

DEVELOPMENT OF A DIGITAL MARKETING STRATEGY TO INCREASE MARKET SHARE FOR LOCAL COSMETIC PRODUCTS

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ABSTRACT

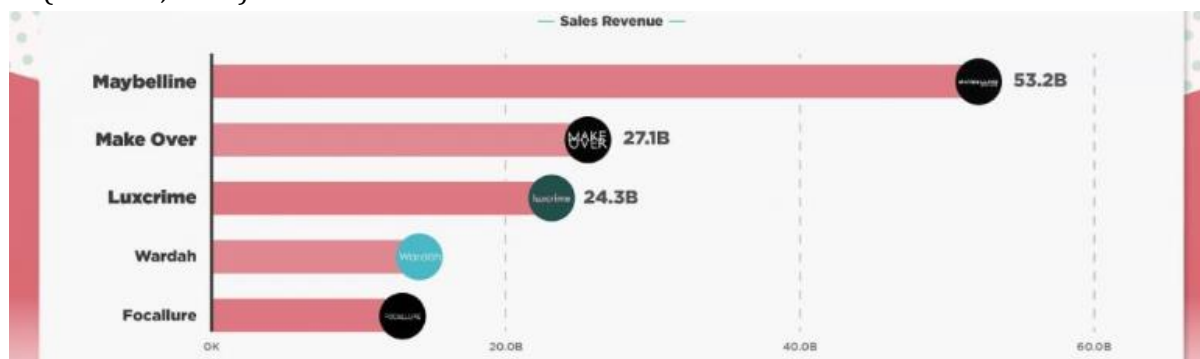
This research aims to understand the development of effective digital marketing strategies in improving the competitiveness of local cosmetic products in the digital market. The method used in this research uses qualitative research methods. Data collection to obtain information related to the topic was conducted through literature study. Through the evaluation of various strategies, including social media marketing, online advertising, SEO, and content marketing, this research highlights the importance of an integrated and customised approach to brand needs. The results show that implementing the right strategies can bring significant positive impacts, including increased brand visibility, consumer awareness, and sales of local cosmetic products. With a deep understanding of consumer preferences and the digital market environment, stakeholders in the cosmetics industry can take strategic steps to expand their market share and achieve long-term success in this rapidly changing environment.

INTRODUCTION

In an increasingly competitive global environment, the local cosmetics industry faces challenges to increase market share, especially with the strong penetration of international brands and the growing demand for environmentally friendly and sustainable products. While local cosmetic industries often have an advantage in understanding local consumer needs and preferences, local entrepreneurs are also faced with challenges such as stringent production standards, continuous product innovation, and limitations in distribution and marketing infrastructure (Prahendratno et al., 2023).

Based on data obtained from Kompas, it can be seen that in early 2002, competition in the cosmetics industry, especially in the facial cosmetics category, was fierce. With a significant difference in transaction volume, the Maybelline brand emerged as the winner with total sales reaching Rp53.2 billion. With the rise of makeup brands on online commerce platforms today, local brands are intensifying their promotions. It is interesting to note that more than half of the facial beauty brands that made it into the top five rankings in March are local brands. This shows that the quality of local brands

is also competitive with foreign brands. The following is a report on cosmetics sales rankings according to (Haasiani, 2023).



Source: Kompas.co.id

Fig. 1 Ranking of cosmetics sales by brand

Digital marketing plays an important role in marketing local cosmetic products especially with the changing behaviour of consumers who are increasingly turning to online platforms to search and purchase cosmetic products (Tazkiya & Faujiah, 2023). Through digital marketing, cosmetic companies can reach a wider audience globally without geographical restrictions (Desi Jelanti et al., 2023). Companies can use various strategies such as advertising, paid content, and partnerships with influencers to reach potential consumers on various platforms such as social media, websites, and e-commerce applications (Sari et al., 2023). In addition, digital marketing also allows companies to collect consumer data and analyse their purchasing behaviour, so as to direct more effective marketing strategies and optimise the overall consumer experience (Sugiana & Musty, 2023).

Local cosmetics manufacturers often face a number of specific problems in their efforts to expand market share (Ariasih et al., 2023). One of these is the challenge of varying regulations and production standards across global markets. Complying with different regulations from one country to another can be complicated and costly in the export process. In addition, local cosmetics manufacturers often face difficulties in competing with international brands that have larger marketing budgets and access to advanced production technologies. Underdeveloped distribution infrastructure can also be an obstacle in expanding the reach of local products. Furthermore, to address concerns about sustainability and health, local cosmetics manufacturers need to invest in product innovation, pay attention to market trends, and ensure that their products meet the quality and safety standards expected by global consumers.

