

THE RISE OF DIGITAL MARKETING AGENCIES: TRANSFORMING DIGITAL BUSINESS TRENDS

Chairani Putri Pratiwi^{*1}, Rizka Astari Rahmatika^{*}, Rafki Chandra Wibawa^{*}
Lorio Purnomo^{*}, Hasna Larasati^{*}, Siti Jahroh^{**}, Fadhilla Izzaty Syaukat^{***}

^{*}BINUS Entrepreneurship Center, Management Department, BINUS Business School Undergraduate Program,
Bina Nusantara University

Jl. Kebon Jeruk Raya No. 27 Kebon Jeruk Jakarta Barat 11530, Indonesia

^{**}School of Business, IPB University

Jl. Raya Pajajaran, Bogor 16151, Indonesia

^{***}Graduate School of International Food and Agriculture Studies, Tokyo University of Agriculture
1-1-1 Sakuragaoka, Setagaya-ku, Tokyo 156-8502, Japan

Abstract: In recent years, Indonesia has emerged as a powerhouse in the digital economy, aiming to become the leading force in South East Asia. In this digital era, the promotion of products and services has become a fundamental factor for businesses, largely attributed to the advent of digital marketing. The primary objectives of this study are to explore the reliance of digital marketing agencies on digital marketing and assess the success rate of this strategy, particularly during the COVID-19 pandemic, which has significantly increased productivity and sales. Additionally, the study aims to evaluate the effectiveness of digital marketing strategies for business sustainability and discuss future trends. To shed light on this phenomenon, this study employs qualitative methods, including interviews and observations, to collect data. Various analysis techniques such as EFE, IFE, CPM, IE, SWOT, and QSPM are employed. Based on the findings, this research demonstrates that digital marketing strategies have proven highly effective, particularly in terms of the promotional and advertising techniques employed. Based on the findings, SKI Digital Marketing's strategic focus on Instagram as its primary marketing platform, coupled with a commitment to content marketing, reflects a purposeful approach to engaging a broad audience and enhancing brand visibility. The adoption of a market penetration strategy underscores the agency's determination to thrive amid intense competition.

Keywords: business strategy, digital business, digital communication, digital economy, digital marketing

Abstrak: Indonesia memiliki ekonomi digital terbesar pada beberapa tahun terakhir dan menuju untuk menjadi yang terbesar di Asia Tenggara. Pada era digital, promosi produk dan jasa menjadi faktor fundamental penting melalui pemasaran digital. Tujuan dari penelitian ini adalah untuk menjelaskan bagaimana agen pemasaran digital bergantung pada pemasaran digital dan tingkat keberhasilan strategi pemasaran ini, karena pemasaran digital telah meningkatkan produktivitas dan penjualan, terutama selama pandemi COVID-19, untuk mengidentifikasi efektivitas strategi pemasaran digital untuk keberlanjutan bisnis, dan untuk membahas tren masa depan. Penelitian ini menggunakan metode kualitatif, melakukan wawancara, dan observasi untuk mengumpulkan data. Beberapa metode analisis digunakan dalam penelitian ini, termasuk EFE, IFE, CPM, IE, SWOT, dan QSPM. Berdasarkan studi yang telah dilakukan strategi pemasaran digital sangat efektif dalam hal teknik promosi dan periklanan yang diterapkan pada bisnis di era saat ini. Berdasarkan hasil studi, fokus strategis SKI Digital Marketing pada Instagram sebagai platform pemasaran utamanya, ditambah dengan komitmen terhadap pemasaran konten, bertujuan untuk meluaskan pasar dan meningkatkan visibilitas merek. Penerapan strategi penetrasi pasar diterapkan untuk berkembang di tengah persaingan yang ketat.

Kata kunci: strategi bisnis, bisnis digital, komunikasi digital, ekonomi digital, pemasaran digital

Article history:

Received

2 August 2023

Revised

27 November 2023

Accepted

4 December 2023

Available online

31 January 2024

This is an open access
article under the CC BY
license ([https://
creativecommons.org/
licenses/by/4.0/](https://creativecommons.org/licenses/by/4.0/))



¹ Alamat Korespondensi:

Email: chairani.putri@binus.ac.id

INTRODUCTION

The implementation of large-scale social restrictions (PSBB) or the enforcement of community activity restrictions (PPKM) program necessitates individuals to reduce their activities outside their homes. Industries that heavily rely on crowds, such as restaurants, shopping centers, and wedding planners, have been significantly impacted. The COVID-19 pandemic has negatively affected businesses in various sectors. However, this situation has also presented an opportunity for people to adapt to technology. Many sectors, including companies, education, retail markets, and tourism, have transitioned their systems to accommodate the changing circumstances (Chamboko et al. 2021).

The emergence of digital agencies has been a significant trend in recent years, as businesses increasingly recognize the importance of digital marketing and online presence. These digital agencies specialize in providing a wide range of digital services, including website development, social media management, search engine optimization, content creation, and online advertising. Their expertise lies in leveraging digital platforms and technologies to help businesses establish a strong online presence, engage with their target audience, and achieve their marketing goals.

