

THE IMPORTANCE OF DIGITAL MARKETING STRATEGY EMOS MARKETPLACE DURING COVID-19 PANDEMIC PERIOD

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Abstract: The global pandemic of Covid-19 while having its impact on various sectors in global, regional dan local level. Nevertheless, this impact for most part was positive one in digital marketing rather than what was being witnessed in various other fields such as economy, human resource, tourism and etc. Based on that, this study attempt to determine the best practice for implementing Digital Marketing in Enseval Putera Megatrading Company (EPM). The study also determine how importance Digital Marketing on a company's strategic alignment. For that purpose, a qualitative study was carried out, using semi-structured interviews with several Field Sales Supervisor at EPM company, in a sample collected under the purposive technique. Also based on secondary data obtained from the review literatures and EPM's Annual Reports. The result of this study show that applying EMOS Marketplace's a great tools of Digital Marketing in line with EPM's sales enhancement. The result shows that sales achievement has been increasing in Covid-19 eras. The suggestion for future research topics are recommends a visionary model to implement Digital Marketing more successfully.

Keywords: covid-19, digital marketing, emos, marketplace

1. Introduction

The COVID-19 brings a new colour in Pharmaeutical's Distribution Industry. Indonesia reached its COVID-19 peaks in July and August 2021, with data recorded highest of 41,000 daily cases. Until February 2022, COVID-19 has been reaching 57,049 confirmed cases (source: <https://covid19.go.id/peta-sebaran>). But now, pandemic comes into a main role of new normal life. Although, there have been a number of restriction on community activities, including in the business, education and social community sector. People more conscious to keep healthy and sane. They must satisfy their needs from home because they can't easily go anywhere.

In a relatively short time, business actors were "forced" to rack their brains in determining marketing strategies since the implementation of large-scale social distancing and social restriction. However, with the use of digital platforms, while still implementing health protocols and complying with the activity restriction regulations set by the government. Digital platform is very useful in today's digital era, interacting with consumers is mostly done through social media, therefore adapting marketing strategies needs to be done immediately. Digital marketing is a new way to make sales without meeting customers directly (Diana et.al., 2020).

Digital Marketing is a branch of marketing that utilizes internet and digital technologies such as Computers, Mobile phones, Websites, Social Media platforms, Application Software, e-mail and other platforms to promote products and services. There are several kinds of digital marketing that can be applying to improve goals of EPM company. EMOS Marketplace is one of application which easily can help customer's transaction. Only in one touch do all of the process from put decision to buy goods until distribute it to the customers. To make it easier for customers to order products through EMOS, it's continues to develop new features according to reach up the needs of each sales channel and portofolio of service or product items.

The purpose in using EMOS Markeptlace is the first choice's application of customers that complements needs of pharmaceutical, nutritional and other health products with superior quality. The main advantage of EMOS Markeptlace is the sameday delivery service. Where every customer who has placed an order will get the product they need on the same day, they don't have to wait the next day. That's why EMOS Markeptlace is always superior in delivery quality to customers. EPM confronted with regulatory and legislative restrictions as a health product distribution and logistic company who can implement and optimize their digital marketing strategies in other to not only reach their sales performance but also to fullfil the customer needs.

EPM as a technology literate company, continuously strives to obtain optimal business benefits. EPM has already established three distribution center in Jakarta, Surabaya and Cikarang, 48 branch offices and 28 subsidiary, also 25 sales offices throughout Indonesia. EPM always makes challenges into opportunities in order to realize vision and mission of EPM. So, EPM sees the wide open opportunity of increasing internet user penetration in Indonesia through the explanation in the following picture.

