

Developing Strategic Marketing Plan for Artificial Flower Bouquet Business in Bandung

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Abstract— This study aims to develop strategic marketing plan for the artificial flower bouquet business in Bandung City. The method used in this study was qualitative analysis descriptive through marketing mix 4Ps theory and Porters five competitive forces theory. The result of the research produced strategic marketing plan for all marketing mix 4Ps aspects such as product, price, place, and promotion. The resulting strategic marketing plan becomes more focused because it is produced on the basis of Porters five competitive forces. This research can be helpful for the business owner especially to take right strategic marketing plan.

Keywords—Strategic Marketing Plan, Marketing Mix, Five Competitive Forces

I. INTRODUCTION

The flower bouquet business in Bandung that known as flower city, has intense competition. A bouquet of artificial flowers as a new alternative has a market that is still below the market of a fresh flower bouquet. A strategic marketing plan with the right methods is needed in order to win the market competition. Proper formulation of mission, vision, and basic policies will play a determining role for the success of a strategic plan [1].

Research using the marketing mix of 4Ps or Porters Five Competitive Strengths has previously been done to develop marketing strategies. Gholamreza et al. research the use of marketing mix of 4Ps combined with sale labor traits can increase sales [3]. In addition, through research conducted by Meera, the marketing mix of 4Ps also helped companies formulate strategic decisions needed for competitive advantage [4]. Porters five competitive forces can be used to develop marketing strategies for non-services businesses sectors such as Cemusca's research and service businesses sector as in the Hlavacka study [2-5]. Kenney explains that the implementation of Porters five competitive forces can also build market share and customer loyalty [6]. The combination of marketing mix 4Ps and Porter's five competitive forces was researched by Siamak and Elham for electronic business, which classified as service businesses to develop marketing strategies [8].

There is no research about developing a strategic marketing plan through 4Ps and Porter's five competitive forces for non-service or manufacturing businesses. The purpose of this research is to develop a strategic marketing plan through 4Ps marketing mix and Porters five competitive

forces for the business of artificial flower bouquets, especially in the city of Bandung. Hopefully, this method can be useful because it can be the basis for a more focused and precise marketing strategy plan. The results of the right strategic marketing plan will be able to win the business competition and increase sales.

II. METHODS

A. Marketing Mix 4Ps

Marketing mix means the product, distribution, promotion, and pricing strategies to produce and carry out exchanges and achieve the target markets [9]. Fig. 1 shows the elements of the marketing mix 4Ps.



Fig. 1. Marketing Mix 4Ps Elements

Product strategy is the first step in marketing. Product is something that is offered in order to meet the needs and desires of buyers. It may be a service, goods, or utilities; the buyer accepts to have a complete production not only just tangible goods or services but also other things that are connected to it [10].

Price strategy is a strategy that must be considered after the product is successfully created with its attribute. Price is one of the most important marketing mix items and many scientists consider the price as one of the most important elements of the market, which increases not only profits but also market share [9].

Place strategy involves what the channels distributions have been used to deliver the products to the buyers on time, and the way of store, choose the sellers [10]. Place factors can be an important consideration for potential buyers.

Promotion is a way to convey product information to buyers. Promotional activities are mainly intended to supplement personal selling, advertising, and publicity [4].

B. Porters Five Competitive Forces

A Competitive approach is widely used to develop corporate strategies in competition. Through Porter's five competitive forces, the level of competition within certain industries can be analyzed especially for starting a new business or entering a new industry sector. The collective strength of elements or forces can determine the potential of profit and its attractiveness.

According to Porter, the nature of competition in the industry can be seen as a combination of the following five elements that show in Fig. 2.

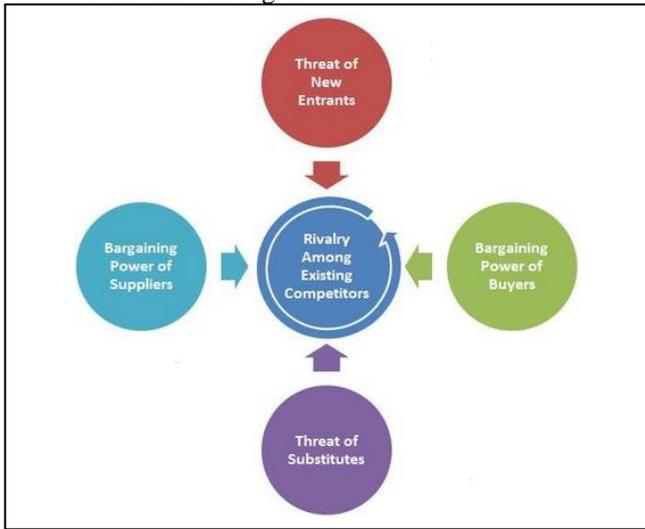


Fig. 2. Porters Five Competitive Forces Elements

III. RESULTS AND DISCUSSION

The combination of the marketing mix 4Ps with Porters five competitive forces produces different strategies base on the connected aspects. Each marketing mix 4Ps elements combined with every Porters five competitive forces elements.

