

# Analysis of the Application of *Marketing Communication Mix* by PT Adhi Karya (PERSERO) TBK

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## 1. Introduction

### 1.1 Background to Issue

Marketing communication has a very important role for companies to do an image (image) of a particular brand. In addition, with marketing communication can develop consumer awareness of products / services produced by the company, so that consumers know the products / services offered, thus can stimulate sales. Marketing activities will take place in such a way and can achieve everything you want, one of which is the purchasing process using good marketing communication. At the basic level, communication can inform and make potential consumers aware of the existence of the products offered. Communication can try to persuade current consumers and potential consumers to enter into an exchange relationship. In addition, another role of communication in marketing is to distinguish products offered by companies with other companies. At a higher level, the role of communication does not only play a role in supporting transactions by informing, persuading, reminding and differentiating products, but also offering the means of exchange itself (Setiadi, 2003).

Along with the times, now marketing communication is better known as integrated marketing communication, which means a marketing communication planning concept that recognizes the added value of a comprehensive plan that evaluates strategic roles from various communication disciplines for example, print-electronic media advertising, direct response, promotion sales, and public relations to provide clarity, consistency and maximum communication impact. Public Relations Marketing as a marketing communication tool that combines the implementation of programs and marketing strategies (Marketing Implementation Strategy) with work program activities PR (Work Program of Public Relations) (Liaw, 2005).

Marketing Communication mix is a sales communication function that is selectively selected, which will later be used as part of a promotional campaign, which eventually becomes part of the product sales program that you want to market (Duncan, 2002: 8). Examples of Marketing Communication mix that have good Product Positioning, where producers position a product that is able to attract the attention and minds of consumers to buy these products, and producers are able to position their products with similar

products, as well as pioneer products. In order for the products to be produced to be known and known by the public, the producers must promote these products through media assistance through advertising. Based on the description of the problems raised, it is necessary to do research on "**Analysis of the Application of Marketing Communication Mix By PT Adhi Karya (Persero) Tbk**".

### 1.2 Formulation and Objectives of Writing

Based on the research background, the research problems can be formulated as follows:

"To find out how the results of the analysis of the marketing communication mix by PT Adhi Karya (Persero) Tbk"

## 2. Theoretical Study

Marketing a company or industrial product requires an effective marketing strategy, to market it a marketer must develop an effective communication program aimed at consumers to communicate information that exists and is designed to produce consumer actions that lead to company or industry profits. According to Kennedy and Soemanagara, in marketing communication studies, effective and efficient promotional activities can be included as part of the marketing communication mix concept (Kennedy, Soesmanegara, 2006). Kotler and Armstrong define the promotion mix or marketing communication mix as a special blend of tools used by companies or industries to convince the value of communication and build cooperation with consumers (Kotler, Armstrong, 2012).

Marketing Communication Mix is the collective stage for all types of planning variations of a message used to build a brand (a brand) product, with advertising channels (advertising), public relations (public relations), sales promotion (sales promotion), direct sales (direct marketing), individual sales (personal selling), packaging (packaging), event-strategy campaigns (event and sponsorship), and service to consumers (customer service) (Duncan. 2002: 7). Marketing Communication Mix, which is creating, distributing, managing, and evaluating messages from products that have been produced, where every information and experience has an impact on how a product can be received in the community. Marketing Communication Mix cannot be separated from the four most famous things, namely: (1) Products, (2) Prices, (3) Distribution sites, and (4) Promotions (as the main focus).

One of the most important strategies for sustainable sales decisions, a mix of sales and media communication functions (Mix of MC functions and media) must make this product the best, the Marketing Communication mix is a selective sales communication function, which will later be used as part of a promotional campaign, which eventually becomes part of the product sales program that you want to market (Duncan. 2002: 8). Examples of Marketing Communication mix that have good Product Positioning, where producers position a product that is able to attract the attention and minds of consumers to buy these products, and producers are able to position their products with similar products, as well as pioneer products. In order for the products to be produced to be known and known by the public, the producers must promote these products through the help of advertising media.

