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# Decision-Making Regarding the Marketing Strategies of PT Telkomsel

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#### Abstract

This research examines the impact of marketing strategy decisions at PT. Telkomsel, focusing on how the company's marketing division develops sustainable strategies. The study aims to understand the factors influencing these decisions and their effects on overall company performance. Data were collected through descriptive research with a qualitative approach, primarily using a literature review of relevant journals and previous articles. The findings reveal that PT. Telkomsel considers multiple factors when making marketing decisions, and each product marketed has its own unique advantages, which influence the marketing strategies employed. The research highlights that these decisions are based on a thorough company analysis, which in turn contributes to building a positive company image and increasing customer loyalty. These marketing strategies not only impact sales but also enhance the relationship between Telkomsel and its customers, as well as the broader public. **Keywords:** Strategy, Marketing, Sales, Business, Telkomsel.

#### INTRODUCTION

Decision-making is the core and a crucial element in an organization for determining the next steps to shape behavior and actions in decision-making (Hamsar, Maulana and Hendra, 2024). Decision-making is described as a systematic approach to addressing a problem faced by an organization. A well-informed decision will have a significant impact on the future trajectory of an organization. Therefore, good decision-making will provide positive outcomes both internally and externally, ensuring that the company's operations are not disrupted by mistakes in decision selection.

Decision-making is guided by theories that can be applied in formulating strategies. The strategies implemented based on these decisions are the result of long and careful consideration, aimed at producing wise choices. Companies require strategies for marketing products or services. The use of strategies is necessary to determine what actions to take in marketing, which will ultimately attract consumers to purchase the offered products or services. In making decisions regarding marketing strategies, many considerations must be taken into account, including the consumer segment that will be targeted for product sales (Yudha and Yunita, 2024).

The marketing strategy implemented must be able to attract the attention of potential consumers from various segments (Khotimah and Maisara, 2023). The use of traditional media can be an effective choice for older consumers, while social media is more suitable for reaching younger generations. Segmentation based on age groups influences consumer preferences for the products and services offered by the company, thus requiring a tailored approach for each group. Additionally, gender differences also play a role in determining the right marketing strategy. For instance, female consumers are often more interested in marketing campaigns that offer bundled promotions with relevant products, while male consumers tend to focus more on products that meet their specific needs.

PT. Telekomunikasi Indonesia, Tbk. (Telkom) is the largest telecommunications company in Indonesia, operating in the fields of telecommunications, information, media, and edutainment. With high-quality services and innovations, Telkom has dominated the Indonesian market. Its advantage lies in producing a wide range of products and services that go beyond traditional telecommunications services like internet and telephone, extending to goods as well. This distinct advantage sets Telkom apart from its competitors, as it not only operates as a telecom provider but also produces both goods and services, which gives it a competitive edge over other companies that only serve as operators. PT. Telkomsel has always implemented sound and innovative marketing strategies. Marketing for Telkomsel products is carried out in many ways, from traditional media to the more accessible social media platforms that are widely used by today's society, making them effective marketing tools for Telkomsel's services and products.

Telkomsel has been in operation since 1995 and continues to thrive today. It has undergone many changes in its business strategy to adapt to the evolving trends over time. Initially, the company only provided telephone services, but it has since expanded its offerings to include internet services and even a digital wallet, which has become a popular trend among today's generation. With various innovations implemented, each strategic step taken by Telkomsel requires a well-thought-out and structured decision-making process. This decision-making is crucial as it determines the direction of product development, resource allocation, and adjustments to marketing strategies to maintain competitiveness in the ever-changing technology industry.

# LITERATURE REVIEW

# Marketing Strategy

Marketing strategy is the logic behind marketing where a business unit aims to create value and derive profits from its relationship with consumers, according to (Effendie and Rachmawati, 2023). In general, marketing strategy refers to efforts made to market a product, whether in the form of goods or services,

using specific plans or tactics to increase sales. It can also be defined as a framework created to achieve specific goals set by the company. The role of marketing strategy is crucial in business, especially for companies, as it serves as a determinant of the economic value of the company, whether in the form of products or services.

# **Functions of Marketing Strategy**

Marketing strategy has four key functions that are essential for the success of a company. First, it focuses on developing innovation and future orientation, where a company is not just focused on selling products but also on innovating and preparing for changes in the market. Second, it helps build solid teamwork and establish clear goals, ensuring that every action taken aligns with the company's overall objectives. Third, a clear strategy allows a company to improve performance and efficiency, set objective performance standards, and monitor and correct areas that need improvement for maximum efficiency. Finally, marketing strategy ensures business continuity by maintaining relevance and competitiveness in a dynamic market. With a well-defined strategy, a company can inspire its team, improve employee performance, and achieve long-term business goals (Silalahi, Meutia and Andriyansah, 2023).