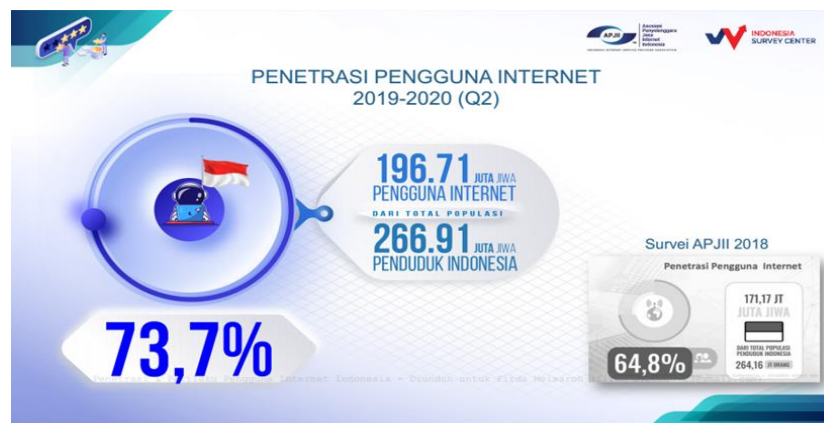


Figure 1: Indonesian's Internet Users

Source : APJII - Asosiasi Penyelenggara Jasa Internet Indonesia

Based on that, there are more than 196.71 million internet's users in Indonesia. There are 266.91 million of Indonesian's citizen. The achievement of internet's user penetration is 73,7% from total Indonesian in 2019-2020. This figure shows an increase from previous years in percentage 114% data source APJII Survey 2018. This phenomenon change to be the great opportunities for EPM to make digital marketing as a tools to increase company sales more efficiently and effectively. The main objective of doing research is how importance of digital marketing strategy EMOS Marketplace that implementing in 48 branch of EPM company during pandemi Covid-19 period.

2. Literature Review

Marketing Strategy

Marketing strategy is the whole system of all business activities by planning, setting prices, promoting and distributing goods and services so that customers feel satisfied and their needs can be met (Basu, 2008). Marketing strategy can also be interpreted as a company goal plan that has goals or objectives, rules and policies that are given direction to business ventures at any time, level, location and changing competition.

A marketing strategy refers to a business's overall game plan for reaching prospective consumers and turning them into customers of their products or services. A marketing strategy contains EPM's value proposition, key brand messaging, data on target customer demographics, and other high-level elements.

The ultimate goal of a marketing strategy is to achieve and communicate a sustainable competitive advantage over rival companies by understanding the needs and wants of its consumers. Whether it's a print ad design, mass customization, or a social media campaign, a marketing asset can be judged based on how effectively it communicates a company's core value proposition. Market research can help chart the efficacy of a given campaign and can help identify untapped audiences to achieve bottom-line goals and increase sales.

Digital Marketing

Digital marketing is the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs (Chaffey, 2015). Chaffey's definition reflects the relationship marketing concept; it emphasizes that it should not be technology that drives e-marketing, but the business model. All types of social media provide an opportunity to present company itself or its products to dynamic communities and individuals that may show interest (Roberts & Kraynak, 2008). According to Gurau (2008), online marketing environment raises a series of opportunities and also challenges for social media marketing practitioners.

Internet Marketing (also known as eMarketing, Web Marketing, or Digital Marketing) is an all-inclusive term for marketing products and/or services online – and like many all inclusive terms, internet marketing means different things to different people. (Ward, 2016). Internet marketing and online advertising, also called e-marketing, web marketing, online marketing, or e-marketing, is the advertising of products and services over the Internet (Ruzic, D. 2003). Before the use of Digital Marketing within a company structure, it is necessary to understand the effect that digital platforms exert over customer's purchase process. It involves not only the study of the consumption chain, but also the changing environment where the consumers are allocated (Kannan, 2017). Customer behavior is a key factor to determine the value they are acquiring throughout the purchasing process from the “consideration stage”, all along until the “purchase”. If it turns out that customers get value from its purchase, then the possibility of creating loyalty increases. (Häubl, 2000).

Digital Marketing Strategy During Covid-19 Pandemic

The importance of digital marketing in business strategy, saying that combining these two aspects can contribute to effective management of the business model since most of the threats and opportunities currently arise from the internet itself. This “new” environment requires managers to implement loyalty and consolidation strategies for current customers and attract new customers, requirements for which small companies' managers will not be particularly adapted (Vasconcelos et al., 2017). Kotler (2000) stated that companies have to be innovative in defining their marketing strategies, guaranteeing that they will face challenges such as competitiveness, customer service, changes in international markets,

consumer culture and ethnography. Reporting to digital marketing, Kotler (2016) argues that the digital transformation has enabled companies to compete successfully in the global market through the use of digital platforms that have allowed them to promote proximity to the customer, in its various stages, and the availability of metrics that allow measuring the impact of investment in marketing and communication. Currently, digital platforms provide companies with the supply of content that allows them to evaluate, in an interactive, focused and measurable way, the strategies that are being implemented and their impact on potential customers (Lamberton & Stephen, 2016), providing access to events in real-time (Ghotbifar et al., 2017).

