Digital marketing communication in improving consumer purchase decisions during the Covid-19 Pandemic

Dellaroza Geulis Sepliria*, Indrawati Indrawati
Fakultas Ekonomi dan Bisnis, Universitas Telkom, Indonesia

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ABSTRACT

The COVID-19 pandemic in Indonesia impacted Small, Micro, and Medium Enterprises (MSMEs) entrepreneurs from various fields. Torch is one of them. At the start of the COVID-19 pandemic, Torch sales were down 50-80%. It is just that entering the middle of 2020, Torch managed to rise, and even its sales increased from the previous year. This is because of the digital marketing communications carried out. The purpose of this research is to find out how Torch's Digital Marketing Communication Improves Consumer Purchase Decisions, Especially During the COVID-19 Pandemic. This research was conducted using qualitative research methods with descriptive purposes based on the method. The strategy used is a case study. The sample selection technique in this study used purposive sampling and collection through interviews, observation, documentation and literature studies, and online searches. Interviews were conducted with ten informants on various criteria. The collected data is then validated by triangulation of sources and analyzed using an interactive model. The result of this research is that Torch has succeeded in increasing its business performance in the COVID-19 pandemic with digital marketing communication techniques through Search Engine Marketing (SEM), Online PR, Display Advertising, Email Marketing, and Social Media Marketing.

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Corresponding Author:
Dellaroza Geulis Sepliria,*
Universitas Telkom
Email: dellarozasepliria@gmail.com

Introduction

Regarding the COVID-19 pandemic, PP Number 21 of 2020 concerning Large-Scale Social Restrictions (PSBB) was issued to limit the movement and the distribution of goods that require people to stay at home if there is no need to go out. Restrictions on activities outside the home certainly significantly impact the economic and trade sectors. It impacts MSMEs, restaurant businesses, and large-scale retail stores resulting in a few businesses having to experience sales decrease even ending the businesses. However, other retailers, such as supermarkets and mini markets(Kusuma, 2021).

During the COVID-19 pandemic, in general, MSMEs’ sales is decreased because more people stayed at home. Even if required to shopping, it is only buying daily needs. In addition, many MSMEs choose not to open the shops or businesses due to operating hours restrictions or Large-Scale Social Restrictions (PSBB) implementation in some areas. One way to keep running a business and reach more consumers that MSMEs can do is to sell the products through Digital Marketing. However, not all MSMEs have transformed to digital. As a result, those who cannot adapt need to end the business. Based on the cnbcindonesia.com page – April 8,
2021, Chairman of the Indonesian MSME Association (Akumindo), Ikhsan Ingratubun says, during 2020, there were around 30 million MSMEs who went bankrupt due to COVID-19.

Digital marketing is carried out using internet access, utilizing social media, and other digital devices. It helps companies or business actors promote, market the products and services, and open previously closed or limited markets due to limited time, distance, and communication methods (Prabowo, 2018).

The reduced number of consumers in several sectors and industries requires MSME actors to be able to market the products optimally and think creatively and innovatively (Hendrawan, A., Sucayhowati, H., Cahyandi, K., Indriyani, & Rayendra, 2019) states that Digital Marketing has a positive and significant effect on increasing MSME sales.

Digital Marketing is a promotional activity and market search through digital media online by utilizing various means such as social networks (Purwana, D., Rahmi, R., & Aditya, 2017). The digital marketing method often used by business actors is to use social media such as marketing products through Instagram, Facebook, Twitter, and many more. In addition, it can also be done on e-commerce and many other media. The rapid development of technology also makes MSMEs understand and study digital marketing. MSME actors must constantly learn and think openly about developing technology in digital marketing programs.

Torch focuses on providing traveling goods required to find new strategies to survive during the COVID-19 pandemic. At the beginning of the year, Torch sales did not decrease too severely, but then in April, sales began to another way the most impacting is a Mall since it fell by 50%-80%. At that time, the CEO of Torch did not immediately decide to close the shop. Instead, they waited for the sales data first to avoid making the wrong decision. Then, the Torch will pivot. Torch made an innovation to the PPE (APD), named the Torch Guard. Then after it was tested in the laboratory, it turned out to succeed test then the content was created and uploaded to social media. It became viral and managed to reap its net profit per month of up to billions.

Initially, Torch used all marketing, both offline and online. However, due to the COVID-19 pandemic, the strategy has changed almost 90% to digital. With the Digital Marketing Communications carried out, Torch managed to rise, and its sales increased drastically.