In today's era, digital marketing has become indispensable, and strategies associated with this form of marketing are highly effective for organizations and businesses. According to Ningrum et al. (2023) the optimizing of digital marketing could increase brand awareness of business. When it comes to digital marketing, the key to success lies in its implementation and execution within a business. Social media, as an integral component of digital marketing, is particularly accessible and straightforward to incorporate into marketing strategies (Kotler et al. 2019; Mahboub, 2018).

Digital agencies offer a comprehensive suite of services tailored to meet the specific needs and objectives of businesses in the digital era. They keep up with the latest trends and advancements in the digital landscape, ensuring that their clients stay ahead of the competition. From developing visually appealing and user-friendly websites to implementing data-driven marketing strategies, these agencies play a crucial role in maximizing the online visibility and success of businesses.

Moreover, digital agencies bring specialized skills and knowledge to the table, enabling businesses to navigate the complexities of the digital world effectively. They have a deep understanding of consumer behavior, digital analytics, and online marketing channels, allowing them to develop targeted and impactful campaigns. By partnering with a digital agency, businesses can tap into their expertise and experience to develop a strong digital presence and drive growth in the digital era.

As a result of unforeseen circumstances in recent years, digital marketing has emerged as an effective approach for businesses seeking to adopt new methods of marketing through digital platforms. Digital marketing can be described as a marketing system that utilizes various digital media channels. Video marketing and social media content have gained significant popularity in the realm of digital content marketing, evident from the growing number of businesses utilizing platforms like Instagram or TikTok to quickly and directly engage customers on an emotional level (Vicente et al. 2022; Santoso et al. 2022).

The digital marketing agency business has gained significant popularity among young individuals in Indonesia. There is a growing inclination towards offering goods and services through online platforms. With the advent of the digital era, leveraging technology has become the most effective method for sales and marketing. The approach is rather straightforward, involving the promotion of products or services to consumers through popular social media platforms such as Instagram, Facebook, Twitter, LinkedIn, and the TikTok app (Olbrich et al. 2019; Vinerean, 2017). This promotional strategy is widely adopted by micro, small, and medium enterprises (MSMEs) (Noviaristanti et al. 2023). Furthermore, developing dedicated websites that showcase all the products or services has also become a crucial marketing and promotional tool (Vicente & Cano, 2022).

Sinergi Kreatif Indonesia (SKI) Digital Marketing Digital Marketing is a digital marketing agency that incorporates innovative concepts and provides digital marketing services along with community-focused training. Despite operating amidst the pandemic, this company recognizes the evolving conditions and trends in digital services as an opportunity to enhance business revenue. In light of these circumstances, this study aims to analyze the digital marketing strategy implemented by SKI Digital Marketing, as it is one of the agencies that has thrived during the COVID-19 pandemic.

Digitalization involves approaching challenges in a novel way and creating innovative business models by harnessing digital technologies (Faizurrohman et al. 2021). It entails expediting the process of integrating digital elements into corporate operations. Digital marketing, on the other hand, utilizes data, technology rooted in information and communication technology (ICT), media platforms, and various tools to expand the scope and impact of marketing efforts. Its primary objective is to promote products/services, stimulate interest in purchases, and engage customers. The widespread accessibility of the internet and mobile devices has made the recent effects of digital marketing highly advantageous for businesses (Krishen et al. 2021).

Digital marketing encompasses a range of business strategies that are implemented through online media and platforms. It is recognized as a means to establish connections with customers and effectively address their needs. Furthermore, digital marketing serves as a marketing strategy that drives the evolution of a digital ecosystem, ultimately influencing customer habits and behaviors (Ramon, 2020).

Digital marketing employs diverse technologies such as artificial intelligence and the internet of things to accomplish marketing objectives in both consumer-to-consumer and business-to-consumer contexts. Allowing businesses the flexibility to adapt is crucial as they recognize that digital marketing and communication share the common objective of comprehending and addressing consumer needs effectively. The ultimate goal remains to cultivate customer satisfaction, loyalty, and happiness. To achieve this, businesses must utilize various digital marketing tools, tactics, and strategies tailored to their specific target audience (Bala, 2018; Putro, 2021).

Digital marketing is a comprehensive procedure in which a company delivers a marketing message to a specific target audience through the utilization of the Internet and various other digital marketing tools (Labanauskaite et al. 2020). Digital marketing can be defined as the utilization of digital media, including information and communication technologies, to convey marketing messages (Haneef, 2017).

