PT SOLARE MARKETING STRATEGY FOR BUSINESS MARKET PENETRATION

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Abstract—PT Solare is a producer of solar home system and solar powered street lighting. The company was built on the foundation to help people in rural area to receive proper lighting using solar energy as the source of electricity power. To reach this goal PT Solare uses donor-based model where they would approach customers who would want to purchase SHS and donate it to the people who lived in rural areas. PT Solare decided to choose third party firm; CV Citra Surya Utama (CV CSU) as the sales agent that will offer the products to the government organizations, and let the business segment handled by PT Solare personally. In the reality PT Solare just relying on government order which came from CV CSU and neglect the business segment. Based on this situation PT Solare profitability became depended with CV CSU performance, as a result when the performance of CV CSU declined the profitability PT Solare would also declined. Even though the positive trend of solar powered street lighting sales has made the company able to survive in the midst of declining sales of SHS products, the reality is the sales of both products are still below the expectation. PT Solare needs to improve the sales condition so the company can grow and achieve its vision which is to become the top of mind brand in solar powered lighting product. Root cause analysis has determined that the main causes for the low sales of PT Solare are the lack of marketing value in the company culture, and the lack of promotion initiatives. Currently PT Solare just waits until there are orders from CV CSU or other client who directly contacted the company. To address this root causes, PT Solare needs a marketing strategy that will become guidelines in marketing to prevent the problem from reoccurring. This final project uses Internal External (IE) Matrix and Quantitative Strategic Planning Matrix (QSPM) to determine which growth strategy that PT Solare should pursue and evaluate and selects possible strategies that more relevant with PT Solare condition. The result from IE Matrix and QSPM analysis are that PT Solare needs to penetrate the existing market which is the neglected business segment, using existing product by bolstering the perception of product reliability. The recommended strategies to enhance the perception of product reliability through product trial, longer warranty and enhance and communicate the reliability of PT Solare service. The final project also includes the communication method that appropriate for PT Solare to approach the business market. The communication method also addresses the internalization of marketing strategy which is to communicate the marketing strategy to company internal employees. Internalization of marketing communication is necessary in order to weave marketing value in PT Solare culture.

Keywords: Marketing strategy

1. Introduction

The company that this final project analyzed to find solution for its problem is PT Solare a Solar Powered Lighting (SPL) producer located in Bandung West Java. Topic that was examined as an issue in this final project is the development of an the appropriate marketing strategy that will be beneficial to the progress of this company.

a) Company History
PT Solare was founded in 2004 because of the impulse to help people who lived in a rural area to receive proper and safe source of lighting. The first product that PT Solare produces is Solar Home System (SHS) that uses Light Emitting Diode (LED) to provide long lasting performance, and can produce brighter light using small energy. The company imported their LED and solar photovoltaic
(PV) array from Chinese manufacturer Shenzhen Xinhonghua Solar-Energy Co., Ltd. and uses the help of CV CSU to approach government client and handle the business segment themselves.

b) **Organization Structure**

![Solare Organization Structure](image1)

As seen in the figure 1.2 PT Solare has a simple organization structure, it has small number of employees which were supervised by middle managers (warehouse manager and production manager). Leadership style in the company is autocratic leadership where the director role is directive and controlling, and can dictate employee’s roles. The director responsibility is to give life to the business, and as a limited liability company, in PT Solare the stock holder gave total responsibility to the director and do not involve directly with the company. The lack of marketing function in PT Solare is dealt using cross department work, where each of the manager with the help of employee are responsible to meet with customer who directly contacted PT Solare

c) **Vision and Mission**

PT Solare vision is “to make Solare brand as the top of mind in the solar energy related brand, which utilize the latest technology for the benefit of large society”. And the company mission is “to produce a good quality and reliable SPL system which can be used in every geographical condition”. The mission is reflected on the emphasis to produce the most reliable and durable SPL products.

d) **PT Solare Sales Partner**

![CV CSU Organization Structure](image2)

