EXPLORATORY RESEARCH OF THE IMPORTANCE OF INTEGRATED MARKETING COMMUNICATION OF WOLOAN WOODEN HOUSE

PENELITIAN EKSPLORASI MENGENAI PENTINGNYA KOMUNIKASI PEMASARAN TERPADU TERHADAP RUMAH KAYU WOLOAN

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Abstract: Woloan Wooden house is one of the important assets on the economic sector in North Sulawesi, because this product is already known to spread out of Indonesia and it has an impact in economic progress especially in developing countries including Indonesia. Globalization is a challenge for the entrepreneurs of Woloan wooden house for maintaining their business. Using the Integrated Marketing Communication, especially for the promotion it provides an opportunity for the company of Woloan wooden house to improve the marketing power. The purpose of this study is to find out the importance of IMC of Woloan wooden house and what the elements of IMC used by the entrepreneurs for marketing development of Woloan wooden house. This research was conducted in Woloan as the marketing center of wooden house. Qualitative research is deployed and uses explosive research to the wooden house in Woloan and the sample took 13 entrepreneurs of Woloan wooden house. The results of this study explained that IMC is more effective tool and make it easier for the promotion of Woloan wooden house. In addition, through IMC the promotion of the products of Woloan wooden house.

Keywords: integrated marketing communication

Abstrak: Rumah Kayu Woloan merupakan salah satu aset penting di sektor ekonomi di Sulawesi Utara, karena produk ini sudah dikenal menyebar di Indonesia dan berdampak pada kemajuan ekonomi terutama di negara berkembang termasuk Indonesia. Globalisasi merupakan tantangan bagi pengusaha rumah kayu Woloan untuk mempertahankan bisnis mereka. Dengan menggunakan Komunikasi Pemasaran Terpadu, terutama untuk promosi itu memberi kesempatan bagi perusahaan rumah kayu Woloan untuk meningkatkan daya pemasaran. Tujuan dari penelitian ini adalah untuk mengetahui pentingnya IMC rumah kayu Woloan dan elemen IMC yang digunakan oleh pengusaha untuk pengembangan pemasaran rumah kayu Woloan. Penelitian ini dilakukan di Woloan sebagai pusat pemasaran rumah kayu. Penelitian kualitatif dikerahkan dan menggunakan penelitian eksplosif ke rumah kayu di Woloan dan sampel tersebut membawa 13 pengusaha rumah kayu Woloan. Hasil penelitian ini menjelaskan bahwa IMC adalah alat yang lebih efektif dan memudahkan promosi rumah kayu Woloan. Selain itu, melalui IMC promosi produk rumah kayu Woloan bisa lebih dikenal masyarakat dengan cepat.

Kata kunci: komunikasi pemasaran terpadu

INTRODUCTION

Research Background

Integrated marketing communications (IMC) is the use of marketing strategies to optimize the communication of a consistent message of the company's brands to stakeholders. Coupling methods together improves communication as it harnesses the benefits of each channel, which when combined together builds a clearer and vaster impact than if used individually. IMC requires marketers to identify the boundaries around the promotional mix elements and to consider the effectiveness of the campaign's message.

Businesses are now able to implement IMC strategically within their business practice as it has progressed towards a holistic analysis from audiences internally and externally. Companies started to take a different angle when approaching the questions concerning the preferences of consumers. Changing the emphasis onto what consumer desire leads to a higher success being attained through IMC, as it is being influenced by not only internal stakeholders but also external ones.

The process of IMC through communication-based marketing goes through a sequential three stage process. Organizations begin with choosing an effective mixture of communication methods, in addition, the marketing methods are selected, thereafter the best of each element is fused and integrated together which thence from the organization to the audience using a clear and efficient method (Vladmir, Miroslav, & Papic, 2012).

Many people in Indonesia and even spread out of Indonesia is already know that Sulawesi island is a famous and rich in the traditional home crafts or wooden house. One of province in Sulawesi Island is the most rich of traditional home art is North Sulawesi, and one of traditional crafts of wooden house product is Minahasa traditional wooden house crafts of Woloan village. The Woloan people have been producing this Minahasa wooden house for hundreds years and Minahasa is the largest tribe in North Sulawesi. In North Sulawesi only the Woloan people are best able to make the finest Minahasa wooden house, other villages like Tombatu, Tombasian, Tareran, Mokobang are also producing wooden house, but only Woloan Houses are the finest quality.

