

MARKET DEVELOPMENT STRATEGY TO INCREASE MARKET SHARE WITH THE DIGITAL MARKETING REVOLUTION

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ABSTRACT

This market development strategy is one part of the company's various strategies to achieve growth in an effort to increase market share. The company opens new markets to market products so that the products are better known and liked by the wider community. Changes in communication technology which is a way or tool for people to interact, then the digital marketing revolution is very influential on changes in consumer behavior which will have an impact on market development. This research uses descriptive qualitative research. The research subjects consisted of 10 Micro, Small and Medium Enterprises with a declining number of product sales. The technique of collecting data is triangulation (combined) and the results of qualitative research emphasize meaning rather than generalization. The results of this study are SMEs in Lamongan Regency practice digital marketing strategies (digital marketing) online through social media such as Facebook, Instagram, and other internet networks, all of which are connected to a wider reach of consumers. MSMEs in Lamongan Regency cooperate with the POL (Lamongan Online Market) which was initiated by Perumda Pasar Kabupataen Lamongan, a market place selling online media that can be accessed easily. And the application of digital marketing carried out by MSMEs in Lamongan Regency can increase sales. It can be seen based on the SWOT analysis, MSMEs in Lamongan Regency are in the right and relevant position, namely in quadrant I (growth) in the application of digital marketing.

Keywords: *Development Strategy, Market Share, Digital marketing*

A. PRELIMINARY

Market development is carried out by the company to increase product sales in new markets. According to Kannan and Hongshuang (2016) in their research, marketing development activities in increasing market share are one part of various company strategies to achieve growth. Digital marketing according to the American Marketing Association (AMA) is the activities, institutions, and processes facilitated by digital technology to create, communicate, and deliver

values to consumers and other interested parties. Research conducted by Erfani et.al shows that (1) increasing the knowledge and ability of Small and Medium Enterprises with the digital marketing revolution can encourage product sales on a wide scale and increase competitiveness, (2) increasing digital marketing mastery of Small and Medium Enterprises will can attract potential customers. So that with increasing buying interest and increasing strong competitiveness, it will increase the development of new markets.

The results of Pura and Hasan's research (2016) that the digital marketing revolution is an opportunity that can be utilized by marketers to increase the effectiveness and efficiency of marketing programs by choosing opportunities or being left behind by competitors, as stated by Kotler (2003) "the company constantly adds technology. that gives it a competitive advantage in the market place,". Which is a must "its a Must".



Figure 1: The decline in the market for Micro, Small and Medium Enterprises

The survey results from the Indonesian Institute of Sciences (LIPI) show that 94.69 percent of ultra micro and Micro Small and Medium Enterprises have experienced a decline in sales from 2019 - 2020. The market decline was felt by almost all Micro, Small and Medium Enterprises in Indonesia. This is based on a survey conducted by the Association of Business Development Services Indonesia (ABDSI) on 6,000 Small and Medium Enterprises spread throughout Indonesia. The survey was conducted in April-May 2020, based on a survey as many as 36.7 percent of Micro, Small and Medium Enterprises that had no sales due to the pandemic. Then as many as 26.6 percent of Micro, Small and Medium Enterprises sales fell by more than 60 percent.

B. LITERATURE REVIEW

Development Strategy of Market

According to Mangkuprawira and T.B. Sjafri (2004). states that market development is an effort to increase knowledge that may be used immediately or often for future purposes. Product development strategy is an effort to increase the number of Consumers by developing or introducing new company products. Innovation and creativity in product description is one of the main keys in this strategy. The company is always trying to update or introduce new products to

consumers. The company continuously explores market needs and strives to meet these market needs Kotler, Philip. (2003).

