

Marketing Strategies Analysis for “Nest Coffee”

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ARTICLE INFO	ABSTRACT
<p>Aricle History</p> <p>Received: June 2024 Revised: June 2024 Accepted: July 2024 Published: July 2024</p> <p>Keywords: Digital Marketing, Brand Awareness, MSMEs.</p>	<p>This community research aim of this research is to analyze the implementation of digital marketing strategies in Nest Coffee's SMEs with a focus on increasing brand awareness and target market. The main issues identified include the lack of effective managerial implementation, suboptimal promotion, and inability to utilize digital platforms optimally. he community service’s team method used include SWOT analysis, problem identification, strategy implementation, and recommendations for business development. The findings of the community service activities indicate that a more intensive implementation of digital marketing can increase the interest of coffee enthusiasts, expand the menu and services, and broaden the market reach through E-CRM and Tiktok Shop applications. The recommendations include the implementation of E-CRM application, enhancement of content innovation, and the creation of an SME website.</p>

INTRODUCTION

Kopi is a beloved beverage among various groups in society, which is one of the factors contributing to the increasing number of coffee businesses. Despite coffee being loved by many in society, coffee businesses still need to promote their businesses to attract more people and to introduce the products produced by these coffee business owners. One way to achieve this is through digital marketing. In today's era, business owners who have online access, engage in social media, and develop their e-commerce capabilities can benefit significantly in terms of income, job opportunities, innovation, etc. However, many coffee businesses have yet to implement such promotions, such as using digital media, and do not fully understand the extent of the benefits and the role of digital media [1].

e-marketing as just one component of an organization's overall e-business operations, involving the use of information technology in various business activities [2]. E-marketing specifically refers to the application of information technology in creating, communicating, delivering, and exchanging valuable offerings to customers, clients, partners, and society[3]. Essentially, e-marketing is the use of information technology to support traditional marketing practices. Digital marketing refers to promoting products or services using digital channels, such as search engines, websites, social media, email, and mobile apps [3]. The goal is to reach and engage potential customers through various digital platforms to build long-term relationships and interactions [3].

Chaffey and Smith stated that Internet Marketing, also known as digital marketing, is an essential component of e-business [4]. Its focus is on enhancing customer relationships, adding value to products, expanding distribution channels, and increasing sales through various e-marketing campaigns that utilize digital media channels such as search marketing, online advertising, and affiliate marketing. Digital marketing refers to promoting goods or services using digital technology, such as the internet and mobile phones [5].

We, The community service’s team, have devised a plan to support various small and medium-sized coffee enterprises that have yet to incorporate digital marketing strategies into their promotional activities. One such business that we aim to assist is NEST COFFEE, which was founded on the 7th of April 2019 by Bono Dwi Budiyanto. The name "NEST COFFEE" holds significance in three different

languages - English, Indonesian, and Korean. In English, "nest" refers to a bird's nest, in Indonesian, it signifies a cozy or gathering place, and in Korean, it symbolizes love. Therefore, the name "NEST COFFEE" can be interpreted as a warm and inviting space for coffee enthusiasts to gather and enjoy their favorite brew.

UMKM NEST COFFEE has not yet maximized its marketing efforts due to limitations in human resources and financial aspects. In the future, NEST COFFEE is expected to further optimize the use of technology in its marketing and operations to facilitate business growth. There is a need for awareness to change slow or traditional work habits, as some may feel comfortable and resistant to change in their business practices.



Figure 1. Nest Coffee Logo

The company name is Nest Coffee, owned by Bono Dwi Budiyanto, established in 2019. The address is Jl. Perindustrian No.175, Bakti Jaya, Sukmajaya, Depok City, West Java 16418. The Instagram handle is @nestcoffee_.

1. Problem Identification

- a. The promotion is still not optimal due to the lack of financial resources and human resources: This issue indicates that Nest Coffee is limited in its promotional efforts due to constraints in terms of limited funds and workforce. This can hinder Nest Coffee's ability to reach a wider target market and impact their business growth.
- b. Copywriting and content on Instagram are still not attractive, and more creativity and innovation are needed: Nest Coffee faces challenges in capturing the attention of Instagram users through unappealing copywriting and content. This can result in a lack of interaction and engagement from users, which in turn can limit the effectiveness of their promotions on the platform.
- c. The implementation of an E-CRM application to facilitate the operations of Nest Coffee's MSMEs has not been done yet: The lack of implementation of an E-CRM (Electronic Customer Relationship Management) application can hinder Nest Coffee's ability to effectively manage customer relationships. This can lead to a lack of information about customer preferences and behavior, which can reduce Nest Coffee's ability to provide satisfactory services.
- d. The marketing of products through TikTok Shop has not been done yet, and the menu options are still limited: Nest Coffee has not yet utilized the potential of marketing through TikTok Shop, which is a popular platform with great potential to reach a wider target market, especially among the younger generation. Additionally, the limited menu options can also restrict the appeal of Nest Coffee to customers who are seeking variety and innovation in coffee products.
- e. Not having their own MSME website: The absence of a website can hinder Nest Coffee's ability to reach customers online and enhance their visibility in the digital world. Without a website, Nest Coffee may miss out on opportunities to expand their market share and compete with larger competitors who already have a strong online presence.