Based on the research problem the objectives of this study are (1) to identify how digital marketing strategy

implemented by SKI Digital Marketing and (2) to analyze the potential strategies that can be employed to maximize business optimization. The expected result from this study (1) It is anticipated that the analysis of digital marketing strategies implemented by SKI Digital Marketing will reveal a comprehensive understanding of the approaches employed by the agency. Insights into the specific channels, tools, and tactics utilized are expected to contribute to a clearer picture of the agency's overall digital marketing strategy and (2) The analysis of potential strategies for business optimization is expected to uncover actionable insights that can enhance SKI Digital Marketing's overall performance. Anticipated results include the identification of key areas for improvement, innovative approaches to maximize efficiency, and strategic initiatives that align with the agency's objectives.

METHODS

This study employs a qualitative research method utilizing descriptive analysis. The qualitative approach allows for a focused examination with a limited number of samples and a relatively short timeframe, while ensuring the accuracy of the process to gain comprehensive insights. The objective of the study is to identify and develop appropriate marketing strategies for Sinergi Kreatif Indonesia (SKI) Digital Marketing to effectively operate their business. To achieve this, the study will initially conduct a Porter Five Forces Analysis within the given context.

SKI Digital Marketing was deliberately selected as the focal point of this study using a snowball sampling technique, as it serves as a prime example of a digital marketing agency that has experienced significant growth over the past year. By obtaining information and testimonials from clients who have utilized the services of SKI Digital Marketing, it is evident that this agency excels in delivering exceptional services within the digital marketing industry.

SKI Digital Marketing was chosen as a representative case due to its noteworthy track record and successful collaborations with multinational companies. The primary objective of this study is to investigate the implementation of digital marketing strategies by SKI Digital Marketing during the challenging circumstances of the Covid-19 pandemic.

The research methodology comprises several stages, including topic selection, data collection, data analysis, and drawing conclusions and recommendations. To ensure the validity and reliability of the study, various tests have been conducted, such as credibility, transferability, dependability, and confirmability (Myers, 2020) The credibility test involves expanding observations and utilizing triangulation techniques. The transferability test allows for the application of digital marketing strategies by creative consultants in circumstances similar to SKI Digital Marketing. The dependability test involves a continuous research audit process, documenting the interview and observation procedures from start to finish. The confirmability test is conducted by ensuring that interviews and observations adhere to the established study protocols. There are three phases for decision making processes that will be used as research framework. Figure 1 presents a research methodology aimed at formulating a comprehensive approach.

Porter Five Forces Analysis is the first phase to identify and evaluate the five competitive forces that shape each industry, enabling a better understanding of its strengths and weaknesses. The five-force framework serves as a valuable tool for conducting in-depth technical analysis. By further examining this approach, it becomes evident that it provides businesses with valuable insights into how revenue is distributed among the five forces within a specific industry.

During the input stage, decision-makers gather information and data relevant to the decision. In the matching stage, decision-makers compare and evaluate different alternatives or options. In the decision stage, decision-makers make the final choice. In the decision-making process, organizations can systematically analyze their internal and external environments, identify strategic alternatives, and ultimately make well-informed decisions that align with the objectives and competitive position.

RESULTS

Porter Five Forces Analysis

In this section, the results are presented, employing the application of Porter's Five Forces Analysis. Utilizing this analytical framework, the study successfully identified and assessed the five competitive forces that

mold each industry, offering a nuanced comprehension of its strengths and vulnerabilities. The five-force model proves to be a valuable instrument for conducting comprehensive technical analysis. A closer examination of this methodology reveals its capability to furnish businesses with crucial insights into the distribution of revenue among the five forces within a particular industry. Furthermore, it enriches the understanding of industry dynamics and facilitates informed predictions about future developments (Sugiyono, 2018). Based on Figure 2, Sinergi Kreatif Inovasi (SKI) Digital Marketing confronts various conditions.

