
**ANALYSIS OF CUSTOMER ENGAGEMENT BEHAVIOR FOR SMALL AND MEDIUM
SOUVENIR ENTERPRISES IN MANADO***ANALISIS SIKAP CUSTOMER ENGAGEMENT TERHADAP USAHA SUVENIR KECIL DAN
MENENGAH DI MANADO*

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Abstract: *Tourism sector has increasingly become very dynamic and significant sector consists of many small and medium souvenir enterprises that tried to be successful in competitive market. Engagement marketing is powerful marketing strategy since customer can co-create the value and influence customer in broader population. This research aims to examine the implementation of engagement marketing strategy and analysis the customer engagement behavior toward the engagement marketing strategy. The present research implies a qualitative study conducted using interview with the owner store, head store, senior employee of the store and the customer of the small and medium souvenir enterprises. The result of this research, brand awareness become the main purpose while implement this strategy, there is still gap between offline and online in implementing engagement marketing strategy, also still lack of receive feedback from the customer. Most of customer will voluntarily suggest customer in broader population. Souvenir enterprises need to more persistently boost their online marketing process like in keeping connected with customers online for make sure that customer have access for two way communication , also should enhance the customer feedback by giving a reward for the best suggestion and correlate both offline and online engagement marketing as well.*

Keyword: *engagement marketing, online engagement marketing, offline engagement marketing, customer engagement behavior, customer purchasing behavior, customer influencer value, customer knowledge value.*

Abstrak: Perkembangan sektor pariwisata sangat dinamik dan signifikan sektor ini terdiri dari banyak usaha souvenir kecil dan menengah yang berusaha untuk meraih kesuksesan dalam persaingan pasar. Marketing engagement merupakan strategi pemasaran yang sangat berpengaruh karena pelanggan dapat kembali membuat nilai yang ditawarkan dan mempengaruhi pelanggan lain untuk populasi yang lebih luas. Penelitian ini bertujuan untuk membahas tentang pelaksanaan dari marketing engagement dan menganalisis perilaku customer engagement terhadap strategi pemasaran yang dilakukan usaha souvenir. Penelitian ini menggunakan metode kualitatif menggunakan wawancara dengan pemilik toko, kepala toko, pegawai senior serta pelanggan dari usaha souvenir kecil dan menengah. Hasil penelitian ini menunjukkan bahwa kesadaran terhadap merek menjadi tujuan utama dalam pelaksanaan strategi ini, terdapat renggang antara penerapan strategi marketing engagement melalui offline dan online, juga untuk toko sendiri terdapat kekurangan dalam menerima umpan baik dari pelanggan. Hampir semua pelanggan dengan sukarela akan menyarankan pelanggan lain di populasi yang lebih luas. Usaha souvenir sebaiknya lebih meningkatkan pemasaran secara online untuk memastikan agar pelanggan bisa memiliki akses komunikasi dua arah juga untuk meningkatkan umpan balik dari pelanggan dengan memberikan hadiah untuk yang memberikan saran terbaik dan menghubungkan antara strategi pemasaran secara offline dan online dengan baik.

Kata Kunci: *marketing engagement, online marketing engagement, offline marketing engagement, perilaku customer engagement, perilaku pembelian pelanggan, pelanggan mempengaruhi nilai, pengetahuan nilai pelanggan.*

INTRODUCTION

Research Background

Tourism has been developed into a powerful, world-wide economic force. As one of the fastest growing sectors of the world's largest economy, tourism industry in 2016 contributed to global GDP growth by 3.1% and supported 6 million net additional jobs on this sector, means total contribution on Tourism industry is about US\$7.6 trillion (10.2% of global GDP) and 292 million jobs in 2016. 2016 IDRBN for total contribution to travel and tourism to Indonesia GDP for induced economic impact on 2016 to 2017 only increased a little to 800,000 and it was predict that on 2027 it will increase significantly to 1,400,000. While from the percentage of the economy GDP, the direct economic impact in 2016, 2017 and 2027 was around 1.8, the indirect impact in 2016, 2017 and 2027 will grow from 4.8 to 5.1 there was no significant growth from both of two sector still from the induced impact from 2016 and 2017 predicted 2027 growth will be about 6.9 (WTTC,2016). It grew rapidly, more than the direct and indirect impact. Induced tourism that consist of many SMEs became the best supporting sector and played an important role to promote economic growth, employment opportunities, and technology transfer.