Alshaketheep, et al., (2020) argue that the Covid-19 pandemic has allowed companies to change their marketing strategy to real and honest marketing, capable of meeting emerging environmental and social challenges worldwide. The authors focus on the consumer's perspective, revealing that they were attracted to offers, anti-crisis agreements, and personalised digital communication actions during the pandemic, which provided empathy for companies. The pandemic has brought structural changes to the way companies operate, particularly concerning their processes and structures (Winarsih et al., 2021). Blockages and local supplies to various supply chains have meant that the global supply chain has become highly fragmented in most sectors and markets (Moreira et al., 2018). In the catering sector's particular case, many companies have become "receptionists" for large restaurants, becoming fast food suppliers and expanding their role to buyers and suppliers.

3. Method

This research consistently evaluates and classifies literature and reference in the area of Digital Marketing by adopting qualitative methodologies and seek to analyse and evaluate these literatures systematically. A set of semi-structured interviews was prepared, with a pre-approved script, but with sufficient openness to change the order of the questions applied to the Field Sales Supervisor whom responsible to this company. In order to show evidence on how strategy Digital Marketing play important role in sales enhancement.

The design of the current research is conducted in the form of a case study that examines one case intensively as well as can be carried out on individuals or groups (Merriam and Tisdell, 2016). Accordingly, it should be understood that a case study research may produce explanatory statements (Yin, 2006). The current research selected the case study method for the purpose of attaining a detailed information on digital marketing communication strategy managed.

This paper is focused on the application of those strategy in the Enseval Putera Megatrading Company framework for research in Digital Marketing as a model to show the reader how those strategy are currently applied within EPM. Moreover, the example was chosen due to the close relation of the researcher has with EPM. Since the researcher is part of EPM, she can certify the information discussed in this paper as well. The object of research in this paper is Enseval Putera Megatrading Company (EPM).

4. Result and Discussion

The implementation process of digital marketing strategy for EPM in the pandemic Covid-19 period started by establishing several objectives. When running its business, in order to beat the competition in the market and provide the best service to customers, EPM is implementing six strategies as follows.

1. Develop people competencies and leadership.
2. Strengthen and accelerate digital business to provide e-business solution.

3. Business process automation & digitalization.
4. Ensure quality, risk management, compliance.
5. Strengthen distribution coverage.
6. Service Level Agreement (SLA) fulfillment and value added services to improve customer satisfaction.

Based on that objectives, next process in the strategy model is EPM identify target customer or sales channel. Since its launch, currently EMOS has been used by various sales channels such as pharmacies, hospitals, clinics, drug stores, mini markets, milk shops, baby goods stores and grocery stores throughout Indonesia. It's make EMOS Marketplace to be a special marketplace or e-commerce that confronted with regulatory and legislative restrictions as a health product distribution and logistic company.

The best practice of digital marketing during the pandemic Covid-19 period is divided into several as many as six strateg. Develop people competencies and leadership isn't not easy as turning the palm. Human resource management must providing education and training for employees, vendors and customers on the use of digital transactions, reliable service, warehousing, skills, and work motivation. In this Covid-19 pandemic situation, EPM still sees the need to carry out a training process and competency development for human resources development.

Still related to the human resource aspect, the addition of self-learning modules that can be accessed by all employees through a web-based platform, *planet.enseval.com*, is expected to continue encouraging every EPM's employee to digitize/automate/cut repetitive work processes in each work process that becomes duties and responsibilities. A web-based platform, *Ivanti* also can help employee easier and faster to put the decision and make a best solution for every problem or complains.

The use of virtual meeting is a solution for EPM in conducting work meetings that can be attended by Company's employees both in head office and at each branch virtually, due to the implementation of health protocols that limits a number of people who are at risk of causing the transmission of Covid-19 virus. This will indirectly have an impact on efficiency in terms of costs, because the implementation of work meetings no longer has to spend on hotel accommodation budgets and official travel costs, but each work meeting participant can still get learning materials, new policies that will be applied from each speaker and management representatives who were presented.

Virtual events and training are also a platform for distance learning implementation that can be attended by any employee who will receive training for competency development. In this Covid-19 pandemic situation, EPM still sees the need to carry out a training process and competency development for human resources development.

Strengthen and accelerate digital business to provide e-business solution are the main focus for nowadays. This table below show that EMOS's users increased from 2020 until 2022. It show that EMOS Marketplace is a reputable application for customers.