The marketing communication mix is the best combination of strategies from advertising variables, personal sales, and other promotional tools, all of which are planned to achieve the sales program objectives. According to Djaslim Saladin and Herry A. Buchory, the promotion mix is an effective tool for communicating with customers (both consumers and intermediaries) that need to be handled carefully because the problem is not only about how to communicate with customers, but also about the amount of costs that will be used (Djaslim, 2010). The marketing communication mix consists of seven communication models, namely (Kotler, 2006):

- 1) Advertising – Each form of nonpersonal presentation is paid for and promotion of ideas, goods, or services by the sponsor identified. Example: Print and broadcast ads.
- 2) Sales promotion – Various short-term incentives to encourage testing or purchasing products or services. Example: Contest, game, lottery.
- 3) Events and experiences – sponsored Company activities and programs are designed to create things related to brand interaction on a daily or special basis. Example: Entertainment, Festival.
- 4) Public relations and publicity – Various programs designed to promote or protect the company's image and individual products. Example: Seminar, Annual reports.
- 5) Direct marketing–Use of mail, telephone, fax, e-mail, or the Internet to communicate directly with or request a response or dialogue from certain customers and prospects. Examples: annual reports, exhibitions and trade.
- 6) Interactive marketing –Is a tool used in conducting promotions. The internet as a proven global computer network can make it easier to communicate and obtain a lot of information that is needed quickly and must be accurate.
- 7) Personal selling – Interaction with one or more prospective buyers for the purpose of making presentations, answering questions, and procuring orders. Example: telemarketing.



### 3. Result and Discussion

#### 3.1 Research Object Study

PT Adhi KaryaTbk (ADHI) is a company engaged in construction from Indonesia.



The company founded in 1960 was located in Jakarta, Indonesia. This company was originally named rchitecten-Ingenicure-enAnnemersbedrijfAssociatieSelleen de Bruyn, Reyerseen de Vries N.V. (Associatie N.V.) When ownership is still under the Dutch. But since March 11, 1960, the company was nationalized with the aim of spurring infrastructure development in Indonesia. Its business includes construction services, EPC, infrastructure investment, property, and real estate.

As from June 1, 1974, ADHI became a Limited Liability Company, based on the ratification of the Minister of Justice of the Republic of Indonesia. This company is the first construction company listed on the Indonesia Stock Exchange (d.h. Jakarta Stock Exchange) since March 18, 2004, where at the end of 2003 the Republic of Indonesia released 49% of its shares to the public through an Initial Public Offering (IPO) mechanism. In addition to being

engaged in construction, the company also engages in related fields such as the EPC business, and investment to improve the competitiveness of the company and the strength of the company amid competitive pressure and price wars in 2006. With the tagline, "Beyond Construction", the company wants to illustrate its motivation to move to other businesses related to the company's core business. ADHI has also penetrated the international world in Southeast Asian countries. In its operational activities, ADHI is supported by eight operating divisions spread throughout Indonesia and abroad in addition to its Subsidiaries.

This company has a vision to become one of the leading construction companies in Southeast Asia by performing performance based on increasing corporate value incorporated, conducting learning in achieving growth (increasing corporate value).



### Training in Adhi Learning Center

Proactively implementing five business lines professionally, governance, supporting company growth, and implementing Corporate Culture that is simple but down to earth, and actively participates in the Program Kemitraan dan Bina Lingkungan (PKBL) and Corporate Social Responsibility (CSR) as the company grows. ADHI has been able to demonstrate its ability as a leading construction company in Southeast Asia through competitiveness and experience as evidenced by the success of the construction projects that have been carried out. The success of the business achieved by ADHI does not mean without the support and participation of the community, for this reason ADHI has an active role in developing the CSR program as well as the Company's Partnership & Community Development Program.

ADHI realizes the importance of implementing Good Corporate Governance effectively and efficiently to improve sustainable business performance, and also as a form of the Company's accountability to Stakeholders.

