Marketing Mix Strategy to Increase the Product Sales at Flaleeka Creative Industry

Susi Susanti Tindaon* and Winda Dwi Asty
Public Sector Business Administration, Polytechnic of STIA LAN Bandung, Indonesia; Email: winda.dwi.asty@gmail.com (W.D.A.)
*Correspondence: shantytindaon.politeknik@stialanbandung.ac.id (S.S.T.)

Abstract—This research aims to investigate Marketing Mix strategy in Flaleeka Creative Industry to increase sales. This research used field research method with descriptive qualitative research. Data obtained from observations, interviews, and documentation. The informants of this research are the owners, employees, consumers, and the competitors of Flaleeka Creative Industry. The data analysis technique used in this research uses 7P Marketing Mix theory form to analyze the internal and external environment using SWOT Analysis for strategy formulation. The results can be concluded that environmental analysis both internal and external, the IE matrix shows the company’s position in cell 4 and the SWOT analysis diagram is in quadrant 1. Formulation of the right marketing strategy to increase sales using SWOT analysis by identifying SWOT elements produces 17 alternative marketing strategies in dealing with declining sales and overcome obstacles that may occur in the future.

Keywords—marketing strategy, SWOT analysis, IFAS-EFAS analysis, creative industry

I. INTRODUCTION

Indonesia, with the diverse cultures and a large population, has great potential for the development of creative industry. According to the Ministry of Trade of the Republic of Indonesia, the creative industries utilize the creativity, talents, and skills of individuals by generating and utilizing personal creativity. In addition to developing creative industry, UNESCO officially named Bandung, West Java, as a Creative City in 2015. The UNESCO Creative Cities Network was launched in 2004. This network consists of 116 cities around the world. Its aim is to promote international cooperation between cities committed to investing in creativity as a driver of sustainable urban development, cultural inclusion and social circumstances. One of the vision of the Creative Cities Network is to integrate creative and cultural industries into local development strategies.

The graph below shows the value and Growth of Creative Goods Exports and Imports in ASEAN. To further celebrate the cultural dynamism and vibrancy of the region, efforts are underway to promote and develop the small and medium cultural enterprises (SMCEs).

ASEAN’s culture and arts sector is committed to the advancement of culture as an important foundation for building the ASEAN Community (ASEANStats, 2021). It can be concluded that creative industry has a great potential for the development of the national creative industry.
The creative industry sub-sector that has a great opportunity for Creative Economy exports is in the fashion sector. According to Saputra (2010: 45) The creative industry in the fashion sector is activities related to the creation of clothing designs, footwear, accessories, other modes. Thus, the fashion sector is a creative industry that currently has global competitiveness and has great potential to be developed.

One of the creative industries that has opportunities in the fashion sub-sector in Indonesia is Flaleeka. Flaleeka is a Creative Industry that produces various kinds of bag and pillow souvenir products, such as tote bags, backpacks, wallets, pencil cases and accessories such as masks, brooches, name pillows, and many more. Flaleeka was founded in 2015 by Mrs. Wiliyanti Sandika and is a member of the IKM (Small and Medium Industry) who received guidance and development from the Cirebon Regency Trade and Industry Office. The products produced by Flaleeka are all made of fabrics such as velboa, denim, and batik which are created into a variety of attractive and quality products, one of the example is a bag combined with a batik cloth with a typical Cirebon mega-cloudy pattern.

One of the reasons for decline in sales at Flaleeka was the COVID-19 pandemic. During the pandemic, production activities were hampered due to the difficulty in obtaining raw materials. These raw materials require more spending due to limited access. Apart from being affected by the impact of the COVID-19 pandemic, the marketing strategy undertaken by Flaleeka is less than optimal, from not being well-known of products and trademarks, to sales media that have not entered the marketplace. In the city of Cirebon, Indonesia, there are still very few competitors who sell similar products with Flaleeka. This is indeed a huge opportunity and high consumer interest. However, in reality the Flaleeka creative industry still cannot reach the desired target market because its product sales continue to decline every year.

### TABLE 1. TOTAL SALES OF FLALEeka CREATIVE INDUSTRY

<table>
<thead>
<tr>
<th>No</th>
<th>Years</th>
<th>Total Sales (IDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2019</td>
<td>116,625,000</td>
</tr>
<tr>
<td>2</td>
<td>2020</td>
<td>92,956,000</td>
</tr>
<tr>
<td>3</td>
<td>2021</td>
<td>83,815,000</td>
</tr>
<tr>
<td>4</td>
<td>2022</td>
<td>25,383,000</td>
</tr>
</tbody>
</table>

**Source:** Flaleeka Creative Industry

At this time Flaleeka is promoting its products through online and offline media. The online media used by Flaleeka are Whatsapp, Facebook and Instagram, and its offline media Flaleeka has a shop which is also the place for its production. However, the online media used by Flaleeka still does not take full advantage of the features, as currently Facebook and Instagram already have an advertising feature where business account users can advertise their products so that they can be reached widely.

