

Digital Marketing and Online Shopping in Indonesia

Reza Suriansha, SE.,MM

Lecture of management at STIE Unisadhuguna, Jakarta, Indonesia

ABSTRACT

Internet business and online shopping are expanding in Indonesia, so the topic of online consumer plays a debate and becomes the main thing in the virtual market. This business has grown rapidly, turning e-commerce into one of the main business activities. But on the one hand with the existence of falling online consumers and the emergence of many virtual vendors, make this business become spread. In Indonesia there is currently no definitive figure for the total number of e-commerce sales using PC or mobile devices in 2017. Online marketing model is used as a means to create all that. Thus the digital marketing model and online shopping are the main topics and an important issue to debate.

Keywords : Online shooping, Digital Marketing, Models web

I. INTRODUCTION

Online retailing is a form of electronic commerce that allows consumers to directly buy goods or services from a seller over the internet without the services of an intermediary. An online store, an e-store, an e-store, an internet store, a web-store, a web-store, an online store, or a virtual store evokes a physical analogy of buying a product or service at a brick-and-mortar retailer or shopping mall. This process is called business-toconsumer (B2C) online shopping. When a business buys from another company it's called business-to-business (B2B) online shopping. The largest online retail companies E-Bay and Amazon.com, both of which are based in the United States. History In 1990, Tim Berners-Lee created the first World Wide Web server and browser. It opened for commercial use in 1991. In 1994, other advances took place, such as online banking and the opening of an online pizza shop with Pizza Hut. During the same year, Netscape introduced SSL encryption of data transferred online, which has become essential for safe online shopping. Also in 1994, the German company Intershop introduced its first online shopping system. In 1995, Amazon.com launched an online shopping site, and in 1996 eBay appeared.

Online customers must have access to computers and payment methods. Generally, higher levels of education,

income, and household head work are in line with more favorable perceptions of online shopping. Also, increased exposure to technology increases the likelihood of developing a favorable attitude toward new shopping channels. In a December 2011 study, Equation Research found that 87% of tablet users made online transactions with their tablet device during the initial holiday shopping season. Consumer Logistics finds interesting products by visiting reseller sites directly or by searching for alternatives between vendors using search engine shopping. Once a particular product has been found on the seller's site, most online retailers use shopping cart software to allow consumers to accumulate multiple items to match amounts, such as filling out physical shopping baskets or baskets at conventional stores.

Research Theory

Problems with Online Shopping

Obviously if you shop at an online store that is really professional, not amateiran, let alone fake online store that only aims to commit fraud online.

Order the wrong product

Compared to shopping in conventional stores, there is almost no mistake to get the desired goods, because consumers physically interact with goods and the seller. Purchased Barnga can be held and researched directly by prospective buyers. Besides it can choose a product that feels more in accordance with the needs of consumers. While shopping online, whether sold in online stores or offered through social media, you can not physically research and try the stuff you want. Because only see the item in one dimension. So the possibility of selecting a very large wrong, especially against goods that have various sizes, such as clothes, pants or shoes.

This can happen when a consumer makes a purchase and clicks the wrong item, or when the consumer contacts customer service and gives the wrong product number. Error ordering can also occur because consumers are less understanding of online purchasing procedures applied by the online store.

Because although in principle the same, but not all online stores apply the exact same online purchasing procedure. So consumers who are used to shopping online can make the mistake of ordering when shopping at an online store that he just knew. Even if the consumer clicks on the correct product and provides an accurate product number he or she may still make a mistake in the ordering process if it turns out that one product has multiple sizes or colors. Although all online stores allow to return products that are not in accordance with consumer orders, but these problems can cause consumer disappointment, thus reducing the convenience to shop online. Though it's not as bad as if consumers were the victims of fraud by fake online stores.

Received the wrong product

The inconvenience of online shopping is not only caused by lack of care or ignorance of consumers, it can also occur due to negligence of the seller. This often happens when the process of recording and delivery of products done manually by the online store. The inventory section of the product will ship the order according to the order it received and given to the shipping section. Furthermore, when the product is delivered to the consumer, neither the seller nor the buyer will know the error. Until the goods are accepted by the consumer and filed a complaint. Online stores even come to the reseller is responsible for the problems, but not all consumers can accept it. For example, when the consumer has calculated the time required for delivery, for example for three days. So three days before the consumer ordered the product to be used exactly on the same day with the arrival of the product. Although the product can be returned to be replaced with an orderly product, but the replacement process takes a long time to cause the ordered product can not be used on the customer's planned occasion.