This study aimed to determine how TORCH implemented Digital Marketing Communications in improving consumer purchasing decisions during the COVID-19 pandemic. The researcher chose the topic because during the COVID-19 pandemic, Torch, as one of the MSMEs, managed to improve its business performance with an increase in revenue of 50%. Torch's success in doing business needs to be understood to be a learned for other MSMEs.

Method
This research used qualitative research methods. According to (Indrawati, 2018) qualitative research methods involve data analysis in the form of descriptions, and the data cannot be directly quantified. Based on the purpose of this research is descriptive research. The researcher chose the qualitative descriptive research design because the researcher wanted to describe the situation that would be observed in the field more precisely, transparently, and in-depth.

In this research, the approach is inductive because it starts from the existing data, not from a theory, and does not intend to test it. This research uses a case study strategy or case study. According to (Sugiarto, 2017) case studies are a type of in-depth qualitative research about individuals, groups, institutions, and others within a particular time.

The unit of analysis in this study is the organization, namely TORCH. In this study, there was no intervention whatsoever from the researcher. According to data obtained from Torch CEO Ben Wirawan and other supporting sources, the process occurred naturally.

The resource selection technique in this study was using purposive sampling. Purposive sampling is a technique of taking data sources with specific considerations, for example, because the resource person is considered to know the most about research or the resource person has a high position so that it will make it easier for researchers to explore the object or social situation under study (Sugiyono, 2017).

This study's data collection techniques were through interviews, observation, documentation, literature studies, and online searches. Interviews were conducted with ten informants under various criteria, namely Key Informant Ben Wirawan as CEO of Torch, supporting informants as Digital Strategist of Torch, and eight consumers of Torch.
Then identify and formulate existing problems, and the data is tested using data validity test using source triangulation. Triangulation of data sources is triangulation carried out to explore the truth through various methods and data acquisition sources. The data analysis used in this study is an interactive model analysis technique developed by (Miles, M.B, Huberman, A.M, and Saldana, 2014) which consists of data collection, data reduction, data presentation, and concluding..

Results and Discussions

The Torch was founded in 2015, initially only focused on making various kinds of bags for traveling. With the increasing market demand, Torch finally developed its products for traveling, office, and daily activities. In 2015-2017 Torch developed conventionally (offline). Then the first two years, When developed offline, Torch is challenging to develop. So that starting in 2017, it began to transform to Digital. Digitization has changed from starting in the marketing field first. Then all the processes are digitized. If it is only in marketing, the impact will be less for the company. Not as much as digitizing business processes from upstream to downstream.

Ben Wirawan, as CEO of Torch, said during an interview that in 2020 the projected sales increase of up to 100% should be. However, at the start of COVID-19, sales continued to decline. So a new strategy is needed, especially in terms of marketing. Fortunately, Ben Wirawan has prepared his company to survive a crisis like this. One of them, in the last four years, Torch has implemented a business model that is entirely different from their main competitor, namely "Lean startup."

This idea came about after Ben Wirawan read a book entitled "The Lean Startup" written by Eric Ries. The concept of The Lean Startup is basically how to make a company very lean. The business model applied by Ben Wirawan also started with his lecturer's message that "You have to create a business model that is ready to withstand any kind of crisis." Ben Wirawan believes that a company that will grow up in the future is a company that has many partners, not many employees.

Torch is a Tech-Enabled Start-up company, so they use technology to create startups. They are not creating technology. Because of this, Torch only focuses on Design, Marketing, Sales, H&R MGT, SCM, and Finance MGT. The rest give it to a third party (partner). Its partners are spread across several countries such as Taiwan, Sri Lanka, India, Canada, Paris, Indonesia, and other countries. This kind of business model causes Torch's operational needs to be relatively small.

Torch produces its goods in the same vendor as the market leader (competitor). So that the quality in a short time can be equal to them. Torch only has six sewing machines for Product Development and Fulfilment warehouses in 3 big cities: Bandung, Jakarta, and Kansas.

At the end of 2019, Torch began to enter foreign markets in America in collaboration with the international Fulfilment Center in Kansas with the torchgear.com website. Unfortunately, this experiment was stopped because the system is still not neat and will only start in 2021.

![Figure 1. Torch Sales per Province in 2020](image)

At the beginning of 2020, Torch sales were still increasing. Then in March, sales in DKI Jakarta decreased. Even sales in April were lower than sales in January. Other provinces are more or less the same. Interestingly, in West Java, the decline was not as severe as in DKI Jakarta. This is because Torch is more focused on online sales, many people ask for their products to be sent directly to the office, and most of their homes are in BODEBEK (Bogor, Depok, Bekasi). So that West Java still has high sales.

