

Integrated marketing communication strategies: A case of Telkomsel as the best mobile operator in Indonesia

Stefi Landra Darmawan^a, Abhirama SD Perdana^b

^aPresident University, Jl. Ki Hajar Dewantara, Bekasi, Indonesia

^bPresident University, Jl. Ki Hajar Dewantara, Bekasi, Indonesia

Abstract

These days, a combination of numerous marketing activities is an essential concept that needs to be kept in mind especially with the rapid development of new technology, media, and social media. Also, with the high competition and costs, businessmen or marketers are looking for ways to improve the effectiveness of their marketing communications programs by carefully observing, selecting, and combining appropriate communications tools to maximize their marketing budgets. Not only to gain bigger profit, this strategy – Integrated Marketing Communication – also creates a reliable tool to communicate a product or an organization's brand images to the relevant stakeholders. Here, effective communication is where messages are passed without any disruption and have the best clarity: it is important to thoroughly analyse and determine the target audience. Analyzing the concept in light of Telkomsel's recently hijacked website, the paper examines how their strategies maintained their target audience as prospective customers. The findings found that it is also important to take into consideration determining the characteristics of the customer. The characteristics include: age, education level, gender, income and geographic location. Once they are determined, Telkomsel as one of the practitioners of integrated marketing strategy is set to address the needs of the customer through identifying the demographics needs. Further, an effective strategy envisages the objectives of the communications plan and sets targets for the drive. It is of overall importance for the developer of the strategy to remain within the budgeted investment.

Keywords: Integrated marketing; marketing strategies; communication plans; target audience;

1. Introduction

A popular concept of Integrated Marketing Communication (IMC) was proposed by the American Association of Advertising Agencies (AAAA) in 1989 (Duncan & Caywood, 1996:16):

A concept of marketing communications planning that recognises the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines (for example, advertising, direct response, sales promotion, and public relations), and then combines these disciplines to provide clarity, consistency and maximum communication impact.

From the definition above, we can simply say that IMC is an idea of marketing plan concept that assures all the plus point a brand/product/organization is well known and ensures that all forms of communication and strategy are linked together to provide maximum impact.

IMC emphasises the added value aspect from a brand/product/organization that can be combined with various marketing communication tactics in order to convey a consistent message. This combination is not only applied when multiple marketing communication tools are used (e.g., advertising is combined with direct marketing), but also when using multiple media (e.g., outdoor advertising is combined with printed advertising). In other words, the multiple advertising activities that are combined have the effect that can increase the outcomes or impact for the stakeholders – especially the audiences.

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competition and costs, businessmen or marketers are looking for ways to improve the effectiveness of their marketing communications programs by carefully observing, selecting, and combining appropriate communications tools to maximize their marketing budgets. Not only to gain bigger profit, this new strategy – Integrated Marketing Communication – also creates a reliable tool to communicate a product or an organization's brand images to the relevant stakeholders. Here, effective communication is where messages are passed without any disruption and have the best clarity.

Keller (2008) has argued that different ways of communication a product/organization has with its customers and stakeholders should be regarded as additional opportunities by adding value to product, improving customers' brand experience, gathering feedback to monitor customer satisfaction, and delivering additional brand messages to increase brand knowledge and strengthen the client-brand relationship. Each experience of a customer, therefore, either strengthens or weakens the client-brand relationship. Strong relationships lead to higher profits and sales, while weak relationships result in lost sales and customers, and undermine the brand equity (Duncan, 2005:20).

Another important thing in developing an integrated marketing communications plan is as follows: it is important to thoroughly analyse and determine the target audience. In this case, the target audience is the prospective customer. It is, therefore also important to be taken into consideration to determine the characteristics of the customer. The characteristics include: age, education level, gender, income and geographic location. Once they are determined, the developer of an integrated marketing strategy is set to address the needs of the customer through identifying the demographics needs. Further, an effective strategy envisages the objectives of the communications plan and sets targets for the drive. It is of overall importance for the developer of the strategy to remain within the budgeted investment.