In Fig. 4, the Flaleeka product upload on Instagram still does not include a product description and does not include the price offered, which makes the reader less informed about the product it sells because there is no description whatsoever. Other problem shows that in terms of price, Flaleeka is quite competitive with other competitors with a product price range from Rp.10,000 to Rp. 150,000 only, but from the marketing media Flaleeka has not yet entered the marketplace. The next problem is that in terms of human resources where Flaleeka is still limited. This is related to the reason why Flaleeka still does not have the courage to try to market its products to the marketplace because there are still limited human resources which will
result in the process needed by consumers to obtain products when orders are overflowing.

From the issues above, it is concluded that the Flaleeka Creative Industry needs the right marketing strategy to be able to overcome problems both internally and externally in order to increase its sales.

By analyzing the internal and external business environment, companies can develop strategy that can be implemented using a commonly used method, namely SWOT analysis. SWOT analysis systematically identifies various factors to formulate corporate strategy (Rangkuti, 2015:19). This analysis is based on logic that allows us to maximize all strengths and opportunities while minimizing weaknesses and threats. Through a SWOT analysis, you will be able to understand the strengths, weaknesses, opportunities and threats in marketing efforts for Flaleeka so that it will be able to formulate the right marketing strategy to increase sales.

II. LITERATURE REVIEW

A research conducted by Jufriansyah Ari, et al. (2020) entitled “Creative Industry Marketing Strategy for Mendawai Village in Bansir Laut Village, Pontianak City” aimed to find out how the marketing strategy for Mendawai Village Creative Industry in Bansir Laut Kota Village. Based on the analysis conducted, it was found that the formulation of the Mendawai Village Creative Industry marketing strategy must consider each variable indicator of product, price, promotion, location, human resources, and process. Another study conducted by Rosie Oktovia (2022) found out that the strategy implemented by the Binong Jati Bundung Knitting Center Creative Industry is to set prices according to product conditions and facilities, marketing directly through offline stores and indirectly through resellers, using a marketing mix. Meanwhile, Puspita Veny (2020) in her current research has a new finding that the right marketing strategy to be able to compete in the midst of the COVID 19 pandemic is to create different products from competitors, split capital by utilizing technology and digital marketing, providing services according to health protocols. Also in 2019, Iston Dwijaya Utama found out through his study that the strategy implemented is to provide added value and differentiation to products in Cirebon Regency. Secondary data is information obtained from third parties, not directly from the main source (Wardiyanta in Sugianto, 2017: 87). The secondary data used in this research comes from library materials, literature, previous research, books and others.

Data collection technique furthermore is to interview the informants. The author used an open interview (unstructured) type. This is what author use in order the interview process can be more flexible. In this study the interview process can be more flexible. In this study the authors used in-depth interviews which aimed to find out problems more openly and intensively, where the parties invited to the interview were asked for their opinions and ideas. This method is used to obtain data on marketing strategy using the 7P marketing mix and related to the internal and external environment.

The data analysis technique used in this study uses qualitative analysis techniques, by organizing and sequencing data to produce the information needed (Sudaryono: 2018). According to Miles and Huberman (2014) suggests that activities in qualitative data analysis are carried out interactively and continuously until complete, namely by collecting data, data reduction, data presentation, drawing conclusions and data verification. After reducing the data, the next step is presenting the data (According to Miles & Huberman 2014)

The data validity technique used by the author is data triangulation, namely data that has been verified from the
existence of various sources with each other, as well as various times, triangulation and time data collection techniques, so in this study the researcher chose to use source triangulation to obtain data from sources that different, namely the source of the data comes from the owner, employees and several consumers as well as competitors or competitors in the Flaleeka Creative Industry. Data collection techniques by examining data from the same sources but carried out with different techniques, in this study the techniques used consisted of interview, observation and document techniques.

IV. RESULT AND DISCUSSION

The data analysis technique used in this research uses 7P Marketing Mix theory from Buchari Alma (2014) to analyze the internal and external environment using SWOT Analysis for strategy formulation. The marketing mix consists of several variables that can be combined and coordinated by the company as effectively as possible to be used in its marketing activities. These variables are product, price, place, promotion, people, physical evidence and process.