Market Share

According to Philip Kotler (2006). Market share is the size of a competitor's share of sales in the relevant market. According to Ferdinand, A. T, (2000) Market share is the size of the share or the total area of the market that can be controlled by a company which is usually expressed in percentages, (2015). Sumarwan et al. (2011) states that if the company has a 100% market share, its sales will be equal to the total market demand. Based on this logic, the company's sales will be equal to its market share and market demand, namely: $\text{Volume (units)} = \text{market demand (units)} \times \text{market share}$

Digital Marketing Revolution

According to Abdulsyani. (2007) the term revolution is a social and cultural change that takes place rapidly and involves the basics or principles of people's lives. In this case, what the researcher means is the change in society in using digital technology for communication in marketing. According to Sanjaya, R. and J. Tarigan. (2009) Digital Marketing can be defined as marketing activities including branding using various web-based media. also according to Ali and Hasan, (2013) digital marketing is defined as the use of digital technology to achieve marketing goals as well as efforts to develop or adjust the marketing concept itself, can communicate on a global scale, and change the way companies do business with customers. describes that digital marketing has the following characteristics: 1). Efforts to increase business interactivity with technology-dependent customers. 2). An electronic dialogue (interactive technology) to provide access to information to customers (communities, individuals), and vice versa. 3). Efforts to conduct all business activities over the internet for research, analysis and planning purposes to find, attract and retain customers. 4). Efforts to increase the acceleration of buying and selling goods and services (certain), information and ideas via the internet

C. RESEARCH METHODS

Qualitative research method is a research method used to examine the condition of natural objects. Data collection techniques using observation and documentation. Then, the data that has been collected was triangulated using technical triangulation and analyzed using the Miles and Huberman Model data analysis. The Miles and Huberman (Sugiyono, 2014) model has activities carried out, namely: data collection, data reduction, data display, and verification / drawing conclusions. The process of carrying out research carried out in this study can be presented in the diagram below:

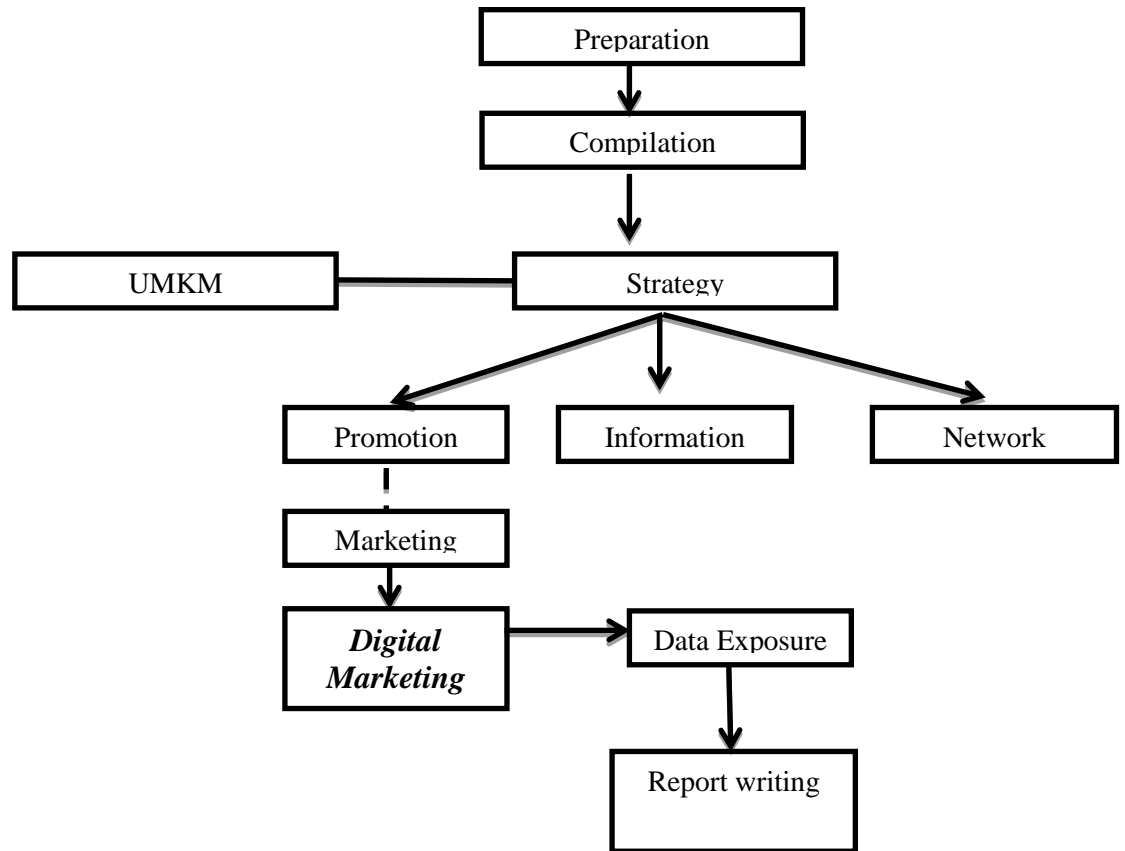


Figure 2 Research stages

Place and time of research

The location of this research is 10 SMEs in the city of Lamongan, the reason for choosing this location. As for the time of this research in May 2021 to June 2021, the following 10 MSMEs were sampled in this study:

