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Marketing Strategy for Sales Herbal Products in Global Market

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Abstract

This study examines the marketing strategies used in selling herbal products in the global market. This research uses descriptive research, namely research based on literature review which is described through descriptions using library sources such as books, journals, and laws and regulations related to the research topic. In this study, it is explained that the increasing need for herbal products in the community is an opportunity for business actors or companies to develop and expand their market segments to the global market. However, in the current era of the Covid-19 pandemic, which has a major impact on the world economy, not only Indonesia, business actors need to work harder in developing their businesses. One effort that can be done is through a marketing strategy for selling herbal products so that they can still be accepted in the midst of difficult conditions like today. This sales marketing strategy can only be done if the company conducts research so that the company can predict and read the potential that will develop in the future.

1. Introduction

The improvement in the economic sector in Indonesia has encouraged many Indonesian people to carry out developments in the business sector so that they develop from small and retail businesses to grow into businesses that have a larger scale. This development is in line with the increasing

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Indonesian population so it is necessary to increase the standard of living. To develop a business owned by the community and entrepreneurs, of course, proper marketing is needed to maintain its market share. This marketing activity is an activity that must be pursued through various strategies so that it not only survives but can expand market share (Siahaan, 2021).

Currently, the issue of returning to nature or back to nature has become a trending lifestyle in society. This is evidenced by the increase in people's purchasing power of herbal medicines (Herlambang et al., 2011). Another reason that causes the increase in people's purchasing power for these herbal products is that the increasingly expensive synthetic drugs are not in balance with the increasing market demand. On the other hand, the high growth rate of Indonesian herbal plants opens up opportunities for the community to develop herbal product businesses, both cultivation, and production so that they have a higher selling value (Abdillah, 2020).

Seeing this good potential causes business competition for herbal products in Indonesia to be increasingly tight, so business people must be more careful and cleverer in marketing their products. Marketing strategy can be defined as the direction contained in the marketing effort that continues to change based on the level of level, location, responses given by the environment to the company, and the changing circumstances of competitors to achieve the expected company goals. The marketing strategy in question is a specific strategy for the market such as targets, positions, marketing targets, and efforts to develop competitive products (Monasanti, 2021).

Until now, the herbal product industry in Indonesia has grown and developed very significantly with sales value reaching 6 trillion rupiah and able to create 3 million jobs with the largest consumer location, which is around 60% on the island of Java. However, in its development, the herbal product business also encountered obstacles and problems in the process. The rise and proliferation of herbal products both imported and local in the country cause a vulnerable impact on the image and competition of herbal products. In addition, in the global realm, the company still finds it difficult to sell and market its products to a larger market segment so that they are less able to compete with other global herbal products.

Seeing this existing phenomenon, it is necessary to optimize marketing strategies in the global market segment so that domestic herbal products can be recognized and accepted by the global community (Prabawa & Fitriani, 2020). Based on this background the author will conduct research on Marketing Strategies for Sales of Herbal Products in the Global Market. The aim is to find out about how the marketing of herbal products has been done at this time and the problems so that strategic steps can be formulated that can be done to minimize problems that occur and improve marketing.

2. Research Method

This study uses a literature review research design, namely research that examines and criticizes scientific knowledge, ideas, and findings that have an academic orientation. In addition, this research can contribute theoretically and methodologically to a chosen topic. The analysis used in this research is descriptive, namely describing and analyzing problems and solutions that can be given at this time. The approach chosen is qualitative, in other words, this research is a qualitative descriptive study. This study aims to obtain data on the issues that have occurred. This study will describe and explain the marketing strategies carried out to market herbal products in Indonesia.

3. Results and Discussion

Conceptual Global Marketing Strategy and Its Problems in Indonesia

In the era of globalization as it is today in the business world, there has been a change in competition, which initially focused on market share, shifted to a focus on opportunity share. In an effort to read this opportunity share, many companies have made improvements to their competencies in predicting the future. The goal is to be able to get new opportunities as soon as possible faster than other competing companies. This is because companies that can be said to be superior in the competition are companies that can predict and read the potential that will compete in the future so that companies continue to improve their capabilities early with the aim of capturing these potentials (Utomo & Zulhamdi, 2017).

One of them is the high potential that can be taken from global marketing. Global marketing is a marketing activity by global companies that have global businesses with global marketing strategies, global markets, and global products and standards in various countries (Kereh et al., 2018). Several things that are taken into consideration for multinational companies in determining this marketing strategy are economic, social, cultural, political, and geographical situations. So that the marketing strategy carried out is adjusted to the conditions that occur in a destination country. This happens because the market conditions of each country have different characteristics that require different global marketing strategies tailored to the target market (Simbolon, 2013).

In addition to the need for a global marketing strategy that is different for each country, the emergence of the COVID-19 pandemic that has hit all countries in the world has also added to a series of problems that must be immediately found a way out. The COVID-19 pandemic has greatly impacted various sectors, including the paralysis of the economy. This has resulted in the company reducing production activities and even some of them have been laid off (Termination of Work Rights). Not only the economy of individuals or individuals, households, micro, and macro companies to the world economy were shocked (Rosmadi, 2021). Therefore, here is a review of several factors that hinder and encourage sales marketing in the global market. First, saturated domestic market. This saturation can occur because total domestic sales have reached their maximum point, so companies need to expand to several countries in order to take advantage of great opportunities and growth. Second, the existence of diplomatic relations is a political aspect that can indirectly encourage global marketing. Third, economic development. This economic development is influenced by several things, such as the income owned by the state through export and import activities. When there is an increase in exports and imports, there will be an increase in income and vice versa if there is a decrease in exports and imports, there will be a decrease in income (Wijoyo et al., 2020).