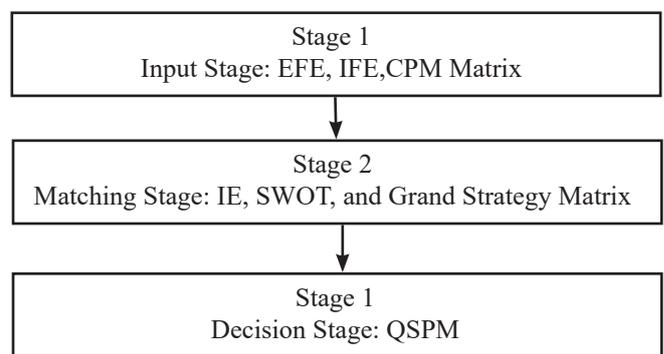


Figure 1. Research methodology

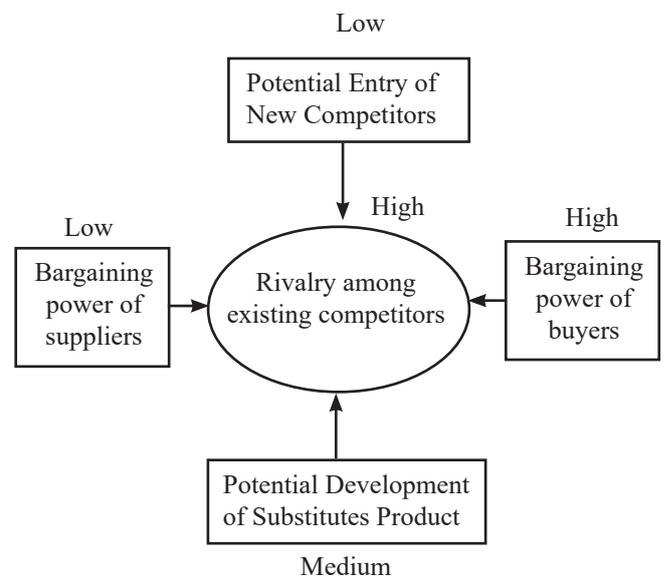


Figure 2. Porter five forces analysis

Rivalry among Existing Firms

Sinergi Kreatif Indonesia (SKI) Digital Marketing operates in a highly competitive landscape, characterized by a significant number of businesses in the industry. Competitors exhibit a range of styles or ideologies as their main strengths. However, these competitors also have their weaknesses, including the absence of a well-defined framework. In order to effectively compete with similar firms, SKI Digital Marketing employs various strategies to enhance customer relationships, promote and strengthen the agency's image and branding, and attract clients to engage with their services. Table 1 show a comparison of the profiles of competitors SKI Digital Marketing. Sinergi Kreatif Indonesia (SKI) Digital Marketing faces direct competition from Digital Marketing Agency X and Digital Marketing Agency Y in the same industry. However, interviews reveal that SKI Digital Marketing also encounters competition from numerous other competitors. Table 1 provides insights into how each agency brings innovation and creativity to their respective services, particularly in the areas of social media for business branding and promotional media, as part of their competitive strategies.

Bargaining Power of Supplier

Suppliers play a vital role in the functioning of any business, and this holds true for SKI Digital Marketing. In the context of SKI Digital Marketing, investors play a pivotal role as essential suppliers. The incorporation and potential sale of intellectual property to investors significantly contribute to the company's advancement. Leveraging activities related to intellectual property becomes a valuable asset for SKI Digital Marketing, fortifying its overall strategy and competitive position.

Bargaining Power of Buyers

In the digital era, businesses recognize the significance of promotional efforts as a crucial component of their overall strategy, given the intense competition. Consequently, the demand for services such as digital marketing, video production, content development, and branding services has increased, as digital promotional activities have become integral to a company's marketing approach. With a multitude of companies offering these services, buyers possess substantial bargaining power and can easily switch between service providers, including ones like SKI Digital Marketing.

The greater the buyer's negotiating power, the more they can demand lower prices or higher product quality, potentially impacting the profit margin or earnings of SKI Digital Marketing.

Potential Entry of New Competitors

While the existence of new competitors within the same industry as SKI Digital Marketing is acknowledged, their presence does not directly affect the company. Initiating a business in the identical service sector as SKI Digital Marketing necessitates skills that cannot be swiftly acquired, and consumer preferences lean towards experienced companies. Consequently, the entry of fresh competitors into the same field does not exert a direct influence on SKI Digital Marketing. However, if a new competitor possesses superior technology, such as advanced computers, cameras, or applications, it may pose a challenge, requiring a substantial capital investment. New competitors can potentially attract clients from the same sector as SKI Digital Marketing. SKI Digital Marketing's advantage lies in its accumulated brand experience, surpassing that of new competitors. This is attributed to the company's developed expertise and skills over time, which cannot be rapidly acquired. Consequently, the impact of new competitors on SKI Digital Marketing remains minimal. Nevertheless, the industry's influx of new competitors serves as a motivational factor for SKI Digital Marketing to consistently prioritize and elevate its quality.

Potential Development of Substitutes Product

Substitute threats to SKI Digital Marketing, particularly in the domain of e-course authorizations, emanate from webinars and online courses that provide similar content. Additionally, the landscape is susceptible to new substitute threats with ongoing technological progress. Another substitute threat materializes when businesses cease operations, a situation accentuated by the impacts of the COVID-19 pandemic. The pandemic has led numerous companies to witness substantial drops in revenue, even facing bankruptcy, consequently reducing the demand for services akin to those offered by SKI Digital Marketing. This scenario has significantly affected SKI Digital Marketing. In response to this challenge, the company has adjusted its offerings by identifying the specific needs of businesses seeking knowledge enhancement through SKI Digital Marketing courses. In addressing these

needs, SKI Digital Marketing has introduced public workshops tailored specifically for micro, small, and medium enterprises (MSMEs). This strategic approach enables businesses from the lower middle class to access valuable knowledge and nurtures a community atmosphere where participants can exchange ideas and support one another. By concentrating on community-based activities, SKI Digital Marketing aims to amplify promotional initiatives and provide networking opportunities for its clients.

