Proposed Marketing Strategy to Increase Sales  
(Study Case: Ouromatica Fragrance)

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ABSTRACT: Nowadays, Indonesian local brands are expanding quickly and the quality of the products is able to compete with other worldrenowned brands. Most local brands have their own uniqueness and variety of choices that differentiate one from another. One of the local products that is currently on the rise is perfume. The emergence of new local brand perfumes also resulted in fierce competition for entrepreneurs to create and develop new fragrances in order to attract the market. Ouromatica Fragrance is a new unisex local brand perfume that was established in 2022 and as a newcomer, Ouromatica Fragrance is experiencing a problem in the sales performance. According to the internal data of sales performance, it shows that Ouromatica Fragrance has not reached its target sales from December 2022 to March 2023. The purpose of this research is to identify the marketing strategy that can be used by Ouromatica Fragrance in order to increase sales. In this research, the author uses the external and internal analysis. For the external analysis, it uses PESTEL analysis, Competitor analysis, and Customer analysis. As for the internal analysis, this research uses Resource-Based View (RBV) and Porter’s Value Chain. After analyzing the external and internal factors of Ouromatica Fragrance, the author uses SWOT analysis to evaluate the company and then proceeds to conduct an analysis for the business solution using STP (Segmenting, Targeting, and Position), Marketing Mix 4P and proposed a marketing program using the AIDA model to help to turn the potential customers into buyers of Ouromatica Fragrance through social media.

KEYWORDS: AIDA, local brand, marketing mix, perfume, SWOT Analysis, STP.

INTRODUCTION
Nowadays, Indonesian local brands are growing rapidly and the quality of the products are able to compete with other worldrenowned brands. Most local brands have their own uniqueness and variety of choices that differentiate one from another. Many people have also started to choose and use local products for these reasons. Moreover, they can get the same, or even better, quality with half of the price of other known brands. One of the local products that is currently on the rise is in the beauty or cosmetics sector, such as makeup, skincare, body care, and also perfume.

According to a survey conducted by Ipsos Global Trend 2021 about product and local brands, it shows that the number of online shopping activities keep increasing, especially since the pandemic [1]. The survey involved 24,000 respondents from 25 countries and found that the majority of consumers admit they find better deals when shopping online. 87% consumers in Indonesia are more likely to buy products from the local brands and 59% of them believe that local brands can make better products than the global brands.

Figure 1. Local Products Brands Dominate Consumers’ Choice
One of the business categories that experience an increase in development is in the beauty or cosmetics industry. According to research by Populix, Indonesian consumers’ preference for local brands is quite high [2]. The result shows that 54% of 500 women respondents from Jabodetabek prefer to choose their makeup products from local brands. 35% of the respondents chose to have no preference in choosing the cosmetics brands, followed by 11% of them chose international brands over local brands.

Ouromatica Fragrance is a new unisex local brand perfume that was established in 2022. Ouromatica Fragrance is inspired from the four elements of life; fire, water, earth, and air. These four elements are believed to be essential and close to our everyday lives. According to the internal data of sales performance, it shows that Ouromatica Fragrance has not reached its target sales from December 2022 to March 2023.

![Figure 2. Sales Performance of Ouromatica Fragrance](image)

All things considered, based on the data from the number of Indonesian customers’ preference in buying products from local brands; and Ouromatica Fragrance’s low sales performance, it is necessary for Ouromatica Fragrance to know what makes the sales do not reach its target and needs to evaluate the marketing strategy in order to increase the sales. This research was conducted in order to answer these research questions: how to increase sales performance of Ouromatica Fragrance?

**LITERATURE REVIEW**

PESTLE is a framework that identifies and determines the external conditions and forces that might affect a business [3]. These conditions can create some opportunities and also avoid threats for a company in the business environment in the future. The PESTLE itself is an abbreviation of Political, Economy, Socio-cultural, Technology, Legal, and Environmental. Competitor analysis examines competitors’ strengths and weaknesses and how they would behave or respond in the industry. Additionally, it measures and evaluates a company position among competitors in the market [4]. Customer analysis is done to help the company understand the behavior and preferences of the customer [5]. It includes gathering and researching data on demographics, purchasing trends, product usage history, spending patterns, loyalty measures, and other topics.

