

# Marketing Paradox Implementation Through Promotion and Education WiFi Indonesia Service

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**Abstract:** Promotion and education as part of customer brand communication provide information about brand reputation, consistency and high quality. In order to appear to be the best, a brand must have a unique value to make consumers interested to buy. The brand must have a customer value better than other brands. Furthermore, it is should be able to increase customer emotional involvement so that customers have bond and confidence in the brand. The concept of marketing paradox to combine elements of marketing is mutually exclusive or contradictory to one another into a unique formulation of marketing. Marketing paradox is a marketing concept that utilizes elemental polarity 4Ps are: Product, Price, Place and Promotion. In the four pillars of marketing is that there are at least two poles can create a unique combination in the determination and implementation strategies. This is an unusual approach in the marketing of a product or service, but was able to create amazing results.

**Keywords:** marketing paradox, promotion, brand equity.

## 1. Introduction

Internet users increasing in Indonesia, according to the Association of Indonesian Internet Service Provider (AIISP) has increased from year to year. Below is the table of growth of Internet users in Indonesia from 2008 to 2012.

**Table 1.1:** Internet Users and Penetration

Year	Internet User	Population	Penetration
2008	25,000,000	237,512,355	10.53%
2009	30,000,000	240,271,522	12.49%
2010	42,000,000	242,968,342	17.29%
2011	55,000,000	248,645,008	22.12%
2012	63,000,000	260,036,700	24.23%

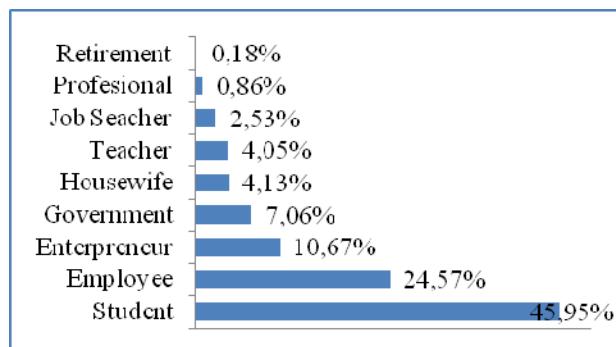
Data Table 1.1 shows the growth in number and percentage of Internet user's total population in Indonesia. Percentage is still below 25%, it is should be a trigger for government and internet service providers to continue to encourage the growth of the Internet, both in terms of facilities, speed and cost. Internet user's growth of shows if we need internet as a medium of information and communication. Internet users growth of is important because with the mobile internet device technology on mobile phones, the users are able to access information through the Internet wherever and whenever they want.

Likewise, PT Telekomunikasi Indonesia (Telkom), as one Internet provider, sees that conditions as an opportunity which can be exploited to increase subscriber's number. Telkom as a communications service provider, until the end of 2012 had customers from landlines or mobile phones as many as 151 million subscribers.

Based on Telkom's InfoMemo Report 2008-2012 there are growth of fixed telephone subscribers (LIS Wireline), fixed

wireless (LIS Wireless) and cellular phones. The number of fixed telephone subscribers showed graphs that tend to stagnate, while the growth in the number of cellular subscribers increasing from year to year. It shows there are still many phone users are not maximizing the internet to communicate or support activities in everyday life. In the survey, the group also found iinternet users based on their work.

The biggest group which use internet is student group, employees and entrepreneurs group. Survey related to customer segmentation is an opportunity for internet service providers to educate public about internet benefits. Internet useful for students in support of learning activities, add insight and knowledge. Internet is useful for community in facilitating the work, a business promotion tool, as well as a means of communication.



**Figure 1.1:** Internet Users based on Job

Telkom's business portofolio that are Telecommunication, Information, Media, Edutainment and Services (TIMES) constitu Telkom core business today. Digital media business one of Telkom business is expected to grow in a competitive and sustainable. It is not enough to develop the skills needed, but also needed a business network built up over the years by actors in the industry.

Creative management and innovation are necessary to be able to effectively produce and develop digital business. Unlike the low cost carrier business concepts in the world of aviation that use less for less strategy (facility and its features is reduced so that the cost becomes cheap), Telkom uses strategy more for less. More profits delivered to the

customer, then lower rates mentioned. Examples that can be used as a reference, among others, Google. Electronic mail services and search engine Google is free, as well as Facebook and Youtube. On the other hand, though provide free services, they have millions of visitors, so it appears that creative business models, which do not have to go through a membership or use of such services. They can make the business models through advertising.