CV CSU is a small company consist of five personal, the company organization structure can be seen in Figure 1.3. The company sole purpose is to help PT Solare sale their products to government customers. CV CSU uses personal selling method by writing and distributing proposals to regional government offices, because since 2007 the obligation to improve regional electrification ratio has shifted from PLN to regional government. The owner of CV CSU has experience in dealing with government and has owned several other businesses.

e) **Business Coverage**

PT Solare produces two types of SPL, solar home system for indoor usage and given the code name SP and solar powered street lighting for outdoor usage and given the codename PJU.
SP product as seen in Figure 1.3 is targeted for a person who lives in rural area, the product design emphasis on energy efficiency.

Meanwhile PJU product is design for outdoor lighting purposes especially to illuminate the street. The product is designed to be able to handle any type of weathers; and it is also designed to be able to keep its lights for 12 hours. PT Solare also provides customize SPL for example the company had produced SPL for fisherman based on the demand from Koperasi Nelayan Provinsi Riau Kepulauan.

\[ \text{Sales Performance} \]

As seen in Figure 1.5 the sales of SHS after 2007 never achieve the intended target which is 2000 unit per year. Meanwhile the sales of PJU products, even though it had a positive trend it were still below the 500 units per year target. Since 2006 all the purchased orders came from regional government. Until 2010 all of the purchase orders came from CV CSU, and in 2011 CSSU only contributed 25% of sales. The decline in CV CSU performance was due to the divided attention of the owner with his other businesses. PT Solare does not actively pursue the business segment and just relied on orders from CV CSU, and word of mouth to attract interested clients of SPL technology to directly contact the company.

\[ \text{National Electrification Ratio} \]

Based on the 2005-2025 National Energy Policy Blueprint renewable energy such as SPL, renewable energy technologies should be used to meet the country’s rural electrification goals. The key objective of the policy is to reduce dependence on oil by expanding the use of gas, coal and other renewable energy sources. Currently the government has installed 17 MW solar power where most of the installed solar panels were in the form of or SHS installed in rural areas.
Table 1.1 Target for Renewable Energy Development 2025

<table>
<thead>
<tr>
<th>Other Renewables</th>
<th>Unit</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>PV</td>
<td>MW</td>
<td>25</td>
<td>50</td>
<td>70</td>
<td>80</td>
</tr>
<tr>
<td>Wind</td>
<td>MW</td>
<td>-</td>
<td>25.6</td>
<td></td>
<td>255</td>
</tr>
<tr>
<td>Microhydro</td>
<td>MW</td>
<td>169</td>
<td>298</td>
<td>488</td>
<td>700</td>
</tr>
<tr>
<td>Geothermal</td>
<td>MW</td>
<td>3,442</td>
<td>4,600</td>
<td>6,000</td>
<td>9,500</td>
</tr>
</tbody>
</table>

As seen in the Table 1.2 the installed capacity in 2012 were still below the intended target, which is 25MW in 2010. In addition according to the 2006th Presidential Decree No.5 solar PV will only a fraction of other renewable energy that will be developed in 2025. This condition shows that even though the government is the biggest customers in SPL, it is best for PT Solare not to heavily rely on the demand from government.

h) Business Issues

Based on the sales performance and NER situation in Indonesia, there are internal and external issues found in PT Solare business. The external issues are government preferences on the power grid development. Internal issues are dependence on CV CSU performance, sales decline of SHS product, absence of non government client since 2006, and overall low sales of SPL products. Even though the company started from social awareness, revenue and profit still counted play an important role in the company. PT Solare needs to fulfill its obligation to the company’s shareholders and workers, which depended on the company’s revenue and profit. PT Solare need to improve its sales condition so the company can fulfill its obligation and also for the growth of the business in the long run.

3. Business Issue Exploration

This chapter will explore the business issues that PT Solare faced, by analyzing the external and internal condition of the company. The purpose for issues exploration is to find knowledge about what happened in Solare environment, so the root cause of the problem can be identified.