Telkomsel is one of the mobile phone network operators owned by PT. Telekomunikasi Indonesia, Tbk (Telkom Indonesia). Telkomsel is the first telephone provider who serves post-paid service in Indonesia in May 1995. Based on the official website of Telkomsel, Telkomsel's products are SimPATI, Kartu AS, KartuHALO, Telkomsel FLASH, Simpati Loop.

Telkomsel is currently the largest mobile operator in Indonesia and has the largest network capable of reaching more than 95% of the Indonesian population to serve the communication needs of various places from urban areas, sub-district capitals, pioneer areas, to country border villages, both on any small island or in the inland jungle.

Telkomsel has consistently implemented a mobile technology roadmap, from 3G, HSDPA, HSPA +. Further, Telkomsel became the first to launch 4G LTE mobile services commercially in Indonesia that will provide customers with faster access to data services while enabling mobile technology, which is bigger, as for the development of smart city (smart city). Thus, Telkomsel as the strongest mobile provider positioned itself as a product with the widest and fastest network in Indonesia.

2. Result and discussion

Telkomsel is not the only mobile phone network provider in Indonesia. There are a number of network providers which also serve us with many interesting service, such as XL, Indosat, 3, Axis, and Smartfren. Along with these various cellular provider, the competition among them is getting higher and higher. Here, mobile providers try many ways in order to attract new customers and retain its loyal customers.

To attract and retain its loyal customers, every company need to do promotion, including Telkomsel. Pride and Ferrel (2006) contend that promotion is an important process in advertising where building and maintaining relationships occur by persuading and informing one or more audiences. The company could implement many promotional activities to achieve these objectives and to increase the demand of the product.

To reach for these goals, Telkomsel did many promotional activities that are based on the 5 tools of Integrated Marketing Communication to convey the messages well and to gain the brand awareness. The tools are elaborated in the sections below.

• Broadcast Advertising

Broadcast advertising is radio and television. The commercials aired on radio and televisions are an essential part of broadcast advertising. The broadcast media, such as radio and television, has long been able to reach a wider audience than other forms of advertising. The term broadcast advertising applies to commercials aired on either television or radio, which are typical called spots. It is also known as on-air advertising, and it is the primary revenue generator for commercial television and radio stations.

As an advertiser, a client will pay for a spot based on some considerations, including length, the time the spot goes out, which channel it is on, and most importantly, which show is airing at that time. This purchase is commonly handled by the media department of an advertising agency, whose job is to negotiate the best

<u>rates</u> and times for the commercials. A spot airing in the commercial break of a prime-time show will consequently be considerably expensive.

Of course, before any client buys air, they also have to produce the commercial. It means they have to pay more for the production process.



Figure 1. Kartu As advertisement

The image above is one of the Kartu As advertisement aired in 2012. This ad showed a popular comedian named Sule. Here, he is interviewed by many reporters while saying, "Saya kapok dibohongin sama anak kecil." or in English, "I don't want to be lied to by a little boy anymore", greeted by the laughter of the reporters.

The ad attacks XL ads. Surprisingly, Sule previously starred in XL ad with a child actor named Baim. In the ad, there was a dialogue between Baim and Sule, "How Im, Om Sule handsome right?" Sule asked. "No!" Baim replied innocently. Then, Sule gives Baim food in the hope that Baim will say, "Om Sule is handsome". However, Baim's answer was still the same. "From the first, Om Sule is ugly. From the first, if Rp25 - XL is the cheapest one, then it's true." Baim replied.

This was the message where Sule felt being lied to Baim in the previous advertisement. Meanwhile, in the real world, little children are usually honest. That, however, is the world of advertising – where all logic can sometimes be turned back and forth.

Despite all the controversy regarding this ad where it was considered to violate ethic codes, still as soon as this ad appeared, however, this ad became the talk of many parties and managed to get a lot of attention and laughter. Furthermore, many people started to try to find out more about these two mobile providers.

