

ANALYSIS OF CONSUMER PREFERENCES FOR MARKETING COMMUNICATION STRATEGY ON SASS AND CO

Nadya Sukmaaji ¹⁾ Sisca Eka Fitria ²⁾

Manajemen Bisnis Telekomunikasi dan Informatika, Universitas Telkom

¹⁾nadyasukmaaji@students.telkomuniversity.ac.id ²⁾sekafitria@yahoo.com

Abstract

The development of the creative industrial sector is able to contribute significantly to the national economy, one of which is fashion business. This is due to the phenomenon of fashion trends that gave birth to many business actors in the field of the fashion business. With so many fashion business players, fashion business competition will be more competitive that can impact on business success. One strategy that can be taken by business actors is product development, but according to modern marketing, it takes more than developing a product. Business actors need to apply various forms of communication in marketing so as to effectively reach and influence target markets through marketing communications strategies. Consumer preferences can be used to help the selection of the right marketing communications strategy as an effort to grab attention and influence the target market effectively in order to increase sales results

This study aims to determine consumer preferences of marketing communication strategy for Sass and Co. products. This study uses five marketing communication mix as variables or attributes and 16 sub-attributes. Sampling was done by Non-Probability Sampling method with a total of 400 respondents and using conjoint analysis technique. The results of this study show that the best combination of respondents is the marketing communication strategy using social media advertising, sales promotion by giving discounts, direct marketing through Shopee, word of mouth marketing using friend recommendation, and using personal sales through the offline store.

Keywords: Preference, Marketing Communication Strategy, Conjoint Analysis

1. INTRODUCTION

According to a survey conducted by Bekraf (2017), today's economic growth rapidly develops along with the development of the creative economy industrial sector, as it can be seen from how creative economy is able to contribute significantly to the national economy between the years of 2010-2015 as much as 10,14% per year. There are sixteen sub-sectors in the creative economy industrial sector that contribute, in which the fashion sub-sector is considered as a business sub-sector that has the greatest contribution for Indonesian economy, that is 18,15%. This results from the development of the fashion trend in Indonesia that has brought forth many business actors engaged in the field of fashion. One of the business actors in home industry field is Sass and co who focuses on women bags. As a business actor, Sass and Co. has to be able to take advantage of any opportunities offered by today's creative economy industry to increase profits and become an excellent bag producer on the market.

The great number of business actors in fashion industry leads to increasingly competitive business competition. One method that can be applied by these actors to deal with this competition is to develop their products by improving or replacing their products with the new ones in order to maintain or

increase their sales. However, following modern marketing, it takes more than developing a product in advancing a business. Business actors must also communicate with the entire stakeholders related to the company or potential holders who may support their business as well as the public in general in order to acquire the expected results. Thus, the actors are required to pay more attention in employing different forms of communication in marketing their products to effectively reach and influence the target market.

Currently, forms of marketing communication become an obstacle for Sass and Co. It can be implied from the reluctant increase in number of media social users compared to the competitors that results in unstable revenue level. Sass and co must review which model of marketing communication that corresponds to consumer demands through consumer preference in order to attract and influence the target market effectively to increase sales results.

2. LITERATURE REVIEW

2.1 Entrepreneurship

As explained by Echdar (2013:9), entrepreneurship is the ability to think creatively and act innovatively that are used as the basis, resources, driving force, goals, strategies, tips, and processes in facing life challenges. According to Suryana (2013:2), entrepreneurship is a discipline that studies one's values, capabilities, and behaviors in experiencing life challenges and his means in acquiring chances along with every risk that he may face.

2.2 Business Development

Hendro (2011) defines that business development as a duty and process of analytical preparation in potential growth probability, supports, and the monitoring of the implementation of business growth probability, but regulations for strategies and implementation of business growth probability are excluded. One strategy that can be employed to develop business is by using Ansoff's. Ansoff (in Tjiptono, et al., 2008) classifies business growth strategy into four: market penetration strategy, product development strategy, diversification strategy, and market development strategy.

