



Digital Marketing Strategy and Sales of Household Products in Pari Urban Village: A Case Study

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Abstract. This study aims to help the inhabitants of Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency by developing and implementing marketing strategies through digital marketing medium to boost sales of household products. To ensure that the domestic industry's products are well-known and in demand beyond the immediate area, this study aims to educate the local community on how to effectively promote them via digital marketing. A positive and statistically significant impact of marketing tactics on digital marketing was found in this study. The sales of common consumer goods are significantly impacted by marketing efforts. Household goods sales are significantly impacted for the better by digital marketing. The internet marketing of household products benefits greatly from strategic marketing. In Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency, it is intended that household industry actors will be able to learn about and implement digital marketing strategies in order to boost their sales and revenue.

Keywords: *Marketing Strategy, Digital Marketing, Sales and Products*

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1. Introduction

The ever-evolving nature of the Internet now enables users to undertake a wide range of activities, including interacting with others, learning new things, creating and publishing works, marketing and selling goods, and even making purchases. As a result, there is a significant need for the newly popular practice of using digital media to advertise existing goods. The media that are currently in circulation show the progression of this tendency. Traditional offline marketing has been replaced by digital online marketing as the preferred method of reaching consumers. People can get a lot done in the comfort of their own homes or workplaces, avoiding the stress and congestion of commuting by car. Socializing, contacting far-flung friends and family, reading books, learning new things, and doing research and shopping are just few of the many things made possible by the widespread availability of internet technology. As technology has advanced, face-to-face marketing conversations have given place to virtual ones. As a result, there are more people in Indonesia using the internet and participating in social media, both of which have stimulated a rise in the popularity of online shopping[1].

Most company professionals have heard of, if not used, the digital marketing system. In recent years, many business owners have opted to promote their wares via internet channels. Online promotion and market research via a variety of digital channels, including social media, define digital marketing. The internet has expanded the capabilities of the virtual world so that it may link people from all over the world with one another, not only with their devices[2]. The goal of digital marketing is to increase communication between businesses and their customers, as well as between businesses and market intermediaries[3]. In contrast to more traditional forms of advertising, the costs associated with digital marketing are reportedly substantially lower. Marketers and customers alike can profit from digital marketing's use of the internet as a communication medium to forge a stronger bond. Marketers may save money, consumers can find new products, and businesses can interact with their ideal customers all through digital marketing.

Also, digital marketing has advantages in marketing products and is more personal because advertisements or messages are marketed directly to a predetermined target target, in this case internet users[4]. This increased flexibility allows marketers to make continuous adjustments to products and plans. The expansion and competitiveness of the sector are influenced by technological progress and shifts in customer behavior. Furthermore, numerous firms have emerged, both small and large, which has an effect on fierce competition among enterprises of all kinds. People's actions in the course of seeking, acquiring, employing, and assessing goods and services with the expectation of their satisfaction define consumer behavior. Growing up in tandem with the modernist aesthetic that followed the advent of more advanced technologies.

This innovation has made it possible for buyers and sellers to do business without physically meeting each other. Because this approach makes it possible for the community to obtain information and conduct business at any time, in real time. However, the communication strategy is also important in digital marketing, since its delivery must be effective and efficient to ease the dissemination of information and protect the business from promotional losses. The general public can access a wide variety of media already in existence, including websites, blogs, and other social media platforms like Instagram, Facebook, Line, and others.

Serdang Province; Kota Pari Village; Pantai Cermin District One of the towns in North Sumatra Province is called Bedagai Regency. The research team found evidence of creative community output from the potential outcomes in the village. However, because the product is not well-known in the general public, sales have not increased dramatically. For these products to be widely known, digital marketing must be employed.

2. Literature Review

2.1. Understanding Marketing

One of the activities that contributes to economic value creation is marketing, as stated by[5]. Products and services are priced according to their economic value. Value is generated in large part by production, promotion, and consumption. When it comes to production and consumption, marketing acts as a connector. According to [6], marketing is both a social and managerial activity that involves planning and implementing the ideation, pricing, determination of product processes, promotion, and placement or distribution of a good or service. While according to [7], marketing is an activity carried out by humans with the goal of attracting and retaining customers by creating value for them during the course of an interaction with the business. Based on what we learned above, we can say that marketing is an action taken by individuals or organizations with the goal of satisfying customer demands and generating a financial return. [Click or tap here to enter text.](#)

2.2. Understanding Strategy

Achieving one's long-term objectives requires a method and a strategy [8, 9]. Business tactics include opening new locations, merging with similar businesses, creating new products, penetrating new markets, cutting costs, selling off assets, going bankrupt, and forming partnerships are all viable options. Strategy is a course of action that could involve major choices by upper management and substantial investment from the business. The company's future success may be influenced by its strategy. Strategy, on the other hand, is defined as "a way or process used to achieve a goal" [9]. A strategy is an ongoing, step-by-step process that is carried out from the perspective of desired outcomes.

