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# PROPOSED DIGITAL MARKETING STRATEGY FOR RESIDENTIAL DEVELOPMENT (CASE STUDY: PT. TAMAN FIRDAUS KAFFAH)

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#### **OPENING PARAGRAPH**

Disruption era is a phenomenon when people shift activities that were initially carrying out in the real world, into cyberspace. This phenomenon developed in the changing patterns of the business world. The appearance of gadgets or the internet is one of the most popular effects in Indonesia. The impact of disruption era is starting from government, economics, law, politics, urban planning, construction, health services, education, business competition and social relations, to the marketing concept is now being disrupted. The era of digital disruption will lead us to a digital world-based business that previously used an offline system to online, but potentially also disrupt the existing business stability that in fact does not use tech support. Property business is a capital intensive business. The company's ability to manage sales acceleration is important to restore the turnover of funds within a measurable period of time. To cover the costs that arise, revenue from sales is in need. To achieve sales requires the right marketing strategy. So it becomes important that companies focus on marketing efforts so that companies can maintain the continuity of their business survival. One of the difficulties that most company would face is definitely low sales of products. For PT. Taman Firdaus Kaffah, the struggle is in marketing strategy that still used conventional marketing and does not keep up with trends by not taken maximum action on online promotion, especially in the 16<sup>th</sup> Taman Firdaus housing that are in the process of selling houses.

## **COMPANY BACKGROUND**

PT. Taman Firdaus Kaffah, which was established by Ir. M. Echsanullah, MM, CPA in 1995, is now one of the best property developers in Indonesia. The group went public in 1995, which originally started business from land acquisition and gradually continued to grow into a property developer.

Property Developer is a developer of land that is still original or raw, then formed into a residential area supported by adequate infrastructure. A developer who opens a residential area has full authority to determine the selling price of his property unit. The price of property offered is quite diverse, depending on the policy of the developer and of course related companies. The company's first project was 1st Taman Firdaus Housing in Bogor (1995). Today PT. Taman Firdaus Kaffah has expanded to several cities including Jakarta and Bekasi. Townhouse concept offers minimalist modern design housing and public facilities, including parks, mosques, schools, modern marketplaces, and health facilities.

Over the past 24 years, PT. Taman Firdaus Kaffah has successfully developed more than 15 properties in Jakarta, Bogor, and Bekasi. PT. Taman Firdaus Kaffah is currently at the intermediate level developer stage, which is the concept of land development in accordance with government zoning regulations and begins to be more careful in determining the selling price of land and the selling price of houses. The company still has many projects in preparation and developed into an advanced developer, which is a developer with the concept of "region" which leads to the development of independent cities. Regional development with the concept of spatial planning, including zoning for commercial areas, education areas, office areas, etc.

## SPECIFIC AREA OF INTEREST

We are in the midst of the 4.0 industrial revolution which has an important role in changing various aspects of human life. The term Industry 4.0 was officially presented at the German Hannover Fair in 2012 as one of ten "Future Projects" made by Germany's High-Tech Strategy 2020 (Davies, 2015; Kinzel, 2016; T.Pfeiffer, 2016).

Disruptive innovation is innovation that helps create new markets, disrupts or destroys existing markets, and ultimately replaces these earlier technologies. Disruptive innovation develops a product or service in an unexpected manner in the market, generally by creating different types of consumers on new markets and lowering prices on the old market (Joseph L Bower, 1995; Clayton M Christensen, 1995).

External environment faced by the firms today shows the uncertainty due to the disruptive change that occurs in all aspects.

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Impacts of the phenomenon of disruptive innovation, which upset the balance of the market, require all companies to renew themselves in order to maintain their positions in the competition. The era of digital disruption which will replace the old technology that is all physical with digital technology that produces something really new and more efficient. The era of digital disruption will lead us to a digital world-based business that previously used an offline system to online, but potentially also disrupt the existing business stability that in fact does not use tech support.

In the era of digital disruption, internet has an important role and cannot be separate from everyday human life, at first the internet was only use as a media for browsing and correspondence. Along with technological developments, the internet is not only a place to find information, but also a place to interact through social media by exchanging information and even conducting economic transactions.

As this case in the Property Industry, internet can be a great opportunity for property companies to reach a wider market. The potential of technology that facilitates all the complexity involved in the process of property marketing. Consideration of consumers to find what they want, one of them is searching through the property site. Currently conventional methods of buying property will be eroding with the online marketing system, for example e-commerce property including rumah123.com and urban indo. This happens because people now prefer to search for things in an easy and practical way.

## SPECIFIC PROBLEM

The development process in 16<sup>th</sup> Taman Firdaus Housing at Kampung Pos, Cibungbulang, Bogor is ongoing. The 16<sup>th</sup> Taman Firdaus Housing has 23 housing units, 15 of which have been built and are ready for sale to consumers. However, within a year of the project running since January 2018 there have been no housing units sold by the 16<sup>th</sup> Taman Firdaus Housing.

All kinds of marketing efforts have been carrying out by the 16<sup>th</sup> Taman Firdaus Housing, especially offline promotion, such as personal selling and conventional advertising, but still not generate sales. Personal selling has done by the 16<sup>th</sup> Taman Firdaus Housing, such as conducting prospecting to prospective customers around the project location by distributing flyers, brochures, door to door and open tables in several shopping and mini-market places around the project. Meanwhile conventional advertising is carried out through print media such as advertising in billboard, newspapers, magazines, news media, and environmental media. In placing advertisement on e-commerce, 16<sup>th</sup> Taman Firdaus Housing has not taken maximum action on online promotion.