Manado as a link or tourism network from the pacific market, such as China, Hong Kong, Macau, Taiwan, Japan, and South Korea. This policy increase the number of travelers abroad at North Sulawesi in December 2017 to 33.48 % compared to the November 2017 (BPS : North Sulawesi, 2017). Since large number of tourists arrived, Manado government has made improvements in terms of Access, Attractions and Amnesty (3A). Especially for supporting business in tourism. This tourism sector consists of many small and medium souvenir enterprises which tried to be successful in an extremely competitive and rapidly changing tourism sector. Success factors of Indonesian SMEs (Indrati and Langenberg, 2004) are capital access, marketing and technology, while legality was a burden to business success. Education and source of capital were related significantly to business success. In order to create competitive advantage in this sector, small and medium souvenir enterprises had to choose a powerful marketing strategy.

As what have been explained, Researchers is interested in analyze the customer engagement behavior for small and medium souvenir enterprises, also in this case researchers focusing on the engagement marketing strategy applied bysmall and souvenir enterprises.

Research Objectives

The objectives of this research is to to know the engagement marketing strategy applied for small and medium souvenir enterprises and to know the customer engagement behavior for small and medium souvenir enterprises.

THEORETICAL REVIEW

Marketing

Based on the marketing concept and other essential marketing principles of Kotler and Keller (2012), marketing in terms of identifying and meeting needs at a profit. Marketing in SMEs needs to consider the uniqueness of business environment along with skills, abilities, and resources of both owner and manager.

Marketing Management

According to Kotler and Keller (2012) state that marketing management is about creating, delivering and communication the customer value for choosing the appropriate target market, the way how to get the customer, keep the loyal customer and growing customer or potential customer in broader population.

Table 1. Category of SME

	Micro Enterprise	Small Enterprise	Medium enterprise
Net Asset	≤ 50 Million	> 50 Million -500 Million	>500 Million – 10 Billion
Total Annual Sales	≤ 300 Million	>500 Million – 2.5 Billion	>2.5 Billion – 50 Billion

Source : Indonesia's Law Number 20 of 2008

Table 2. Difference between Engagement Marketing Strategy, Promotion Marketing Strategy and Relationship Marketing Strategy

Marketing Strategy	Characteristic
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Engagement marketing strategy	Encourage a customer’s active participation in and contribution to the firm’s marketing functions. Customer-owned resources and potential future contributions to the firm’s marketing functions. Networked communication among the customer, other customers, and the firm. Training a customer how to contribute to the firm’s marketing functions. Customer exercises high control, which can affect outcomes relevant to the broader customer population
Promotion marketing strategy	Induce a single transaction with the focal firm versus a competitive firm Purchasing power and customer share of wallet .One-way communication from the firm to the customer. Teaching the customer how to buy and use the focal product. Customer has no control over value creation and is a receiver of marketing.
Relationship marketing strategy	Retain the focal customer and motivate future, repeat transaction with the customer, Customer lifetime value from past customer transactions. Bilateral communication between the customer and the firm. Understanding the idiosyncratic norms of the exchange relationship. Customer control is negotiated with the firm, which affects outcomes relevant to the focal customer-firm relationship.

Source : Harmeling et al(2016 : 318)

Engagement Marketing Strategy

According to Schmitt, Skiera and Van den Bulte (2011) engagement is firm attempts to guide this role for the customer in ways that are beneficial to the firm, this strategy also must be carefully initiated and actively managed.

Consumer Behavior

Blackwell, Miniard and Engel (2006) describe consumer buying behavior same in a complex and dynamic issue which cannot be defined easily and commonly. However this buying behavior rest heavily on the behaviors, acts, or the characteristic of customer that involved directly with the marketing process.

Costumer Engagement Behavior

Accordng to Van Doorn *et al* (2010) customer engagement behavior are result from motivational drivers that go beyond purchase that reflect customer behavioral manifestation that have brand focus.

Previous Research

Chiang and Wang (2017) this research clarify the customer engagement related to social media advertising that using quantitative study and only unfold the behavior on online marketing through partial least squares for analyze the data from the survey. This study also study about the customer engagement relation to online marketing specialized on social media advertising.