Table 1. EPM's Active Outlet in Indonesia

Year	Total	EMOS	100% EMOS	Non-EMOS
2022	25,859	18,298	11,994	7,561
2021	26,042	16,537	9,129	9,505
2020	19,038	11,407	6,321	7,601

Source: Enseval Visual Analytics, 2022

EMOS Marketplace managed to record success during pandemi Covid-19 period from 2020 until 2022. EMOS can captivated customer to be the first choice's application of customers that complements needs of pharmaceutical, nutritional and other health products with

superior service quality. EMOS is one of the excellent and advance tools in digital marketing that always prioritize service quality.

Regarding quality assurance, in order to improve competence on the quality management system, risk management, and compliance, EPM actively provides training to Area Branch Managers (ABM) and Candidates for ABM (EMDP - Enseval Middle development program), Pharmacists responsible for Medicine distribution and Technical Person in Charge on Corporate Quality. Manual and Quality guideline as the standard used by EPM.

EPM is also active as a member and management in the National Association of Local Pharmaceutical Manufacturer Companies (GPFI) and has been active as a resource person in CDOB trainings held by BPOM and the Association of Indonesian Pharmacists Association (IAI) during the pandemic. Regarding risk management carried out, EPM continues to improve Internal Control Effectiveness (ICE) implementation as one of the 3 lines of defense implementation. ICE has been carried out in all branches of EPM. Currently, EPM is using ICE version 2, which has added control parameters to improve the quality of-internal controls in each of EPM's branches. The implementation of risk management requires all directorates at EPM's head office and branches to implement risk management and conduct regular reviews.

One of embodiment of business process automation and digitalization. To support the development plan for digitization and automation, the Company also plans to strengthen its existing hardware infrastructure. The company will also continue to strengthen its data management and integration aspects

Human Resources management work unit produced a number of podcasts by presenting speakers from the Board of Directors and management representatives who discussed topics related to leadership, business development and other topics which were developed into self-learning modules that can be accessed by every employee of EPM. Through this podcast, employees are expected to learn about each topic presented, as well as get management direction regarding strategies and policies in EPM.

The EVA (Enseval Visual Analytical) University Program was initiated by EVA Team in collaboration with Human Resources Management Work Unit. EVA University is an intensive training facility to produce potential leaders who can become data analysts to help each existing work unit analyzedata before carrying out decision making. Leadership development programs will also continue, namely Enseval Managerial Development Program, Enseval Coordinator Development Program, and Kalbe Middle Management Program, to prepare potential leaders.

Other objectives is strengthen distribution coverage. There are three distribution center throughout Indonesia, such as Jakarta, Surabaya, Malang. These three distribution center (DC) can serve and provide needs for 47 EPM's branch with strict quality control on each products. EPM not only have certification of good drug distribution methods (CDOB) and good distribution methods for medical devices (CDAKB). But also the warehousing facilities and have been certified by the Food and Drug Administration (BPOM).

Through EMOS, the Company will continue to develop its penetration and number of users by collaborating with a number of distribution partners to become the largest business to business (B2B) platform in Indonesia, especially for pharmaceutical and health products. To make it easier for customers to order products through EMOS, EMOS continues to develop new features according to the needs of each sales channel. But also, EMOS will realize EPM's dream to be the succesfull business to customer (B2C) that should be considered.

Service Level Agreement (SLA) fulfillment and value added services to improve customer satisfaction. The Audit Committee also recommended that a customer satisfaction survey be carried out in order to find out the quality of the Company's services from the customer's perspective. Customer trust and loyalty are the key of repurchase intention. Customer must

be confirmed for EMOS Marketplace which can easily to access in their smartphone. So they will make an order from their application, EMOS Marketplace every time and every where. Furthermore, the interview results revealed that EMOS Marketplace objectives is to enhance sales achievement during pandemi Covid-19 period. It's proven with figure 3 show there are prescription medicines, medicines, raw material for pharmaceutical, medical equipments, veterinary medicines, medical and health services have increase sales from Juni 2020 until Juni 2021. The Field Sales Supervisor in EPM states:

“Since the massive implementation of digital marketing I would say we have experienced positive increase in our customer base and also reduced cost of marketing, because we really do not need several representatives again to distribute our product. All we do is send text to the hospitals informing them our new products and they just place their order when in need of our products with their smartphone in EMOS Marketplace application.” (Personal Communication).

