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## Product Diversification And Advertising Cost Strategy Of “Glamgoddess” Store In The “Shopee” Place Market

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**Abstract:** Changes in modern consumer behavior patterns to meet their needs and desire using conventional media that meet directly with providers of goods or services, are now shifting to internet-based transaction behavior. There are many choices of digital media that facilitate these media-based support transactions. It starts from the market place, financial technology, and additional features that make it easier to choosing products that use digital applications. Seeing the above opportunities, providers of goods and services begin to read the patterns of consumer behavior by responding to a competition to introduce and also like the goods or services offered. It cannot be denied that there will be fierce competition in the many market places that are available today. It takes strategy and the ability to see opportunities in studying digital markets. This very high response can be seen from the increasing number of digital stalls which are expected to getting bigger from year to year. This research serves to examine the digital marketing strategy of a stall that is able to compete in the midst of many competitors. In this case, product diversification and advertising skills effectively and efficiently are one of the alternatives in the strategic choices undertaken. Where a significant end result can be obtained by combining other marketing strategies that are carried out simultaneously by optimizing product certification and an effective and efficient advertising strategy.

**Keywords:** Digital marketing, Product diversification, advertisement

## INTRODUCTION

The behavior of modern society in fulfilling their needs and wants has a significant pattern shift. And with the advancement of technology that is increasingly digital, it gets a response from business community groups by preparing themselves to do business using internet media. On the other hand, several market places have emerged that have become favorite choices, both from the consumer side and from business providers, which offer many conveniences and do not charge fees when joining these market places. The increasing number of UMKM, both medium and small, which have joined a lot of selected market places, adds to the intense competition among these traders.

In fact, several major vendors, principals and manufacturers, also joined in on the scene by labeling themselves as official stores or official shops. They use digital marketing in introducing new products and providing price information and promotional agendas. On the other hand, the online shopping tradition is increasingly enlivened by market places by providing certain facilities, both paid and free, in addition to this, many Market Places always schedule thematically on certain days and dates of on-line shopping promo activities to enliven traffic to customer visits and increase business value.

Most of the online stalls often use more than one media market place to seize business opportunities by taking advantage of the advantages of the chosen market place and adapting customer habits in choosing a particular market place.

With very strong competition, through competitions such as prices, condition of goods, expedition facilities and costs and the caste that is given by the market place in providing a certain level for stalls that are members, it does not guarantee that each stall will get the results as expected. Like in the offline business, various kinds of businesses and strategies are needed so that the stalls managed to survive and be able to compete in the tightness of online businesses.

Based on iPrice's research, in the fourth quarter of 2019, on average, Shopee website visitors reached 72.97 million per month. Tokopedia reaches 67.9 million visitors per month. As for Bukalapak, 39.37 million visitors per month. The statistics above show potential buyers in the digital market. "Shopee succeeded in maximizing sales periods such as 11.11 and 12.12 so that it became the web with the highest visits in the fourth quarter," said iPrice in its official statement, Thursday (12/3/2020).

There are many things that need to be done as a strategy in doing business using this digital media, other than just being present in a market place. This journal limits the digital marketing business strategy in discussing product diversification and implementing strategies to use advertising effectively and efficiently.

## LITERATURE REVIEW

### Digital Marketing

According to Ridwan Sanjaya and Josua Tarigan, digital marketing is a marketing activity including branding that uses various web-based media such as blogs, websites, e-mail, adwords, or social networks. While the full explanation from Dave Chaffey, digital marketing has a meaning that is almost the same as electronic marketing (e-marketing), both of which describe the management and implementation of marketing using electronic media, so what is meant by digital marketing is the application of digital technology that forms online channels to the market (websites, e-mail, databases, digital TV and through various other recent innovations including blogs, feeds, podcasts, and social networks) which contribute to marketing activities that aim to profit and build and develop relationships with customers besides developing a planned approach to increase knowledge about consumers (towards the company, behavior, values and level of brand loyalty to its products), then unify targeted

communication with online services according to the needs of each individual or customer. Specific. In short, digital marketing is achieving marketing goals through the application of technology and digital media.