Product Returns

Except for special needs, product delivery errors, whether due to sellers negligence or consumer ignorance are rare in online shopping. Because it is not a problem that harm consumers. The product you want you will still receive, it just takes a longer grace period. The wrong product return process may take longer, as it involves a third party, a delivery service company. To reduce the possibility of too long shipping process, consumers can choose a reliable shipping service company and widely used by online stores.

Avoiding the possibility of choosing a product, consumers should be more careful when ordering products that have various sizes such as clothes, pants and shoes. Especially if consumers individually have different sizes. For products whose usage is not specified by size and general in nature, such as ebooks, umbrellas, women's bags and so on, there is almost no fault either in ordering by consumers or the delivery of products made by online stores.

II. METHODS AND MATERIAL

Time of research

This study was conducted in August 2017.

Type of research

This study is a type of narrative or narrative study, derived from the verb "to narrate" which means to tell a story in detail see Ehrlich, Flexner, Carruth, & Hawkins, 1980, page 442. For narrative reseach designs of narrative research designs, researchers describe the lives of individuals, collect and tell stories about the lives of others, and narrate individual experiences. But here is told by the author is about digital marketing and shopping on line.

III. RESULTS AND DISCUSSION

In the concept of digital marketing in Indonesia requires Awareness, Interest, Desire, and Action, especially in the process of introducing products or services to the market (consumers).

Awareness (Awareness)

In the digital realm, marketers build consumer awareness by first advertising in online media, such as Kompas.com.

Interest (Interest)

Interest arises after building awareness to consumers. Offline system, consumers directly seek information in the market. Online systems, consumers find out about products through search engines (Google, Yahoo! etc) and social networks (Facebook, Twitter etc.).

Desire (Desire)

Confidence arises on the consumer so desiring to try the product or service. The online system is characterized by searching for a complete description of the product or service through the website. Action

The last stage as the determination of the consumer to the product or service.

The key to digital marketing success

• Must pay attention to terms on Awareness, Interest, Desire, and Action.

• The market is a place of two-way communication. To get the communication brand must do the positioning first, can through various media (Forum, blog etc) and the most effective is through social networking.

Marketing strategy

According to Armstrong and Kotler (2000: 5), marketing is "A societal process by which individuals and groups obtain what they need and want to through, offering and freely exchanging products and services of value with others". While the definition of Marketing strategy by Armstrong and Kotler (2000: 37), namely "The marketing logic by which the business unit hopes to achieve its marketing objective". According to Guiltinan and Paul (1992), the definition of a marketing strategy is a key statement of the expected impact on demand on a given target market.

Furthermore, Davud Cravens (2000: 25), explains that the process of marketing strategy includes:

a. Situation Analysis (Situation Analysis)

This situation analysis includes market vision, structure, and analysis, market segmentation, and market knowledge to blend the design of a new strategy or change existing strategies.

b. Designing Marketing Strategy (Designing Marketing Strategy)

The situation analysis phase in the marketing strategy process identifies market opportunities, describes the market segment, evaluates the competition, and assesses the weaknesses and strengths of the company. The design of marketing strategy includes market targeting and positioning analysis, building marketing relationships, and developing and introducing new products.

c. Marketing Program Development

The marketing program development stage includes product portfolio and brand strategy management, value chain, promotion strategy and pricing.

d. Implometing and Managing Marketing Strategy (Implometing and Managing Marketing Strategy)

The implementation and marketing strategy stages include the designing of an effective marketing driven organization, as well as implementation and control strategies.

Basu Swastha and Irawan (2003: 69), describes the marketing strategy of each company as an overall plan to achieve the goal. Determination of these strategies can be done by marketing managers by making three kinds of decisions are:

1. Targeted Consumer (Target Consumen), ie certain individuals / groups that must be served by the company satisfactorily.

2. Determining consumer desire, which is collecting information from several sources to determine consumer desires.

Marketing Mix, is a variable-variable (product, price, promotion, and distribution) used by the company as a means to meet or serve the needs and desires of consumers.

Meanwhile, the technology in addition to presenting a variety of convenience, also presents a variety of risks. In addition to providing connectivity, it also gives "chaos." In addition to making people fascinated, also makes people anxious.