The promotional and advertising of wooden houses by the companies or entrepreneurs namely through multiple communication channels such as personal or non-personal use certain media. And there are several forms of promoting and advertising marketing strategies that do like to create ads using the internet through social media such as Facebook, Instagram and other social media.

There is also word of mouth, where the consumer of wooden house only see and hear what is conveyed by others about products wooden houses of Woloan so the consumer was curious and keen to seek and obtain information about the house. There is also a publicity organized an exhibition when there is a specific event and also the existence of a direct meeting between the companies or entrepreneurs with the customer at the point of production of the wooden house.

From some strategies promotion campaign conducted in wooden houses, in fact, not very influential, and the slow response from the public as a target market of wooden house itself so strongly influence the rise and fall of sales in marketing. And to know the market (consumers) is predominantly from abroad than the market in Indonesia. These problems need to see the important promotion of the company if there are any deficiencies about the products that will be promoted with a few that do, is there any use other promotional strategies that do or are there other problems regarding products wooden houses.

From the explanation above the title of this research is Exploratory Research of The Importance of Integrated Marketing Communication of Woloan Wooden House.

Research Objectives

The objectives of this research are:

- 1. To know about how implementation of integrated marketing communication of Woloan wooden house.
- 2. To explain about the elements of integrated marketing communication used of Woloan wooden house.

THEORETICAL REVIEW

Marketing

Kotler and Armstrong (2010: 29) "Marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customer in return." Stanton et.

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al. (1996: 6) "Marketing is a whole system of business activities aimed at planning, pricing, distributing goods and services that can satisfy the needs of both the buyers existing and potential buyers." Lamb, Hair, McDaniel (2001: 6) "Marketing is a process of planning and running concept, pricing, promotion, and a number of ideas, goods and services to create exchanges that can satisfy individual and organizational goals." Kotler et. al. (2005) "Marketing means managing markets to bring about profitable exchange relationship by creating value and satisfying needs and wants.

Integrated Marketing Communication

Duncan (2002); IMC is a process for managing the customer relationships that drive brand value. More specifically, it is a cross-functional process for creating and nourishing profitable relationships with customers and stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialogue with them. Shimp (2000); IMC is an organization is unified, coordinated effort to promote a brand concept through the use of multiple communications tools that 'speak with a single voice'. Kotler et al. (1999); IMC is the concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent and compelling message about the organization and its products.

Integrated Marketing Communication Tools

Integrated Marketing Communication tools refer to integrating various marketing tools such as advertising, online marketing, public relation activities, direct marketing, sales campaigns to promote brands so that similar message reaches a wider audience. Products and services are promoted by effectively integrating various brand communication tools. To implement integrated marketing communication, it is essential for the organizations to communicate effectively with the clients.

Integrated marketing communication effectively integrates all modes of brand communication and uses them simultaneously to promote various products and services among customers effectively and eventually yield higher revenues for the organization. The IMC tools are:

1. Advertising

Advertising is one of the most effective ways of brand promotion. Advertising helps organizations reach a wider audience within the shortest possible time frame.

2. Sales Promotion

Brands (Products and services) can also be promoted through discount coupons, loyalty clubs, membership coupons, incentives, lucrative schemes, attractive packages for loyal customers, especially designed deals and so on.

3. Direct Marketing

Direct marketing enables organizations to communicate directly with the end-users. Various tools for direct marketing are emails, text messages, catalogues, brochures, promotional letter and so on.

4. Personal Selling

Personal selling is also one of the most effective tools for integrated marketing communication. Personal selling takes place when marketer or sales representative sells products or services to clients.

5. Public Relations

Public relations help promote a brand through press releases, news, events, public appearances etc. The role of public relations officer is to present the organization in the best light.

Previous Research

The First article by Tsikirayi, Muchenje and Katsidzira (2012) about Impact of integrated marketing communications mix (IMCM) in small to medium enterprises (SMEs) in Zimbabwe as a marketing tool focused on The SME sector in Zimbabwe has assumed greater importance as the main employer of the displaced workforce, as well as being the main contributing sector to the economy of the country as supplier of essential goods and services the study will focus mainly on the effectiveness of adopting IMCM in small enterprises not the minute details of the various elements of the IMCM.