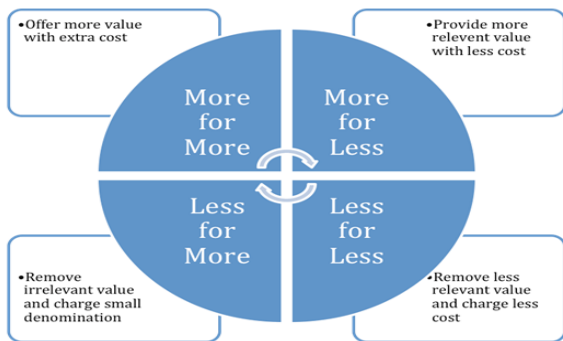
Indonesia WiFi (@ wifi.id) is a wireless access network is a medium to enjoy high speed internet service as well as a variety of other multimedia services. @wifi.id available and thousands of points scattered areas in Indonesia and are often found in public facilities such as parks, stations, airports, malls, etc., as well as specialty areas such as offices, schools, colleges, hotels, cafes, restaurants.

**2. Literature**

**Marketing Paradox**

Every company needs the best formulation strategy in managing the business, particularly in the marketing aspect. Every company has the experience and the way each one. A company can only make a comparative study effectively against other companies to fully understand the differences of the key factors of each company and then create a new method. Some examples of which can be described in four quadrants shown in Figure 2.1.

Singapore Airline and Apple are examples for More for More of the image quadrant where they offer value (value) is high for customers with high service prices as well. Less for More example is most easily found in everyday life is as much as 40 kg of rice per bag (wholesale) price of Rp. 200.000, the reach specific communities. The rice can be sold in units of 5 kg (retail) price of Rp. 5500 and became affordable for the community.



**Figure 2.1:** Value & Cost Quadrant

In the unit, a price is more expensive, because packaging into fewer, higher prices are still affordable by community. Therefore, companies can split large units into smaller units. Air Asia and Lion Air is an example of Less for Less where they offer low rates but the service or value for the customer also lowered. Strategy More for More, Less for Less and Less for More accustomed. In the course of finding a formula best practice, found a paradox in the strategy, in particular the marketing of More for Less.

Marketing paradox concept to marketing combine elements are mutually exclusive or contradictory to one another into

marketing unique formulation. Broadly speaking, marketing paradox is a marketing concept that utilizes elemental polarity 4Ps are: Product, Price, Place and Promotion. In the four pillars of marketing there are at least two poles can be create a unique combination in determination and implementation strategies marketing paradox. This is an unusual approach in product or service marketing, but was able to create amazing results.

The first pillar in marketing paradox implementation to make products that are private product to the public. This strategy aims to create products that typically are limited to certain circles and accessible many customers as possible. According to Arief Yahya (2012, 87), this can be achieved by increasing consumer access to products by creating product or service is easily available and affordable by most circles. The second pillar is serve individual customers like corporate customers. The point is to give something that is a solution, but at reasonable cost and in a short time. The key is group customers with similar needs, so the solutions developed for many customers, as well as reduce costs. This strategy can be executed on the contrary, that serves corporate customers like customers personal.

The third pillar is perfect between wholesale and retail customers. It is common are many customers bought by volume will get a cheaper price. Instead customers who purchase a small quantity will get a higher price per unit. Marketing paradox runs the general formula wholesale and retail sales could be the other way, by sharing the results (revenue sharing) with volume commitments (2012, 94).

The fourth pillars are Promotion and Social-Personal. Promotional strategies usually distinguish between the target and the target communities for personal. In marketing paradox community made a target for personalized promotional material and vice versa. According to Arief Yahya (2012, 100), the goal to get customers who are active in long term and attract customers comrades to be active in social media to interact with company.

**Promotion Mix and Education**

Marketing mix communication is also called the promotion mix which means advertising, personal selling, sales promotion, public relations, and direct marketing tools used by companies to achieve the goals of advertising and marketing Kotler and Armstrong (2012, 408). According to Kotler and Armstrong (2012, 51) marketing mix communications is special blend between advertising, personal selling, sales promotion, and public relations a company uses to achieve advertising and marketing objectives.