A. Product

Product is anything that can be offered to a market for attention, acquisition, use or consumption (Philip Kotler). From the interview results, it can be explained that Flaleeka is a business brand that is included in every product they produce and currently their sales are not only focused on bag and pillow products, but they have produced a lot of new products by continuing to innovate. Based on the author’s observation, Flaleeka Creative Industry also does not solely produce products that are only ordered by consumers, but they also provide a lot of ready-made product stock in their shop to make it easier for consumers to see product samples or can buy them directly on the spot. Besides, Flaleeka Creative Industry not only sells the products they produce themselves, but in their shops they also provide entrusted products from their community, namely the Souvenir of Cirebon (SOC) community. According to the results of the interviews and observations above, information can be obtained that the implementation of the marketing mix in terms of products is good, the products already have a well-known brand to be included in each of their production results as a company characteristic, the products are also very varied.

B. Price

The role of price fixing will be very important, especially in conditions of increasingly fierce competition and limited demand development (Buchari Alma, 2014). Flaleeka provides various prices that are adjusted to the product and the number of purchases, the price given is quite affordable as stated by the informants. Flaleeka differentiates prices for resellers and individual consumers because the more the number, the lower the price. Despite the cheap but high-quality prices, according to consumers, there are still drawbacks related to product catalogs, Flaleeka still doesn’t have it, even though it makes it easier for consumers to see prices, either online or offline. The author also asked about the pricing strategy carried out by the Flaleeka Creative Industry Competitor, namely Cirebon Rumah Warna, who said that the price given to its product was based on the price given by the supplier, so usually every reseller in each city give a price that was not much different.

C. Place

Place is the consideration of where the product should be available, in brick-and-mortar stores and online, and how it will be displayed. From the informant’s explanation, the Flaleeka Creative Industry has a strategic location. The place is located on the side of a fairly busy road and the many business around provide a great opportunity for consumers to reach it. For the problem of distributing goods, Flaleeka sends its products directly to consumers or via expeditionary services. Consumers can also directly pick up their products at the store, it aims of making it easier for consumers and as a form of good service from the Flaleeka Creative Industry. Regarding to the Flaleeka’s competitor, they do not have offline stores and only focus on selling their products at the online store they have and in distributing their goods they also use goods delivery or expedition services and Cash On Delivery (COD) to send their goods. This is not much different from what is implemented by the Flaleeka Creative Industry. According to observations by the author at Flaleeka shop, it is quite striking in terms of the colors they give to the shop and the large banner that is placed in front of the shop makes it very easy for people who pass by to see it clearly. In terms of the implementation of the marketing mix, it can be concluded that the place has good location, using distribution channels directly and indirectly.

D. Promotion

As told by key informant as the owner of the Flaleeka Creative Industry, said that Flaleeka uses word of mouth by promoting their product through the surrounding environment and its consumers and by utilizing existing social media so that it can be reached by all consumers, both young people and adults. Flaleeka also put up banners around their shop as a form of indirect promotion so that people who see it can find out and can be interested. Apart from that, promotions carried out by the Flaleeka Creative Industry also involve participating in various events held by the local office to introduce their products more widely in the city of Cirebon. As stated by the informants as consumer, Flaleeka has been promoting its products through social media, both Instagram, Facebook and WhatsApp and it makes it very easy for consumers to see their various products, and the discounts, promos and giveaways on certain days can certainly attract consumers’ attention to buy their products. Based on the results of interviews with several other consumers, the Flaleeka Creative Industry has an interest in Flaleeka products because they see other consumers who have used the product first. This is for sure may increase confidence as a consumer because there are already testimonials from other people. That way consumers can
immediately come to the store and feel satisfied because they also get various attractive promos and offers. However, consumers regret for the Flaleeka Creative Industry has not yet promoted its products in the marketplace because there are still many obstacles, from the lack of human resources because they do not have a special admin for marketing their products, additional labor if many orders come in.

E. People

People refers to anyone who involved in the business side of the enterprise directly or indirectly. The division of work at Flaleeka is adjusted to the skills each worker has and what the business needs. Flaleeka requires employees to assist with all production activities and shop services. Another thing related to the selection of employees, the author also asks whether Mrs. Willy as one of the informants as the owner as well, who has special criteria for her employees, she adds the criteria selected to become her employees. Employees are not required much because the qualifications given are in accordance with what is needed by the business because most of the production must be sewn, so the qualifications of employees require that they have to be able to sew. Besides, they should not have small children for married mothers so that the production process is not hampered. In the process of compiling its financial reports, Flaleeka does not yet have a special employee and still has limitations in compiling its reports because it still uses simple tools and does not utilize the existing system.