**Table 1:
Small Micro and Medium Enterprises In Lamongan**

No	UMKM
1.	Mother's Snack
2.	Jabret
3.	Three Princess
4.	Bude Macaroni
5.	Richo cassava chips
6.	Salted egg crackers
7.	Egg Peanut Elly
8.	cipen snacks
9.	Excellent taste
10.	Suding

Data Type

Primary data is research data obtained through original sources in the field in the form of interviews, questionnaires, and in-depth observations of the subjects and objects studied. In this context, the data was obtained from the results of interviews with predetermined informants (purposive sample) and observations at the research location, namely 10 MSMEs in Lamongan district.

Secondary data is research data sourced from documentation or library data such as books, notes, journals, and also evidence related to research topics in the form of archives that have been published or unpublished. In this study, the researcher reads various books with related topics. The researcher understands the written data by doing deductive reasoning. As for the field data, the researchers carried out inductive reasoning

Determination of samples and informants is done by means of purposive samples (samples that have been determined beforehand). That is, the informant has been determined in advance in the form of a research institution or certain figures who become key informants (key informants). Here the researcher has selected the informants who are considered relevant for data collection. In this case, the sample is limited to 10 SMEs. The priority is that the data is considered sufficient.

Data collection technique

There are three ways of data collection techniques, namely:

Observation involved is done by the way researchers are involved in the activities of the subjects. For example, researchers participate in online transactions, participate in all or part of digital marketing activities carried out by a number of online business actors, in this case, 10 MSMEs in the city of Lamongan.

Interview is a dialogue or communication between researchers and informants to obtain information or data.

Documentation means collecting data by recording existing data, namely regarding things or variables in the form of notes, transcripts, books, newspapers, magazines, inscriptions, meeting minutes, and agendas (Arikunto, 2002: 206). In this study, the documents for sales transactions, marketing, and other activities carried out by 10 MSMEs in the city of Lamongan will be examined. In addition, researchers will also explore references related to research topics in the form of books, journals, magazines, Facebook, Instagram, YouTube, pictures, and others related to the research topic. In essence, the author will use the written sources available in the library (both print and internet).

Data Validity Check Technique

To check the validity of the data, the 'triangulation' technique was used. Triangulation is a technique of checking the validity of data through more than one method as a comparison. For example, re-checking the results of existing interviews by cross-checking. Or use other methods as reinforcement of existing methods. In essence, the triangulation technique is carried out to avoid data from bias or deviation/invalidity (Lexy J. Moleong, 1989: 175-187). In this study, triangulation will be used in the form of source checking. That is, researchers compare and check back the degree of trustworthiness of information obtained

from data sources that have been taken (informants, observations, interviews, and also data from documentation sources).

Data Analysis Techniques

In qualitative research, data analysis is carried out by organizing observational data, interview transcripts, field notes, and other materials that have been collected for the purpose of drawing conclusions. There are three ways, 1. Data reduction. This means sorting and selecting the available data into mature, strong, and solid paragraphs; 2. Data Presentation. Namely presenting data in the form of logical and systematic descriptions or narratives; 3. Drawing conclusions. This activity is carried out by interpreting the analyzes accurately through the points of conclusion.

In this study, qualitative analysis will be carried out on interview data, in-depth observation data, and documentation or references. Conclusions are also made by drawing on the intent and giving a description. Then verification is carried out, namely by testing the truth, accuracy, and matching the intentions born from the data. In the context of this research, one of the analytical tools used is the SWOT method (Strength, Weakness, Opportunity, Threats). SWOT is an analytical tool in company management or in organizations that can systematically help develop a plan to achieve predetermined goals (both short-term and long-term goals).