Promotion is one of scope of marketing mix are important in goods or services produced marketing by the company and also as a way of providing information to the public about goods or services produced by a company. Implementation of promotional activities undertaken by the company include:

- 1) Advertising, an advertising program designed to build public awareness of a product.
- 2) Sales Promotion, Sales promotion can be distinguished in the campaigns directed to consumers (consumer promotion) as samples, coupons, discounts (discount), contests, demonstrations. Promotion directed at traders

- (trade promotion) as advertising discounts, contests dealer. Promotion aimed at the salesman like bonuses and contests.
- 3) Public Relations & Publicity is a variety of programs to promote and protect the image of the company or its products by type.
  - 4) Events & Experiences (Events & Experiences), conducting seminars, contests, competitions to reinforce the company's image. Experience is an event that occurs when a company uses infrastructure services and products as a buffer to be able to draw hearts or individual consumer interests and emotions.
  - 5) Personal Selling, two-way communication that explores and satisfying the needs of prospective buyers, allowing a favorable benefit to both parties.
  - 6) Direct Marketing, marketing communications process is an interactive two-way, based on a database, which uses multiple media to motivate, and get consumer response to the product, without directly through retail stores.
  - 7) Interactive Marketing, is the latest and fastest way to communicate quickly and sell directly to customers in electronic / internet. Internet provides greater opportunities between marketers and consumers to interact and individual consultations.
  - 8) Word of Mouth Marketing, Consumer as target of product actually has a great potential to market the product being marketed. Like a virus that can spread very quickly which was originally initiated by only one person who has an extensive network, to give effect to the marketing of a product.

According to Kotler and Kartajaya (2010, 45) when the consumer more confidence to consumers other than the trust company.

### Customer Education Concept

Customers education is an important thing and can be a beneficial thing for the business. However, sales and marketers often do not understand this, for fear that if the customer is getting smarter, and then they might just switch to a competitor.

However, according to recent studies, as proposed by the MIT Sloan Management Review, research conducted by several professors from Australia to the Goldman Sachs 1,200 clients shows that companies that improve services to provide education and knowledge to the customer presents certain advantages.

Research shows that by customer education, then they are more likely to trust the company. Along with the company delivering information about products and services as well as the important fact is happening in the market, the customers are also increasingly appreciate the service given shape.

In addition to building customer trust, to educate you and help them to make right choices. As a sales / marketer, of course you want to find customers who are 'perfect match' with product/service. If you are doing customer education, the details of the product/service as well as other information, it will allow you and your customers to find the 'perfect match' each other.

According to Lending Solutions, Inc value of delivering educational content marketing include:

1. Understanding of the product and how the product fits the customer's life.
2. Consumer Education. Overview and pathways needed to help consumers feel comfortable and directing them to learn through the process of understanding a product
3. Right product requires a connection with the right educational content. Companies can provide choice to consumers, but not excessive. Valuable information conveyed to consumers when it has a product that fits the needs of consumers.
4. Feedback requires a means for consumers to provide input and critique of the product. Consumer feedback to make the product sustainable information and answer questions that are relevant to them, as well as provide other benefits to consumers.

Measurable targets need to be set. Target offers a way to measure how direct sales.

### 3. Method

Methodology used in this study with a qualitative approach, which has characteristics of a natural (natural setting) as a data source directly, descriptive, process is more important than the results, the analysis in qualitative research tends to be done and the meaning of inductive analysis is essential.

There are 6 (six) of the research methodology that uses a qualitative approach, namely: ethnographic, case study, grounded theory, interactive, partisipatories, and action research. Study is a case study (case study), namely: a study conducted to learn intensively about the current state of the background, and the interaction of the environment a unit of individuals, groups, organizations, or communities.

### Research Sites & Data Collection Procedures

This study located in PT Telkom Indonesia, which is included in Jakarta. Data collection techniques in this study were interviews, observation and documentation. Reasons for qualitative researchers phenomena can be better understood its meaning, if it is done through the interaction with the subject of in-depth interviews and observation in the background, where the phenomenon occurred, and in addition to complete the data required documentation (on materials written by or about the subject).

1. An interview is a conversation with a purpose. Mean among other things the use of interviews is (a) construct about people, events, organizational activities, feelings, motivations, claims, concerns, etc., (b) construct such determination-determination experienced past. In this research, interview techniques that researchers use in-depth interviews means that the researcher is asking some deep questions related to the focus of the problem.
2. Observation techniques, in qualitative research observation clarified by three ways. First, the observer can act as a participant or non-participant. Second, the observation can be done openly or undercover. Third, observations concerning the background research and techniques used in this study is the first observation in which the observer acts as a participant.
3. Documentation techniques, used to collect data from non-human sources, these sources consist of documents and

records. Any writings or statements prepared by or for an individual or an organization with the goal of proving the existence of an event or a meet record, while the document is not prepared for specific purposes, such as letters, diaries, special notes, photographs and so on.