2.3 Product Development

Kotler (2016:460) elaborates the stages of product development into eight as follows:

- 1) The creation of ideas: seeking for new product probability
- 2) The filtration of ideas: identifying potential concepts of the products by filtering them
- 3) The development and examination of the concepts: measuring consumers' behavior towards and interest in the filtered concepts.
- 4) Marketing Strategy Development: This stage is divided into three sections. The first section deals with the size, structures, and behaviors of the target market, planned products placement, sales, and profit target that is expected to meet. The second section includes outlining product prices, distribution strategies, and marketing costs. The third section explains long-term sales plan and the marketing mix strategies.
- 5) Business Analysis: analyzing market demands, production cost estimation, and competition map.
- 6) Product Development: This stage converts the ideas into physical forms, as well as identifying marketing strategy pattern that will be applied. It also includes the details of the products, packaging, brand positioning, and usage testing.
- 7) Market Testing: marketing program is introduced to the consumers to find out how the consumers and distributors manage, use, and re-buy the products, and how vast the market is.
- 8) Commercialization: planning and executing the new product launching strategy at the market.

2.4 Marketing

According to Kotler & Armstrong (2014:30), marketing management is defined as an art and science in choosing a target market and constructing a relationship that is beneficial to the consumers

Another definition is disclosed by Kotler & Keller (2016) saying that marketing management is an art and science in choosing a target market and gaining, maintaining, also increasing the number of prime consumers.

2.5 Marketing Communication Mix

Kotler & Keller (2009) state that marketing communication mix consists of eight main communication models, they are:

- a) Advertising: All paid form of non-personal presentation and promotions of ideas, goods, or services through certain sponsors.
- b) Sales Promotions: Various short-term incentives to enforce experimentation or purchase of products or services.
- c) Events and Experiences: events and programs sponsored by companies designed to develop daily interactions or interactions associated with particular brands.
- d) Public Relations: Numbers of programs designed to promote or protect the image of companies or their individual products.
- e) Direct Marketing: The application of letters, phone, fax, e-mail, or the internet to communicate directly with or ask for responses for and engage in a dialog with the consumer and certain prospects.
- f) Interactive Marketing: An online activity and program designed to involve the consumers or particular prospects and directly or indirectly increase awareness of, improve the image of, or develop the sales of the products and services.
- g) Mouth-to-Mouth Marketing: Oral, written, and electronic communication between people related to the excellence of or experience of buying or using the products or services.
- h) Personal Marketing: Face-to-face interaction with one or more prospective consumers with the intention to conduct a presentation, answer questions, and procure orders.

2.6 Consumer Behavior

According to Schiffman & Kanuk in Sumarwan (2012), consumer behavior is an act that is directly involved with obtaining, consuming, and spending products or services, including the deciding process that precedes and then, follows this act. Another definition, Kotler & Armstrong (2014) state that consumer behavior is the consumer's final buying act, both individual and household, that purchases products for personal consumption. Alamanda & Sasmita (2013) state that producer have to consider the preference of women in buying products because women have unique consumer behavior.