2. Recommended Solutions

- a. Implementing the E-CRM application will assist Nest Coffee in managing customer relationships more effectively. This application can help Nest Coffee track customer preferences and behavior, send personalized promotions, and enhance the overall customer experience. With this

application, Nest Coffee can improve their operational efficiency and increase customer satisfaction.

- b. Recommending selling products and utilizing the TikTok Shop application, as well as creating new product innovations: Nest Coffee can leverage the marketing potential through TikTok Shop by selling their products on the platform. Additionally, they can create new product innovations to attract consumer interest and differentiate themselves from competitors. By doing this, Nest Coffee can reach a wider target market and increase their sales.
- c. Suggesting creating a website to establish brand awareness and expand market reach: By creating a website, Nest Coffee can establish a greater brand awareness and expand their market reach. The website can be used as a platform to promote their products and services, share information about their brand and values, and interact with customers online. By having a website, Nest Coffee can enhance their visibility in the digital world and attract more potential customers.

METHOD

This research method involves UMKM Nest Coffee as the target community, which is a small and medium-sized microenterprise in the coffee industry with a focus on digital marketing improvement. This community consists of business owners, employees, and customers who are involved in community service initiatives. The stakeholders involved include business owners, marketing teams, and operational teams of UMKM Nest Coffee, each contributing to the implementation of digital marketing strategies.

The implementation method involves SWOT analysis, problem identification, strategy implementation, and evaluation of results. The proposed solutions are carried out through planning, execution, and monitoring stages to ensure their effectiveness in improving brand awareness and target market. The scientific knowledge and technology introduced include digital marketing concepts, the use of E-CRM applications, and marketing strategies through Tiktok Shop.

In the implementation of community service initiatives, various tools and equipment are used, such as digital content management software, social media platforms, and digital performance analysis tools. Data collection techniques include observation, interviews, and secondary data analysis from UMKM Nest Coffee's digital platforms. The evaluation criteria for the success of community service initiatives include an increase in the number of followers, customer interactions, and sales improvement. The data analysis approach involves monitoring digital performance, trend analysis, and comparing data before and after the implementation of digital marketing strategies.

RESULTS AND DISCUSSIONS

SWOT Analysis

1. Strength

- a. Having a strategic location: A strategic location can enhance the visibility and accessibility of Nest Coffee to potential customers. A good location can make the store easier to find, increase customer traffic, and enable the business to reach a wider market.
 - b. Offering high-quality products: High-quality products can be the main attraction of Nest Coffee. Good product quality can increase customer satisfaction, build loyalty, and create a good reputation for the business.
 - c. Focusing on customer experience: Nest Coffee prioritizes the customer experience as a top priority. This creates a deeper relationship between Nest Coffee and its customers, provides a memorable experience, and builds long-term customer loyalty.
 - d. Providing a comfortable atmosphere and environment: A comfortable atmosphere and pleasant environment can enhance customer comfort and satisfaction. This can encourage customers to spend more time at Nest Coffee, increase the average transaction value, and help differentiate Nest Coffee from competitors.
5. Creating a unique and appealing branding that enhances attractiveness: Strong branding can help Nest Coffee differentiate itself from competitors and create a positive image in the eyes of customers. A unique and appealing identity can make Nest

Coffee more recognizable and memorable to customers, as well as increase the business's attractiveness to potential customers.

2. Weakness

- a. Resource limitations: Resource limitations such as capital, workforce, and equipment can pose a constraint in the development of Nest Coffee. This can restrict Nest Coffee's ability to expand operations, enhance product quality, or face competition.
- b. Insufficient parking space: Limited parking space can be a barrier for customers who wish to visit Nest Coffee with their private vehicles. This can impact the number of customers coming in, especially in situations where vehicle accessibility is crucial.
- c. Lack of effective managerial implementation: The lack of effective managerial implementation can hinder the growth and operational efficiency of Nest Coffee. Ineffective management can lead to issues such as increased costs, lack of innovation, or inability to manage internal conflicts.

3. Opportunities

- a. Increasing interest of coffee enthusiasts: With the growing interest of the public in coffee, Nest Coffee has the opportunity to attract more customers and increase sales. This can be achieved by providing various types of quality and unique coffee, as well as organizing events or promotions that are appealing to coffee lovers.
- b. Expanding the menu and services offered: By expanding the menu and services offered, Nest Coffee can reach a wider range of market segments and cater to various consumer preferences. For example, Nest Coffee can add snacks, non-coffee beverages, or services such as cooking classes or cupping to attract more customers.
- c. Collaborating with local suppliers for sourcing raw materials: By collaborating with local suppliers to source raw materials, Nest Coffee can support the local economy and create an image as an environmentally conscious business. Additionally, collaborating with local suppliers can also help Nest Coffee obtain high-quality raw materials at more affordable prices.