The Second article by Adetunji, Md Nordin, Md Noor (2014) about the implementation of integrated marketing communication (IMC) Principles in Branding and Advertising: A Conceptual Exploration focused to quench the conceptual haziness of IMC and its implementation in advertisement-being one of the very crucial tool

in marketing communications and presents the review of the implementation process of IMC in the general marketing communication fields, advertisement and branding in particular.

The Third article by Hodak, Rocco and Hodak (2015) about the role of integrated marketing communication in cluster development is study about the concept of integrated marketing communication takes on a whole new meaning, and for clusters are currently recognized as instruments to increase the competitiveness of national economies and that is why they are receiving an increasingly important role in the European, as well as Croatian economy.

Conceptual Framework

In this research conceptual framework is provided to create a comprehensive understanding of a phenomenon or phenomena that is being observed.

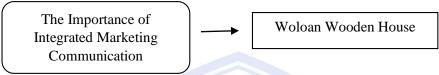


Figure 1 Research Framework Source: Data Processed, 2017

The figure 1 explains theoretical framework of the research. The figure showcases the core of the research which is to explore the importance of IMC of Woloan wooden house.

RESEARCH METHOD

Type of Research

This research used a qualitative methodology to explore the importance of integrated marketing communication of Woloan wooden house.

Place and Time of Research

This research will be take place in the marketing center of Minahasa Wooden House located in Woloan village, in Central Tomohon sub district, North Sulawesi. This research is conducted for two months long, starting from July - August 2017.

Social Situations and Informant

Spradley (1980) in Sugiyono (2007) in qualitative research there is no population term but only social situation, which consists of three elements: place, actors and activity. In this research, the population is the entrepreneurs of woloan wooden house more specific marketing sales.

Sugiyono (2007), sample in qualitative research is not called as respondents instead as a sources, participant, informant, friends and teacher in research process. The sample on this research is 13 the entrepreneurs of Woloan wooden house that became informants in this research interview.

Data Collection Method

The data used in this research are primary data and secondary data. According to Hair, et al. (2006), Primary data are the result of conducting some type the data needed for this research were gathered through interview and observation in the social situation. The secondary data collected for some purpose other than the problem at hand taken from company data, books, journals, articles, and relevant literature from library and internet.

Data Analysis Method

The process of data analysis was done before entering the social situation while analysis process was done during collecting the data and after finishing the collecting data in certain period of time.

Data Validity and Reliability

Creswell (2007) validation in qualitative research to be an attempt to assess the "accuracy" of the findings, as best described by the researcher and the participants. Validation as a distinct strength of qualitative research in

that the account made through extensive time spent in the field, the detailed thick description, and the closeness of the researcher to participants in the study all add to the value or accuracy of a study.

In qualitative research, "reliability" often refers to the stability of responses to multiple coders of data sets. Reliability can be enhanced if this study obtains detailed field-notes by employing a good-quality tape for recording and by transcribing the tape (Creswell, 2007).

RESULT AND DISCUSSION

Result

This research uses qualitative method and interview as the tool to gain the information. The population of this research is the entrepreneurs of Woloan wooden house. The sample took 13 entrepreneur of Woloan wooden house. In first step, questions were arranged and prepared before the interview.

Informant 1

The first Informant is the owner of one big company of Woloan wooden house is PT. Woloan Permai Perkasa, and he has been an owner of this wooden house company in 3 years since 2014. Fickry Pantow as the owner was explaining about the story of how he was built the business and how the importance of IMC. He started this business from beginning that gave from his big family and could be more success and became a big company until now. This company using IMC and according to Informant 1, Fickry explained this is very important because can make it easier and more effective to do promotion to the buyers and for take many buyers for buy the products of wooden house and furniture that he will be selling. From the five indicators of IMC he is using Advertising, Public Relations and Direct Marketing.

Informant 2

The second Informant is the owner of one big company that producing wooden house in Woloan is CV. Tumou Pratama, and has been an entrepreneur of Minahasa wooden house in Woloan on 3 years since 2014. This company is running by the brothers Stefanus Th. Wetik and Wilhelm A. A. Wetik. They started this business from the beginning that was once a hereditary business of the big family and eventually built by their own company. Same with Informant 1, this is a big company of wooden house in Woloan, this company using IMC and according to Informant 2, they explained this is very important because IMC is more effective tool to do the promotion to the buyers and for take many buyers for buying the products of wooden house and furniture that he will be sell. From the five elements of IMC, their company using Advertising, Personal Selling and Direct Marketing for Marketing Development of Wooden House.