Resource-Based View (RBV) is used to identify the strategic resources that a company can use to gain a competitive advantage over time [6]. The resources referred to in this framework are tangible and intangible resources within the company. VRIO analysis is a framework that is used to assess a company's internal resources to determine its potential for long-term competitive advantage [7]. It measures each resource in the company and defines it as a group of ‘valuable’, ‘rare’, ‘imitability’ and ‘organized’. Porter’s value chain is the internal activities that a company uses to provide a desirable good or service to its market and each stage of it increases the value of the company [8]. The model itself has two activities, primary and support activities. SWOT analysis is a tool that can be used to create strategic planning as well as competitive strategy for a business or organization [9]. The SWOT itself stands for ‘strengths’, ‘weakness’, ‘opportunities’ and ‘threats’. The tool has two dimensions, namely internal dimension that includes strength and weakness, and external dimension that includes opportunities and threat. Marketing mix a group of manageable marketing instruments used by a business to create a certain response from the target market [10]. A popular marketing mix framework is the 4Ps, which stands for Product, Price, Place and Promotion. STP stands for market segmenting, targeting, and positioning. It is a tool to make the marketing constructions to help businesses to segment their potential customers, target the right customers, and position their business among others in the market [11]. Marketing funnel, often referred to as a sales funnel, is a customer journey that shows the process of narrowing a company's customer base from all potential customers to those...
who actually decide to make purchases and become customers [12,13]. One of the types of marketing funnel is AIDA. The role of the marketing funnel in the implementation of the marketing strategy using the AIDA model in order to increase the number of customers and convert them to buyers [14]. AIDA itself is an abbreviation from Attention (Awareness), Interest, Desire, and Action.

![AIDA Model](image)

Figure 3. AIDA Model

Awareness is based on three things, mainly the company, what the company sells and how to make the potential customers buy the product. The goal of the second stage, Interest, is to keep the audience interested in the product of the company by giving them all the information regarding the product offered. Desire is the third stage and it is the stage where the companies should create and earn the trust of customers. At the narrow end of the funnel, which is the Action stage, is where the customers finally make a move to purchase the products.

RESEARCH METHODOLOGY

This research is qualitative research as it involves collecting and analyzing data rather than numbers. It is an approach to develop initial understanding, identify behavior, beliefs, and action [15]. For the purpose of this research, the primary data collection is taken through the company data, including the sales performance, also the result from the survey and interview. The survey is distributed to those who are the user of local perfume and the target market of Ouromatica Fragrance in order to assess the buyers’ behavior and preference. The interview session is conducted via online and offline, targeting five people who are local perfume user, target market and the existing customers of Ouromatica Fragrance. External and internal analysis is done to identify Ouromatica Fragrance’s positioning in the market. As for secondary data, which is obtained through previous studies, such as articles, books, journals, and other data from the internet.

To analyze the collected data, this research uses content analysis methods to organize and obtain meaningful data as well as make reliable conclusions from it [16]. The survey in this research is using a non-probability sampling technique. Non-probability sampling draws the sample using non-randomized techniques [17]. The sampling technique used in this research is a purposive sampling.