B. Conceptual Framework

The conceptual framework is divided into four phase, environmental scanning, objective strategy formulation and implementation.

![Conceptual Framework Diagram]

Environmental scanning will look at micro and macro condition of PT Solare and disseminating information related with aforementioned business issues. Since the main problem for Solare is low sales performance, the general objective of solution for the problem will be the improvement of sales condition. Strategy formulation involved in developing alternative strategy for the solution of the problem, and selecting the most relevant with company condition. And implementation will address the budgeting and implementation plan schedule of the strategy in the company.
C. Internal Analysis

PT Solare is not founded based on a rigorous business plan document, and had never created any documents that outlines or summarize their marketing strategies and promotion programs. The formal planning at best is cash forecasting and main goal of the company is survival. The condition of PT Solare in survival stage (Stage II) shows that the company has demonstrated that it has a workable business entity. It also has enough customers and satisfies these customers sufficiently with its limited product offer or services to keep them.

![Small Business Growth Stage](image)

Currently the low sales conditions only allow the company to stay in the business. While according to Churchill and Lewis in order to for company in stage II to move to the next step (Success) it needs to grow its business and profitability. Further analysis of internal condition will take a look at company’s resources and marketing mix analysis.

\(a\) Company Resources

PT Solare tangible resources are plant and warehouse where the company operates; location that give access to ease of distribution; loyal and dedicated human assets; and equipment to assist in the SPL production. And PT Solare intangible resources are; Reputation that the company had as a producer of reliable SPL; product certification that validates the quality of Solare brand from BPPT; empathy for SHS consumers that inspires PT Solare to improve the product’s reliability and durability; focus on efficiency and effectiveness in operation and also product design that put emphasis on simplicity and energy efficiency. And finally access to the latest LED and solar PV technology that help the company to continually improve the product quality, through technology based innovation.

\(b\) Marketing Mix Analysis

**Product** - PT Solare produces SHS and solar powered street lighting system. Both of the product design were emphasizes on the simplicity, reliability and durability, which became the reason to implement LED lamp with DC system in the product instead of conventional SPL design.

![Comparison Between Conventional and Solare Lighting](image)

As seen in Figure 2.3 using LED and DC system the product design is simpler with fewer components and consumes smaller energy.
Price – The main component for Solare SPL are Solar array and LED lamp. Currently PT Solare value their product for $4 per watt of solar cell and $0.5 per LED.

<table>
<thead>
<tr>
<th>$ 6.00/W</th>
<th>Compete with power at peak times</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 3.00/W</td>
<td>Compete with most natural gas powered generation</td>
</tr>
<tr>
<td>$ 1.00/W</td>
<td>Compete with coal</td>
</tr>
<tr>
<td>$ 0.50/W</td>
<td>Cheapest energy source</td>
</tr>
</tbody>
</table>

Figure 2.4 Cost of Electricity for PV Technology
Source: Hazlehurst, 2011, p20

Figure 2.4 shows that with $4 per watt the cost to adopt Solare product is more expensive compared with conventional energy such as fossil fuel.

Place – To approach government client PT Solare uses the help of CV CSU that manually distributes Solare Product Proposal to various government institutions. To approach business segment PT Solare just relied on word of mouth (WOM) and wait until a client contacted the company directly.

Promotion – PT Solare neglects the promotion effort by never have any sales promotion and lacking in marketing communication program. The lack of communication marketing shown by the absence of media presence, the lack of appreciation in advertising, lack access to media, absence of possession of an advertising property, and absence of sponsorship.

People - Most of the employees have an experience working in other factories such as electronic components factory. The employees also have shown their loyalty and dedication by the low of turnover, and decision to stay when there are no works because of absence of orders from clients. The workers in PT Solare are expected to be able to do cross department work where warehouse employees should be able to help production employees and vice versa.