Business Strategy Analysis

The input stage generated by the EFE Matrix, IFE Matrix, and Competitive Profile Matrix (CPM) is used in the next strategy development step. The process of developing a strategy will be far more effective if the components chosen are relevant and selective to internal and external factors. The matching phase is characterized by the alignment of an organization with both internal and external factors. Matching techniques, including the SWOT Matrix, SPACE Matrix, IE Matrix, and Grand Strategy Matrix, leverage information obtained during the input stage to align external opportunities and threats with internal strengths and weaknesses. The decision phase entails a combination of analytical examination and intuitive judgment, forming a framework for crucial decisions regarding the strategy to be executed. The most

effective strategy is one where analytical skills and intuitions are harmoniously aligned with the potential of the chosen approach.

EFE Matrix Analysis

The EFE matrix is used to measure external factors of SKI Digital Marketing. Total weighted values on the matrix this is the result of the total sum of the multiplication of weights and ratings of each external strategic factors of SKI Digital Marketing.

IFE Matrix Analysis

The IFE matrix is used to measure influence's internal factors of SKI Digital Marketing. Total weighted values on the matrix this is the result of the total sum of the multiplication of weights and ratings of each internal strategic factors of SKI Digital Marketing.

Internal-External Matrix Analysis (IE)

Based on IFE and EFE matrix analysis, internal factors scored for SKI Digital Marketing was 2.85 and external factors scored was 2.7. This score showed that the internal and external factors are in an average position. Which means that the internal-external matrix (IE) is in quadrant V or is in a hold and maintain state (Figure 3).

Table 1. Competitors analysis

Description	SKI Digital Marketing	Digital Marketing Agency X	Digital Marketing Agency Y
Types of Services	Webinar	Content Marketing	Content creative
	E-Course	Digital Ads	Digital Ads
	Content Creative	Digital Branding	SEO Opt
	Web Development	Web Development	Web Development
	Consultantion	Multimedia Content	UI/UX
	Digital Branding		Consultantion
	Workshop		Workshop
Location	Bogor, West Java	Bandung, West Java	Jakarta
Social Media	Instagram , Website, Youtube, Facebook, Tik Tok	Instagram , Website, Twitter, Facebook	Instagram , Website, Youtube, Facebook, LinkedIn
Promotion	Instagram , Website, Youtube, Facebook, Tik Tok	Instagram , Website, Twitter, Facebook	Instagram , Website, Youtube, Facebook, LinkedIn

SWOT Matrix Analysis

According to the analysis in the SWOT Matrix (Table 2), recommended strategies leveraging strengths and opportunities include (1) forming partnerships with brands and companies for product launches and (2) enhancing customer service skills to elevate overall service quality. Strategies derived from addressing weaknesses and capitalizing on opportunities involve extending business reach through social media networking to acquire fresh connections and understand customer needs. Additionally, optimizing technology for efficient workflow management and

promoting innovation by integrating creative teams and conducting research in business development and marketing would be beneficial.

		TOTAL IFE		
		Strong	Medium	Weak
TOTAL EFE		3.0 - 4.0	2.0 - 2.99	1.0 - 1.99
Strong	3.0 - 4.0	I	II	III
Medium	2.0 - 2.99	IV	V	VI
Weak	1.0 - 1.99	VII	VIII	IX

Figure 3. IE Matrix

Table 2. IFE Matrix Analysis

	Strength	Weakness
	<ol style="list-style-type: none"> 1. Establish a clearly outlined organizational framework. 2. Foster an adaptable work atmosphere. 3. Cultivate a workforce characterized by creativity and innovation. 	<ol style="list-style-type: none"> 1. Restricted networking capabilities 2. Insufficient funds for technological investments 3. Service type with limitations
Opportunity <ol style="list-style-type: none"> 1. The digital marketing sector experiences growth due to the impact of the COVID-19 pandemic. 2. Ongoing advancements in technology and expertise contribute to the evolution of digital content marketing production. 3. Introduce a novel product or service. 	Strategy SO (O1, O2, S3) <ol style="list-style-type: none"> 1. Conduct product launches through collaborations with brands or companies. Examples include partnering with influencers, culinary establishments, and fashion entities. This approach aims to establish connections, merging companies to broaden reach, attract fresh audiences, and explore new markets and innovations. 2. Elevate service excellence by refining customer service skills. Strengthening connections with clients and enhancing service strategies can contribute to an improvement in customer loyalty. 	Strategy WO (W1, W3, O1, O2) <ol style="list-style-type: none"> 1. Broaden your business reach via networking, acquiring business connections on social media. Apart from gaining fresh perspectives on the business, this enables understanding the desires and requirements of the target clientele. 2. Develop technologies for streamlining work processes through effective task management. Utilize various software and programs, for instance. 3. Integrate creative teams, research (business development), or marketing to foster innovation and generate ideas, thereby enhancing the variety of services and products.
Threat <ol style="list-style-type: none"> 1. Rival entities in comparable industries 2. Inadequate comprehension of consumer product information 3. Deteriorating business dynamics in the corporate realm 	Strategy ST (S3, T1) <ol style="list-style-type: none"> 1. Given the considerable competition, SKI Digital Marketing has the opportunity to enhance its employees' skills through training initiatives. Additionally, it can engage in benchmarking activities to fortify the brand, assess and refine service offerings, and enhance the overall performance of SKI Digital Marketing or its production processes. 2. SKI Digital Marketing has the option to organize or participate in various marketing events, such as exhibitions, partnerships, and workshops. For instance, SKI Digital Marketing could collaborate with educational institutions, participating as organizers and speakers in events like training sessions for university faculty. This participation not only contributes to heightened brand visibility but also facilitates the expansion of the company's network. 	Strategy WT (S3, T1) <ol style="list-style-type: none"> 1. Enhance promotional efforts to extend outreach to a broader customer base or increase market share. 2. Maximize resource utilization in identifying potential customer segments, allowing SKI Digital Marketing to accurately discern opportunities and comprehend the needs of potential target clients.