# **Objectives of Marketing Strategy**

Marketing strategy plays a crucial role in improving the quality of coordination among team members by creating alignment in goals and actions taken together. It also serves as a benchmark for evaluating marketing results based on predefined performance standards, allowing the company to measure the success and effectiveness of its efforts. As a logical foundation, marketing strategy aids in making more precise and rational decisions, ensuring that every decision taken is in line with the company's long-term objectives. Lastly, marketing strategy enhances the company's ability to adapt to changes in the market, ensuring that it remains competitive and relevant even when faced with rapid challenges or changes (Dhumras *et al.*, 2023).

#### Marketing Strategy Concepts

Marketing experts agree that the key to successful marketing strategy lies in customer satisfaction (Martynenko *et al.*, 2023). Although each company may have a unique approach to marketing, the ultimate goal is the same: to create a satisfying experience for customers. Several core concepts in marketing strategy that companies can apply include market segmentation, where companies identify different market segments based on consumer needs to target specific audiences more effectively. Next, market positioning is crucial to placing a company's products or services in a favorable position within a competitive market, focusing on the most profitable segments, as achieving overall market dominance is unrealistic. In market entry strategy, companies can choose various methods to enter new markets, such as acquisitions, internal

development, or forming strategic partnerships. Marketing mix strategy includes a set of variables used to design effective marketing tactics, including product, price, place, promotion, and other factors such as participants, process, people, and physical evidence that can enhance consumer perceptions of the product. Finally, timing strategy is also vital, where companies need to ensure readiness in production and product launch at the right time to achieve optimal market acceptance (Semenda *et al.*, 2024).

### **Company Environment Analysis**

Company environment analysis is an important process that helps organizations understand factors that affect their performance and business strategy (Prananta et al., 2024). An unfavorable business environment can hinder growth and even lead to business failure. This analysis is divided into two main categories: internal and external environments, each of which has an impact on the company's success. The internal environment includes elements within the company, such as human resources, organizational culture, organizational structure, and information systems. Quality human resources and skilled employees are critical for achieving company goals, while effective organizational culture and structure enhance collaboration between departments. A good information system supports efficient decision-making. By analyzing internal strengths and weaknesses, companies can develop more effective strategies to improve efficiency and competitiveness, as seen in the case study of PT Perkebunan Nusantara III.

The external environment includes factors outside the company's control that can influence its strategy and operations (Modak *et al.*, 2024). Significant external factors include political, economic, cultural, and technological factors. Political factors, such as government policies, can affect company operations, while economic factors relate to market conditions that influence consumer purchasing power. Cultural factors involve changing societal trends and consumer behavior, which can affect responses to products. Additionally, technological innovation can change the way companies do business and interact with the market. External environment analysis helps companies identify opportunities and threats in the market. For example, analysis of PT Nestlé Indonesia reveals how market trends and competition affect their business strategies. By understanding external factors, companies can develop strategies that are more responsive to dynamic market changes.

#### **Product Innovation**

Product innovation is not a static final outcome but a continuous process (Arabnarmi *et al.*, 2024). The product innovation process involves several stages, from identifying market opportunities and developing product concepts to launching the product into the market. Each stage in this process is interconnected and influences each other. Therefore, the success of product

innovation heavily depends on how a company manages the entire innovation process.

# **RESEARCH METHODS**

Research methodology refers to a systematic scientific approach used to collect data in order to answer research questions. The main objective of research methodology is to acquire scientific knowledge that can be used to understand specific phenomena, develop theories, or solve problems. By following a structured research method, researchers can ensure that the results obtained are valid, reliable, and accountable.

The type of research conducted in this study is descriptive research using a qualitative approach. Descriptive research is a research method aimed at systematically describing phenomena, whether ongoing or past. It involves documenting and describing current or past events without altering the variables involved. Descriptive research provides detailed explanations of the characteristics, conditions, and facts that occur within a specific population or sample. The goal of this research is to understand the situation at hand before moving on to a deeper analysis.