Process – PT Solare were more focus on the operation excellence through emphasis on operation efficiency and effectiveness and product superiority by enhancing product reliability and durability through new product development. Meanwhile from the marketing aspect PT Solare does not actively pursue their customers and serve whoever contacted PT Solare directly whether it is CV CSU or business customers who happened have heard about Solare brand through WOM.

Physical evidence – PT Solare physical evidence that became the touch point for their customers are packaging, brand logo and lamp design. PT Solare uses simple square shape packaging from white colored cardboard material. In the cardboard, customer can find the product logo, slogan, company address and phone number.

Solare logo as shown in figure 2.9 is written in a bright red and yellow font, with picture of the sun as the letter “O”. The text “Penerangan Listrik Tenaga Surya dan menembus kegelapan bagi masyarakat pedesaan” can be found below the Solare logo.

Solare lamp is designed as simple possible to ease the installation process. In designing the product both SP and PJU product focus on the functional aspect and do not concern on the aesthetic aspect of the product.
D. External Analysis

External analysis will explore the collaborators, competitors, customers of PT Solare and industry climate that can affect PT Solare.

a) Collaborators

External parties that can help PT Solare to achieve its goals are suppliers, CV CSU, government, mass media, and environmental related organization.

Supplier – As a supplier Shenzhen Xinronghua Solar-Energy Co., Ltd provides the latest components that PT Solare can use in their new product development.

CV CSU – As the only active sales agent for Solare brand at the moment, PT Solare financial performance depend on CV CSU sales performance.

Government – Government play two parts in PT Solare business, first as a customer that donate SHS to people in rural areas, and as a regulators that provides laws and decrees that beneficial for SHS business and SPL in general.

Mass Media - Media play roles as the ones who holding companies for the social impact of their activities, and media also uses their influence to give recognition to the companies that they seen as successful in their social and environmental initiatives, to encourage the practice of green business.

Environmental Group/ Non Governmental Organization (NGO) - Activist Organizations is the harshest critics in environmental breach that was done by or corporation. They do not hesitate to harshly critics and with the help of mass media bringing public pressures to bear on corporations. NGOs can play roles as project developers, advisors, and consultants of energy programs.

b) Competitors

Direct competitors of PT Solare are PT Surya Energi Indotama (SEI) and PT Tricomm Aerocitra. PT SEI is subsidiary of government own company and owned 50 percent market share of Solar PV in Indonesia. While a Bandung based company, PT Tricomm Aerocitra that produces LED lighting under Solarens Ledindo is a head to head competitor of PT Solare that PT Solare used to meet when dealing with government client. Both of the copany had bigger production capacity compared to PT Solare with 7000 for SEI and 4000 for PT Tricomm Aerocitra.

Indirect competitors for PT Solare are PT Perusahaan Listrik Negara (PT PLN) who can provide access to electricity for PT Solare target consumers. Other indirect competitors are generator sellers and other renewable energy provides that can provide alternative source of energy.

c) Customers

Two types of PT Solare customers are government and business client. Motivation for government purchase are politics, to obey the law, regulation, decree and as a form of responsibility and obligation for the citizen. While business segment motivation is for SPL purchase decision are technology and as a part of corporate social responsibilities (CSR) initiatives.

d) Business Climate

The scanning of Sociocultural, Technological, Economic, Ecological, and Political-legal environmental condition, were used to understand the climate that affecting solar powered lighting companies.

Sociocultural – The increase of awareness in green economy where a company based its operation on Three P’s (Profit, Planet, People). The green economy is also supported by the media who gave various awards to appreciate businesses that put concern with the social and environmental aspect of their business decision. This condition had made CSR became the status symbol for businesses in Indonesia.

Technological – Advancement in solar cell, LED and internet technology can provide the boost needed to leverage the adoption of SPL in Indonesia.

Economic – the growth of high net worth individual and the decline of cost to produce solar panel could made SPL became more affordable for Indonesia market.