The results of an interview with Torch CEO Ben Wirawan, entering the months of April and May 2021, sales began to decline. The most impactful sales are conventional, due to a 50%-80% drop. Three Showrooms
had to close because they did not cover operational costs. The stores located in Bogor, Bekasi, and Ciwalk are no longer operating, and the remaining ones are in Margonda and Laswi.

Significantly since the issuance of PP No. 21 of 2020 concerning Large-Scale Social Restrictions (PSBB) to limit the movement of people and the distribution of goods that require them to stay at home if there is no need to go out. To be able to survive during the COVID-19 pandemic, Torch made a pivot in developing new products and marketing them online.

Torch developed three marketing mix elements in price, product, and place combined with supporting promotion as the core of digital marketing to support Digital Marketing Communications. They made an innovation to PPE in terms of products, named Torch Guard. At that time, Indonesia still lacked PPE, and Torch received a request from his colleague, Ben Wirawan, a health worker, to make proper PPE. PPE on the market was uncomfortable to wear (hot). So Ben Wirawan and Tim tried to analyze his weaknesses and what needed to be improved within two weeks. Torch finally issued the Torch Guard concept, a reusable PPE (can be used up to 30 times), they can be used for 8 hours without feeling hot because it uses micropore technology. Athletes commonly use this technology. In terms of price, it is still affordable, only around 337 thousand, and distributed directly to hospitals in need.

Then after they did a trial in the laboratory, it turned out that they passed the test, and they made a video ad which was then promoted through the Viral Marketing method. It became viral immediately and managed to reap a net profit of up to billions per month during COVID-19. The product innovations carried out by Torch do not stop there, but there are Traveling Prayer mats, Jackets that can turn into bags, masks, or other things.

During the Industrial Expert Week event held March 6, 2021, CEO Torch said by Telkom University, "In marketing communication and branding, there are two strategies that can be applied, namely online and offline media. Large capital companies generally apply offline media, while small capital companies use online media.

Online media consists of Organic Digital Marketing, namely creating content on social media and paid ones (Facebook ads, Instagram ads & Google Ads). In addition, there are online agencies (marketplace based & own platform-based). Offline media consist of printed newspapers, magazines, tabloids, billboards, posters, television, radio, and offline agencies. Initially, Torch used all media, both offline and online. However, due to the COVID-19 pandemic, 90% of the marketing media has turned to digital media.

Torch managed to rise, and sales increased. In 2019 before the COVID-19 Pandemic, sales on the Torch website generated the most sales compared to other sales channels. Meanwhile, in 2020 during the COVID-19 Pandemic, Torch did not only focus on bringing traffic to its website but also took advantage of the marketplace, which had an increasing number of transactions at that time. The Torch began to focus on carrying out its marketing strategy through the marketplace, one of which was participating in the marketplace's campaign such as in Tokopedia, Shopee, or Lazada. Sales have increased significantly. Meanwhile, offline sales have decreased by 70% in almost every branch.

The Digital Marketing Communication Technique carried out by Torch is considered more effective and efficient in improving consumer purchasing decisions because it is marketed through several Digital Media Channels, not fixated on one marketing channel. Digital media channels are a digital communication technique used to achieve the goals of brand awareness, familiarity, favourability, and influence purchase intention by encouraging digital media users to visit the website to use the brand or product offered. In the end, users will be influenced to buy the product digitally or online via the phone or directly to the store. (Chaffey & Ellis-Chadwick, 2016):

**Search Engine Marketing (SEM)**

SEM aims to display information on search engines that encourage someone to "click" on a website owned by a business actor when the user writes specific keywords. There are two types of SEM with different ways of managing, namely, Search Engine Optimization (SEO) and Paid Search Pay-per-Click (PPC) (Chaffey & Ellis-Chadwick, 2016). SEO is a search technique that uses keywords or phrases containing suggestions on web pages; the information will be indexed by search engines (Ledford, 2009). By implementing SEO, the website can appear on the first page of search engines, and it is also expected to increase traffic to increase sales volume. (Artanto & Nurdiyansyah, 2017). The SEO technique carried out by Torch has proven to be successful in displaying Torch in the google search engine for several keywords. It is proven that the sales generated from SEO can match retail in just two years. From the results of an interview with the CEO of Torch, B2B sales are superior to SEO techniques. Torch created a new WordPress-based website that focuses more on corporate or B2B sales and is named www.torch.co.id.