Properly selecting the object and subject of the research is crucial in ensuring the relevance and validity of the data, which are essential in maintaining the validity of the research results. Relevant and accurate data significantly influences the outcome of the study in depicting data that aligns with the research objectives. Using appropriate objects and subjects in the research can provide maximum benefits for addressing the research problem. In this study, the focus is on the marketing strategies employed by Telkomsel for each of its products. The object of this research is the marketing strategies implemented by Telkomsel, and the subjects selected include the marketing team and employees of Telkomsel who are involved in the marketing decision-making for each of the products being marketed. In order to accurately depict the phenomena in this study, the types and sources of data involved are crucial. The relevant types and sources of data assist the researcher in providing deeper insights into the relationships between the variables being studied. The types of data used in this descriptive marketing research include market observations and Focus Group Discussions (FGDs). The data sources used include industry publications and social media data.

#### **RESULT AND DISCUSSION**

# The Decision-Making Process of Marketing Strategy for Products

The process of decision-making in the marketing strategy of a product requires a well-thought-out strategy to generate optimal outputs from the ongoing process (Putra, 2024). Several decision-making approaches can be identified, each suited to the specific type of decision that needs to be made. These approaches include:

1. Scientific Management Approach

In this approach, management is expected to solve problems using logical, scientifically-based views. This approach ensures that decisions are reliable and capable of solving the identified issues in a systematic manner.

2. Human Relations Approach

Good decisions are supported by various factors, one of which is paying more attention to employees and involving them in the decision-making process. By fulfilling employee needs and providing feedback, companies can improve job satisfaction, thus improving relations among employees and between employees and management.

3. Economic Rationality Approach

This theory advocates making decisions that are effective and efficient, aiming to minimize costs while maximizing outcomes.

4. Satisficing Approach

This theory suggests that while decisions should be rational, managers are often constrained by limited information and time. As a result, they may settle for a solution that is good enough rather than optimal.

At PT Telkomsel, the company adopts the Economic Rationality Approach along with elements from the Scientific Management Approach. This ensures that Telkomsel's marketing strategies focus on maximizing output with minimal input, using scientific methods to streamline the strategy formulation process. The decision-making process is categorized into two groups: decisions made by senior management and those made by field teams. This categorization improves both the effectiveness and efficiency of marketing strategy decisions.

The first category involves decisions made by senior management. In this process, data is analyzed by the marketing managers at the regional level, who provide evaluations that help inform the final decisions taken by top management regarding product marketing strategies. Market analysis conducted by the central management aims to assess market conditions and customer segments, ensuring that PT Telkomsel's marketing or branding efforts are effective in different locations. Strategic decisions are based on these assessments, which lead to the implementation of marketing strategies and branding across various outlets, websites, apps, advertisements, and more. The second category of decision-making involves field teams. These teams gather data from local branches to understand sales performance, both online and offline, as well as consumer awareness of Telkomsel's products. The data collected by the field teams is used to generate recommendations for adjustments in the market. This data is then analyzed by central management to make decisions that are more aligned with actual market conditions.

By combining these two approaches, PT Telkomsel is able to make marketing decisions that are relevant, timely, and effective. This decision-making process helps the company remain competitive against its rivals in the telecommunications industry, adapting to global changes. Furthermore, the need for market segmentation is critical in their product marketing strategy. Given the diversity of Telkomsel's offerings, the company must carefully tailor its strategies to different consumer segments. For example, the Kartu Halo is a postpaid product that is suitable for adults, while By.U is targeted toward younger consumers with its promotional features and digital offerings. These adaptations are vital for reaching the correct customer base and maintaining competitiveness in the market.

### Impact of Marketing Strategy on Product Sales Performance

The marketing strategy decisions made by PT Telkomsel have a significant impact, not only on the internal workings of the company but also on public perception. The telecommunications industry is highly competitive, and Telkomsel's marketing decisions are crucial in attracting and retaining customers. Effective marketing strategies help maintain the product identity and create a competitive advantage (Beheshtinia, Sayadinia and Fathi, 2023).

One noticeable impact of these strategies is the expansion of market reach. By implementing effective marketing strategies, Telkomsel is able to reach new market segments in previously underserved areas. Moreover, these strategic decisions have a positive impact on brand image, which plays a significant role in shaping customer perceptions. A strong brand image influences customer purchasing decisions and also fosters long-term customer loyalty. In addition to purchasing decisions, a good brand image encourages customers to subscribe to Telkomsel's products over time. Marketing decisions also contribute to product innovation. Insights from market analysis guide Telkomsel in adapting its products and promotions to align with changing consumer behaviors. This adaptability ensures that Telkomsel's products remain relevant and appealing to the target market (Esmaelnezhad *et al.*, 2023).