2.3. Definition of Sales

In order for a purchase to go through, a separate activity called sales must take place, as stated in [10]. Therefore, the act of purchasing and selling as a whole constitutes the transfer of rights and transactions. Sales are what the corporation makes and sells, as defined by Mulyadi in [11]. The goal of any business is to make a profit, and sales are the acts taken to achieve this end. Mulyadi (Musa, 2016) defines sales as the business of buying and selling goods and services for

money. While engaging in [7]face-to-face sales, two people meet in person with the goal of establishing, refining, or sustaining a two-way flow of value.

2.3. Understanding Digital Marketing

According to [12], "digital marketing" is a popular method of promoting goods and services to target audiences in the digital sphere. The term "digital marketing" refers to a broader scope than only online advertising. Digital marketing encompasses a wide range of channels, from social media to display ads to search engine optimization to mobile phones (including SMS and MMS). While in [13]Digital marketing, we typically mean the point of view that sees the internet as a complement to more conventional forms of advertising in order to both acquire and deliver services to clients. First, advancements in traditional marketing activities are becoming increasingly efficient, and second, the advent of e-marketing technology has significantly altered marketing approaches. E-marketing is an alternate phrase that can be thought of as having a broader scope because it refers to the use of technology to achieve marketing goals and external and internal viewpoints.

3 Method

3.1 Research Method

This paper presents the results of a quantitative descriptive study that relies heavily on numerical data and statistical analysis. According to [14], quantitative research is defined as a research method based on the philosophy of positivism, used to investigate predetermined populations or samples through the use of research instruments, followed by the application of quantitative and statistical analysis to the gathered data in order to verify or refute hypotheses. Quantitative methods are used to analyze the information gathered from these research equipment.

3.2 Population and Sample

According to [15], a population is an area of generalization that includes items or individuals with predetermined attributes and characteristics. Everyone living in Kota Pari Village with a home-based business is included in this analysis. Sample According to [15], the sample is representative of the population in terms of size and composition. However, determining the sample size is an essential first step in every research project. Researchers in this study utilized a random sampling strategy. According to [15], random sampling is considered to be easy since sample members are selected at random from the population without taking into account the different demographic categories that make up that group. When the population is assumed to be consistent, this procedure is used. Just 30 participants were interviewed for this study, however they were chosen to be representative of the home industry in Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency.

3.3 Data Collection Technique

The data collection methods in this study are, as follows:

1) Observation

One technique that can be used to find out or investigate non-verbal behavior is to use observation techniques. According to [15]) observation, it is a data collection technique that has specific characteristics when compared to other techniques. Observation is also not limited to people, but also other objects of nature.

2) Interview

Interviews are one of the techniques used to collect research data. An interview is a two-way communication to obtain information from the informant concerned. According to (Arikunto, 2016) Guided free interviews are interviews conducted by asking questions freely but still within the interview guidelines that have been made. Questions will develop at the time of conducting the interview. The purpose of this interview is to obtain information relevant to the research.

3) Documentation

According to [15] documentation is a method used to obtain data and information in the form of books, archives, documents, writing numbers and pictures in the form of reports and information that can support research. Document studies are complementary to the use of observation or

interview methods will be more trustworthy or have high credibility if supported by photographs or existing academic papers. But not all documents choose a high level of credibility.

3.4. Data Analysis Method

The data analysis method used in this study is to conduct quantitative analysis expressed by numbers in the calculation using statistical methods assisted by the SEMPLS management program. The data analysis method used to analyze the data collected in this study is as follows:

1) Structural Equation Model (SEM) Analysis

Sewal Wright developed this concept in 1934, at first this technique known as path analysis and later narrowed down in the form of *Structural Equation Modeling* analysis. *Structural Equation Modeling* (SEM) is a statistical technique that is able to analyze patterns of relationships between latent constructs and indicators, latent constructs with one another, and measurement errors directly.