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**Figure 2.** Torch appears in search engines with SEO Techniques

Torch also runs Paid Search Pay-per-Click (PPC) Apart from SEO Techniques. If SEO does not cost anything, PPC techniques require advertising costs to be found by consumers. PPC advertising is used on multiple channels and platforms. Advertisers only pay when a user clicks on an ad. PPC advertising is generally operated as an auction model, where advertisers place bids to appear based on specific criteria (Stokes, 2014). In addition, PPC does not take long to appear in search engines, and it can even be directly on the first page.

**Figure 3.** Torch appears in search engine with PPC Technique

Torch uses the PPC technique to increase incoming traffic to the Torch website (www. Torch. id) and make it easier for targeted consumers to find the Torch website and make purchases on search engines. This is in line with the research results (Laluyan et al., 2019), which states that there is a positive and significant effect of implementing Pay Per Click (PPC) on Jd.id consumer purchasing decisions. Torch uses a third-party platform, namely Google Ad words, to advertise on search engines with the help of a Digital Marketing Consultant.

**Online PR**

The goal of Online PR is to maximize positive mention of a business, brand, product, or website on various third-party websites such as media pages, social networks, and blogs that consumers are likely to visit. Online PR activities are closely related to other digital marketing communication techniques, especially SEO (link-building), partnership marketing, and social media marketing. It is also closely related to content marketing as the core activity in content marketing is content distribution, which can involve working with influencers to showcase content that has been developed. (Chaffey & Ellis-Chadwick, 2016).

The Torch has worked with several influencers, bloggers, YouTubers, etc., to review Torch products to make them interested in buying Torch products. One of them is blogger Hannif Andy Al-Ansari with his blog called www.insanwisata.com/. Hanif reviews some of the products he uses for traveling in his blog, and there are many positive responses regarding the Torch brand. Torch does something different from the others in terms of influencers, namely by holding a Torch Academy scholarship program. In this program, Torch is looking for content creators who want to learn to develop their skills in terms of Photography, Videography, and Cinematography. To be invited to work directly with Torch after the class is over to create content about Torch. Mentored by the CEO directly, and this program is free.

**Display Advertising**

Display Advertising is the placement of paid advertising using graphic or rich media ad units within web pages to expand brand awareness, familiarity, liking, and purchase intention. Many ads encourage engagement by encouraging the audience to interact or play a video, fill out an online form, or view more details by clicking on a website. (Chaffey & Ellis-Chadwick, 2016). Torch also implements this one technique, which is advertising on social media. This is done to reach new customers and retargets old customers to buy Torch products (retargeting). During the COVID-19 pandemic, most advertised content has promotional themes, such as buy 1 get 2, Free Shipping, 50% discount, etc. Products that are given a discount are products that are not fast-moving.
If the product is fast-moving, the quantity will be limited. This is done in order to maintain the value of the Torch itself. The relationship between advertising and consumer purchasing decisions is that consumers perceive advertising as a window of information as a basis for product selection. (Richadinata & Surya Astitiani, 2021).

The platforms used by Torch to place ads are Facebook, Instagram, Google, Youtube, LinkedIn, etc. However, those who generate the most sales from Instagram because most of the target audience are millennials with an age range of 25-34 years.

In line with research conducted by Krisna Souvenirs in Bali, his research shows that advertisements on social media Facebook and Instagram have an appeal and foster consumer desire to buy. Advertising on Facebook and Instagram is also considered adequate as a promotional medium.

From the interviews with Torch consumers, most of them know about Torch from seeing advertisements on Instagram. Even those who initially did not intend to buy the product but ended up buying the product because the discount provided was attractive. In a day, the frequency they see ads is more than 1x. Not only on one social media, but Torch ads will always appear every time they switch platforms. This is one of the tactics used by Torch to attract consumers to buy (retargeting). "Retargeting or retargeting means targeting consumers with personalized ads that are based on their previous browsing history when they return to the site." (Lambrecht & Tucker, 2013).

![Figure 5. Torch advertisement in social media](image)

**Email Marketing**

Email marketing is one type of direct marketing tactic in terms of using electronic devices to improve service quality and increase customer attention and awareness, bringing more profit to the company. (Javadian Dehkordi et al., 2012). According to (Chaffey & Ellis-Chadwick, 2016), there are two types of email marketing, namely email, which is used as a form of direct marketing to encourage purchases and as part of CRM (Outbound Email Marketing) and Management of Email from customers by a company (Inbound Email Marketing). In digital marketing communication, Outbound Email Marketing is used.