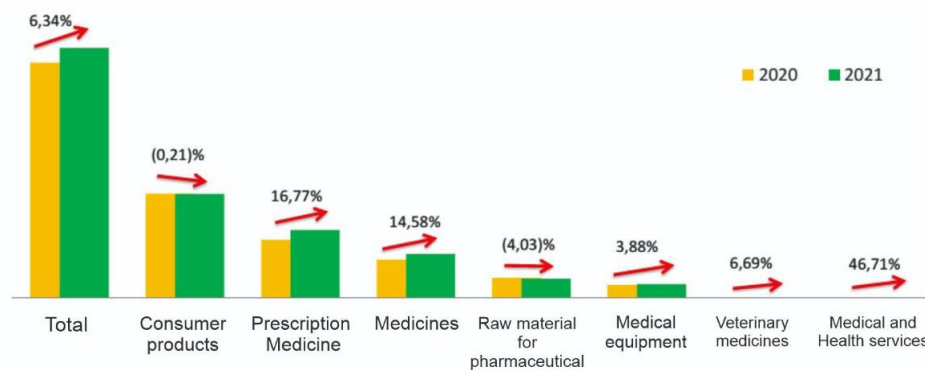


Figure 2: Net Sales Growth (Juni 2020 vs Juni 2021)

Source: www.enseval.com

Secondly, identify target customer or sales channel which dominant role for increase sales enhancement in EMOS Marketplace are Pharmacy and Private Hospital. Both sales channels always spend many transactions and become loyal customers at EPM.

“Pharmacy and Private Hospital are ultimate members of EMOS Marketplace. But honestly we had issues with human resource of our customer, several have no ability to operate their smartphones to taking order and pay the order from Emos Marketplace by themselves.” (Personal Communication).

The third step is to decide the best practice of digital marketing that can be implemented in EPM is EMOS Marketplace with many kinds of promotion to attract more transaction from loyal customers. It also increase sales achievements of EPM.

“We have a solid team “Sales Force” that can handles that, but we knew that EMOS Marketplace more effective to introduce and distribute the product optimally. We also upload fliers containing list of available products and various promotion in any special occasions like 1.1, 2.2, until 12.12, Indonesian Independence Day, New Year, Christmas, and so on. Djoeragam EMOS also attract many customer because they can redeem their transaction into voucher or discount.” (Personal Communication).

“Field Sales Supervisor can’t decide the best decision of digital marketing strategy that can implement in this company. Research and Development team will taking care of this.” (Personal Communication).

The final stage refers to the measurement of the results of digital marketing that implemented. The points of concern in this measurement does not only involve the number of transactions but also the level of exposure such as impression rate and click rate of EMOS Marketplace. Repurchase intention should have to consideration in determine the best result of taking decision. The follow up of the results of digital marketing measurement can be used as an evaluation material that acts a reference for further digital marketing activities.

Referring to the explanation above, the research findings can be described based on the linear strategy models shown these figure 3:



Figure 3: EPM's Strategy Model
Source: Authors

5. Conclusions

There is no doubt that Covid-19 impact on Digital Marketing is positive for most of the part, but going forward in the future. In the post Covid era, the marketers have to maintain or rather improve on the current digital opportunities in order to retain the customer base so acquired during the Covid-19 period.

Journey of digital marketing transformation is a sustain process which has been started previous year before by EPM to improve its services quality, enhance efficiency and productivity as a part of EPM's effort to optimizing its information technology/digital marketing resource to maintain its competitive advantages.

The existing digital platforms also continue to develop their features to keep improving the quality of digital-based services to business partners. Data and information security aspects are also become our concern. The Company will continue to improve its security system for all aspects related to its information technology in line with the prevailing laws and regulations regarding personal data protection.

Acknowledgements

The scope of this study was limited in terms of the literature collected and to the fact that the article being reviewed are mostly are recently published without longer exposure for observation. Despite its exploratory nature, this study offers some insight into how digital marketing is used by companies in the year of the pandemics in 2020 until 2022.

For future research, author considers the need to maintain and improve employee engagement for business sustainability and respond to developing business challenges and trends in the industrial era 4.0. So, it will be better if EPM carry out a strategy by building Human Capital 4.0 which focuses on increasing engagement, Leadership Development (Young Leader Acceleration Program), Reskill for Future Digital Competencies and Digital Marketing Innovation.

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