2) Partial Least Square Analysis

The goal of Partial Least Square (PLS) analysis is to predict structural indicators of constructs and to obtain the link between latent variables. Parametric procedures for testing the significance of parameters are unnecessary, as [16] explains, because PLS does not presuppose the existence of a specific distribution for parameter estimation. Prediction measurements with non-parametric features form the basis of the PLS evaluation model.

So, the structural equation looks like this:

Equation:

$$Z = \rho_1 X_1 + e_1$$

$$Y = \rho_2 X_1 + \rho_3 Z + e_2$$

Information:

X = Marketing Strategy

Z = Digital Marketing

Y = Sales of Household Products

ρ = Regression Coefficient Path

e = *Error Term*

a. Outer Model

There are three criteria for measuring outer models, namely Convergent Validity, Discriminating Validity and Composite Validity from measurement models with reflection indicators assessed based on the correlation between item scores, which are calculated with PLS. The size of an individual reflection is said to be high if it correlates more than 0.70 with the measured construct.

b. Inner Model

Testing an inner model or structural model with PLS begins by looking at the R-square value for each dependent latent variable. Changes in R-square values can be used to assess the effect of a particular independent latent variable on whether the dependent latent variable has a substantive influence.

c. Hypothesis Testing

Testing all hypotheses then used the Partial Least Square (PLS) method. Partial Least Square (PLS) is a powerful analysis method because it is not based on many assumptions[16]. The PLS method makes the tested model can use assumptions: the data does not have to be normally distributed, the measurement scale can be nominal, ordinal, interval or ratio, the number of samples does not have to be large, the indicator does not have to be in the form of reflection (can be a reflection and formative indicator) and the model does not have to be based on theory[16].

4 Results and Discussion

4.1. Research Result

1. PLS Model Analysis

The first model or initial model proposed in the study was carried out using all indicators in each construct. The first model is analyzed using the reference base of the model framework in the following Figure:

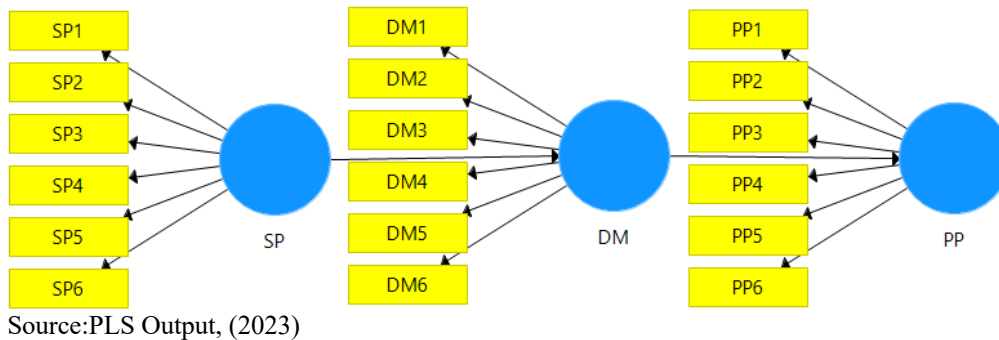


Figure 1. First Model Framework

Figure 1., shows *the First order* analysis performed on each research variable. This is done to see the suitability of each indicator on each dimension that is a reference for decreasing research indicators. If the indicators of each dimension are reliable and accurately measure each dimension, then research can more accurately predict the relationship between variables that occur.

2. Evaluation Measurement Model (*Outer Model*)

Evaluation of the measurement model or *outer model* is carried out to assess the validity and reliability of the construct model. In reflective constructs, indicator reliability testing is carried out using a *loading factor*. The *loading factor* value is expected to reach more than 0.7. However, in exploratory research, a value of more than 0.5 is considered adequate. The value of the *loading factor* can be seen in the following table:

Table 1. Loading Factor Test Results

| | SP (X) | PP (Y) | DM (Z) |
|-----|--------|--------|--------|
| SP1 | 0.917 | | |
| SP2 | 0.862 | | |
| SP3 | 0.892 | | |
| SP4 | 0.952 | | |
| SP5 | 0.917 | | |
| SP6 | 0.921 | | |
| PP1 | | 0.983 | |
| PP2 | | 0.838 | |
| PP3 | | 0.874 | |
| PP4 | | 0.876 | |
| PP5 | | 0.905 | |
| PP6 | | 0.878 | |
| DM1 | | | 0.857 |
| DM2 | | | 0.910 |
| DM3 | | | 0.855 |
| DM4 | | | 0.849 |
| DM5 | | | 0.787 |

| | SP (X) | PP (Y) | DM (Z) |
|-----|--------|--------|--------|
| DM6 | | | 0.839 |

Source: PLS Output (2023)

Based on Table 1. , it is known that each of the many research variable indicators has an *outer loading* value of > 0.5 . An *outer loading* between $0.5 - 0.6$ is considered sufficient to meet *the convergent validity* requirements. The data shows that the indicators are declared feasible or valid for research use and can be used for further analysis.