SWOT analysis is the interpretation of the results of the introduction of a situation, to ascertain a situation that is considered a strength, weakness, opportunity, and threat. (Tedjo Tripomo and Udan, 2005: 118). In another source, it is stated that the SWOT analysis is to compare the elements of the company's internal environment with the company's external elements (Freddy Rangkuti, 2008: 19).

D. DISCUSSION

Micro, Small and Medium Enterprises in Lamongan Regency in carrying out a marketing strategy is to determine the target market by applying a number of elements, namely: segmentation, targeting and positioning and also with the marketing mix with the aim of persuading consumers and maintaining the number of existing customers.

Micro, Small and Medium Enterprises in Lamongan Regency in relation to the social changes of society due to modernization in all fields, have made a series of changes in the field of procurement of human resources, production equipment, product variations, production techniques, and marketing strategies. MSMEs in Lamongan Regency have also made appropriate and effective and innovative responses so that they do not experience being left behind and are eventually marginalized by their consumers.

Digital marketing carried out by MSMEs in Lamongan Regency includes using social media which is familiar to millennials and city dwellers. Social media are Facebook, Instagram, blogs, and other social networks. In this way, virtual digital markets are getting wider and reach to all corners of the world almost without boundaries. As a result of

modernization in all fields, digital marketing has become the right choice for MSMEs in Lamongan Regency. In addition to social media above, Lamongan city is also developing the POL (Lamongan Online Market) program which from 2020 has become a solution for business actors and especially MSMEs in Lamongan district.

In developing the marketing and sales of their products, these MSMEs collaborate with other relevant parties such as the POL (Lamongan Online Market) which was initiated by the digital Perumda Pasar Kabupataen Lamongan which is easily accessible to consumers, JNE, J&T, Tiki, Pos Indonesia etc. as a service delivery of goods to consumers. Cooperation with the government is also carried out by synergizing government programs in the creative economy sector which is being promoted by the Jokowi government. Moreover, MSMEs in Lamongan Regency have been seen as having very good progress in the last few years, this achievement being a motivation for the growth of creative economies in Lamongan Regency.

The market development strategy in MSMEs in Lamongan Regency is emphasized on aspects of promotion, information and network marketing through digital marketing. From the changes in marketing strategies that have been carried out previously to digital marketing, MSMEs get enormous benefits and changes in improvements in terms of marketing which are all evidenced by the high enthusiasm of consumers to buy products from MSMEs in Lamongan Regency.

With a SWOT analysis, MSMEs in Lamongan Regency can accurately identify strengths, weaknesses, opportunities, and challenges. From the SWOT analysis, MSMEs in Lamongan Regency carry out a series of technological innovations to maintain good performance and are relevant to existing opportunities and challenges.

Sales of products from MSMEs have experienced an increase in sales both quantitatively and qualitatively. Based on interviews, there was an increase of around 60% because the market segment was getting wider by digital marketing, both offline and online sales.

Based on the SWOT analysis, the steps of MSMEs in Lamongan Regency are in quadrant I (growth), this means that the sales of their products are experiencing growth that continues to improve by digital marketing.

E. CONCLUSIONS

MSMEs in Lamongan Regency practice digital marketing strategies (digital marketing) online through social media such as Facebook, Instagram, and other internet networks, all of which are connected to a wider reach of consumers. MSMEs in Lamongan Regency cooperate with the POL (Lamongan Online Market) which was initiated by Perumda Pasar Kabupataen Lamongan, a market place selling online media that can be accessed easily. By downloading from the Playstore, typing "Lamonagan online market" in the POL application also markets with interesting features

that can be accessed interactively.

The application of digital marketing carried out by MSMEs in Lamongan Regency can increase sales. This happens because consumers are broader, closer, can check the quality and reputation of the product, and can make transactions online. Based on the SWOT analysis, MSMEs in Lamongan district are in the right and relevant position, namely in quadrant I (growth) in the application of digital marketing.

MSMEs in Lamongan Regency need to continue to innovate in the development of digital marketing applications so that they can be easily accessed. Also increase cooperation with various other available market places.

This research, with all its weaknesses, needs further action, in order to find the right solution to solve digital challenges. For researchers, this research does not have enough time to explore SWOT from the consumer side spread across various regions through social media, so it is still possible to develop it further with a different point of view.

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