• Printed Advertising

Print media advertising is a form of advertising that uses physically printed media, such as magazines and newspapers or brochure and flyer to reach consumers, business customers and prospects.

The writer analysed that, recently, the number of magazine and newspaper readers are decreasing. This most likely is the reason why Telkomsel did not put their ads in any magazine or other printed media. Today, people are more interested in reading e-newspapers or searching for news via internet, not in printed newspapers or magazines.

• Outdoor Advertising

The term outdoor advertising is self-explanatory for any advertising done outdoors that publicizes our business' products and services. The types of outdoor advertising include billboards, bus benches, interiors and exteriors of buses, taxis and business vehicles, and signage posted on the exterior of our own brick-and-mortar location. Outdoor advertising works well for promoting our product in specific geographic areas.

One of the forms of outdoor advertising is billboard (billing board). Telkomsel put its billboard in main street in many big cities. One of the eye-catching billboard of Telkomsel is attached below.



Figure 2. XL advertisement

From the picture above, Telkomsel's billboard is definitely eye catching. First, because it is big. Second, the content itself. Here Telkomsel once again dissed its competitor, XL. But once again Telkomsel successfully grab public's attention.

The next outdoor advertising that Telkomsel uses is Bus-bench advertising. Bus-bench advertising is an excellent medium because it is highly visible, like a billboard. Essentially, bus-bench advertisers have a huge audience, held captive at red lights or in slow-moving traffic.



Figure 3. Telkomsel advertisement

Quoted in http://www.antaranews.com/berita/521705/yogyakarta-luncurkan-bus-pariwisata-domapan, Yogyakarta's Government releases a tourism bus named Domapan to support the development of the city's tourism industry. Domapan stands for *Dua Lima Delapan*, which is a tourism bus supported by Telkomsel to celebrate the 258th anniversary of Yogyakarta.

Making a bus-bench advertising in Yogyakarta is the best choice considering Yogyakarta is one of the most popular tourism destinations for domestic and international tourists. Of course, many people will see this advertising and the promotion will go well. Furthermore, Telkomsel helps the government to develop tourism industry, which will prompt numerous media to cover this as news and make it become bigger publicity.

Another outdoor advertising is the advertising which is painted on a wall. In the following image, the red color of Telkomsel dominates the painting and it looks really attractive. Moreover, Telkomsel paints it on the wall of the popular street, where a lot of people pass by. Rather than left unkempt, Telkomsel offers to embellish these walls.

Here are the examples of those beautiful walls:



Figure 4. Located on Kecamatan Waru, Kabupaten Penajam Paser Utara, this wall is near popular tourism destination Wana Wisata Api-api (WWA)

Point of view and strategic location is a highly effective effect used as a media advertising on the wall.



Figure 5. Located on the Pantura Street of Lamongan City



Figure 6. Located on arterial road Soekarno Hatta Street Semarang

The last form of outdoor advertising that Telkomsel used is branding outlet, which is considered to be highly effective.



Figure 7. The mobile phone outlets which are sponsored by Telkomsel



Figure 8. Developmental Basketball League

Developmental Basketball League (DBL) was established in Surabaya 2004. Starting in 2008, the league expanded to other parts of Indonesia. In 2015, DBL was held in 25 cities, 22 provinces in Indonesia. Over 41.000 students and officials participated and over 855.000 spectators watched DBL. To organize DBL, PT DBL Indonesia is working with Jawa Pos Group, Indonesia's biggest newspaper company. This newspaper helps to promote the league.

As a sponsor of DBL Indonesia, Telkomsel got a big space of advertising on the arena's wall. As a result, all of the athletes have to use Telkomsel SIM Card in order to register. Not only increasing its user, all the spectators can see Telkomsel's promotion.