Internal consistency reliability assessment is carried out on each construct. The *composite reliability* value of each construct is expected to be at least 0.7 . However, in exploratory studies the value of *composite reliability* ≥ 0.6 is acceptable. The results of the SmartPLS algorithm on the *composite reliability* of each construct can be seen in the Table:

Table 2. Composite Reliability

| | <i>Composite Reliability</i> |
|--------|------------------------------|
| SP (X) | 0.861 |
| PP (Y) | 0.744 |
| DM (Z) | 0.928 |

Source: PLS Output (2023)

Table 2. , indicating that the category is good enough that each construct has met the *outer model* reliability assessment criteria with a *composite reliability* value of > 0.7 . Thus the outer model analysis proceeds to the outer model validity stage.

The *outer validity* of the model is done using *convergent validity* and *discriminant validity*. The convergent *validity* assessment is carried out by looking at the Average Variance Extracted (AVE) value in each construct stating that the AVE value in each good construct is at least > 0.5 . The results of the SmartPLS Algorithm the Average Variance Extracted (AVE) value can be seen in the following table:

Table 3. Average Variance Extracted (AVE)

| | <i>Average Variance Extracted (AVE)</i> |
|--------|---|
| SP (X) | 0.889 |
| PP (Y) | 0.775 |
| DM (Z) | 0.984 |

Source: PLS Output (2023)

Based on Table 3., indicating that the Average Variance Extracted (AVE) value of each construct in the final model has reached a value of > 0.5 . Thus, the proposed structural equation model already meets the criteria of *convergent validity*.

3. Inner Model Evaluation

After the estimated model meets the criteria of the Outer Model, then measurements are carried out by testing the structural model (Inner Model) by looking at the value of R-Square (R^2) on the variable. The results of the R-Square (R^2) value in the variable based on the measurement results are shown in the following table:

Table 4. R Square

| | <i>R Square</i> |
|--------|-----------------|
| DM (Z) | 0.686 |
| PP (Y) | 0.785 |

Based on Table 4., it is known that the *R Square* value for the digital marketing variable is 0.686. This shows the large percentage of influence of marketing strategies on digital marketing, which is 68.6%, while the remaining 31.4% is explained by other variables that were not studied in this study.

The *R Square* value for the household product sales variable is 0.785. This shows the large percentage of influence of marketing strategies on household product sales, which is 78.5%, while the remaining 21.5% is explained by other variables that were not studied in this study.

4. Direct Effect Test

Hypothesis testing is carried out with a T-statistics test (t-test) with a significance level of 5%. It is said to be significant if the value of T-statistics > 1.96. If in this test obtained a p-value of < 0.05 (α 5%), it means significant testing, and vice versa if the p-value > 0.05 (α 5%), it means insignificant. The results of the direct influence test of each variable can be seen in the following table:

Table 5. Path Coefficients

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|------------------|---------------------|-----------------|----------------------------|--------------------------|----------|
| DM (Z) -> PP (Y) | 0.902 | 0.891 | 0.090 | 9.988 | 0.000 |
| SP(X)->DM(Z) | 0.896 | 0.888 | 0.034 | 26.473 | 0.000 |
| SP(X)->PP(Y) | 0.808 | 0.792 | 0.091 | 8.894 | 0.000 |

Source: PLS Output Results (2023)

Based on the results in Table 5., obtained the results of the influence of digital marketing on household product sales with (P-Values = 0.000 < 0.05) then H0 rejected H1 is accepted, meaning that there is a positive and significant influence between digital marketing on the sale of household products in the community of Kota Pari Village, PantaiCermin District, SerdangBedagai Regency.

The result of the influence of marketing strategies on digital marketing with (P-Values = 0.000 < 0.05) then H0 rejected H1 is accepted, meaning that there is a positive and significant influence between marketing strategies on digital marketing in the community of Kota Pari Village, PantaiCermin District, SerdangBedagai Regency.