New Marketing Approach

That is the condition in the transition from traditional to digital era. In this context, a new marketing approach is needed to help marketers in anticipating and managing the impact of disruptive technologies. In this context, Philip Kotler, Hermawan Kartajaya, and Iwan Setiawan introduced the concept of Marketing 4.0 in a book entitled "Marketing 4.0, Moving from Traditional to Digital" (Wiley, 2017). The book is a sequel to the previous book published six years ago, "Marketing 3.0: From Products to Customers to the Human Spirit" (Wiley, 2010). In summary, the book outlines three major marketing shifts, from product-driven marketing (Marketing 2.0) to human-centric marketing (Marketing 3.0).

This year, Marketing 4.0 was introduced. This is a marketing approach that combines online interactions and offline interactions between companies and customers. In general, Marketing 4.0 can be understood that way. In the era of digital economy, digital interaction alone is not enough. In fact, just as the online world evolves, offline touching becomes a powerful point of differentiation. In addition to combining online and offline, Marketing 4.0 also integrates between style and substance. That is, the brand not only puts forward a good branding, but also content that is relevant to the customer or presents good content with up-to-date and good packaging. Marketing 4.0 also develops machine-to-machine and artificial intelligence connectivity in order to boost productivity. However, it must be balanced with the development of human-to-human connectivity that will strengthen customer engagement. In essence, technology development does not stop at the technology itself, but how this technology helps the brand in humanizing relationships with its customers.

IV. CONCLUSION

Thus, it can be concluded that the role of digital marketing and the function of online shopping is very important. Some companies large or small, ranging from technology companies to manufacturers, require digital marketing and online model shooping to lift marketing from the digital side.

V. REFERENCES

- Suh, B. and Han, I. (2002), "Effect of trust on customer acceptance of Internet banking", Electronic Commerce Research and Applications, Vol. 1 No. 3-4, pp. 247-63.
- [2]. Horrigan, J. B., "Online Shopping: Convenient But Risky", available at http://pewresearch.org/pubs/733/online-shopping (accessed 15 February, 2009). 2008
- [3]. Eggert, A., "Intangibility and Perceived Risk in Online Environments", Journal of Marketing Management, Vol. 22, No. 5/6: 553-572, 2006.
- [4]. Pires, G., J. Stanton, and A. Eckford, "Influences on the Perceived Risk of Purchasing Online", Journal of Consumer Behaviour, Vol. 4, No. 2: 118-131, 2004.
- [5]. Zheng, L., M. Favier, P. Huang, and F. Coat, "Chinese Consumer Perceived Risk and Risk Relievers in E-shopping for Clothing," Journal of Electronic Commerce Research, Vol. 13, No. 3: 255-274, 2012
- [6]. Forsythe, S. M. and B. Shi, "Consumer Patronage and Risk Perceptions in Internet Shopping", Journal of Business Research,
- [7]. Vol. 56: 867-875, 2003
- [8]. Doolin, B., S. Dillons, F., Thompson, and J. L. Corner, "Perceived Risk, the Internet Shopping Experience and Online Purchasing behavior: A New Zealand Perspective", Journal of Global Information Management, Vol. 13, No. 2: 66-88, 2005
- [9]. Doherty, N. F. and F. E. Ellis-Chadwick, "New Perspectives in Internet Retailing: A Review and

Strategic Critique of the Field", International Journal of Retail & Distribution Management, Vol. 34, No. 4/5: 411-430, 2006.

- [10]. Boyd, H.W., Walker, O.C., Mullins, J. and Larre'che', J-C. (2002), Marketing Management, A Strategic Decision-Making Approach, McGraw-Hill/Irwin, Columbus, OH
- [11]. Legris, P., Ingham, J. and Collerette, P. (2003), "Why do people use information technology? A critical review of the technology acceptance model", Information and Management, Vol. 40, pp. 191-204
- [12]. Harrell, G.D. and Frazier, G.L. (1999), Marketing, Connecting with Customers, Prentice-Hall, Englewood Cliffs, NJ][Solomon, M.R. and Stuart, E.W. (2003), Marketing, Real People, Real Choices, 3rd ed., Prentice-Hall, Englewood Cliffs, NJ.
- [13]. Kotler, P. and Armstrong, G. (2001), Principles of Marketing, Prentice-Hall, Englewood Cliffs, NJ.