2.7 Preference

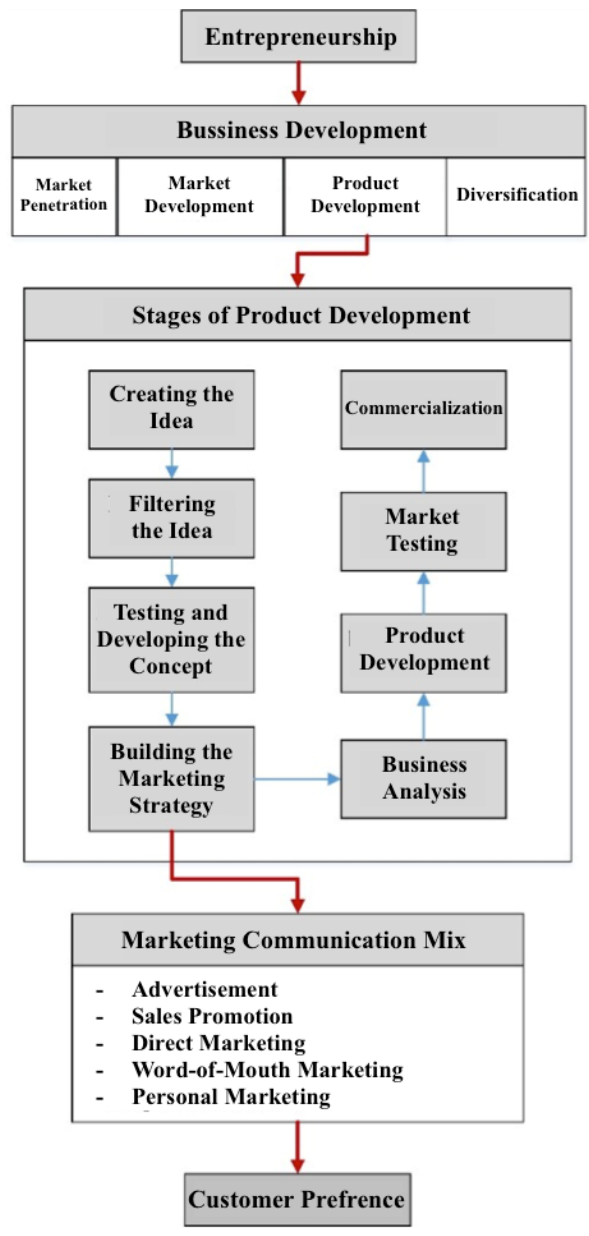
Hair et al. (2010) describes preference as the indication in which objects assessed by the respondents in regard to the relationship of dominance i.e. responses ordered in preference in connection with several levels, comparisons, and preference scales that are often employed to determine respondent preferences.

Kotler & Keller (2009) point out that consumer preference has several different patterns and segments that may emerge, they are:

- a) Homogenous preference
A pattern in a certain market where consumers that thoroughly have similar preferences exist.
- b) Diffused preference
A pattern indicating that the consumers share different and various preferences for a product or service offered in a market.
- c) Clustered preference
A pattern indicating that there are particular groups in which consumers with similar preferences or otherwise exist, and the market is able to reveal different preference groups.

Based on the theories, the framework in this study could be formed (Figure 1). The shaping of this framework is based on business actors who need more than just a product development to expand their business. According to modern marketing, business actors also need to do a communication process about their product to the consumer. There are eight elements of marketing communication mix model that the business actors could do in order to communicate their product, however not every

element could be done start-up. The application marketing strategy in small the company's budget or et. al, 2015). This elements of marketing strategy aligned with the order to do for his product, which advertisement, sales marketing, mouth-to-personal marketing.



by small business or of these elements in communication business is based on capability (Familmaleki research used five communication company's capability in communication process consists of promotion, direct mouth marketing, dan

Figure 1 Research Framework
Source: Kotler & Keller (2016)

3. RESEARCH METHODOLOGY

This research uses exploratory research and descriptive along with quantitative methods. The exploratory method is used to dig out information. In other words, this research is conducted to search information about consumer preference in marketing communication strategy for sass and co. product. The population on this research is women who are also a bag user in Indonesia. Due to the total population remains unknown, the determination of total sample proportion uses Bernoulli approach as stated below:

$$n = \frac{(Z \alpha/2)^2 p \cdot q}{e^2}$$

The error rate that is used in this research is 5%. Thus, it gained at least 284 samples and rounded up to 400 respondents, which then distributed to women aged between 12-35 years old who is also a bag user in Indonesia, aligned with the target market of sass and co. The primary data that is used in this research is taken from 400 questionnaires results, which are distributed to the respondents using Google forms.