Facing intense competition, SKI Digital Marketing can strengthen its workforce through training initiatives and benchmarking, aiming to enhance the brand, refine services, and overall performance. Moreover, the company can increase visibility and network presence by actively participating in diverse marketing events like exhibitions and partnerships, collaborating with educational institutions for training sessions and speaking engagements. To address weaknesses and counter threats, SKI Digital Marketing should enhance promotional strategies for broader customer outreach and increased market share. Additionally, optimizing resource allocation is crucial for accurately identifying potential customer segments and better comprehending their needs

Grand Strategy Matrix Analysis

Based on Grand Strategy Matrix, SKI Digital Marketing is in Quadrant I because SKI Digital Marketing has a strong competitive position along with a rapid market growth rate (Figure 4). In this case, SKI Digital Marketing is in a strategic position because it is in a market that has strong competition and fast movement. Since SKI Digital Marketing is in quadrant I position, for the company in that position continue to concentrate on the current market, namely market penetration strategy and product development is the right strategy.

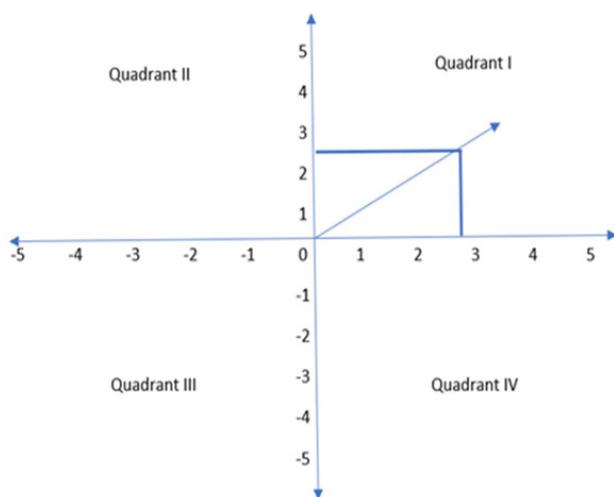


Figure 4. Grand strategy matrix

QSPM Matrix Analysis

Once the alternative strategies have been derived from the outcomes of the Grand Strategy Matrix, the subsequent step involves utilizing the Quantitative Strategic Planning Matrix (QSPM) analysis to aid companies in selecting the most advantageous alternative strategies. This analysis serves the purpose of evaluating and comparing the identified strategic alternatives, prior to making final strategy decisions.

In the case of this study, the alternative strategies derived from the Grand Strategy Matrix were market penetration strategies and product development strategies. The QSPM analysis would further assess these alternatives in a quantitative manner, considering various factors and their respective weights. By assigning weights to key internal and external factors, the analysis determines the attractiveness and viability of each strategic alternative.

The QSPM analysis is beneficial as it provides a structured and objective approach to decision-making. It assists decision-makers in prioritizing strategic alternatives and selecting the best course of action. By considering the inputs from both the Grand Strategy Matrix and the QSPM analysis, companies can gain valuable insights into which alternative strategies are most likely to lead to success.

Ultimately, this integrated approach, incorporating the Grand Strategy Matrix and the QSPM analysis, aids companies in making informed decisions regarding their strategic direction. It enables them to choose the most promising strategies that align with their organizational goals, competitive position, and external market conditions. In this QSPM analysis, compare two alternative strategies that can be described in Table 3.

Based on interviews with the owner of SKI Digital Marketing, the QSPM analysis revealed a score of 6.45 for the market penetration strategy, surpassing the total score of 5.9 for the product development strategy. This suggests a clear preference on the part of the founder of SKI Digital Marketing for the market penetration strategy over the product development approach.