#### Factors Affecting Marketing Strategy Decision-Making

Telkomsel markets a wide variety of products, each requiring different marketing strategies. These products include Indihome, Telkomsel Orbit, By.U, LinkAja, MAXstream, Disney+Hotstar, Telkomsel Halo, Telkomsel Prepaid, and others. The marketing strategies for each of these products are influenced by various internal and external factors. These factors must be carefully considered to ensure that the marketing decisions are effective and well-received by consumers (Yodhhewawhe, 2023).

Internally, Telkomsel takes into account the production factors, which include the ability to meet the demand for each product. Additionally, issues such as routine problems and incidental issues can affect decision-making. For example, in the case of Indihome, Telkomsel has segmented the market by providing a dual play service for customers who do not use a landline phone. This strategy was implemented by targeting specific groups, such as shopping centers, apartments, and residential areas, to make the product more accessible. Telkomsel also uses Unique Selling Proposition (USP) to highlight the unique features of its products. By offering a slight price increase, customers can benefit from additional features, such as bundled services. This emphasis on product uniqueness helps Telkomsel differentiate itself in the competitive market (Worapongpat, 2023).

On the promotional front, Telkomsel leverages social media marketing, distributing brochures through apps like Line, and running radio interviews over a three-month period. Additionally, Telkomsel uses billboards and collaborates with cinema chains like XXI to display ads. Personal selling is another critical aspect of the distribution strategy, where employees engage with customers directly to explain product features and benefits. Externally, technology plays a significant role in shaping marketing decisions. As a techdriven company, Telkomsel must keep up with constant technological innovations. For instance, the development of Wi-Fi technology for Indihome products is essential for meeting the needs of multiple devices. Additionally, economic factors, such as inflation, interest rates, and currency fluctuations, can affect pricing decisions, which in turn impacts consumer purchasing behavior. Lastly, social and cultural factors influence consumer demand patterns. As consumer behaviors shift rapidly, Telkomsel must remain agile in responding to changes in demand. Adapting quickly to these changes allows Telkomsel to mitigate any negative impacts and maintain its market position. Telkomsel's marketing strategy is shaped by a combination of internal and external factors, and the company's ability to adapt and respond to these factors is crucial for maintaining its competitive edge in the telecommunications industry.

# CONCLUSION

PT Telekomunikasi Selular, Tbk. (Telkomsel), as one of the leading telecommunications companies in Indonesia, consistently strives to optimize its business strategy. In the context of product marketing, the company requires a careful and systematic decision-making process. The goal is to identify the most effective and efficient marketing strategy that can reach a broad target market and increase market share. One of the approaches often used by PT Telkomsel is to categorize marketing strategies into two major groups. This categorization aims to simplify the decision-making process and focus resources on the most strategic areas. By doing so, the company can achieve maximum efficiency and make optimal decisions. However, it is important to remember that decision-making in marketing strategy is not a simple process. There are various internal and external factors that need to be considered carefully. In addition to internal

factors, external factors also play a significant role in the marketing decisionmaking process.

PT Telkomsel often utilizes a broad range of media and tailors its products to meet market needs. This approach is deemed effective for reaching a larger target audience and increasing brand awareness. However, the company must also conduct periodic evaluations of the effectiveness of the marketing strategies that have been implemented. This is essential to ensure that the marketing strategies remain relevant and effective in achieving business goals. Overall, the decision-making process in PT Telkomsel's marketing strategy is complex and dynamic. The company needs to continually adapt to the rapidly changing and competitive business environment. In this way, PT Telkomsel can maintain its position as one of the market leaders in Indonesia's telecommunications industry.

In making a strategic decision for its marketing efforts, PT Telkomsel can leverage technology for product innovation. Existing technology can assist the company in analyzing customer behavior, predicting trends, personalizing marketing efforts, and improving targeting accuracy based on customer experience data related to the products being marketed. Analyzing customer and market data will help Telkomsel meet customer needs through products and services, enabling the company to make more effective and strategic marketing decisions. Telkomsel can also develop products through collaboration with e-commerce platforms and other external partners. These collaborations can help reach a wider customer base, such as offering data packages for streaming on apps and entertainment platforms. When formulating strategic decisions and conducting marketing, it is also necessary to adjust and allocate budgets for digital marketing to maximize revenue from the allocated funds. After implementing the marketing strategy derived from these decisions, PT Telkomsel must evaluate whether the strategy is accepted by the public. Routine evaluations are also essential for assessing the company's effectiveness in adapting to changes, ensuring that strategies, customer engagement, and future offerings remain aligned with market demands.

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