RESULT AND DISCUSSION

A. External Analysis

The external analysis of this research uses several frameworks, such as PESTLE, competitor analysis, and customer analysis. In PESTLE analysis, it analyses the external environment of the company from political, economic, sociocultural, technological, legal, and environmental factors. From the political factor, the level of corruption in Indonesia is quite high with 34 points out of 100 and ranked 110 out of 180 countries. With the high level of corruption in a country, people would be reluctant to be an entrepreneur as they will face unfair competition from those who have backed political leaders. In the economic factors, Indonesia’s unemployment rate decline from 5.83 percent in the first quarter of 2022 to 5.45 percent in the same period of 2023 as a result of the reduction of Covid-19 limitations. For sociocultural factors, Indonesia’s current population has reached 277 million people in 2023 and is dominated by millennials (25.87%) and generation Z (27.94%). The use of technology in Indonesia is growing every year that it shows an increase number from 210 million users to 215.63 million users in 2022-2023. In addition to that, the existence of a cashless payment system, various digital banking or e-wallet payment systems have emerged to facilitate digital payments, which
surely makes paying much easier. In legal factors, by having the BPOM permits and licenses, consumers will feel safe because the license shows that all ingredients and ingredients used are safe for consumption. Lastly in the environmental factor, many young people are becoming more conscious of environmental concerns and taking into account how the goods and services they use affect the environment. A study shows that approximately 90% of ASEAN citizens are aware of the concept of “Conscious Lifestyle” and 80% of them include conscious behavior into their everyday lifestyle.

Ouromatica Fragrance has several competitors in the local perfume market that share the same market and sell similar products, namely HMNS, Saff & Co, Onix fragrance, and Mykonos. However, these brands launched way before Ouromatica Fragrance and have more variants as well as various perfume sizes. Some of the competitors also have the official store or put their product on a consignment store, which makes people can sniff the scent first before they buy it.

This research does customer analysis in order to understand customers’ behavior and preferences by distributing a survey. The criteria of the survey are intended for those who are perfume enthusiasts and have purchased or are familiar with Indonesian local perfume brands. This survey is able to get 92 responses. Aside from doing the survey, this research also conducts an interview to 5 people who are local perfume users, target market and existing customers of Ouromatica Fragrance to validate the result of the survey. Most of them already have their own favorite scent both from the local and high-end brands. There are several people who mentioned the brand from Ouromatica Fragrance’s competitors, HMNS and Mykonos. All of the interviewees said that they use perfume almost every day and for every activity. For the sales channel, three of them prefer to buy local perfume online because it is more practical and usually the brands do not have the offline store or join a consignment store, so they cannot purchase the product immediately. The rest of them prefer to buy the local perfume offline to avoid blind buying. When they are asked about the kind of promotion they prefer, almost all of them would like the kind of promotion where they could get a free sample for other variants, and the rest answered they prefer discounts. All of them answered that the first time they find out about a perfume brand is through Instagram ads.

B. Internal Analysis

Internal analysis is done to analyze and determine the internal situation of Ouromatica Fragrance business. To conduct the analysis, this research gathers some information through the company's internal data and analyzes it by using Resource-Based View (RBV) and Porter’s value chain analysis. The tangible resources, namely the personal warehouse that is located in Jakarta, inventory and also personal laptop to make it easier to do all the work. As for intangible resources, there are human resources that consist of people who are expert in their fields, research and development in creating the product and network with vendors. This research also uses VRIO framework to examine the resources mentioned in the RBV. All the resources of Ouromatica Fragrance, both tangible and intangible, are in the competitive parity position as these resources are all valuable but they are common among competitors and not rare.

Porter’s Value Chain consists of two activities, namely primary activities and supporting activities. In the primary activities, there are inbound logistics, where Ouromatica Fragrance does not engage in the processes of receiving, storing, and distributing raw materials. the actor who perform the activity the most at this stage is the manufacturing company is the OEM; operations, where Ouromatica Fragrance conducts research and development, including choosing the scent and formulating that will be made together with the vendor; outbound logistics, where the Bulk shipments of the finished goods will be delivered to the personal warehouse of Ouromatica Fragrance; marketing and sales, where the activities are carried out online through the company’s social media and e-commerce; and after-sales services, which Ouromatica Fragrance does not have yet. For the supporting activities, there are firm infrastructure, where there are four people that work in this company, and this include two freelancers; human resource management, where there is no recruitment or hiring process at the moment in the company as the company still keep the management in a small group of people; technology development, where the company only uses technology only for research and development process, administrative and marketing purposes; and last is procurement, where the company does not carry out activities to purchase raw materials and use other production related to machinery.