Informant 3

The third Informant is the owner of CV. Wale Woloan Hexatama, and has been an entrepreneur of Woloan wooden house on 11 years since 2006. Royke Pontoh as the owner was talking about how he continued this business that used to be the business of his big family and can manage well to be advanced as it is today. According to Informant 3, Royke using IMC and this is very important for marketing development of the company. From the five elements of IMC he is using Advertising, Personal Selling and Direct Marketing for promotion the products of the wooden house because it is easily and more effective for promoting the products that will be selling.

Informant 4

The fourth Informant is the owner of CV. Gratia Magna, and has been an entrepreneur of Minahasa wooden house in Woloan has been quite old on 25 years since 1992. Erick Sumakud as the owner was explaining about the company. He is continuing this business that used to be a hereditary effort of the big family and can manage well to be as advanced as it is today. Erick using IMC and according to him IMC is very important for marketing development of the company. From the five elements of IMC the Erick using Advertising, Personal Selling and Direct Marketing for the products of wooden house because it is easily and more effective for promoting the products that will be selling.

Informant 5

The fifth Informant is the owner of CV. Rajawali Tunggal Perkasa, and has been an entrepreneur of Minahasa wooden house in Woloan on 17 years since 2000. Sonny Runtu as the owner was explaining about the importance of the IMC that he used for the products of the company. Sonny using IMC for promotion the product of Woloan wooden house because is very important for marketing development of the company. From the five elements of IMC, Sonny using Advertising, Personal Selling and Direct Marketing for the products of wooden house because it is easily and more effective for promoting the products that will be selling.

Informant 6

The sixth Informant is the owner of CV. Gloria, and she has been a woman entrepreneur of Woloan wooden house in 4 years since 2013. Martje Manopo as the owner was explaining about the company that she built. She is continuing this business that used to be a hereditary effort from her big family and can manage well until it can progress as it is today. Martje said that she is using IMC for the company because according to her this is very important for marketing development of the company. From the five elements of IMC she is using Advertising, Personal Selling and Direct Marketing for the wooden house product because IMC it more effective tool and can make easier for promoting the products that will be selling.

Informant 7

The seventh Informant is the owner of CV. Woloan Asri. Vicky Sumakud as the owner was explaining about his company and how the importance of IMC of Woloan wooden house product. He said before the company became advanced like this he used to start a personal business on 2009 and could be more advanced since 2014 and can manage it until now. According to Vicky, he is using IMC because he thinks this is very important for the marketing development of the company. From the five elements of IMC he is using Advertising, Personal Selling and Direct Marketing for wooden house because IMC is easier and more effective for promoting the products that will be selling.

Informant 8

The eighth Informant is the owner of CV. Cempaka Jaya Mandiri, and has been an entrepreneur of Woloan wooden house in 37 years since 1980. Frangky Kapoh as the owner was explaining about his journey of how he built the business. He said before his company become as advanced as it is today he used to start an individual wooden house business and could be more success and can manage it until now. Frangky using IMC because very important thing for marketing development of the company. From the five elements of IMC his company using is Personal Selling and Direct Marketing for the products of wooden house because it is easily and more effective for promoting the products that will be selling.

Informant 9

The ninth Informant is Yohanis Sindim. He was explaining about the story of how he built the business until he could be more success until now. Yohanis has been running an individual company of wooden house in Woloan for 37 years since 1980. Yohanis explained that he just using one of the five elements of IMC and he choose "Personal Selling" and according to him this is important for marketing development of the wooden house products because it is easier and effective tool for promoting the products that will be selling.

Informant 10

The tenth Informant is Vicky Moningka. He was explaining about the story of how he built the business as an entrepreneur of wooden house in Woloan. He said not yet a year since of January 2017 he is being an entrepreneur of wooden house because before it he just as a crafter of wooden house and now he can build a wooden house business by his own. Vicky explained that he is using IMC. There are 2 elements of IMC that used by Vicky which are Personal Selling and Direct Marketing for the wooden house product. According to him this is so important because IMC is easier and more effective tool for promoting the products that will be selling.

