

Revolutionizing Indonesian SMEs: A Comprehensive Analysis of Shopee Online Marketplace's Promotional Strategies in Driving Sales Growth

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Abstract: With the rapid advances in technology such as the internet, it has become increasingly sophisticated and the growing ease of access has increasingly attracted the public's attention. This research aims to produce a systematic, factorial, and accurate analysis of the characteristics, facts, and relationships between the phenomena studied. The method used is a qualitative method. The research results illustrate that the internet is able to encourage increased sales of MSMEs today. With easy internet access and implemented promotional strategies, MSMEs have a strategy for utilizing marketplaces and social media to increase sales. Shopee is a forum that operates in the online market sector. The online market (Shopee) provides convenience and comfort for sellers and buyers. The strategy of utilizing the Shopee marketplace is currently able to increase sales for MSMEs in Indonesia. One example is the WomenWear store.


1 INTRODUCTION

The development of the times is increasing over time. The availability of technological advancements can make Shopee, one of the online marketplaces, the market leader in providing access and convenience features that can be used to promote sales strategies. Technology is increasingly advanced, making it easier for people to find their needs very quickly and precisely does not take a lot of time and can be done anytime and anywhere. With the internet and a container in the form of the Shopee online marketplace, it currently plays an important role in the tools needed to support the interests and needs of today's society. MSMEs conduct an analysis first in order to create a good promotional strategy for their respective stores.

Indonesia is a country where the majority of people use the internet to search for online markets, which is necessary for business purchases and sales transactions. The internet is utilized not only for communication purposes but also for transactions, which are commonly carried out through e-

commerce. E-commerce is a product of an information technology system that was developed to meet needs and create competitiveness, especially in terms of promoting and selling various types of products/services across regions or even across countries (Rerung, 2018).

Shopee is a platform for online shopping or e-commerce that was initially launched in Singapore. However, it is quite popular among Indonesian people. Especially for people who like online shopping at low prices. Shopee is also famous for its many interesting promotions often issued starting from the Shopee 12.12 flash sale to free shipping available under certain conditions. Shopee is one of the most popular online marketplaces among people. For both teenagers and adults, this application is an application for online mobile buying and selling developed in Indonesia (Andisyah et al., 2019). This matter This is shown by the relatively large level of downloading of the Shopee application reached 50 million downloads, while in Indonesia Shopee has been downloaded 18 million times by active users of

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more than 60 million people, and there are still 750,000 active sellers (Zahrah et al., 2022).

The quality of service offered by Shopee application users has a significant influence on consumer behavior. Shopee e-commerce always tries to maximize good service for sellers and buyers. Offers facilities such as efficiency, fulfillment, reliability, privacy, responsiveness, compensation, and contact (Widyanita, 2018).

In Indonesia, the Shopee online marketplace officially entered on December 1, 2015 and began to move actively to progress until now. Even though it is still new, Shopee's development is very far rapid, this is evidenced by the amount of Shopee transactions in the third quarter of 2018 written at US \$ 2.7 billion or Rp 39.4 trillion. This budget increased 152.7% from the same era in 2017 around US \$ 1.1 billion (Setyowati, 2018). In the second quarter of 2022, Shopee had an average of 131.3 million website visitors per month. In August 2022 Shopee's official website received 190.7 million visits from Indonesians. This figure continues to increase compared to the previous month, (according to Similarweb data). Shopee services saw a 150% increase in the number of users compared to the third quarter of 2017. In Indonesia, the Shopee app has been installed 74 million times through Google Playstore or Appstore. This states that the system used by Shopee is very good, Shopee also continues to make breakthroughs and new features in terms of the development of its application.

Table 1: Visit Calculation.

Marketplace	Situs Web (Juta Visitor per Bulan di Indonesia)	Aplikasi (Juta Visitor per Bulan di Indonesia)	Total (Juta Visitor per Bulan di Indonesia)
Shopee	126,99	834,52	961,51

Sources: iPrice, SimilarWeb

One of the things that attracts the Shopee online marketplace is the number of massive promos held such as, Free shipping of Rp.0 every once a month at the beginning of the month on 01-01-2023, the next month on 02-02-2023, and so on. All stores hold Flash Sales of thousands of products, hold prices per product at Rp.1 only, and there are Shopee Live discount parties etc. The existence of these big promos has increased the enthusiasm of the community in shopping for all the needs they need and want. Shopping at the Shopee online marketplace offers all the necessities that are sought after, and is affordable, competing with other MSMEs to attract more buyers. Therefore Shopee is the right media

partner for sellers to promote their products. Shopee provides attractive features and is easy to promote all products, so many MSME partners are moving to start offering their products through this Shopee online marketplace.

2 LITERATURE REVIEW

2.1 Definition of Strategy

A marketing strategy is a plan that outlines a company's expectations of the impact of various marketing activities or programs on demand for its product or product line in a particular target market (Tjiptono, 2017).