Żyminkowska, Żyminkowski, and Błaszczyk (2017) research propose is customer engagement behavior effects in the conceptual model that integrated with marketing metrics that related to the recent advances in customer equity and customer asset management. This research examine the effect of customer engagement behavior it used many variables to measure the effect of customer engagement behavior (CEB).

Conceptual Framework

Conceptual framework explain about the relation between the marketing strategy and customer engagement behavior

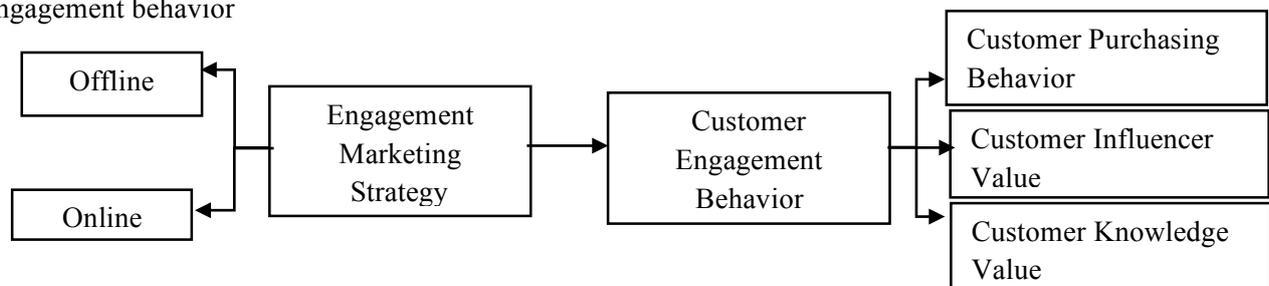


Figure 1. Conceptual Framework

Source: Data Analysis Method (2018)

RESEARCH METHOD

Research Approach

The type of this research is qualitative research that produces holistic understandings of rich, contextual, and generally unstructured, non-numeric data (Mason, 2002). It is appropriate for descriptive and exploratory studies (Mouton, 2001) to explore the topic of customer engagement behavior toward the implementation of engagement marketing strategy that applied on small and medium souvenir enterprises in Manado.

Population, Sample and Sampling Technique

Term population is not used in qualitative research yet “social situation” is the equivalent of population. It consists of three elements, which are place, actors, and activity that interact synergistically (Spradley, 1980). This social situation on this research are the entire small and medium souvenir enterprises and the customer that have experience with the appropriate souvenir enterprises.

This research using purposive sampling is particular settings, persons, or activities are selected deliberately to provide information that is particularly relevant to the questions and goals, and that cannot be gotten as well from other choices (Palys, 2008). Weiss (1994) argued that many qualitative interview studies do not use samples at all, but panels—“people who are uniquely able to be informative because they are expert in an area or were privileged witnesses to an event”. The research sampling size is 18 respondents (3 from the store and 15 from customer from the store)

Data Collection Method

The data used in this research consist of two types of data, which is primary and secondary data. Primary data are gained from in-depth interview and secondary data are taken from books, journals and relevant literature from library and internet.

Operational Definition of Research Variables

There are two main variables that is engagement marketing strategy that consist of two indicators which is online and offline. Another indicators customer engagement behavior consist of three indicators which is (customer purchasing behavior, customer influencer value and customer knowledge value).

Instrument Testing

The researcher acts as the main tool in research (key instrument), means that person who will determine the success or failure of a study. Research that will determine what kind of field data quality will be obtained (Ibrahim, 2015). On this research process it need phone and laptop for recorder and take picture or video and note book.

Data Analysis Method, Validity and Reliability

In this qualitative data analysis there are explanations in detail of the process after collecting data till getting conclusions, According to Miles and Huberman in Sekaran and Bougie (2013) there are generally steps in qualitative data analysis: there are generally steps in qualitative data analysis: Data Collection, data reduction, data display, drawing and verifying conclusion. Validity and reliability in qualitative research have a slightly different meaning in qualitative research in comparison to quantitative research (Sekaran and Bougie, 2013), the reliability in qualitative data analysis includes category and interjudge reliability:

- a. Category reliability relates to the extent to which judges are able to use category definition to classify the qualitative data. Well defined categories will lead to higher category reliability.
- b. Interjudge reliability is a degree of consistency between coders processing the same data.