### **Product Diversification**

Diversification is a process of activity or action in making something more diverse so that it is not embedded in only one type, in the business world. In his book, Sofjan Assauri, Marketing Management. (Jakarta: PT Grafindo Persada, 2009), Cet. The 10th h.218 states that product diversification is carried out by a company as a result of the implementation of product development, while the old product is economically viable. Product development is an activity or undertaken in dealing with the possibility of product changes towards a better direction, so that it can provide greater satisfaction and attractiveness, thus obtaining greater profits.

### **Advertisement**

Advertising is a sales tool. According to Philip Kotler that "advertising is formally defined as any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor". Advertising is needed in business competition which can make the difference between each product offered compared to competitors or to highlight the advantages possessed by the business unit owner. With the hope that advertising can create business traffic with a better value when compared to before doing "Advertising" activities.

### **METHODS**

"Glamgodes" is a digital business unit that has joined to become a member of the SHOPEE business platform from the start, managed by the Marketing Team in early 2020 which is determined by the company management. In this stall governance, there are many strategic updates carried out continuously and continuously along with doing many evaluations every month.

### **Product Diversification**

By adding products every month that are displayed or uploaded on the shopee website accompanied by keeping stock based on the sales history created over the last 7 days, the product is deemed feasible to be maintained given the potential for sales and "demand". On the other hand, this is managed by adding products with a minimum of more than 5 types in each type of item and having more than two variants of each type of product. This is done as part of product diversification to increase the completeness of merchandise as a lure for customers to visit the stalls more often and the digital booths. Another thing in attracting traffic and visits.

### **Advertising**

This method uses the advertising method, where the advertising budget is given a maximum of 10% of the sales value created in the previous month. The use of advertisements is controlled in such a way based on the consideration of a precision approach in the hope that advertising results can be effective and efficient. Every item advertised has the opportunity to be seen earlier when the prospective customer is typing in keywords, having a longer duration at certain hours. In addition, in dealing with competitors, Glamgodes stalls have also implemented a similar product advertising model. This allows our products to be parallel or appear together with competitors' products in the hope that these products or goods can be an alternative choice that is expected to have the opportunity to take market share from competitors. In managing digital advertising, you must consider and pay attention to which products to advertise and which products to stop the duration of the advertising period in order to avoid spending high advertising costs but not

getting sales as expected. Activities in correcting and monitoring advertisements are carried out by analyzing data available on the Shopee platform.

**Table 1. Adertisement Cost**

No	Period	Item	Adertisement Cost (Million)	Traffic of transaction	Sales ( Million )
1	June 2020	1200	10	1,339	134,9
2	July 2020	1135	10	747	105,4
3	August 2020	625	4	128	13,0
4	September 2020	1108	10	599	88,7
5	October 2020	1211	10	620	92,7
6	November 2020	2285	10		

Source: Research data, 2020

## RESULT AND DISCUSSION

From the results of the application of product diversification, which is added every month and still maintains old products that are still in demand by maintaining stock and maintaining sales history so that there is still significant demand. Also monitors the advertisement of selected products, especially on certain days and hours accompanied by advertising of goods on a thematic schedule per month. Sales that are formed feel significant like the data presented above. It can be said that the governance method that has been implemented is in accordance with the targets and expectations of Management. However, there are still many other factors outside of product certification and advertisement treatment that affect sales value apart from the above.

## CONCLUSIONS

With a method that is carried out by planned product diversification and advertising effectively and efficiently, it turns out that it is able to keep the Glamgoddess digital booth able to compete in the midst of competition for the Samudra digital marketing platform. Supported by the analytical skills of administrative officers in reading and analyzing data, which is expected to be more refined over time, it is hoped that future achievements can get "growth" and Year to date with a positive percentage.

## ACKNOWLEDGEMENT

There are still many other methods that need to be tried to experiment with increasing the desired output. Not only running product diversification and advertising strategies. For example, by running a different promotional program with competitors or the ability to partner with suppliers who can provide the necessary competitive prices. In addition, having quite a number of followers also provides services to customers in terms of communication, quality of merchandise, speed of delivery, product safety to customers and new product information can be used as a digital booth strategy that can compete with competitors. One supplier is dependability, two suppliers, we don't have much bargaining power, but if we have more suppliers ... it means we are the winner. This will have an impact on the price, quantity and quality of merchandise. This also can be a strength in any digital marketing program

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