The development of strategic management has led to the definition of strategy as more than just a way to achieve a goal. Because the concept of strategic management also includes setting various goals, which are expected to ensure the maintenance of the company's competitive advantage. According to (Marrus in Umar), strategy is defined as a process of determining the plans of top leaders who focus on the long-term goals of the organization, accompanied by the preparation of a way or effort how these goals can be achieved. Strategy is defined specifically as an action that is incremental (always increasing) and continuous and is carried out by seeing strategy only as one part of the plan, it turns out that it cannot provide a satisfactory explanation of various strategic phenomena in the business world. Therefore, Mintzberg expanded the concept of strategy and defined it by paying attention to various dimensions and concepts of strategy. Mintzberg named it the "5P Strategy", namely: a. Strategy as a plan (Plan). In this strategy, there are two very important characteristics of the strategy, namely the first, the strategy is planned in advance consciously and deliberately ahead of the various actions that will be taken based on the strategy made.

The success of the strategy is determined by a thorough understanding of the concept of strategy and other related concepts. The concept of strategy according to Chandler quoted by Sedarmayanti is as follows. a. The company takes steps to outperform its competitors by maintaining labor expertise and resource capabilities. b. Competitive advantage is due to the strategic choices made by the company to seize market opportunities.

2.2 Definition of Promotion

Promotion according to Pandji Anoraga is an expression in a broad sense about activities actively carried out by companies (sellers) to encourage consumers to buy the products offered. According to Kotler and Armstrong, promotion is an element used to inform and persuade the market about new products or services in the company, right by advertising, personal selling, sales promotion, and publicity. Based on the above understanding, promotion is the active action of a company in introducing products to consumers so that consumers are interested in buying their products.

2.3 Definition of Marketplace

Marketplace, according to Opiida (2014), is an internet-based online media where business activities and transactions between buyers and sellers are carried out. Buyers can find as many suppliers as possible with the desired criteria, so as to get according to market prices. Meanwhile, suppliers/sellers can find out companies that need their products/services.

According to Anonymous, Marketplace is an E-Business model that deals with sellers and buyers. Marketplace in Indonesia is one of the media driving the national economy to face the era of globalization. For this reason, it is necessary to develop a Marketplace that is organized, reasonable and efficient.

2.4 Definition of Sales

The definition of sales, according to Arman Hakim Nasution, is an activity related to the company and consumers to achieve the ultimate goal of marketing. Sales can be said to be the spearhead of the company to win. According to Swastha and Irawan, sales involves the science and art of persuading people to buy the goods or services offered. Based on the above definitions of sales, it can be concluded that companies carry out sales activities for the purpose of making profit.

3 RESEARCH METHODOLOGY

The use of a qualitative approach method in this research has important implications. First, this approach allows researchers to describe data in a structured and original way. Through in-depth data collection techniques, this research can obtain a deep

understanding of the nature and relationships between the data studied. Second, through qualitative data analysis, this research can provide a concrete and in-depth explanation of actual social conditions. By compiling words based on direct information from MSME sellers on Shopee, namely the WomenWear Store, this research can present an accurate picture of the strategy for using the Shopee online market to increase sales in Indonesia. The social and economic context that influences the decisions and actions of MSME sellers can be understood by researchers using this approach. Additionally, a qualitative approach allows researchers to capture the nuances and complexities in interactions between sellers and consumers on the Shopee platform. The identification of factors that influence the success of online sales strategies, such as consumer preferences, challenges faced by sellers, and effective marketing tactics, can be achieved by obtaining direct insight from sellers.

Thus, the results of this research not only contribute to academic understanding of online sales strategies but also have high practical relevance. Information obtained through a qualitative approach can be used as a basis for developing better policies and business strategies, not only for WomenWear Stores but also for other MSMEs in Indonesia who want to increase their sales through online platforms such as Shopee..

4 COPYRIGHT FORM

Solemnly declare that the manuscript submitted above is authentic, self-made, not adapted or translated from other works, and has not been published and/or being processed in any form of media. I am willing to take full responsibility if there are certain parties who feel aggrieved or demand a lawsuit in the future by the demand a lawsuit in the future by the publication of this manuscript.

5 CONCLUSIONS

In this research, researchers conducted a comprehensive analysis of promotional strategies in the Shopee online market with a focus on their influence on the sales growth of MSMEs in Indonesia. Through careful analysis of promotional strategies on the Shopee Online Marketplace, this research not only provides a comprehensive picture of how using this platform can change the sales map for MSMEs in Indonesia but also highlights the

importance of developing promotional strategies that are relevant and responsive to the market. The importance of understanding consumer preferences and behavior in responding to promotional strategies at Shopee is highlighted in this research. MSME sellers who can properly understand consumers' wants and needs can develop more effective and attractive promotions, thereby increasing the attractiveness of their products in the online market. Our findings provide valuable insights for MSME sellers and other stakeholders, opening up opportunities to increase their business growth potential in this digital era..

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