The analytical technique that is used in this research is conjoint analysis. According to Hair, et al. (2010), conjoint analysis is a multivariate technique that is specifically developed to understand how respondent extend their preference on various objects such as; product, service, or idea. According to Lieberman (2008) in Kano model, conjoint analysis is a pioneer when choosing certain things like product development or determining brand communication strategy. In conjoint research, the variable is called attribute, while sub-variable is called level. The researcher uses choice-based conjoint because the number of the attribute that is used is less than six. Respondents will be faced with five attributes with each available profile or combination, then the respondents will rate each available profile or combination in the questionnaire.

4. RESULT AND DISCUSSION

According to the result of conjoint analysis using SPSS 22, the overall importance of each attribute is obtained as shown in Table 1.

Table 1. The Importance Values of Each Attribute

Importance Values	
Advertisement	24.379
Sales Promotion	19.475
Direct Marketing	26.254
Word-of-Mouth Marketing	19.984
Personal Marketing	9.909

From the table above, it is shown that direct marketing attribute has the highest importance value number of 26,254. The advertisement attribute runs next with the importance value of 24, 379. The third place is held by word-of-mouth marketing attribute. The lowest data is the personal marketing attribute, which only has the importance value of 9,909. The utility value in each level of each attribute obtained shows in Table2.

Table 2. The Total Utility Value

Total Utility Value

		Utility Estimate	Std. Error
Advertisement	Instagram Advertisement	.041	.004
	Magazine Advertisement	-.014	.004
	Product Catalog Advertisement	-.002	.004
	Brochure Advertisement	-.025	.004
Marketing Promotion	Shopping Voucher	-.023	.003
	Defect Product Warranty	.017	.004
	Discount	.006	.004
Direct Marketing	Instagram	.006	.004
	Line Official Account	-.023	.004
	Shopee	.023	.004
	Tokopedia	-.005	.004
Word-of-mouth Marketing	Family's Recommendation	-.038	.003
	Friends' Recommendation	.019	.004
	Comment Review	.019	.004
Personal Selling	Bazaar	.002	.002
	Offline Store	-.002	.002
(Constant)		3.154	.003

Table 2 shows that every attribute has the highest value in every level of attribute which means the respondents prefer the said attribute than the other. It can be seen in table 2 that the respondents prefer the Instagram advertisement (0.041), promotion attribute of defect product warranty (0.017), direct marketing via Shopee (0.23), word-of-mouth marketing through friends' recommendation and comment review (0.019), and personal selling through bazaar (0.002).

The next analysis is observed from the consumer's favorable preference regarding marketing communication strategy through ranking combination which had given to the respondents in questionnaire form. The highest rank is the most wanted consumer combination preference. The highest score is the third combinations with the questionnaire score as much as .087.

Table 3. Ideal Combination of Marketing Communication Strategy for Respondents

Attribute	Level
Advertisement	Social Media Advertisement
Marketing Promotion	Discount
Direct Marketing	Shopee
Word-of-mouth Marketing	Friends' recommendation
Personal Selling	Offline Store

Table 3 describes that the respondents choose marketing communication strategy for sass and co which follows their preferences; using social media advertisement, marketing promotion with discounted price, direct marketing via Shopee, mouth-to-mouth marketing through friends' recommendation, and personal selling though offline store.

5.CONCLUSION AND RECOMMENDATION

5.1 Conclusion

It can be concluded that the consumer's preference towards marketing communication strategy of sass and co is sorted by the highest level of importance and the ideal or best combination for the respondents. The highest level of importance, namely: 1) Direct Marketing; 2) Advertisement; 3) Word-of-mouth Advertisement; 4) Marketing Promotion; 5) Personal Selling. The best attribute combination can be chosen to be the marketing communication strategy of sass and co based on the consumer's preference which is using social media advertisement, marketing promotion with defect product warranty, direct marketing via Shopee, word-of-mouth marketing through friends' recommendation, and personal selling through offline store.