C. SWOT

Below is the strengths, weakness, opportunities, and threats of Ouromatica Fragrance. All of these aspects are taken from the external and internal analysis of Ouromatica Fragrance.
Table 4. SWOT

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have reliable vendors</td>
<td>Lack of human resources</td>
</tr>
<tr>
<td>Strategic and personal warehouse</td>
<td>Limited sales channel</td>
</tr>
<tr>
<td>Unique scent variant and formulation</td>
<td>Not optimizing social media features and channels</td>
</tr>
<tr>
<td></td>
<td>No after-sales services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher purchasing power</td>
<td>More experienced competitors</td>
</tr>
<tr>
<td>The increase number of internet user</td>
<td>People start to aware of conscious lifestyle</td>
</tr>
<tr>
<td>The development of digital banking payment</td>
<td>High level of corruption in Indonesia</td>
</tr>
</tbody>
</table>

After analyzing the SWOT of the company, the author also tries to combine the relationships between each component to generate strategies using the TOWS matrix.

Table 5. TOWS Matrix

<table>
<thead>
<tr>
<th>SO Strategies</th>
<th>WO Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Create more variant scents and do a collab with influencers or KOLs</td>
<td>• Add more sales channels with more variety of digital payment</td>
</tr>
<tr>
<td>Create a collaboration with influencers or KOLs in producing a new variant scent that can attract more</td>
<td>Ouromatica Fragrance is in lack of sales channel. Adding more sales</td>
</tr>
<tr>
<td>people, especially the KOLs or influencers’ audience to purchase the product.</td>
<td>channel in e-commerce makes the product is more accessible and more</td>
</tr>
<tr>
<td>• Increase the social media marketing and digital technology</td>
<td>digital payments are offered to the customers.</td>
</tr>
<tr>
<td>To market the product, Ouromatica Fragrance can optimize its marketing on social media as well as the</td>
<td>• Utilize TikTok as addition social media platform By adding more social</td>
</tr>
<tr>
<td>digital technology, especially for the digital payment.</td>
<td>media platforms for marketing purposes, such as TikTok, it will make the</td>
</tr>
<tr>
<td>• Active posting content to get more engagement Creating and posting creative and interactive content</td>
<td>product better known and reach a wider audience.</td>
</tr>
<tr>
<td>can engage audience to communicate with the brand</td>
<td>• Create marketing planning and optimize social media features</td>
</tr>
<tr>
<td></td>
<td>The company should be able to make marketing planning that includes hire</td>
</tr>
<tr>
<td></td>
<td>KOLs or influencers to make more people aware of the brand. Also, by</td>
</tr>
<tr>
<td></td>
<td>optimizing the social media features, in this case is Instagram, such as</td>
</tr>
<tr>
<td></td>
<td>Instagram ads, polls, and quiz can help the company to be more active in</td>
</tr>
<tr>
<td></td>
<td>marketing the product.</td>
</tr>
<tr>
<td></td>
<td>• Create an after-sales service to increase customers experience in shopping</td>
</tr>
<tr>
<td></td>
<td>Unlike other competitors that give a discount for the next purchase,</td>
</tr>
<tr>
<td></td>
<td>Ouromatica Fragrance does not have it. Having an after-sales service by</td>
</tr>
<tr>
<td></td>
<td>giving a discount or a mini sample of other variants or donating for every</td>
</tr>
<tr>
<td></td>
<td>purchase of the product can make the customers repurchase the product</td>
</tr>
</tbody>
</table>

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From the TOWS matrix above, it can be concluded there some strategies that can help Ouromatica Fragrance’s current situation, namely create marketing strategies and do product development by creating more unique variants consistently, innovatively, and consciously, which makes customers curious and want to try every new launch of the scent. For this research, it will be focused on the marketing strategies in order to reach the aim of the research, which is to increase the sales of the product.

D. STP
Segmenting
Based on the geographic segmentation, Ouromatica Fragrance wants to focus on the Indonesian Market, especially urban areas, namely Jakarta, Bandung, Yogyakarta, and Bali. The products offered are perfume with unisex scents, so it can be worn by both male and female, age 18-40 years old, who are still students and those who are already employed.