Ecological – Indonesia in average has 4.8 kWh/m²/day solar power resources but high humidity and long rainy season and cloudy climate could provide obstacles in Solar PV adoption. This problem could be overcome by selecting an appropriate solar PV technology that provides energy efficiency.
Political-legal – As an island nation the Indonesian government is aware with the nation’s vulnerability to climate changes especially with Jakarta as the capital is sits below sea level. This is why the government is very concern with the energy conservation and adoption of renewable energy through variety of laws and decrees. Particularly the “Policy on Renewable Energy and Energy Conservation” by the ministry of Energy and Natural Resources on 23rd December 2003. Unfortunately in the practice these laws were lack of policy and regulatory enforcement (Haeni, 2008). A lot of these laws, regulation, and agreement is still in the “encouragement” phase and have not manifest into something that can truly beneficial for the new and renewable energy industry.

e) Industry Analysis

![Figure 2.6 Competitive Forces of SPL Industry](image)

As seen in the Figure 2.6 the basic competitive forces that have strong bargaining power are other stakeholder, potential entrants and government as a buyer. While the basic competitive forces that have strong bargaining power are non government client as a buyer, suppliers and substitute product. The figure indicated that serving non government could provide a more attractive industry for PT Solare.

E. SWOTs Analysis

SWOTs analyses identify significant internal factor (Strength and Weakness) that need to be leveraged and which external factor (Opportunities and Threat) that needs to addressed. The SWOTs factors were taken from business issues exploration that has been gathered in the previous chapter. Table 2.1 provides the summary of PT Solare SWOTs.

<table>
<thead>
<tr>
<th>Table 2.1 PT Solare SWOTs Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
</tr>
<tr>
<td>Distribution effectiveness</td>
</tr>
<tr>
<td>Dedicated employees</td>
</tr>
<tr>
<td>Product reliability and durability</td>
</tr>
<tr>
<td>Continuous product improvement</td>
</tr>
<tr>
<td>BPPT certification</td>
</tr>
<tr>
<td>Conformance</td>
</tr>
<tr>
<td>Access to the latest</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technology and Components</th>
<th>lamp cannot be change by the consumers freely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement in various CSR and NER project</td>
<td>Concern in solar power technology reliability</td>
</tr>
<tr>
<td>Opportunities</td>
<td>Threat</td>
</tr>
<tr>
<td>Government support on renewable energy</td>
<td>Competitor earlier existence in world wide web</td>
</tr>
<tr>
<td>Trend in green business and CSR initiatives</td>
<td>Positive growth in economy</td>
</tr>
<tr>
<td>Positive growth in economy</td>
<td>High Initial cost</td>
</tr>
<tr>
<td>High growth in Internet adoption</td>
<td>Indonesia cloudy climate and rainy weather</td>
</tr>
<tr>
<td>CSR related award</td>
<td>Subsidy on fossil fuel</td>
</tr>
<tr>
<td>Decreasing cost of solar power production</td>
<td>Lack of policy and law enforcement</td>
</tr>
<tr>
<td>70 million people lack access to electricity</td>
<td>Strong bargaining power of government</td>
</tr>
<tr>
<td>Green banking initiatives</td>
<td>Low barrier of entrance</td>
</tr>
</tbody>
</table>

F. Root Cause Analysis

Based on the business issues exploration the causes of PT Solare low sales can be divided into two group; primary causes and secondary causes. The primary causes are lack of marketing value in the company cultures and the lack of marketing communication effort and sales promotion. A primary cause is any effect that PT Solare needs to prevent from occurring because it affected the secondary causes which are dependency on CV CSU order and dependency on government and undeveloped business market.