RESULT AND DISCUSSION

Result

3 Informant from the souvenir enterprises

Informant 1

Informant 1 is a senior employee of Kawanua Souvenir, woman, 34 years old, married and has worked more than 5 years. Kawanua souvenir has already participated in a large international exhibition once that involved 6 countries held in Paniki, Manado. After this exhibition number of visitors and buyers especially foreign tourist gradually about 80%. The bestselling product is food (pastry and cake) and followed by clothes.

Often held discounts. Customer often give feedback or complaints about the quality or deficiencies of the product directly to the employees on the store. Customer involvement on number 5 means customer are quite involved in the process of marketing product. After purchase customer will share their experience through word of mouth it truly can attract new customers and usually increase performance and the number of visitors 80%. Customer data base is provided to encourage customer active participation especially for foreign tourist and WhatsApp is used to connect with local tourist (for ordering only). Kawanua Souvenir does not use any technology yet for marketing process. They already have customer data base but it is still lacking in maintained as they provide for foreign tourist and just few for the local tourist.

Informant 2

Informant 2 is a man, 28 years old, single, has work more than 5 years and as the owner and manager of marketing and public relation. Miens souvenirs marketing strategy is about attracting customer from heart share. Miens provide the good layout and participated in exhibition, events and sponsors events from regional to national level just it is "free - entry" they will participate in order to increase brand awareness, it can attract about 70% more customer. The most popular products are food and clothes. They deliver discounts for every month. Miens receives every feedback from customer (online and offline) in form of criticism and recommendations that become top priority. Miens Souvenir choose number 7 or customer very involved on their marketing process, either by word of mouth and post on social media. It has increased around 80% before and after applying online engagement marketing and 80%. Customer are kept connected through online (Instagram, WhatsApp) and offline (stores, events and exhibition). Customer data base is acquired from the member card and it is maintained as well.

Informant 3

Informant 3 is a man, 27 years old, single, has worke more than 5 years and as the head store of Lenso Manado. External events can attract buyers to come around 80%. Marketing strategy that they implement initially was to make customers curious, and consumers will come and find out about the brand to increase awareness and finally purchase. The most favorite on the market that is the Cake, discounts offered on this store range from daily, weekly and monthly. The involvement of buyers for Lenso is number 6 because after make customer delight and give a positive impact for 1 customer It can affect about 10 people return on Lenso, vice versa. Customer can give the criticism and suggestions through the paper that already provide. Online marketing focuses on social media especially on Instagram and a photo booth is provide then customers will take a picture and tag the official account of Lenso Manado in order to make customer curious. The percentage of buyers who can return from the online marketing process is about 50%, and there is an increase or effectiveness about 90% before and after using online marketing. Lenso Manado has a great management for customer data base that they got directly from customer.

15 Informant From Customer of Souvenir Enterprises

Informant 1

Informant 1, woman, 23 years old, graduated student, unemployment said that she has bought around 20 times in this souvenir store. She got a discount once that is 10% discount for her purchase of batik fabric. For every transaction she can spend around 500.000,- rupiah. Product that the informant usually buys that is batik fabric, kerrawang fabric, cake and pala Juice. The satisfaction informant gives number 7 that is satisfied with the product and informant will be back to this store because the service, quality and price, while the reason for engagement is that there are no competitors as good as this store. She found out about this souvenir store offline (pass in front of store and friends recommendation). Informant is involved in the marketing offline process through recommendation that is talking with friends and family and online by publishing on social media and succeeded to attract around 7 – 10 people to come. She gave feedback once through offline channels that is by giving complaint about the wrong size for cutting the fabric and the way this store keeps in touch with the customer is only offline.

Informant 2

Informant 2 is woman, 25 years old, who recently married, she is a radio announcer at RRI pro 2 Manado that located in Tikala Manado. Informant 2 said that for 2 times experience with this store, informant did not get a discount yet and she thought because she has only visited two times and is not an active buyer. For two times, informant spent around 200.000,- for bangket cake, halua cake, and kenari. In total consists of 7

items. After buying she gives the number 7 or satisfied with the product and will repurchase in this store because the location is near with her home and she is delight with the product and will not try another product. Informant 2 found out about this store offline that is billboard and online through browsing and saw the reviews from previous buyers the product are good quality and have a cheaper price. She shared her experience offline through talking with close friends and succeeded to influence around 5 people. She never gave feedback to the store, and the way she keeps connected with the store is offline that is directly to the store.