F. Process

The process is the speed and consistency of the company’s employees in producing the company’s services is very important. What is meant by accuracy and speed is that there are no errors in providing services or processing transactions to obtain, create services that are in accordance with the needs and desires of consumers (Kotler and Keller). Flaleeka has a special production process and mechanism, starting from the selling process until products reach out to consumers. From the results of interviews, it is known that consumers who want to order products may chat via WhatsApp which has been listed either on social media or banners. Furthermore, buyers can directly meet the owner in the shop, determine the design and price details given after that the product production process is carried out according to the design, size, materials requested by consumers. After the initial determination, the product is ready to be produced, and after the product is made, The Flaleeka creative industry or as the owner will notify consumers to pick up the product or those who deliver it directly. According to the result of interview with Flaleeka employees, the process of making the product does not take a long time and depends on the design the consumer wants, the more difficult it is, the more careful the production must be in order to get a quality product.

Based on the results of interviews with the owner and employees of Flaleeka, Flaleeka provides facilities such as parking lots and toilets which are important things to consider in an effort to provide maximum service to consumers. In terms of product arrangement, Flaleeka tries to arrange its products in such a way that they look neat and can give attention to consumers to create an image and can increase uniqueness due to good product arrangement. The Flaleeka creative industry store is not too big, so the empty space is not that wide, so there are no seats for consumers and usually the owner of the Flaleeka will only sit on the floor when a customer comes to see their product.

Internal Environment Analysis

II. Strength

First, Flaleeka has a wide variety of products that can attract consumers. This is Flaleeka’s strength because it has a very wide variety of products, not only bags and pillows, but also accessories and also provides custom services for its products. Flaleeka provides custom product facilities with a choice of various models, colors, characters, and materials that are tailored to the wishes of the consumers themselves. This is one of the strengths and attractions to make products based on what they want. Flaleeka prioritizes the quality of its products and has been recognized by consumers. One of the biggest strength of Flaleeka is it has products that are rich in cultural elements such as products that are combined with the typical Cirebon batik cloth. Another strength is Flaleeka has a very strategic location because it is located on a fairly busy roadside and there are many developments such as campuses and several tours as well as lots of residential residents.

I. Weakness

Flaleeka is still constrained by a lack of capital, lack of access to financing which makes it difficult for businesses development. Product promotion has not been maximized either online or offline. In online promotion, Flaleeka already uses social media but it does not have special media for selling such as Instagram ads, Facebook ads, Google ads and still uses regular social media applications, it is also does not have a website and offline marketing with printed mass media such as brochures, catalogs, pamphlets and electronic media. Flaleeka has not dared to enter the marketplace, which is its weakness because currently the marketplace has become a marketing media that has been widely used by other entrepreneurs. Another weakness is limited human resources that hinder and affect other aspects such as the process of making products takes quite a long time due to an inadequate workforce that only has 2 employees so that it limits when many orders come in.

External Environment Analysis

J. Opportunity

One of the external environment is opportunity. Flaleeka has the opportunity to export industrial products which are very wide open considering the growing global
market, especially with innovations in Cirebon batik which is a distinctive cloth and also the nation’s cultural heritage, it can continue to innovate. In addition, there are still at least similar competitors in Cirebon City. Another opportunity is that Flaleeka participates in various promotions held by The Trade and Industry office which is one of the opportunities for Flaleeka to be known both inside and outside Cirebon City.

K. Threat

One of the threats in external environment analysis is competitors. Competitors who use marketplace as an additional channel to sell their products have become the biggest threat because Flaleeka’s marketing has not taken yet advantage of the marketplace. Furthermore, at this time, there are various kinds of products similar to the Flaleeka Creative Industry on the market. Many of these offers make consumers tend to switch to similar products that are easy to find in the market.

IFAS Matrix (Internal Factor Analysis Summary)

The following is the IFAS table for the Flaleeka Creative Industry.

Based on the results of data analysis using the IFAS matrix, it shows that the total strength factor score is 2.05 and the weakness factor score is 1.10 and added up to get a total internal factor score of 3.15. From the total score, it can be concluded that the Flaleeka Creative Industry is currently in such a strong position because the company’s internal condition is already above its average of 2.5. The dominant factor which is the great strength of the Flaleeka lies in providing custom products with a score of 0.52 and the main weakness of the Flaleeka Creative Industry is the lack of product marketing both online and offline with a score of 0.36.

EFAS Matrix (External Factor Analysis Summary)

The following is the EFAS table for the Flaleeka Creative industry.