#### Data Analysis

Once all the data was collected, the next rare and administration of data analysis. The purpose of data analysis is process of systematically searching and collate the data obtained from interviews, field notes, and documentation, a way to organize data into categories, lays into the units, synthesize, organize into a pattern, choose which important and will be studying and make conclusions so easily understood by himself or others.

Data Analysis in this case using qualitative, then researchers in the field using Spradley models, the data analysis techniques that are customize to the research stages, namely:

1. At the exploration stage of the data collection techniques grand tour question, the first by choosing social situations include places, informants and activities.
2. Upon entering the field, set a key informant who is believed to informants who provide information to researchers for research into an object. After the researchers conducted interviews with informants, and recorded the interview. After the researchers' attention on the object of study and start asking descriptive questions, followed by an analysis of the interview results. Based on the results of the analysis of subsequent interviews investigators conducted a domain analysis.
3. At the stage of determining focus (with observations focused) data analysis conducted by taxonomic analysis.
4. At the selection stage (performed with selected observations) further contrasting researchers asking questions, which is done with komponenial analysis.
5. Results from komponenial analysis, researchers found through analysis of themes cultural themes. Based on these findings, further qualitative researchers write research reports.
6. Checking Validity of findings, validity of data is an important concept which replaces the concept of validity (validity) and reliability (reliability). Degree of confidence in the validity of the data (kredibilitas) can be conducted with techniques pengecekan diligent observation, and triangulation. Persistence observations referred to is finding the characteristics and elements in the situation which is very relevant to the issue or issues being are searching for.

#### Research

The stages of this research, there are three stages and the last stage of research coupled with the stage of writing research reports. Stages of the study are:

- 1). Pre-field stage, which includes drafting research, choose the field of research, the licenses, assess and evaluate the state of the field, select and utilize informants, preparing equipment and research on questions of research ethics;
- 2). Phase of field work, which includes understanding the background research and preparation themselves, entered the field and participate while collecting the data;

- 3). Stage of data analysis, which includes analysis during and after data collection;
- 4). Phase writing research reports.

#### 4. Discussion

The paradox is two things that seem contradictory but actually complementary and even mutually reinforcing. Even pair the two elements that make up the paradox will remain a difficult challenge though and could remain resilient through time. This is because these elements have always found a way to create a new balance.

In concept and practice of marketing, both academics and practitioners are often trapped in polar or polar one of paradox and eventually try to create something on top of something that is absolute relative regardless of the balance that must be achieved. For example in the management of customers, the company tends to sharpen the polarity between retail customers and corporate customers with a reason to segment. But we forget that retail customers require more personalized attention and corporate customers require economy of scale to get lower prices.

Paradox Strategy has implemented in Telkom to provide greater value with lower costs (More for Less). One example is when Telkom applying this principle to the Wholesale Customer service so they can buy traffic at a cheaper price because the purchase is done in bulk (wholesale). Thus the Wholesale Customer may resell it to retail customers at more competitive prices. In this regard, Telkom benefited from the purchase of the Customer Wholesale volume increases, so does the Wholesale Customer and customers benefit because they can buy at a cheaper price.

Currently, Telkom Indonesia develops WiFi services that transform who have limited access (private) to be open to everyone (public). Results of customer segmentation research indicate that the market opportunity that most Internet users are in the segment of students/college students, private employees and self-employed. Telkom is targeted segment by developing communities, among others: IndiSchool, IndiPreneur and IndiFinance.

#### IndiSchool Community

Wireless internet service is a basic necessity for the young generation of Indonesia. Telkom as a WiFi network provider, Telkom continues to consistently meet the high amino young people to access mobile internet services at affordable prices through Indischool performance in school. FlashZone WiFi access on campus also is to be enjoyed by all Vodacom customers in Sumatra, Java and Kalimantan. For the school, students and teachers can also enjoy the flexibility of internet access at affordable prices through WiFi Indischool. Students and teachers can get access to a free 30-minutes e-learning.

#### IndiPreneur Community

Indipreneur intended to equip participants Unit Micro, Small and Medium Enterprises (SMEs) with knowledge of the implementation of information and communication technology (ICT) to support the business. Some of the material provided covers more value from e-commerce to develop and promote the business, explaining about Search

Engine Optimization, as well as on internet marketing in supporting thriving business around the world.

Telkom Indipreneur program is a commitment to increase the potential of 100,000 (one hundred thousand) Indonesian SMEs through the use of information and communication technologies that are effective in the provision of broadband internet connection as well as a variety of infrastructure, platforms and applications for business management using cloud computing technology.