Informant 11

The eleventh Informant is Jantje Montolalu. He was explaining about the story of how he built the business from beginning as a crafter until his success became an entrepreneur until now. Jantje has been running this business as an entrepreneur of wooden house in Woloan has been around 20 years since 1997. Same with

Informant 9, Jantje just using one of the five elements of IMC and he choose Personal Selling and according from him this is important for the wooden house products because it is easier and effective tool for promoting the products that will be selling.

Informant 12

The twelfth Informant is Nofri Kapoh. He was explaining about the importance of IMC for Woloan wooden house products. Nofri has been running this business as an entrepreneur of wooden house in Woloan has been around 18 years since 1999. Nofri said he is using IMC and according to him this is so important for marketing development of wooden house because IMC is more effective tool and make it easier for promoting the products that will be marketing. From the five elements of IMC and he choose Advertising and Personal Selling.

Informant 13

The thirteenth Informant is Julius Kowaas. He was explaining about the importance of IMC for the wooden house products. Nofri has been running the business as an entrepreneur of Woloan wooden house in 4 years since 2013. Julius said he just using 2 elements of IMC which are Personal Selling and Sales Promotions and according to Julius this is important for marketing development of wooden house because it is more effective and can make it easier for promoting the products that will be marketing.

The Importance of Integrated Marketing Communications

From all the theory about IMC above and from the results of interview and observation researcher found that the implementation of IMC it is so important of Woloan wooden house because can increase sales of the product every year. When researcher doing the interview and observation to the entrepreneurs of Woloan wooden house and then the result there are six informants using advertising, twelve informants using personal selling, one informant using sales promotions, one informant using public relations, and nine informants using direct marketing for promotion the products of Woloan wooden house and it shows that all the informants or the entrepreneurs using IMC is so important because effort to promote the product with a brand concept to the buyers, can increase sales and marketing, and also can build better relationship with the buyers.

The Elements of IMC used of Woloan Wooden House

From the result of observation and interview with 13 informant and then found there are 8 Informant using "Advertising" via online media, advertise on billboards around the marketing center of Woloan wooden house, also use newspapers to promote the wooden house products.

Almost every Informants which are 12 entrepreneurs using "Personal Selling" where through direct sales the entrepreneurs promotes in marketing center because there are so many people or tourist that came for see the products directly and could make the buyers more trust with the products and because will have a good communication and the buyers are more attentive.

Just 1 informant using "Sales Promotions and Public Relations" Informant 13 using sales promotions with distributing the brochure and leaflets for promoting the wooden house product that will be selling and Informant 1 using public relations where is if the government creates an event about the culture and tourism of North Sulawesi and takes the opportunity to promote the wooden house products at the exhibition.

Last, there are 9 Informants using "Direct Marketing" the entrepreneurs using direct marketing by online media where makes website and social media to make it easier for promote the products of Woloan wooden house.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Based on the result and discussion of the previous chapter, it can be concluded the importance of IMC of Woloan wooden house as follows:

Through interview and observation method, the elements of IMC shows that is important on marketing development of Woloan wooden house because it can increase revenue, selling, building a good communication with the buyers who increase the number of the products wooden house in Woloan. Most of Woloan wooden house in this study use promotion on website and social media because everyone is easy to access the internet

networks. The entrepreneur of Woloan wooden house realize that using IMC properly meet the target in doing business and even they can overcome issues that appear using their own way that they are running.

Recommendations

From the result, several recommendations for the company, the government, the students, and the future researchers are purposed as follows:

- 1. For the entrepreneurs and upcoming a new entrepreneurs that interested in opening a new business of wooden house, it is crucial to understand about the importance of IMC. Some people do not really notice the importance of IMC in this business, because they have limitations in the field of marketing promotion and they are still having trouble using sophisticated media or technology such as internet networks access in the business process that might impact the whole business. Knowing the elements of IMC may help the entrepreneurs to be professional not only in the promotion of the products but also in controlling and calculating the whole business performance.
- 2. It is crucial for the government to develop and support the company and entrepreneurs of Woloan wooden house by helping them in finding the channels of suppliers that could promote the products of Woloan wooden house. The wider promotion will bring the impact to local revenue and the economic systems of North Sulawesi.
- 3. The students, lecturers and other parties in university may gain knowledge and additional information regarding to the importance of IMC.
- 4. The future researcher, may elaborate more issues regarding to the importance of IMC on other objects of research.

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