Based on the calculated score, the total IFAS (Internal Factor Analysis Summary) score is 3.15 while the total EFAS (External Factor Analysis Summary) score is 2.86.
It can be interpreted that Flaleeka is very good at responding to its internal factors.

**SWOT Analysis**

The value of the strength factor is greater than the weakness factor, as well as the value of the opportunity factor is greater than the threat factor. It can be concluded that the position of Flaleeka is in a growth position. Strong internal conditions with a slightly threatening environment. To find out the coordinates of the axis system, it can be calculated by the following way:

1. Coordinate Internal Analysis
   \[ \text{Total Strength Score - Total Weakness Score} = 2.05 - 1.10 = 0.95 \]

2. Coordinate External Analysis
   \[ \text{Total Opportunity Score - Total Threat Score} = 1.95 - 0.91 = 1.05 \]

So the coordinates is at 0.96: 1.05

Based on the results of the SWOT diagram analysis, it can be obtained that the point is in quadrant I with a matrix area of 3.99. The area of the matrix is larger than the area of the matrix of the other three quadrants so that the priority of the chosen strategy is the SO strategy, which means that the situation is very profitable because the company has opportunities and strengths so that it can take advantage of existing opportunities. The SO strategy is stable growth, meaning a strategy that focuses on market penetration, market development and product development.

Based on the SWOT Matrix that has been carried out, the alternative marketing strategy obtained for the Flaleeka creative industry in increasing sales which can be recommended as follows.

1) **SO (Strengths-opportunity) strategy**

   This SO strategy uses the strengths of enterprise to make the best use of existing opportunities. The following are recommendations for strategies that can be implemented by Flaleeka, including:
   a. Make a new innovations in products
   b. Improve the product quality
   c. Maintain a good relationship with customers
   d. Providing varied and attractive price discount promos
   e. Utilize DISPERDAGIN support both promotion and HR training

2) **WO (Weakness-opportunity) strategy**

   This WO strategy minimizes the company’s weaknesses by taking advantage of profitable opportunities. The following are recommended strategies that can be implemented by Flaleeka, including:
   a. Utilizing various funding institutions that offer financing capital, both government and banks
   b. Focus on promotional goals both online and offline
   c. Using social media specifically for selling
   d. Entering marketplaces
   e. Adding Human Resources (employees)

3) **ST strategy (Strengths-threats)**

   This ST strategy is a strategy by utilizing strength to overcome all threats that exist in the company. The following are recommendations for strategies that can be implemented by the Flaleeka Creative Industry, including:
   a. Promote products through live facebook and Instagram
   b. Providing quality above average from competitors
   c. Add the type of product raw material
   d. Always updating regularly product models and designs

4) **WT Strategy (Weakness-threats)**

   The WT strategy is a strategy by minimizing the weaknesses that always arise in the company by taking advantage of opportunities that can be profitable. The following are recommendations for strategies that can be implemented by Flaleeka, including:
   a. Maximizing social media features currently used
   b. Routinely updating social media so that consumers can find the latest product information
   c. Improving the human resources ability by participating in various trainings

V. RESULT AND DISCUSSION

Based on research results, marketing activities of Flaleeka products refer to 7P (product, price, place, promotion, people, physical evidence, process). From the aspect of product, price, place, process, physical evidence, Flaleeka has implemented the right strategy according to the company’s goals. However, from the promotion aspect, the Flaleeka Creative Industry has not been optimal in product marketing both online and offline because it still does not post regularly, does not rely on features on its social media and has not entered the marketplace like its competitors. On people aspect, human resources at Flaleeka are felt to be lacking or limited due to the division of tasks that are stacked so that they are less efficient in carrying out tasks.

Based on the results of the IE matrix in cell IV and the SWOT Analysis diagram shows the company’s position is in quadrant I which is a very profitable situation. The company has opportunities and strengths so that it can take advantage of existing opportunities. The strategy that must be implemented in this condition is a strategy to support an aggressive growth policy. The strategy that can be used in this grow and build position is a market penetration strategy such as improving existing marketing programs and providing quality services, promotions and products for consumers so that they can impress both old and new customers so they don’t switch to competitors.
taking advantage of Disperdagin support in product promotion, market development such as introducing Flaleeka Creative Industry products with more widespread promotions in print and internet media and product development such as by continuing to improve product quality and value and continue to innovate to create new products by following trends that develop in the market.

CONFLICT OF INTEREST
The authors declare no conflict of interest.

AUTHOR CONTRIBUTIONS
Susi Susanti Tindaon as the first Author and the corresponding author as well conducted the research, analyzed the data and wrote the paper; Winda collected the data; all authors had approved the final version.

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