5.2 Recommendation

5.2.1 Theoretical Aspect

- 1) The writer hopes that periodic research can be done to observe any difference or change regarding consumer's preference towards marketing communication strategy of sass and co after applying this research which follows the current development of customer's preference.
- 2) In addition, the writer also hopes that the further research aims to see the impact of consumer's favor applied marketing communication strategy towards the product sale of sass and co. Thus, a new discovery can be useful in the business field.

5.2.2 Practical Aspect

- 1) Based on this research, direct marketing has become the consumer's first choice or the best preference in acknowledging a product through marketing communication strategy. Therefore, marketing communication strategy has to be optimized by applying several types of direct marketing.
- 2) Advertisement has become the second preference. Thus, sass and co could create enticing advertisement content in social media in order to increase consumer's curiosity about the sass and co product.
- 3) Word-of-mouth marketing has become the third choice for the consumers. Therefore, a good perception from consumers about sass and co is necessary. Sass and co could give a good service which prioritizes the consumer's satisfaction so that the consumer also has a good perception about sass and co.
- 4) Marketing promotion has become the fourth choice. Marketing promotion can be done by offering defect product warranty to the consumers which can interest the consumers. Thus, it would be better if sass and co does a deeper review regarding the defect product warranty offer, for instance, offering the warranty card after purchasing done.
- 5) Personal selling by opening stand in several fashion bazaars could be a great decision to entice the consumers. The consideration is based on the consumer's favor which prefers sass and co to do bazaar than an offline store.
- 6) Sass and co should do an evaluation on marketing strategy to avoid or reduce failure of product sales due to the marketing mistake which is not suitable for sass and co's target.

REFERENCES

- Alamanda, D.T, Sasmita, I, F. (2013). Analisis Konjoin Metode Traditional Full Profile Untuk Mengetahui Preferensi Konsumen Wanita Terhadap Notebook Di Kota Bandung 2013. *Forum Manajemen Indonesia 5*. Pontianak, Indonesia.
- Bekraf. (2017, 11 10). *Bekraf develops conducive creative economy ecosystem*. Retrieved from Thejakartapost.com: <http://www.thejakartapost.com/adv-longform/2017/11/10/bekraf-develops-conducive-creative-economy-ecosystem.html>
- Echdar, S. (2013). *Manajemen Entrepreneurship : Kiat Sukses Menjadi Wirausaha*. Yogyakarta: Andi.
- Familmaleki, M., Aghighi, A., & Hamidi, K. (2015). *Analyzing the Influence of Sales Promotion on Customer Purchasing Behavior. International Journal of Economics & Management Science*, 4, 243.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis*. New Jersey: Pearson.
- Hendro. (2011). *Dasar-Dasar Kewirausahaan*. Jakarta: Erlangga.
- Kotler, P., & Keller, K. L. (2009). *Prinsip-Prinsip Pemasaran*. Jakarta: Erlangga.

- Kotler, P., & Armstrong, G. (2014). *Principles of Marketing (15 ed.)*. New Jersey: Pearson Prentice Hall.
- Kotler., Philip., & Keller, K. (2016). *Marketing Managemen*, 15th Edition, Pearson Education, Inc
- Lieberman, M. D. (2008). *Design Performance: The Kano Model*. Quirk's Marketing Research Review.
- Tim Bekraf dan BPS. (2017, Maret 8). *Data Statistik dan Hasil Survey : Ekonomi Kreatif*. Jakarta: Badan Ekonomi Kreatif.
- Tempo.co (2015, 8 Mei). *Potensi Produk Kulit Indonesia*, [online]. Tersedia :<https://bisnis.tempo.co/read/664543/potensi-produk-kulit-indonesia-besar-tapi> [25 Oktober 2017]
- Sumarwan, U. (2012). *Perilaku Konsumen*. Jakarta: Ghalia Indonesia.
- Suryana, Y., & Bayu, K. (2013). *Pendekatan Karakteristik Wirausaha Sukses*. Jakarta: Prenadamedia Group.
- Tjiptono, F., Chandra, G., & Adriana, D. (2008). *Pemasaran Strategik*. Yogyakarta: Andi.