Advertising on the online platform is the first thing for the 16<sup>th</sup> Taman Firdaus Housing, there are many things related to digital marketing that not have been done by companies such as creating content marketing that can attract the attention of potential customers and make the most of the features provided by OLX to help users advertise more views to make their chances of selling up greater. To maintain the business continuity of the 16<sup>th</sup> Taman Firdaus housing, the key word is in marketing, namely sales. Without sales, the business will stagnate very quickly because there is no rotating cashflow plus the burden of repayment of bank debt in the form of principal installments and interest charges.

In general, in a company and more specifically in the business of property developers, marketing plays an important role in conducting integrated communication aimed at providing information from the company to consumers about the goods (houses) offered. The need for residential houses is the primary need and many variable decisions will be taken in deciding home purchases. This is where it is important to have a liaison between housing producers on the one hand and housing consumers on the other side to bridge the information, so the role of marketing as a medium of information becomes very important. This information media becomes important in order to achieve the goal to meet the needs and desires of consumers or customers.

Serious understanding it is needed to understand change as an example of disruption phenomena. Opportunities and quick decision making as well as implementing marketing strategies that are right on target. Optimistic that the market will someday recover, the company continues to strengthen the marketing aspects and extrapolate the competent promotion strategy, so that it is expect to be able to increase sales.

## **ALTERNATIVES**

The TOWS Matrix is a strategic analytical and planning tool by listing and modifies the four aspect of SWOT, which are Strength, Weakness, Opportunity, and Threat facing a particular corporation in order to create four sets of possible generate actionable strategies and tactics (Weirich, 2016). The main objectives of TOWS Matrix are helping the brand to make an understanding of many strategies, operational decisions, identify target group, develop new angles and messaging.

## Table 1.1 TOWS Matrix of PT. Taman Firdaus Kaffah

	<ol> <li>External Opportunities (O)</li> <li>The community needs for housing with government programs called the one million houses program</li> <li>Residential property sales of middle type of houses increased</li> <li>Large potential target market by age category, which is millennial generation 20-39 years old</li> <li>Era of digital disruption will lead us to digital world-based business that previously used an offline to online system</li> <li>Property industry growing rapidly</li> <li>Website and e-commerce as the prospective channel for digital marketing channel</li> <li>Gather information to reach potential in a wider market</li> </ol>	External Threats (T)  1. Subsidized housing  2. Threat of new entry in property industry  3. Middle type of type of housing are growing rapidly at the project site  4. Competitors insult companies on the the internet by spread the wrong  5. Emergence of new entrants in digital marketing channel
<ol> <li>Internal Strength (S)</li> <li>Comparable quality at lower price</li> <li>Unique selling proposition (USP) of free architectural design drawings</li> <li>Minimalist modern design housing</li> <li>Strategic location</li> <li>Products can be accessed via e-commerce</li> </ol>	S-O Strategies (Maxi-Maxi)  1. Online platform optimization; e-commerce optimization and create website (S-5, O-4, O-6, O-7)  2. Content marketing Optimization (S-1, S-2, S-4, S-4, O-2, O-3, O-4, O-6, O-7)	<ol> <li>S-T Strategies (Maxi-Mini)</li> <li>Unique content marketing (S-2, S-5, T-2, T-3, T-5)</li> <li>Search Engine Marketing (SEM) (S-5, T-5)</li> </ol>
<ol> <li>Internal Weakness (W)</li> <li>Same products type as others</li> <li>Minimum effort in terms of online promotion</li> <li>Lack of optimization on the content marketing</li> <li>Lacking of manpower in content marketing specialist</li> <li>Limited budgeting on digital marketing</li> </ol>	W-O Strategies (Mini-Maxi)  1. Online promotion optimization (W-2, W-5, O-2, O-3, O-4, O-6, O-7)  2. Hiring content marketing specialist (W-3, W-4, W-5, O-4, O-6, O-7)	W-T Strategies(Mini-Mini)  1. Work on improving content marketing in order to online promotion (W-2, W-3, W-4, W-5, T-2, T-5)

Reference: Fathimah zahra, 2019

In the section of root cause analysis, the company found that the problems, which were based from the dimension of promotion and manpower. Based on TOWS matrix, there are alternative strategies which suitable and relevant, in order to increase sales through digital marketing. The selected alternative srategies based on the TOWS matrix, which is aim to find marketing strategies that suitable for 16<sup>th</sup> Taman Firdaus Housing, and the strategies are;

- Online platform optimization; e-commerce optimization and create website (S-O)
- Content marketing optimization (S-O)
- Search engine marketing (SEM) (S-T)
- Customer Relationship Management (W-O)

Based on the analysis that has been conducted previously,  $16^{th}$  Taman Firdaus Housing is able to create actions plans that would accommodate and solve the problems of the brand. The action plan consists of the action plan calendar and budgeting plan. In the next phase,  $16^{th}$  Taman Firdaus Housing will elaborate these two plans in specific manner.

For the future, 16<sup>th</sup> Taman Firdaus Housing's research would put more emphasis on the prospect of establishing new channels,

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such as social media platform and expanding online channels. Furthermore, 16<sup>th</sup> Taman Firdaus Housing would also research on a new methods of marketing gimmicks and plan in order to raise the unique selling proposition (USP) so it would stand out from other brand.

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