1) Increasing the company's potential to gain business opportunities that guarantee the company's future through internal and external synergies.

- 2) Maintaining service quality with the target of all stages of the project carried out according to schedule.
- 3) Build strategic cooperation with the government and other companies to expand the construction market.

ADHI also believes that Good Corporate Governance is a value system where the overall performance of the Company will improve.

GCG implementation in the Company Environment will encourage it to:

- 1) Provide adequate protection and fair treatment for stakeholders.
- 2) Providing optimal contribution to improving the performance of the Company.
- 3) Improve and maintain the Company's image through excellent service.
- 4) Safeguard and maintain Company assets and resources.

ADHI is always committed to the importance of the implementation of K3 (Occupational Safety and Health) for workers of PT. Adhi Karya is to prevent or reduce workplace accidents, work-related illnesses and other dangerous events.

- 1) Safety and health of company employees can improve the performance and productivity of the company.
- 2) The atmosphere of a safe work environment will provide comfort for employees to work so that they can increase work motivation and responsibility.
- 3) A high accident rate will harm the company both in terms of finance and company reputation in the eyes of customers so that it can reduce the competitiveness of the company.

### 3.2 Application of Studies to Objects *Promotion MC Brand Messages*

PT. Adhi Karya has a comprehensive promotion system with a variety of programs. PT. Adhi Karya still uses promotional media as a website marketing tool, various exhibitions, magazines and support / sponsorship. This is done so that it can reach a wider market, as well as informing the products they have, good image formation, and increasing client awareness, showing the existence of the Company which all culminates in the Company's goal of selling with attractive margins.

- 1) *Undifferentiated Marketing* :Based on the concept that in undifferentiated marketing, the products produced are mass and promoted. So in the discussion at PT Adhi Karya (Persero) Tbk, the promotion was carried out by making mugs (2007). In addition, according to the 2012 annual report, by applying the principle of openness, promotion is also carried out through press releases, banners and newspapers.
- 2) *Differentiated Marketing* :Associated with the discussion of differentiated marketing conducted by PT Adhi Karya (Persero) Tbk, the specific strategy carried out by him is referring to the 2012 annual report that PT Adhi Karya (Persero) Tbk has a 3B code of ethics (Working Smart, Integrity, and Understanding). In one code of ethics that is "working hard" implicitly means that in the face of increasingly fierce competition, PT Adhi Karya (Persero) Tbk prioritizes innovation and efficiency based on the spirit of entrepreneurship.
- 3) *Concentrated Marketing* :The company's focus is applied to innovations through projects to be handled. For example, the projects to be handled are the Jakarta Monorail.



### LRT Taman Mini - Cawang

#### *Campaign Strategy*

Program Kemitraan dan Bina Lingkungan(PKBL) aims to ensure that environmental management runs properly and well in accordance with the Company's policies and objectives as well as applicable laws. Throughout 2017, the Company has budgeted funds for PKBL amounting to IDR 15,296 billion with the realization of distribution until the end of 2017 amounting to IDR 12,429 billion. This value increases compared to the previous year.

The Partnership Program is a program to improve the ability of small businesses to be strong and independent. ADHI has channeled Partnership Program funds in:

- 1) West Pasaman Regency to 60 Cattle Breeders
- 2) Kediri Regency to 8 Onion Farmer Partners
- 3) Nganjuk Regency to 10 Palawija Farmer Development Partners
- 4) Klaten Regency to 10 Farmer & Animal Husbandry Partners
- 5) Special Region of Yogyakarta 22 Animal Husbandry Partners, Trade
- 6) ADHI has also provided assistance in the form of guidance to Foster Partners, among others:
  - a) 5 (five) fostered partners participated in the bazaar at the Pasar Rakyat in order to enliven the 54th Adhi Anniversary held at the ADHI Head Office. Through this activity, ADHI's flagship partner products were introduced to all ADHI employees.
  - b) Participated in the Adhiwastra Exhibition which was held for five days April 5-9, 2017 in Hall A - B, Jakarta Convention Center (JCC).PKBL ADHI include two trained partners. Through the Adhiwastra Exhibition this is one of the promotional media for ADHI's fostered partners to the national market.
  - c) ADHI also organizes training for fostered partners as follows:
    - In Yogyakarta a number of 28 Foster Partners were held on September 19-20, 2017, at the GriyaPersada Hotel, Kaliurang, Yogyakarta. The theme "Building a Superior Business Building Independence". The knowledge provided includes the idea of developing creative businesses, creative marketing ideas and conducting business evaluations of the 2016 fostered partners.
    - In Makassar City, which was participated in by 26 trained partners. This activity was held on November 23, 2017 with the theme "Creative Ideas & Marketing". Knowledge provided in the form of entrepreneurial motivation training, introduction of business transaction systems, talent mapping and financial planning.

#### *Brand Message*

Offering additional service product packages (for example design & build) in order to differentiate in service aspects seems to depend on the target client. Because the habit that occurs in government projects is to separate work packages based on the fiscal year, for example planning work packages are budgeted in different years with the implementation work package.

The marketing mix implemented by the Company currently supports the market position to be achieved. The control

system that is applied to guarantee products that meet the established standards and training provided to personnel, all of which will have an impact on the creation of efficiency in the construction process including time efficiency, reduced work errors which will ultimately save costs. Thus the proposed bid price will be more competitive than the competitors.

### **Identifying Target Audiences**

The market in a heterogeneous construction industry and the existence of competition seem to cause construction contractors to classify their markets in order to understand the market structure that they will serve. The company itself has its own market division, namely APBN / APBD, BUMN, and Private. On the other hand, building a position on a price basis is supported by efforts to create unique differences compared to its competing contractors. In creating a unique difference, the construction company should take advantage of the company's value chain activities which consist of supporting activities (corporate infrastructure, human resources, and technology development) and primary activities (the construction process and the provision of additional services). For 2018, the Company targets contracts that are still dominated by government projects but do not close the opportunity to obtain contracts from private projects.

Almost all contractors, including the Company, want to be perceived as a company that has a strong reputation or image, competitive and experienced prices. Because the Company views its position base or good reputation is the main capital to gain trust from clients. The Company wants to look impressive as a large, reliable, best, superior construction company and is widely known to clients and prospective clients.

The Company's statement is reflected by the unique differences with other similar companies. The Company has created a unique difference by utilizing the company's value chain activity which consists of supporters (company infrastructure, HR, technology development) and primary activities (the construction process and providing additional services).

## **4. Conclusion and Recommendation**

### **4.1 Conclusion**

Marketing activities will take place in such a way and can achieve everything you want, one of which is the purchasing process using good marketing communication. The role of communication does not only play a role in supporting transactions by informing, persuading, reminding and differentiating products, but also offering the means of exchange itself. Marketing Communication Mix is a collective stage for all types of planning variations of a message that is used to build a product brand, advertising, public relations, sales promotion, direct marketing, personal selling, packaging, event and sponsorship, customer service (Duncan. 2002: 7 )

### **4.2 Recommendation**

The company must choose the right combination of elements from the marketing mix does not happen by accident. Marketers need to be informed about the problems and opportunities that accompany each element of the mix. They must also be aware of how these elements can be combined to provide an effective marketing program. The market can be learned by examining users and this information can be used to implement a comprehensive and mixed marketing strategy. Communication policy must be part of the prevailing marketing strategy, coordinated with other marketing activities. Companies can spend large sums of money on advertising or sales promotions, but will have little chance of success if products with poor quality, incorrectly worded prices, or adequate distribution to customers. Many companies also recognize the need to integrate various efforts related to communication mix marketing as advertising media, direct marketing, sales promotion and public relations to achieve more effective marketing communication.

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This paper is done by the author as well and optimally as possible in the hope that it can be useful. If there are still shortcomings and errors, with all humility the writer expects constructive criticism and suggestions to be used as a basis for improvements that are useful for the development of science.

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