Table 3. QSPM Analysis

Alternative Strategies		Market Penetration		Product Development	
Strengths	Weights	Attractiveness Score (AS)	Total Attractive Score (TAS)	Attractiveness Score (AS)	Total Attractive Score (TAS)
Establish a clearly outlined organizational framework	0.2	3	0.6	3	0.6
Foster an adaptable work atmosphere	0.2	3	0.6	2	0.4
Cultivate a workforce characterized by creativity and innovation.	0.3	4	1.2	4	1.2
Weakness					
Restricted networking capabilities	0.05	3	0.15	3	0.15
Insufficient funds for technological investments	0.15	2	0.3	3	0.45
Service type with limitations	0.1	3	0.3	2	0.2
Total IFE	1		3.15		3
Opportunities					
Pandemic boosts digital marketing business	0.2	3	0.6	3	0.6
Advancements in technology and expertise	0.2	3	0.6	4	0.8
Introduce a novel product or service	0.2	3	0.6	2	0.4
Threats					
Competitors	0.1	3	0.3	2	0.2
Declining business	0.1	4	0.4	3	0.3
Consumer product knowledge	0.2	4	0.8	3	0.6
Total EFE	1		6.45		5.9

The QSPM analysis underscores the appropriateness of the selected market penetration strategy for SKI Digital Marketing. This alignment is corroborated by insights gained from interviews with the owner, indicating a predominant emphasis on market penetration within the company. In response to the rigorous competition in the market, SKI Digital Marketing endeavors to sustain or augment its market share and elevate its competitiveness. This objective can be realized through the implementation of competitive pricing strategies, robust advertising initiatives, and effective sales promotions. Therefore, the adoption of the market penetration strategy emerges as the optimal decision for SKI Digital Marketing to broaden its presence into previously unexplored market segments.

Furthermore, SKI Digital Marketing employs paid promotional campaigns on social media and collaborates with influencer marketing agencies to foster market growth. There is an opportunity for the company to augment its market presence by reaching out to larger enterprises that have yet to embrace digital marketing, providing them with promotional services. Nonetheless, SKI Digital Marketing confronts specific

vulnerabilities that may present hurdles. One notable weakness is the imperative to modernize its technology. Given the evolving technological landscape and rising demand for digital services in the business domain, it becomes imperative for SKI Digital Marketing to update its technological infrastructure to maintain competitiveness.

In conclusion, the QSPM analysis, coupled with insights gathered from interviews with the owner, affirms the market penetration strategy as the favored option for SKI Digital Marketing. To effectively compete in the market and capitalize on unexplored opportunities for business growth, SKI Digital Marketing can strategically address its weaknesses, specifically by modernizing its technological infrastructure.

Managerial Implications

This study underscores the substantial role of digital marketing in propelling business growth and ensuring competitiveness in the contemporary digital landscape. The effective implementation of digital marketing strategies proves instrumental in expanding the reach

of businesses, enhancing brand visibility, elevating brand awareness, and fostering customer engagement. Through the adept utilization of diverse digital platforms and tools, businesses can harness data-driven insights to refine their marketing endeavors and make well-informed decisions. It is imperative for managerial personnel to remain abreast of the latest trends and innovations in digital marketing while concurrently investing in cultivating digital capabilities within their organizations. Additionally, fostering a culture that prioritizes innovation and adaptability emerges as a crucial factor for businesses to sustain their competitive advantage amid the ever-evolving digital terrain.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

SKI Digital Marketing implements digital marketing strategies primarily through social media platforms and their website. Instagram serves as their main marketing channel, playing a central role in their online marketing endeavors. Instagram is considered an effective platform by SKI Digital Marketing due to its widespread usage among people, allowing for easy implementation of ideas and effective audience targeting. The agency delivers its services through social media platforms, utilizing content marketing techniques. Content marketing strategies are employed to enhance brand visibility by combining visually appealing images and design with impactful message delivery. Based on the QSPM matrix, SKI Digital Marketing's market penetration strategy is deemed favorable. Given the intense competition in the market, SKI Digital Marketing aims to maintain or expand its market share and competitiveness. This objective can be achieved through a combination of competitive pricing strategies, advertising efforts, and sales promotions. Consequently, a market penetration approach has been adopted to gain previously unattained market share for SKI Digital Marketing.

Recommendations

As technology continues to advance, businesses are increasingly seeking digital services, necessitating the adaptation of services offered to clients. This adaptation is particularly crucial in sectors that rely on technological instruments for their manufacturing processes, such as software, cameras, lenses, computers, and more.

To remain competitive, SKI Digital Marketing must keep up with the evolving technology landscape and upgrade its service offerings accordingly. In terms of social media marketing, SKI Digital Marketing should not solely focus on Instagram but should also actively engage with other popular social media platforms like YouTube, Twitter, and LinkedIn. By diversifying its presence across multiple platforms, SKI Digital Marketing can reach a wider audience and expand its marketing strategy. Additionally, running sponsored advertisements on various social media platforms, in addition to Instagram, can further enhance the agency's visibility and attract potential clients. Furthermore, in times of high customer demand, SKI Digital Marketing can consider increasing its workforce by outsourcing certain tasks. This approach ensures that the division of tasks aligns with the capacity of both clients and employees, avoiding unnecessary duplication of job responsibilities and enabling more efficient workflow processes.