Informant 3

Informant 3 is a woman is a 21 years old student of medical faculty of Samratulangi University, who comes from Siau and currently lives in a malalayang. She said that for 2 times purchase for klapertart and handicraft informant spent around 250.000,- for these 2 items and she do not get discount. After purchase she gives number 5 or quite satisfied with the product but she will not go back to this store for a while because still want to find another souvenir store and the reason why informant is currently with this store because of its famous brand. Informant 3 found out about this store form offline though close friend recommendation, she never shared her experience regarding shopping in this store. She never gave any feedback to the store and the way informant keeps in touch with the store is offline directly to the store.

Informant 4

Informant 4 is a man, 21 years old, from Tomohon, currently lives in Jakarta and sometimes in Jogjakarta. He has come to purchase at this store for klapertart and pastry for 10 – 15 items and spent around 400.000,-. Informant did not get discount because he did not ask for the discount. For rank of the product informant gives number 6 that is satisfied enough with the product. Informant will do his next purchase in this store because he is lazy to find another store. Reason for informant engage as a tourist is because of the famous brand. He found out about this store offline through friends that want the souvenir. After buying, informant and his friends share their experience offline using word of mouth and online through posts on the social media and could influence around 10 people. He gave feedback to the store offline about the bangs under the klapertart and the way the informant could keep connected with the store is offline directly to the store but because it is far away the informant ask in WhatsApp for keep communicating if an order is to be made.

Informant 5

Informant 5 is a man, 37 years old, lives in Airmadidi, married and originally from Semarang. He works as a staf at PT. Waskita for Manado - Bitung Toll project. Informant 5 has visited and bought at this store around 3 times and never got a discount. To buy batik fabric, karawang fabric and Bunaken clothes around 10 items informant spent about 1.800.000,- and after purchase informant gave number 7 because informant satisfied with the product and will be back because of the good product, comfortable and clean place. The reason for informant to engage is because of satisfaction with the product and will not try another product. He found out about this store from relatives and friends. After purchase, informant did not share his experience because informant though his friends knew more about souvenir stores more than him. He never gave feedback because for 3 times shopping at the store he never got anything that dispensed him and the way the store keep in touch with the customer is directly through the store or offline.

Informant 6

Informant 6 is a man, 22 years old from Manado, he is student of Magister Management at Klabat University. Informant 6 bought product on this store once, "I Love Manado" clothes for 2 items and spent around 200.000,-. He never got discount from this store and number for the product informant gave number 7 or satisfied with the product. He decided to not go back to this store because he wants to find another reference of souvenir store. Reason why he engaged with this store is because of the famous brand. He found out about the souvenir store offline from talking with friends and online through social media Instagram. After buying he shared his experience and influenced around 4 people. He gave feedback both online through Instagram and offline through cashier about the product quality and the way to keep in contact is offline with the store and online through Instagram.

Informant 7

Informant 7 is woman, 21 years old, medical student (dentist) in Sam Ratulangi University, who comes from Kotamubagu and currently lives in kleak Manado. She has experienced buying in this store twice.

Informant bought keychain, T-shirt, and food specialty of Manado and spent around 400,000,- for 5 items. Informant got a discount once through her fresh mart card. Informant gave number 5 or quite satisfied because of the expensive price, but she still want to shop back in this store if she wants to buy the souvenirs. The reason why she engaged is because of the famous brand. She found out about the souvenir store offline from friend recommendation and online through Instagram campaign. Informant also never shared her experience. Informant 7 did has not given feedback yet and keeps connected with the store online with social media Instagram and offline directly the store.

Informant 8

Informant 8, 26 year old woman, employee, single, from and live in Maumbi, Airmadidi. Informant 8 bought product from this store around two times spent around 350.000,- to buy 2 items batik fabric specialty of Manado informant got a discount once using her fresh mart card and gave number 6 or satisfied enough with the product because the product is expensive. Informant will be back because the location is easy to access and the discount offered. Reason why informant engaged is because of the famous brand. She know this souvenir store offline in an event on Megamall and pass the store through their store layout and online through Instagram. Informant shared her experience offline through talking with friends and has posted on social media once and succeeded to influence 6 people. So far she has not given feedback yet because so far there has not been anything wrong with the product and keeps connected offline through the store, the events that may be held and online through the social media Instagram.