Targeting
Ouromatica Fragrance chooses their own target market based on the segmentation above. The target market of Ouromatica Fragrance is people who live in the urban areas or big cities in Indonesia. This selection is determined by the behavior of people in the big cities who like to use perfume for everyday use. Based on Ouromatica Fragrance sales data in e-commerce, most customers are coming from big cities such as Jakarta, Tangerang, Depok, Bekasi, Bandung, and Yogyakarta. Those who buy the perfume are both male and female customers since the product offered have unisex scent. For the target age group, mostly 20-30 years old people who are still student or already working in companies and have stable income.

Positioning
The difference between Ouromatica Fragrance among the competitors is that the products offered are much more affordable than others, but still uphold the quality of products that can compete with them. Each scent has its own characteristics and uniqueness.

E. Marketing Mix
Product
Ouromatica Fragrance is a unisex perfume brand that offers unique scent characteristics inspired from the four elements of life; earth, air, water, and fire. For the first variant line, Ouromatica Fragrance chose the earth element. The packaging of the bottle is made of a glass with a touch of earth element which is a wooden bottle cap. The product consists of 50ml containing a well-made formulation for and lasts for 6-8 hours.

In the packaging process, Ouromatica Fragrance wants to contribute in reducing the waste as much as possible. Ouromatica Fragrance does not use plastic seal for its product and replaces bubble wrap with environmentally friendly alternative art kraft paper, honeycomb wrap. For the secondary packaging, Ouromatica Fragrance is still using an art paper and in the process of finding a vendor that offers green alternative materials with the design that can be used for other purposes. As for the tertiary packaging, Ouromatica Fragrance uses plain and no-printed corrugated cardboard. However, the company have prepared stamps for the branding of the outer box and the “Thank You” card that is stamped on the inside of the box. This is also done to minimize the cost of production packaging.
Price
For the first two variants, the price offered by Ouromatica Fragrance is considered affordable compared to the competitors. For a 50ml perfume, it costs Rp139.000.

Place
Ouromatica Fragrance can focus on selling through online marketplace, such as Shopee, Tokopedia, and Lazada, since these are the most popular marketplace in Indonesia. For now, Ouromatica Fragrance does not have its own website or physical store yet like its several competitors. However, the company can start to join several offline events that are held by the government, private organizations, or other local brand communities. To do scent consultation or to ask some questions, potential customers can reach the customer service through chat via Whatsapp or message feature on the online marketplace.

Promotion
Ouromatica Fragrance conducts several promotional activities through an online channel. Ouromatica Fragrance uses Instagram as the main promotional platform and can also try to add TikTok as another promotional platform. Ouromatica Fragrance fills the Instagram with various contents, from Instagram story, Instagram feeds to show catalogue of the products, create awareness, as well as give some information regarding the promo of discounted price and the duration of the promotion. Ouromatica Fragrance can also utilize the feature of Instagram ads to reach a wider audience.

F. AIDA Program

Awareness
In order to get potential customers’ attention, Ouromatica Fragrance needs to start being active in digital marketing. It is shown in the result from the questionnaire that the most-used social media platform is Instagram, so the company can start making an awareness through it. Since the goal is to make the brand Ouromatica Fragrance to be better known by its target market, placing ads on Instagram is also one of the strategies in this awareness stage. It is important to set the same specific target audience for Instagram ads as Ouromatica Fragrance’s target market. The targeting usually includes the location, demographics, and interest. The last strategy to increase the awareness for Ouromatica Fragrance is to use a Key Opinion Leader (KOL) or an influencer who has interest or an expert in the perfume industry and usually has a targeted audience specific to their niche. Using a KOL or an influencer can help to promote the product and boost brand credibility through partnerships. KOLs are mostly active on social media, such as Instagram, TikTok, and Instagram. Sometimes their voice may influence their audience, or other potential customers, to visit the social media of the brand or even to buy the product. The KOLs and influencers can make the content in a form of short video under one minute consisting of their personal review and product knowledge to help their audiences aware of Ouromatica Fragrance and its product.