3. Business Solution

G. Strategy Formulation

To address the root causes of PT Solare an appropriate marketing strategy is needed so the company can develop promotion program and as a guidelines for weaving marketing value in the company. The first stage is to determine which of the growth strategy that PT Solare need to pursue, from the following selection in the Table 3.1

Table 3.1 Growth Strategy Selection
Source: Dwyer and Tanner, 2006

<table>
<thead>
<tr>
<th>Present product</th>
<th>New product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present markets</td>
<td>Market penetration</td>
</tr>
<tr>
<td>New markets</td>
<td>Market development</td>
</tr>
</tbody>
</table>

This would be determined using Internal and External Matrix that generated from external and internal factor evaluation.

a) External Factor Evaluation

External factor evaluation (EFE) is compiled by getting PT Solare director, managers and CV CSU owner to fill out the rating and weight of opportunities and threats categories to analyze how well PT Solare responding to these specific factors in the light of the perceived importance external factors. Based on the external factor evaluation calculation the total weighted score is 2.01, indicates that the company responds to the current and expected factors in its external environment is below average.

b) Internal Factor Evaluation
Internal factor evaluation (IFE) is compiled by getting PT Solare director, managers and CV CSU owner to fill out the rating and weight of strengths and weaknesses categories to summarize company’s ability to adapt with the industry. The total score from internal factor analysis is 2.43 which means that the company responds to the current and expected factors in its internal environment is below average.

c) Internal External Matrix

As seen in the Figure 3.1 with total weight score of IFE 2.43 and total weight score of EFE is 2.01, the coordinates fall in the V cell which means that PT Solare should use hold and maintain strategy. The strategy will only concentrate on market penetration because the objective of the solution is to increase the sales of current product which is SP and PJU. And since the government market is overcrowded with competitors, have strong bargaining power and already take care of CV CSU, the strategy will concentrate on penetration to the business clients that have been neglected by PT Solare.

d) TOWS Matrix Analysis

TOWS matrix is used to create relevant alternatives strategy that can help PT Solare to improve the sales of SHS and SPL. According to Wheelen and Hunger (2010:230) TOWS matrix which came from SWOT analysis illustrates how the external opportunities and threats facing a particular corporation can be matched with that company’s internal strengths and weaknesses to result in four sets of possible strategies. TOWS matrix of PT SOLare produced 11 strategies that can be used by PT Solare to improve the company sales condition:

Strengths - Opportunities strategies are:
- Partner with distribution channel to broaden the market
- Inform prospect customers about brand reliability
- Partnership with financial sector to improve affordability
- Improve service differentiation

Weaknesses - Opportunities strategies are:
- Find partner that can help PT Solare to approach business clients that have awareness in CSR and green business
- Use internet to overcome the lack of employee and absence of physical store
- Improve product differentiation

Strengths - Threats strategies are:
- Use warranty program to reduce customers concern
- Use product form pricing strategy

Weaknesses - Threats strategies are:
- Product trial to get customer to experience the product
- Use sales promotion to attract cost sensitive customers

To simplify the marketing strategy selection, the 11 strategies will be categorized into four strategy alternatives based on its similar characteristics.
Table 3.2 Categories of Possible Strategies

<table>
<thead>
<tr>
<th>No</th>
<th>Strategies</th>
<th>Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Improve the product differentiation</td>
<td>Product differentiation</td>
</tr>
<tr>
<td>2</td>
<td>Partner with distribution channel to broaden the market</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Find partner that can help PT Solare to approach business clients that have awareness in CSR and green business</td>
<td>Service differentiation</td>
</tr>
<tr>
<td>4</td>
<td>Use internet to overcome the lack of employee and absence of physical store</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Improve service differentiation</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Use warranty program to reduce customers concern</td>
<td>Bolster the perception of reliability</td>
</tr>
<tr>
<td>7</td>
<td>Product trial to get customer to experience the product</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Inform prospect customers about brand reliability</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Use sales promotion to attract cost sensitive customers</td>
<td>Increase the product affordability</td>
</tr>
<tr>
<td>10</td>
<td>Partnership with financial sector to improve affordability</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Use product form pricing strategy</td>
<td></td>
</tr>
</tbody>
</table>