• Internet Marketing

Internet marketing uses the Internet or the World Wide Web for attracting consumers to buy their product and services. Telkomsel put its aid on search engine result pages, including banner ads that we see on top of some webs. This kind of promotion has its benefits, one of them is an immediate publishing of the commercial and the availability of the commercial to a global audience. But along with the benefits, also comes the disadvantages. These days, Telkomsel puts distracting flashing pop-ups or banner ads to the Internet users on a mass scale. This kind of big amount and frequent banner ads on the web annoys Internet users and even the real ads become ignored by the users in the process.

• Personal selling

Personal selling takes place when a marketer or sales representative sells products or services to clients directly. Telkomsel sometimes comes to some schools and universities, including President University to sell the SIM card directly to the customers. Here, customers can ask about the data package or any special offer to the salesperson at the booth directly. It may seem so traditional, and yet, we cannot leave out this kind of traditional promotion. For some reasons, people tend to like to ask the salesperson directly rather than to call the Call Center. Moreover, unlike Call Center, asking the salesperson directly is free.

• Public relations

Public relations activities help promote a brand through press releases, news, events, and public appearances. The role of public relations officer is to present the organization in the best light, building a good relationship with the stakeholders and guiding the management with respect related to public issues.

Through a CSR Program named "Komunitas Paling Indonesia", Telkomsel has been awarded as Best Indonesia Public Relation of The Year 2012 held by Mix Marketing Magazine. It shows the public how Telkomsel worked really hard to fulfil the vision of Telkomsel, which is to unite and accommodate the young generations who have a concern for culture and the beauty of our homeland. In the future, Telkomsel will support them to release a bilingual e-book that can be freely downloaded and contains a lot of Indonesia's culture knowledge.

• Direct marketing

Direct marketing enables a company/organization to communicate directly with the users. Various tools for direct marketing are emails, text messages, catalogues, brochures, promotional letters, and so on. Through direct marketing, messages reach users directly.

The term Location Based Advertising (LBA) Short Messages may seem to be unfamiliar to most people. However, if we are Telkomsel users, of course, we will be familiar with the short message from Dunkin Donut, Starbucks, or CFC. Such message is sent based on the location that has been targeted. This kind of advertising is considered as effective because we cannot reject the message and have to eventually read it. It makes both of the parties, the ad producer and the audiences, got the benefits.

For example, Telkomsel customers who receive the short message are entitled to a special offer to buy a dozen of donuts with half dozen price by showing the text message from Telkomsel. It results in many people going to Dunkin Donut to use their Telkomsel SIM card to get the special offer.

• Sales promotion

Brands (Products and services) can also be promoted through discount coupons, loyalty clubs, membership coupons, incentives, and attractive packages for loyal customers, contests, demonstrations and so on. It is used to accelerate short-term sales, by building brand awareness and encouraging repeat buying.

Telkomsel sometimes gives several users special offer by text message. Some customers commonly receive a text message mentioning that they can buy a data package with a special price by dialling some number (e.g., *888*12# and *363*807#). This kind of promotion makes customers want to use Telkomsel more (repeat buying).

3. Conclusion

Telkomsel has shown us that by integrating many tools of marketing, Telkomsel can successfully build their good image and raise awareness of public. Here we can see that one of the most important aspect of marketing is to be attractive. For advertising, if an advertising is not attractive, people will not be eager to see what the message is inside the advertisement. However, in the cases of Sule's advertising and Telkomsel's billboard next to XL, both also remind us that ethics in advertising is crucially important for it to be successful.

It is true that in this globalization era, Internet has helped us in many ways including in promotion activities and has become the best media to promote a product. However, we cannot leave the traditional way behind. Some people still feel more engaged to the brand when they are talking face-to-face with a representative of any brand than by calling a Call Centre, which often opens with pre-recorded machine prompts. Telkomsel has successfully proven that its claim to be the best and the widest network is true. Not only merely an advertising, but Telkomsel has really provided its customers the best mobile network experience.

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