The result of the influence of marketing strategy on the sale of household products with (P-Values = 0.000 < 0.05) then H0 rejected H1 is accepted, meaning that there is a positive and significant influence between marketing strategies on the sale of household products in the community of Kota Pari Village, PantaiCermin District, SerdangBedagai Regency.

5. Indirect Effect Test

Indirect influence is the magnitude of influence through mediation variables. The amount of indirect influence is the multiplication between the direct influence of the independent variable on the mediation variable with the direct influence of the mediation variable on the dependent variable, the amount of indirect influence of the independent variable on the variable can be calculated and summarized in the following table:

Table 6. Indirect Effect

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---------------------|---------------------|-----------------|----------------------------|--------------------------|----------|
| SP(X)->DM(Z)->PP(Y) | 0.808 | 0.792 | 0.091 | 8.894 | 0.000 |

Source: PLS Output Results (2023)

Based on Table 6, it shows empirical evidence that marketing strategies for the sale of household products through digital marketing in the community of Kota Pari Village, PantaiCermin District, SerdangBedagai Regency. The value of the coefficient of indirect influence of the marketing strategy on the sale of household products through digital marketing is 0.808 with the value of P-Values = 0.000 <

0.05, so the marketing strategy indirectly has a positive and significant effect on the sales of household products through digital marketing.

4.2. Discussion

1. The Influence of Marketing Strategy on Digital Marketing

Based on the results of direct influence testing, it is known that marketing strategies have a positive and significant effect on digital marketing, where the value of the path coefficient of the marketing strategy is 0.896 and the significance is $0.000 < 0.05$, which means that it shows that marketing strategies have a positive and significant influence on digital marketing in the community of Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency. Thus, the first hypothesis was accepted.

The number of competitors is a consideration for business actors to enter a very tight competition. The right marketing and media strategies are used to be able to reach the intended market so that sales volume always increases and profits. Digital Marketing is one of the marketing media that is currently in great demand by the public to support various activities carried out. Business actors gradually began to leave the conventional / traditional marketing model to switch to modern marketing, namely digital marketing. With digital marketing, communication and transactions can be done at any time / real time and can be global or global. With the number of chat-based social media users who are large and increasing, it opens up opportunities for business people to develop their market in the grip of smartphones.

2. The Effect of Marketing Strategy on Sales of Household Products

Based on the results of direct influence testing, it is known that the marketing strategy has a positive and significant effect on household product sales, where the value of the path coefficient of the marketing strategy is 0.808 and the significance is $0.000 < 0.05$, which means that it shows that the marketing strategy has a positive and significant influence on the sales of household products in the community of Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency. Thus, the second hypothesis is accepted. A product is useful but if it is not known by consumers, then the product will not be known for its benefits and may not be purchased by consumers. Therefore, business actors must try to influence consumers, to create demand for the product, then maintain and develop. This effort can be done through marketing strategies.

3. The Influence of Digital Marketing on Sales of Household Products

Based on the results of direct influence testing, it is known that digital marketing has a positive and significant effect on the sales of household products, where the value of the path coefficient of digital marketing is 0.902 and the significance is $0.000 < 0.05$, which means that it shows that digital marketing has a positive and significant influence on the sales of household products in the community of Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency. Thus, the third hypothesis was accepted. Today is a modern era where almost all levels of society, both young and elderly, already have smartphones and automatically the number of social media users is increasing. The community, especially business actors in Kota Pari Village, must continue to increase their sales by utilizing digital access.

4. The Influence of Marketing Strategy on Household Product Sales Through Digital Marketing

Based on the results of indirect influence testing, it is known that marketing strategies have a positive and significant effect on the sales of household products through digital marketing, where the value of the path coefficient of the marketing strategy is 0.808 and the significance is $0.000 < 0.05$, which means that it shows that the marketing strategy has a positive and significant influence on the sales of household products through digital marketing in the community of Kota Pari Village, Pantai Cermin District, Serdang Bedagai Regency. Thus, the fourth hypothesis was accepted. To continue to maintain and develop existing markets and consumers, business actors in Kota Pari Village need to conduct various evaluations of elements of product marketing activities to increase the income of the local community.

5 Conclusion

The business community in Kota Pari Village is advised to further optimize the development of existing information technology to the maximum. This means starting to make new innovations on how to promote the results of the home industry to make it more attractive by utilizing existing social media so that the increase in sales volume can continue to increase and develop. It is expected that the next researcher will examine other factors or variables that have a greater relationship with the level of sales so that it can be used as a reference in the community in the future.

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