#### **IndiFinance Community**

IndiFinance is to integrate the activities of 100 thousand outlets of businesses into the platform that has been built for financial transactions electronically. Business people here can be grouped into three major pillars namely Biller, Merchant, and Channel (BMC). Biller is a provider of services that are generally billed the cost of using their services to customers on a monthly basis as PLN, PDAM, PGN, and others. Merchant is a provider of goods or services to a transaction with the buyer at any time such as stores, pharmacies, restaurants, and more. Channel is managing partner outlets and send payment services such as electronic money from the cooperative, modern retail stores, and more.

One great market for broadband is the education segment with 55 million people the number of students; 3.8 million teachers, and school 300 thousand units. This potential should be utilized, with the teacher as the main endorser for Telkom broadband products. For example, Intel has been doing intensive training teachers. In turn, the teachers give effect to their students. And the result for Intel, socially very nice and very profitable business. Internal Analysis results are known broadband business portfolio with industry attractiveness is high and we have the power (business strength / competitiveness) high including HR (competence) and an organization designed specifically for broadband.

With promotional and educational activities that contribute to the company's marketing promotion services not only provide important information about the product and services offered by the company, but also very rewarding to influence and persuade consumers to buy the services of the company compared to competitors. Benefits that can be obtained in the promotion and education customers include:

- 1) Creating a certain image of the company and its brand can be remembered
- 2) Raise awareness and interest in people to try out the service
- 3) Educate customers how to use a services for their benefit as much as possible
- 4) Communicate the strengths and benefits of a particular brand of special
- 5) Stimulate demand when demand falls
- 6) Reduce uncertainty and risk assumption by providing useful information and suggestions
- 7) Provide guarantees service availability
- 8) Increase loyalty by encouraging and giving bonuses for service users that repeatedly
- 9) Realignment of a service in connection with an offer from a competitor.

## **5. Research Implication**

Implications for policy promotion and education based on research results, to increase the number of customers of Telkom product is more focused on education benefits that could be used to facilitate customer activities. In addition, the implementation of sales promotion can be done by giving a bonus to the Indonesian WiFi connection, which can be either directly or discount vouchers from Telkom other product usage.

Marketing communications to consumers is done with an approach that is built on SMEs Telkom funds through Corporate Social Responsibility (CSR), Telkom's network of sales partners and also through social media are often accessed by Internet users in Indonesia, so it is expected to be more effective in the delivery of information and education products Telkom's products to customers. Promotion and education paradox can be applied to other similar companies and companies that have the same characteristics of customers.

## **6. Conclusion**

Marketing strategies necessary to consider the situation and the state of both the company and the company's internal state of the external environment of the company. Companies that prosper and be able to retain customers in a competitive and successful company is its marketing strategy as well as establish their competitive strategies appropriately. Strategy is more for less paradox shows Telkom as a market leader can be provide education and greater value to customers so that customers are increasingly loyal and ultimately increase the number of subscribers and the number of Internet users penetration of Indonesia's population as a whole.

Several marketing strategies to establish appropriate community customer activity, it can be concluded that the strategy of the campaign carried out by Telkom are as follows:

- 1) Formed in accordance with the field of community and kegiatannya;
- 2) Convey/communicate Indonesia WiFi services as services are widely available and easy to use;
- 3) Provide information to service Indonesian Telkom WiFi gives added value to customers who use the product Telkom Speedy, Flexi and Telkomsel;
- 4) Delivering services related to customer requirements. 5) To educate customers about the benefits of the Internet to assist in the activities of everyday life, both to the student/students and employers.

Determination of competitive strategy can be done by considering the company's position in the market. Emphasis promotion that uses the principle of low cost - high impact alternative could be selected as part of the habits of internet users who enjoy using social media to interact with colleagues and partners. For promotion, the use of social-media approach, by utilizing digital society formed, as well as community and government uses as an endorser.

## 7. Recommendation

Promotional used can be applied to other products such as Telkom Speedy Home Monitoring, USeeTV (Internet Protocol TV), with the principle of more for less so that more loyal customers and recommend products to other consumers Telkom. Educational benefits of the Telkom product needs to be socialized so that customers can try the service and experience. Quality of service should be maintained so that the benefits that have been offered in accordance with what was presented as promotion, so customers do not only wear once, but you can use it repeatedly and continuously.

and Course (Training). He is founder of Master Mesin Indonesia which offering appropriate technology machines.

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