TABLE I. PRODUCT STRATEGY

| Marketing Mix 4Ps / Porters Five Competitive Forces | Product |
|---|---|
| Rivalry among existing competitors | - Product quality - Product value - Stock availability - Difficulty to imitate |
| Threat of new entrants | - Product quality - Product value - Stock availability - Difficulty to imitate |
| Threat of substitutes | - Product value - Stock availability - Product quality |
| Bargaining power of suppliers | - Alternate resources |
| Bargaining power of buyers | - Product value - Product neatness - Product segmentation |

Table I shows that elements of Porter's five competitive forces can be the basis for determining product strategy. The strategies are product quality must be maintained, the product must have special value, the stock must be always available, and the product must be difficult to imitate; considering alternative resources, the product must be neat and create product segmentation.

TABLE II. PRICE STRATEGY

| Marketing Mix 4Ps / Porters Five Competitive Forces | Price |
|---|--|
| Rivalry among existing competitors | - Price competitiveness - Wholesale prices - Periodic discounted sales |
| Threat of new entrants | - Price competitiveness - Wholesale price |
| Threat of substitutes | - Price competitiveness - Wholesale price |
| Bargaining power of suppliers | |
| Bargaining power of buyers | - Price level |

Table II shows that elements of Porters five competitive forces can be the basis for determining price strategy. The strategies are price must be competitive, set the wholesale price, giving periodic discounted sales and create price level to reach every segment.

TABLE III. PLACE STRATEGY

| Marketing Mix 4Ps / Porters Five Competitive Forces | Place |
|---|--|
| Rivalry among existing competitors | - Store location - Store spaciousness - Store layout - Store atmosphere |
| Threat of new entrants | - Store location - Store spaciousness - Store layout - Store atmosphere |
| Threat of substitutes | - Store location |
| Bargaining power of suppliers | - Location access |
| Bargaining power of buyers | - Selling point location - Special event participation |

Table III shows that elements of Porters five competitive forces can be the basis for determining place strategy. The strategies are store location must be strategic, the store must be spacious, organize the store layout, create a comfortable atmosphere, choose the location that easy to reach, choose the right selling point to sell the product on the event and periodically participation special or potential event.

TABLE IV. PROMOTION STRATEGY

| Marketing Mix 4Ps Porters Five Competitive Forces | Promotion |
|--|--|
| Rivalry among existing competitors | - Online promotion - Offline promotion - Corporate clients |
| Threat of new entrants | - Online promotion - Offline promotion - Corporate clients |
| Threat of substitutes | - Focus on product excellence - Product bonus - Product bundling |
| Bargaining power of suppliers | |
| Bargaining power of buyers | - Product education |

Table IV shows that elements of Porters five competitive forces can be the basis for determining promotion strategy. The strategies are doing intense online promotion, intense offline promotion, establish cooperation with corporate clients, focus on product excellence for promotion, giving a bonus for every product purchase, make sales through product bundling and giving explanation or education of product superiority to the buyers. Promotion strategies are obtained by considering the factors of Porters five competitive forces [8].

The overall result shows that strategic marketing plan for each marketing mix 4Ps aspects obtained such as product, price, place, and promotion. Strategic marketing plan becomes more focused because it is produced on the basis of Porters five competitive forces. Analysis of the structural characteristics of the industry by using Porters five competitive forces have the basic aim for designing marketing strategies and the development of sustainable competitive advantage for business [11].

This research through a combination of marketing mix 4Ps and Porter's five competitive forces produces a strategic marketing plan that can bring competitive advantage [8].

IV. CONCLUSION

Based on the results and discussion that has been done, marketing mix 4Ps combined with porters five competitive forces can produce strategic marketing plan that can be used for developing artificial flower bouquet business. It can be helpful for the business owner especially and for readers generally. The results of choosing and executing the right strategic marketing plan will be able to win the business competition and increase sales.

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