Interest
Once the potential customers are aware of Ouromatica Fragrance, the next step is to educate them by offering engaging material or information about the product. In this stage, the key word is to maintain customers’ attention. It is important for Ouromatica Fragrance to apply the brand concept in Instagram feeds. Ouromatica Fragrance needs to create creative content for Instagram feeds, story, and reels, as well as prepare the content materials. Some of the content materials that can be posted in Instagram are photos of the product, celebration of national days and holidays in Indonesia, etc. Furthermore, creating interactive content for Instagram stories can also be considered in order to communicate with the audience and gain their interest in the brand. Ouromatica Fragrance can utilize the QnA box and poll features to make the content for the Instagram stories.

The potential customers may also want to know more about the company, the products and its advantages, and the meaning of the product. In order to reach this stage, the message of the product must be conveyed appropriately, thereby increasing the interest level of potential customers. Some of the activities that Ouromatica Fragrance can do in this stage are creating content the perfume notes of the product, the product claim, and some educational contents related to the perfume industry, which includes the tips and tricks on how making the perfume lasts longer.

Desire
After the potential customers are interested in the product, the next objective is to create a desire and emotional connection to the brand. Maybe in the previous stages, the customers had some doubts and questions about the product. In this stage, Ouromatica Fragrance tries to reassure the customers and provide several reasons for the customers to feel the need to buy the product. Creating a highlight on Instagram that fills with some testimonials from previous customers is one of the activities that Ouromatica Fragrance
can do as the testimonials given from the previous customers will help to show the quality of the product and the impression of the brand to potential customers. This way, every time the potential customers open the Ouromatica Fragrance’s Instagram page, they can see all the reviews in the highlight. Another way to gain their trust in shopping at Ouromatica Fragrance is by creating a content about return policy if the goods received is broken or lost during the shipment process. This way, the potential customer will feel guaranteed if experiencing such unwanted things.

**Action**

The last stage of the AIDA program is Action. The main objective of this stage is to drive the potential customers to finally take the action to place orders and purchase the product. Some strategies that can be applied in this stage is by creating a content about promotional campaigns. Based on the result of the questionnaire held earlier, it shows that most respondents prefer the type of promotion such as Buy 1 Get 1, discounts, free delivery free, and giveaway. Some of the content for discount promotions are discounts for every national holiday or other Indonesia's big events, including national online shopping day, and monthly discounts for every twin date. Creating content that informs the potential customers to get a limited of free samples of other scents for every purchase can also be a strategy that is applied at this stage in order to drive customers purchase the product.

**CONCLUSION**

The objective of this research is to evaluate and identify strategies for increasing sales to reach Ouromatica Fragrance’s target. This research is qualitative research and uses purposive sampling for the data collection method. The author evaluates the external and internal analysis of Ouromatica Fragrances. The external analysis is done to understand the current condition of Ouromatica Fragrance in the local perfume industry. This research uses PESTEL, competitor analysis, and customer analysis. As for the internal analysis, this research uses the Research-Based View and Porter’s Value Chain. From these two analyses, the STP and Marketing Mix of Ouromatica Fragrance are obtained. This research proposed to increase the sales of Ouromatica Fragrance by focusing on the marketing aspect. In order to reach the objective, the AIDA model is applied to make the marketing strategy. To get the awareness from the potential customers, Ouromatica Fragrance can start to place an advertisement through Instagram stories and feeds as it will reach more target audience. Aside from that, hiring a Key Opinion Leader (KOL) or influencers can also be a way to introduce the product to their audience. As soon as the potential customers got curious about the product, they most likely would come to the profile and it is important for Ouromatica Fragrance to maintain their attention and interest in the product by showing the creative and interactive content in the social media. Using Instagram features such as questions box and poll are some of the ways to engage the potential customers to communicate with the brand. The next stage, which is desire, Ouromatica Fragrance can show the testimonials on Instagram highlight and also create a content about the return policy if the package is lost or broken. At the final stage, creating a promotional content, such as buy 1 get 1, discounts, giveaway, free delivery, and limited free samples, can drive the potential customers to purchase the product immediately.

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