4. Threats

- a. The presence of new competitors can intensify the competition in the coffee industry. If these new competitors are able to attract customers with better innovations or marketing strategies, it can pose a threat to Nest Coffee's market share and impact its sales.
- b. The changing and evolving consumer preferences towards coffee can pose a threat to Nest Coffee. If Nest Coffee fails to adapt its menu and services to the evolving consumer tastes, it can lead to a decline in customer interest and a decrease in sales.
- c. The increase in the prices of raw materials such as coffee, milk, or sugar can raise the production costs for Nest Coffee. If Nest Coffee is unable to raise their selling prices to cover the cost increase, it can reduce profitability and jeopardize their business sustainability.

Marketing Strategies Implementation

1. Nest Coffee can enhance product innovation and create engaging content through digital platforms such as Instagram, TikTok, and their website. They can achieve this by adopting the latest trends, collaborating with influencers or content creators, and actively engaging with their followers to create relevant and captivating content.
2. Nest Coffee needs to continuously engage in development, monitoring, and evaluation activities in all aspects of their business. This includes product development, service improvement, promotional strategies, and operational efficiency. By doing so, Nest Coffee can identify opportunities for improvement and enhance their overall business performance.
3. Implementing an E-CRM application will facilitate Nest Coffee in managing customer relationships more effectively. This application can help Nest Coffee track customer preferences and behaviors, deliver personalized promotions, and enhance the overall customer experience.
4. Nest Coffee can establish a strong brand presence and increase brand awareness through social media and their website. They can achieve this by creating a unique, consistent, and appealing brand identity, as well as actively communicating with their audience to build strong and sustainable relationships.

Project Result

The owner received both recommendations from the Veintiuno Consultant team in the form of TikTok Shop and Desty Page. However, the owner decided to focus more on using Desty Page. This decision was made because Nest Coffee already had a TikTok account where they uploaded various menus that were already available at Nest Coffee. Additionally, they had a significant number of followers on TikTok. On the other hand, the use of Desty Page as a link service had not been implemented at all. Therefore, Nest Coffee was interested in trying out the recommendation of Desty Page. Subsequently, we visited the location to assist and guide the owner in creating an account, theme, design, and using the Desty Page website to achieve the desired results from the creation of the Desty Page website.

Regarding the progress after using Desty Page, there have not been significant changes in terms of income, marketing, etc., as the recommendation we provided has only been used for about 11 days in creating the Desty Page link. However, in terms of analytics, there have been approximately 46 visitors, indicating some initial interest. Furthermore, Desty Page can have long-term benefits for Nest Coffee, as this website will be placed on Nest Coffee's social media profiles such as Instagram, TikTok, etc. One of the purposes of this link is to make it easier for consumers to find information about Nest Coffee. In the long run, this can have positive effects on Nest Coffee, such as assisting in their promotion, increasing engagement, and helping consumers learn more about Nest Coffee.

CONCLUSIONS

Based on the results of the identification of problems, implementation, and recommendations for the development of Nest Coffee business. Considering the high number of coffee business competitors, Nest Coffee MSMEs need to maximize digital marketing to increase a wider target market, effective sales, and enhance brand awareness. In relation to the identification of problems currently occurring at Nest Coffee MSMEs such as not maximizing promotions due to constraints on funding and HR aspects.

Instagram and Tiktok content are still not attractive enough, not selling products through Tiktok Shop and the menu options are still limited. Not having their own MSME website. Therefore, we provide several recommendations that can reduce or solve these problems by recommending the activation of TikTokShop and the use of Desty Page website to the owner of Nest Coffee.

The implementation of these recommendations is that the owner of Nest Coffee accepts both recommendations from the Veintiuno Consultant team, but focuses more on the Desty Page website because they have not implemented it at all. And for the results of the Desty Page recommendation, there have not been significant changes in terms of revenue, marketing, etc., as it is still new in its use, but there have been several visitors who have accessed the website, and the Desty Page website can be said to have a positive impact in the future for Nest Coffee, as this website will be used in the long term to help increase promotion for Nest Coffee, enhance engagement, and help consumers easily find information about Nest Coffee.

Based on the explanation provided by the Veintiuno Consultant team earlier, we offer recommendations for UMKM Nest Coffee to continuously enhance creativity and innovation in its social media content, in order to expand market reach and boost sales. Furthermore, it is advised that Desty Page website and Tiktok Shop are optimized effectively in their implementation.

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