Informant 9

Informant 9 is a man, 27 years old, from Purwodadi, works as a staff in a construction company, He did transaction about 4 times with this store to buy Manado and Bunakan Clothes and key chain and spent around 400.000,- he never got a discount. He will be back to shop in this store because he usually shopped in this store since the first time he found another store. For the product informant give rank 6 or satisfied enough and 7 or satisfied for the service. Reason why informant engage because satisfy with the product and will not try another product. He got information about the store offline that is through the store layout, in the event and sponsored event that they followed and online through Instagram. Informant shared experience offline by influencing people and succeeded to attract 4 people and He accompanied them directly. He gave feedback to express thanks for giving him a member card and he keeps connected offline directly to the store and online through Instagram.

Informant 10

Informant 10, a man from Lumajang, 24 years old and work at PT. Waskita. He shopped 3 times to buy Manado clothes and key chain around 3 – 5 items and spend around 400.000,-. He get discount once using through his member card and give number 7 or satisfied with the product. He will be back because store provided the member card and reason for engagement is because of satisfaction with the product and will not try another product. He got information from friend recommendation. Informant has already share his experience but no one could be influenced. He never gave feedback to the store and just connected with the store offline through the store itself.

Informant 11

Informant 11 is a woman, 20 years old, student of Public Health Sam Ratulangi University Manado, single. She purchased 2 times in this store. She bought cake and batik fabric consisting of 2 – 3 items and spent around 300.000,- and never got a discount for 2 times buying. Informant gave the number 6 or satisfied enough with the product. Informant will be back because of the comfortable and clean place. Reason for engagement that is because of the famous brand. She got information offline that is friend recommendation and online because this store was booming when it launched. Informant shared her experience through offline recommendation to her friend and online post on social media Instagram because at that time it was booming and informant took part in posting and was able to influence around 3 people. Informant 11 did not given feedback yet both online and offline but keeps connected offline directly with the store and online through their available social media Instagram.

Informant 12

Informant 12 is a woman, 26 years old, employee at PT. Laris Manis Utama, single. Informant 12 shopped around 5 times for cake and Batik Clothes consisting of 4 or 5 items and the total purchase is 600.000,-. She got a discount once for the cake. For the product informant gave the number 7 that is very satisfied. She intense to come back because of the taste of the product and the product quality. Reason for engagement that is the famous brand. She got information online that is through social media Instagram and Facebook. Informant shared her experience online that is by posting on Facebook and Instagram, and eventually succeeded to influence 5 people. She gave feedback once by writing on the critics and suggestion paper provided by the store and keeps connected with the store online through social media Instagram and offline directly to the store.

Informant 13

Informant 13 is a man, work as the civil servant. He bought cake, key chain and handcraft that consists of 8 items and paid 1.500.000,-. For his first time buying on this store he never got discount. For the rank he gave number 7 or satisfied. Informant will be back because of satisfied with the product and will not try another product. He got information offline that is an office friend recommendation. After purchase informant he did not share his experiences. He gave feedback once about the good service by writing on the critiques and suggestions paper provide by the store and keeps in touch offline directly with the store.

Informant 14

Informant 14 is a woman, 21 years old, student of Midwifery Poltekes Manado, originally from Kotamobagu. bought cake five times and spent more than 100.000,- for every purchase, in total around 4 cakes that have been buy and she never got a discount for the product . She still remembers name and location, for rank gave the number 5 or quite satisfy and informant will not be coming back because the price is expensive and the reason for engagement is because of the famous brand. Informant 14 got information from her family and friends recommendation. Informant shared her experience online that is by posting on social media and succeeded to influence around 2 people. She gave feedback once by write on the paper already provided by the store and the way to keep connected with them is online from social media Instagram and offline directly to the store.

Informant 15

Informant 15 is a policeman, 21 years old, from Surabaya. He shopped for 3 times for cakes and spent around 400.000,- for 4 items and he got a discount once. He gave number 6 satisfied enough with the product but informant will not be coming back because he wants to find another store. Reason for engagement is because of the famous brand. He got information online that is by browsing. After buying has not shared his experience yet. He never gave feedback when doing his transaction and keeps in touch with the store offline that is directly with the store and online using Instagram.