II. Solare Marketing Strategy Alternatives

a) Improve Product Differentiation

Product differentiation could be improved through differentiation in form, features, reparability, and product’s style.

b) Improve Service Differentiation

Service differentiation could be achieve through increase ordering ease, enhance delivery system, broadening distribution channel, improve ease of installation, customer training, customer consulting, maintenance and repair.

c) Bolster the Perception of Reliability

To bolster the perception of Solare reliability could be achieve by offering product trial to prospect customer, provides longer warranty program, and improve and communicate PT Solare service reliability.

d) Increase product affordability

SPL is an expensive product, and may discourage the consumers to buy it. PT Solare could provides affordable installment program, and price Discrimination to increase product affordability.

I. Alternative Strategy Selection

Quantitative Strategic Planning Matrix (QSPM) is used to select the most relevant strategy from the available alternatives, which can be used by PT Solare as a foundation for its marketing strategy. From these four strategies, to bolster the perception of reliability receive the highest sum of total attractiveness score with 5.92 while the second highest attractive strategy is service differentiation with 5.50. And the two strategies with the lowest sum of total attractiveness score are; increase product affordability, with 5.07 and product differentiation with 4.90. The result of QSPM analysis indicates that the most attractive strategy to penetrate the market is by bolstering the perception of reliability.
To bolster the perception of reliability is appropriate for marketing Solare to business clients because it addressed the risks factor, which became the decisive factor in business client purchasing decision. Concern about SPL reliability is related with the amount of money that the business client would spend to purchase the products. The client would like to justify the cost that they had with product that can perform without malfunction in specified time period.

J. Marketing Communication to Support the Reliability Program

A communication strategy to support the reliability perception is needed to ensure that the target market hears about the product trial, warranty program and PT Solare service reliability.

a) Solare Marketing Communication Objectives

The objective of the communication campaign is to convince 50 percent of the target audience that Solare produces the most reliable SPL in Indonesia. The target audience will be focused on businesses that operate in West Java region to increase focus and reduce cost.

K. Solare Message Strategy

a) Finding the right Message

Brand message can help prospects identify a brand in the product category and evaluate whether the brand fit the criteria to solve problem or leverage opportunity that they have. The result of combining the existed value propositions with reliability program are a new value proposition that the company should use as their brand message. These new brand messages are: Simple, Tahan Lama, Bebas Perawatan, Bergaransi, Teruji dan Berpengalaman

b) Message Strategy Brief

The detail marketing message will consist of consumers and customers positive testimony about Solare product and service reliability, and facts about distinctive feature that are strong points and different from the competitors.

L. Communication Channel Selection

To ensure the believability of the messages PT Solare management need to enhance the message communication so it can that can reach various sources, especially the ones with high believability. This can be done through recruiting a high profile spoke person for the company. PT Solare will also use the internet as communication channel because it provides a low intrusiveness level while still maintain two-way dialogue communication capabilities.

M. Permission Marketing

Permission marketing is used to address the clutter of using internet as channel for communication. Marketers can develop stronger consumer relationship by respecting customer’s wishes and sending messages only when they express willingness to become involved in the brand.

a) Communication Function

Along with personal selling PT Solare will also incorporate website, web ads, company email, printed brochures, and sales proposals to inform business segment about Solare’s product and service reliability. PT Solare will also use public relation to increase Solare brand access to the media.

N. Internalization of Communication

Because PT Solare lacks of marketing department, all of the employees need to be ready to communicate with the customers, these employees had done it before and they would be expected to do it more. Three initiatives that PT Solare needs to do to conduct internal communication are:

Informing employees – Create channel for internal communication that accessible and suitable for employees.

Empowering employees – Provides employees with information that enables them to make decisions about problems that affect customer relationships.

Listening to employees – encourage and facilitate employee feedback because this kind of interaction will let managers know whether employees understand and agree with the internal marketing messages and are willing to support various marketing communication programs.

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