Marketing Strategy for Selling Herbal Products in Global Market One of the most popular herbal products today is a traditional medicine or herbal medicine. Most of these herbal products have two components, namely immunomodulators and anti-oxidants. These two components have enormous benefits for the body, namely to maintain and maintain the body's immune system so that a person does not get sick easily. This makes herbal products one of the mainstay products of the national economy. Currently, there are 1,247 herbal product industries in Indonesia with the most locations on the island of Java (Ikawati et al., 2018).

This fairly large number of industries has led to increasingly fierce competition in this business. Companies have demands to be able to meet the needs and desires of consumers. In addition, companies are also required to continue to innovate in developing products and maintaining and controlling the market. One way that can be used to achieve this goal is through a product marketing strategy, namely the company must be able to create value for consumers and strengthen relationships with consumers in order to elevate the values possessed by consumers in return (Solaiman, 2014). In an effort to expand market segments, herbal product business actors need to do several things in gathering information that is used to determine the characteristics of consumers, global competitors, and the environment of the destination country that will be the target of

marketing. The following are the steps in the research process used to formulate a marketing strategy, namely:

1. Analyzing the condition of the global marketing environment.
2. Identify the problems and obstacles that will be faced in the future.
3. Set goals to be achieved.
4. Estimating the value of research for the company.
5. Make a research plan. 6. Implement the results of marketing research.
6. Prepare research reports

Marketing research always begins with determining in advance the design to be worked on. After that, data collection regarding market conditions will be carried out according to the company. After the required data is collected, it is necessary to evaluate the results of the research that has been carried out and processed. The results of this research can ultimately assist managers in making decisions regarding marketing and sales in the field. The results of this research contain a combination of basic marketing strategies (standard marketing) and adaptation marketing strategies (Utomo & Zulhamdi, 2017). In simple terms, this global marketing strategy is shown in chart 1 as follows.

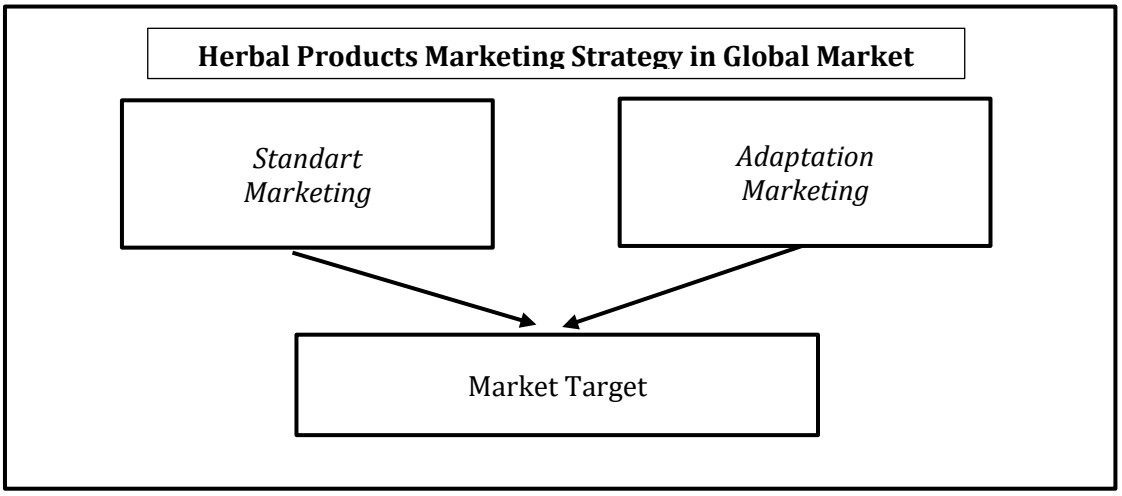


Chart 1. Herbal Products Marketing Strategy Model in Global Market

In addition, a SWOT analysis is needed to find out what factors influence the company's considerations in choosing which marketing strategy is appropriate and appropriate for herbal product business actors in Indonesia. This SWOT analysis includes an internal analysis in the form of the company's strengths and weaknesses as well as an external analysis of the company in the form of opportunities and threats that will be faced by the company. Some SWOT analyses on alternative marketing strategies are as follows.

1. Improve product quality
2. Improve the use of technology and information.
3. Cooperating with various parties, especially the government.
4. Develop and expand the market according to the advantages of herbal products being marketed.
5. Promote maximally through social media.

6. Carry out many innovations in various sectors such as taste, quality to the packaging of herbal products so that they are more easily accepted by the global community (Yudhisthira, 2017).

4. Conclusion

Based on the results of the research and discussion, it can be seen that the increasing Indonesian economy has encouraged many parties to improve their standard of living through business. However, during this pandemic, all sectors of the economy experienced many obstacles, including the marketing of herbal products, which are currently one of the mainstay products in Indonesia. The increase in sales of herbal products has triggered many people to enter this business. This herbal product company needs to continue to innovate in order to increase and expand the reach of its market segment to be bigger, namely globally. The increasing need of the global community for herbal products indicates a great opportunity for business development. In an effort to develop this business, business actors and companies need to pay attention to the marketing strategies that are carried out so that the expected goals of the company can be achieved.

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