REFERENCES

- Bala M. 2018. A critical review of digital marketing. *International Journal of Management, IT & Engineering* 8(10): 321-339.
- Bruijl G. 2018. The relevance of porter's five forces in today's innovative and changing business environment. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3192207>
- Chamboko-Mpotaringa M, Tichaawa TM. 2021. Tourism digital marketing tools and views on future trends: a systematic review of literature. *African Journal of Hospitality, Tourism and Leisure* 10(1): 712-726. <https://doi.org/10.46222/ajhtl.19770720-128>
- Faizurrohman M, Baga LM, Jahroh S. 2021. Strategy of business digitalization of micro, small, and medium enterprises (a case study of cultive apparel). *Indonesian Journal of Business and Entrepreneurship (IJBE)* 7(3): 257. <https://doi.org/10.17358/ijbe.7.3.257>
- Haneef SK. 2017. An exploratory study of the Digital Marketing trends in Dubai tourism industry. *Journal of Tourism Challenges and Trends; Bucharest* 10: 25-43.
- Kotler P, Kartajaya H, Hooi DH. 2019. *Asian Competitors: Marketing for Competitiveness in the Age of Digital Consumers*. *orld Scientific Books*. World Scientific Publishing Co. Pte. Ltd.,

- number 11135, June.
- Kotler P, Keller KL. 2017. *Manajemen Pemasaran*. Ed ke-1. Jakarta: Erlangga.
- Kotler P. 2019. *Marketing 4.0: Bergerak Dari Tradisional Ke Digital*. Tarigan A, editor. Jakarta: Gramedia Pustaka Utama.
- Krishen AS, Dwivedi YK, Bindu N, Kumar KS. 2021. A broad overview of interactive digital marketing: A bibliometric network analysis. *Journal of Business Research* 131(C): 183-195. <https://doi.org/10.1016/j.jbusres.2021.03.061>
- Labanauskaite D et al. 2020. Use of E-marketing tools as communication management in the tourism industry. *Tourism Management Perspectives* 34. <https://doi.org/10.1016/j.tmp.2020.100652>
- Mahboub RM. 2018. The impact of social media usage on performance of the banking sector in Middle East and North Africa countries. *International Journal of Economics and Business Administration* VI(3): 3-20.
- Myers, MD. 2020. *Qualitative Research in Business and Management (3th edition)*. SAGE Publications.
- Ningrum IC, Megawati LR, Nurhayati P. 2023. The optimizing of digital marketing to increase brand awareness of Sudut Lombok. *Jurnal Aplikasi Bisnis dan Manajemen (JABM)* 9(2):467. <https://doi.org/10.17358/jabm.9.2.467>
- Noviaristanti S et al. 2023. Social media usage impacts on sme's firm performance: evidence from west java, indonesia. *Indonesian Journal of Business and Entrepreneurship (IJBE)* 9(2):285. <https://doi.org/10.17358/ijbe.9.2.285>
- Olbrich R, Schultz CD, Bormann PM. 2019. The effect of social media and advertising activities on affiliate marketing. *International Journal of Internet Marketing and Advertising* 13: 47-72. <https://doi.org/10.1504/IJIMA.2019.09789>
- Putro HE. 2021. Pengaruh digital marketing terhadap repeat purchases dengan e-service quality dan digital promotion sebagai variabel intervening pada Gofood. *Jurnal Strategi Pemasaran* 8(1): 1-14.
- Ramon J. 2020. Using data sciences in digital marketing: Framework, methods, and performance metrics. *Journal of Innovation & Knowledge* 6(2): 92-102. <https://doi.org/10.1016/j.jik.2020.08.001>
- Santoso A, Sulistyawati AI, Vydia V. 2022. Instagram as social media and his role in the tourism promotion. *Indonesian Journal of Business and Entrepreneurship (IJBE)* 8(3): 415-420. <https://doi.org/10.17358/ijbe.8.3.415>
- Shabbir MS, Ghazi MS, Mehmood A. 2016. Impact of social media applications on small business entrepreneurs. *Arabian Journal of Business and Management Review* 6 (1):203-205. <https://doi.org/10.18639/MERJ.2016.02.200914>
- Suharjo RA, Fahmi I, Hannan S. 2020. Digital marketing strategy of small and medium enterprises for snack in Bogor City. *Jurnal Manajemen & Agribisnis* 17(1):74-85.
- Sugiyono. 2018. *Metode Studi Kualitatif*. Bandung: Alfabeta.
- Vicente-Ramos W, Cano-Torres L. 2022. The effect of digital marketing on the management of relationships with university students in times of Covid-19. *International Journal of Data and Network Science* 6(1): 59-66. <https://doi.org/10.5267/j.ijdns.2021.10.004>
- Vinerean S. 2017. Importance of strategic social media marketing. *Expert Journal of Marketing* 5: 28-35.