![Figure 6. Email marketing Torch](image)

Torch also uses this tactic to complement its social media marketing. Most of his email campaigns are promotions, especially on big days such as National Shopping Day (Harbolnas), Independence Day, Valentine’s Day, etc. This is done so that consumers who have shopped at Torch will return to buy because of specific promos. Tactics through email marketing are considered low cost and adequate because, during the COVID-19
In the pandemic, the conversion of purchases through the Add To Cart (ATC) website to Checkout decreased to 40%. However, since email marketing was implemented, it has increased to 70%. This is reinforced by research conducted by (Simpson & Mortimore, 2015) that email marketing or direct mail marketing is still an advertising method that is very influential on interest and purchasing decisions. The frequency of receiving emails to customers is every two days because if it is every day, it is feared that the customer will feel the email is spam. Over time it becomes saturated, so it is likely to be unsubscribed. Several consumers also stated that they often get emails from Torch, and the promos are interesting. Many of them make purchases right away, so they do not miss the promo, especially during Harbolnas.

**Social Media Marketing (SMM)**

Social Media Marketing monitors and facilitates customer interaction and participation across the web to drive positive engagement with the company and its brands. Interactions may occur on company sites, social networks, and other third-party sites. (Chaffey & Ellis-Chadwick, 2016). QMS is an essential category of digital marketing communications that can drive customer communication on the company's website or social media such as Facebook or Twitter or specialist publisher sites, blogs, and forums. Torch is present in almost all existing social media, such as Facebook, Instagram, Twitter & Tiktok. The Torch has a target market of millennials aged 25-34 so that in creating content on social media, especially in the use of language, it is adjusted to their language style. The content itself is always up to date, following trends, and most importantly, not constantly selling but interspersed with content that entertains followers. These types of content such as games, videos, memes, catalogs, promotions, etc. Content on Instagram Torch is uploaded 2x a day so that consumers do not feel bored or disturbed.

Instagram Torch has 353K followers today (October 1, 2021) and has engagement rates of 0.14%. It is not too high, and this is because Instagram's algorithm is getting more and more difficult. The newly uploaded content is only distributed to 10% of its followers. One of the products that had the most engagements during the COVID-19 pandemic and went viral on Torch's Instagram was APD Torch Guard. The video looks simple but can display features that do not exist in PPE in general. This is what makes the audience interested in interacting and even making purchases.

From the interviews with Torch consumers, most of them know about Torch from Instagram. They like the visual content on Instagram Torch. The promos always attract their attention to buy the product. Then the Facebook page itself has 150,770 likes. The type of content available is the same as that on Instagram (mirroring). If you look at the engagements, it is very lacking because the millennial target segment has very few people who have Facebook.

**Figure 7. Torch upgrades during the COVID-19 pandemic**

Then for Twitter, Torch only has 324 followers and is no longer active. It was last uploaded on August 13, 2019. Recently, Torch has a social media that has been on the rise since the COVID-19 pandemic, namely TikTok. This social media originating from China fits perfectly with Torch's target market. Most of the types of content distributed are product reviews excitingly. Not only that, it is even interspersed with content that is relaxing and entertaining for its followers. Tiktok Torch has 1,327 followers. With the social media marketing carried out by Torch, it has been proven to improve consumer purchasing decisions during the COVID-19 pandemic; it can even be higher than in previous years.

**Conclusions**
The COVID-19 pandemic requires MSMEs to be able to adapt to go digital in order to survive. As one of the developing MSMEs in Indonesia, Torch has proven to be able to survive and even improve consumer purchasing decisions during the COVID-19 pandemic. The Torch itself focuses on selling travel products, which are very difficult to sell amid the COVID-19 pandemic. However, because of the technique they used, they managed to improve the purchasing decisions of Torch consumers to buy products amid the COVID-19 pandemic.

This is done with digital marketing communication techniques through existing digital media channels, starting from Search Engine Marketing (SEM) with SEO and PPC techniques, Online PR in collaboration with bloggers and creating Torch Academy programs, Display Advertising by advertising on all social media with attractive promotions, consistent Email Marketing sent to consumers with attractive promotions and Social Media Marketing (SMM) by creating content that attracts consumers to buy Torch products.

Researchers are aware that much can be raised for research in Torch with different topics. The recommendations for further research can raise the business model applied by Torch, namely "The Lean Startup," which distinguishes Torch from competitors.

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