Discussion**Engagement Marketing Strategy**

Engagement marketing strategy for small and medium souvenir enterprises in Manado applied offline and online strategy. Informant 1, 2, 3 has a good offline strategy through exhibition, event or sponsor event. Informant 1 has just participated on the international exhibition, informant 2 participate in every exhibition, event that "free entry", informant 3 made their own exhibition around once a month. From all of them it increase the performance and attract customer around 70-80%. Online engagement marketing strategy from informant 1 do not use online method for their marketing yet for maintain customer data base for foreign, while informant 2 and 3 used online channel through Instagram like make some quiz and some funny picture in order to keep and build the strong relationship, informant 2 maintain customer data base through member card and informant 3 maintain customer database from transaction that have been made.

Customer Engagement Behavior

Customer engagement behavior is act as active partners in value co-creation in the extended competence network. Customer purchasing behavior from informant 1,2,3,4,7,11,12,13,14,15 purchase cake as the most bestselling, most of them spend around 200.000 – 1.800.000,-. All the store implement discount however just informant 1,7,10,12 and 15 that get discount, most of customer satisfied with the product yet informant 3, 6 and 15 will not come back because still want to find another store as the reference and informant

14 will not come back because of the price. From all of the customer informant 1 engage with store because of there is no competitor as good as this store, informant 2,5,9,10,13 engage with store because satisfied with the product and will not try another product, while informant 3,4,6,7,8,11,12,14,15 engage with store because of the famous brand. Customer influencer value, how customer choose the store, and how they suggest other customer for go to the store. Informant 1,3,4,5,6,7,10,11,13,14 choose souvenir store because of the friends recommendation, informant 2,12,15 because browsing from online and review from internet. Informant 8 because of the event followed by store and informant 9 because of store layout. About suggest other customer informant 1,2,4,6,8,9,11,12,14,15 voluntarily share their experience and influence other customer without any referral program, informant 10 share experience still no one can be influence. While informant 3,5,7,13 and 15 do not share about their experience to the other customer. Customer knowledge value, how customer give feedback to the store for improvement, although all souvenir store provide and receive every feedback by customer yet informant 1,4,6,9,12,13,14 that gave feedback to the souvenir store.

CONCLUSION AND RECOMMENDATION

Conclusion

This research has been conducted in order to analyze the engagement marketing strategy that applied by the souvenir enterprises in Manado and how customer engagement behavior responds to it. It can conclude that, engagement marketing strategy is two way communication applied by small and medium souvenir enterprises from online and offline strategy may increase performance. Online engagement marketing strategy applied using social media (Instagram) and publish/post from customer. Offline engagement marketing strategy such as event and exhibition also word of mouth by customer. From online and offline engagement marketing strategy, customer contribute to the marketing function as the value co-creation. However, there is still gap between offline and online engagement marketing, 33% of souvenir enterprises still lack in its implementation of online engagement marketing. Small and medium souvenir enterprises do many activities in order to get feedback in terms of suggestion and critiques through offline and online for such improvement and just 47% customers want to give their feedback. While, customer are more interested to shop in the souvenir enterprises that have good brand awareness. It means that brand awareness is the main purpose on this customer engagement behavior. Around 60% of customer engagement behavior will voluntarily suggest broader customer population without any referral program. It is become opportunity since sharing experience between customers are more trusted and it can become beneficial for engagement marketing strategy.

Recommendation

Based on the research, there are two recommendation proposed to the souvenir enterprises as follows:

1. Engagement marketing strategy that were applied by small and medium souvenir enterprises already meet the objective yet, they still need to more persistently boost their online marketing process like in keeping connected with customers online for make sure that customer have access for two way communication , also should enhance the customer feedback by giving a reward for the best suggestion
2. Correlate both offline and online engagement marketing. For example makes offline campaign like exhibition and event and all the while post it on social media like Instagram in order to makes customers more aware about the offline campaign and it can also create two way communication. Other activities that should be improved are the discounts, and the daily life in the store, interesting situation that arise can be made into short movies or videos to be posted on social media like Instagram to make people more aware of the activities in the store.

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