placed in an egg crate which is on display to the right of the shop. For tea on display on the left shelf. The sasa is displayed on a shelf next to the tea. For spices (pecans, coriander, pepper, cinnamon, nutmeg, and cumin) they are wrapped per ounce and hung up, for those that are not wrapped, they are displayed near the crackers. For instant drink products such as coffee and nutrition, they are hung in front of the shop on the left. For flavoring products, small sachets are hung in the shop.

At the assistance stage in determining the price of the Apen Grocery Store using a very simple method, the cost method is added to the desired profit. Formula: cost per unit + desired profit. Or in other words, a pen shop sets prices depending on the capital of each product plus the profit desired by the owner. For example, if the cost per unit of a 250 gram Sasa product is IDR 10,000 and the profit desired by the owner is IDR 1,000 per unit, the selling price is IDR 10,000 + IDR 1,000 = IDR 11,000. Usually, if the capital for a product is small, the price is cheap and the profit you get is small, and if the capital for a product is large, the profit is quite large. For example, with a large capital, namely crackers, the capital is IDR 60,000 and the selling price is IDR 65,000. From this example, the profit earned is IDR 5,000.

Apen Groceries Shop is located at Traditional Market No. 176, Jl. Sultan Iskandar Muda, North Kebayoran Lama, Kebayoran Lama District, South Jakarta City. The location of Kebayoran Market is very strategic because it is close to the station and close to bus stops, besides that the shops in the market are also quite strategic because it is close to the entrance and motorbike parking. The owner of Apen Groceries Store chose the location at No.176 because at that time the shop that was being rented was shop No.176 and the owner felt that the shop was strategic enough to sell food ingredients such as oil, eggs, peanuts, and others.

Distribution can be interpreted as marketing activities that try to expedite and facilitate the delivery of goods or services so that their use is in accordance with what is needed. The distribution of Apen Groceries Store uses direct distribution. Direct distribution is the distribution of products from sellers to buyers directly without intermediaries. So, Apen Groceries Store distributes or sells its products directly into the hands of the buyer, Apen Groceries Store provides the product then the buyer buys it directly at Apen Groceries Store without any third party. Furthermore, the implementation team for community service activities (public servant) provides assistance in preparing online sales for Apen Stores by creating an online store by registering/opening an account on the e-marketplace website and social media. contribution in developing the Apen Grocery Store business through online sales.

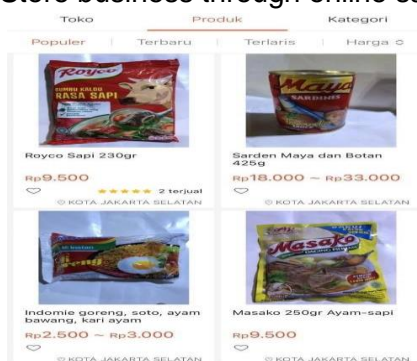


Figure 6. One of the product displays of the Apen Grocery Store in one of the e-marketplaces.

Figure 6 shows the Apen Groceries Shop product uploaded by the Community Service Implementation Team (public servant) together with the UKM Owner/Performer of the Apen Grocery Store on one of the e-marketplace or online shop applications, namely Shopee. In the initial period, the upload immediately received a response with 2 products that had been sold, namely the 230 gram Royco Sapi product, and received a 5 star rating, which means consumers were very satisfied.

Meanwhile, the promotion used by Apen Store is very simple/conventional, namely personal selling by persuading the closest people to shop at Apen groceries. If someone has shopped at Apen Store and feels comfortable, then usually that person will suggest other people to shop at Apen Store too. In this regard, the Implementation Team for Community Service Activities (public servant) provides assistance and encourages SMEs to take advantage of their social media.

In addition to promotions from the Apen Grocery Store, usually each product is advertised through electronic media such as television, through social media and some use banners. For example, Sedap soy sauce products are promoted through television media and hold promotions to buy 1 550 ml size soy sauce and get 1 ceramic plate. With this ad, consumers usually go directly to the Apen Store to buy the product. Another example is the packaged coconut milk product branded Sun Kara, which displays banners at the Apen Store. With advertisements like this explanation usually make people interested in buying it.

The advantages of the Apen Store Marketing Strategy, namely:

1. Price, the price set by Apen Store is cheaper than minimarkets/supermarkets.
2. A strategic place so that it is easily accessible by the community.
3. The sales system is still traditional, so it is very easy for the middle and lower class people, because the target market is the lower middle class.

Weaknesses of the Apen Store Strategy, namely:

1. The product is incomplete when compared to minimarkets/supermarkets.
2. The place is not clean and a little uncomfortable.
3. The promotion used is still very simple, thus making sales less than optimal.

The benefits after the practical work that the writer gets from the Apen Shop include the writer being able to know how to serve buyers well. Serving buyers must be with a smile and politeness so that buyers feel satisfied and comfortable when shopping. If the buyer has a complaint about the seller's product or service, then the seller must handle the complaint as well as possible. If there is a buyer who is not good enough, then the seller should not be angry and must be served patiently.

Besides being able to know how to serve buyers well, the author can also know how to do sales forecasting in a simple way, namely we have to estimate the customers who will buy our products whether the number will be sufficient with the existing stock or even less, if they feel the stock is lacking then the seller must immediately buy the product from the agent, and vice versa if he feels that the stock will be sufficient or even more then the seller can buy the product in the future.

CONCLUSION

The implementation of the Community Service program as a whole has been going well and at the end of the assistance the UKM actors will gain new knowledge and skills regarding the use of social media and e-marketplace applications to support and improve marketing activities which can ultimately increase sales.

Knowledge gained from participants in this activity such as creating an account on each e-commerce to making product advertisements. This activity focuses on creating accounts and giving the best view of e-commerce applications. In the explanation of pricing for e-commerce services, the participants were enthusiastic about this material, because they always update prices that are competitive with other traders, not only determining product prices but also how to place promos on certain products to attract potential buyers to buy the products offered .

Initially, the assistance will be carried out face-to-face or completely offline, but given the circumstances and conditions that have not allowed it, most of the implementation will be carried out online, while only a small portion will be carried out offline. by strictly implementing health protocols in accordance with government regulations. Offline activities are used for practical materials specifically for using mobile phones and computers to create online stores, while online activities are used for material that seeks information and appropriate strategies in product marketing.

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