Research conducted by (Lathifah et al., 2024) shows that Wardah has been successful in implementing a successful marketing strategy, including marketing via social media platforms, collaboration with celebrities as endorsers, analysis of strengths, weaknesses, opportunities, and threats (SWOT), and implementation of a marketing approach that includes product, price, promotion, and place (4P). Another study by (Wasil et al., 2023) found that by adopting an online marketing strategy using the Shopee platform, there was a significant increase in the number of sales of Aerostreet products.

Based on the results of several findings conducted on the application of digital marketing strategies to local products, the researcher is interested in examining more deeply the development of digital marketing strategies to increase the market share of local cosmetic products. The purpose of this research is to develop an effective digital marketing strategy to increase brand awareness and sales conversion of local cosmetic products, with a focus on increasing the market share of these products.

METHODS

This research uses a qualitative approach by collecting data through literature studies. The qualitative method allows researchers to gain a deep understanding of the phenomenon under study, namely digital marketing strategies for local cosmetic products. The use of literature study as a data

collection technique allows researchers to collect information from various trusted sources such as scientific journals, books, articles, and relevant industry reports. In-depth analysis of the literature obtained enabled the researcher to identify trends, best practices, and relevant knowledge in the field of digital marketing. This approach enabled the researcher to formulate strong strategic recommendations based on a comprehensive understanding of the context and dynamics of the local cosmetics industry as well as proven successful digital marketing practices.

RESULTS

In the growing digital era, the cosmetics market is one of the most dynamic and competitive. Local cosmetic products in particular face various challenges in maintaining relevance and competitiveness amidst the constant flow of information and changing trends. It is important to investigate the factors that influence consumer perceptions of local cosmetic products, market trends that influence consumer preferences, as well as the challenges faced by local cosmetic products in facing competition in the digital market.

Consumer perceptions of cosmetic products are influenced by various factors, including brand image, product quality, and popular beauty trends (Putri et al., 2024). In today's digital era, market trends often change rapidly due to the influence of social media and celebrity influence (Wicaksono & Maryana, 2021). The market need for local cosmetic products is also growing along with increased awareness of sustainability, ingredient safety, and compatibility with various skin types (Fitriana, 2023). However, local cosmetic products often face challenges in competing in the digital market, including competition with international brands that have larger marketing budgets, logistical challenges related to product delivery, and building consumer trust in the quality and safety of local products (Irawati & Prasetyo, 2021).

Local cosmetic products need to increase their visibility through effective digital marketing strategies, including collaboration with local influencers and the use of social media to reach potential consumers in the face of existing challenges. In addition, it is important for them to focus on product innovations that meet consumer needs and preferences and emphasise the advantages of local products, such as the use of natural ingredients and environmental sustainability. By strengthening their brand and reputation in the digital market, local cosmetic products can expand their market share and compete more effectively with international brands.

Digital platforms can be optimally utilised to increase brand awareness and sales conversion of local cosmetic products through several strategic approaches. Firstly, by utilising social media, local cosmetic manufacturers can build a strong brand presence by sharing content that is relevant, engaging and valuable to their audience. By actively interacting with their followers, brands can build strong relationships and expand their brand reach. Secondly, collaboration with influencers and content creators who have a large and engaged following can help in increasing brand awareness and expanding the reachable audience. Thirdly, using the right SEO and SEM techniques can help in increasing brand visibility in search engines and strengthen the brand's position in consumers' minds. In addition, optimising the user experience on websites and e-commerce applications, including the creation of engaging and easy-to-navigate content, can help in increasing sales conversions. By effectively combining these various strategies, local cosmetics manufacturers can increase their brand awareness and improve sales conversion of their products in the digital marketplace, thereby helping in expanding their market share.

Social media marketing is one of the highly effective strategies that allow brands to interact directly with consumers and build closer relationships through platforms such as Instagram, Facebook, and TikTok. However, the effectiveness of this strategy may vary depending on the brand's intelligence in targeting relevant audiences and being consistent in conveying brand messages.

Findings by (Azizah et al., 2021) indicate that the use of TikTok social media marketing has a positive impact on increasing brand awareness and consumer interest in purchasing cosmetic products. Another study by (Rudyanto, 2018) shows that there is a significant relationship between social media and consumer purchase intention, with consumer engagement playing a role as a mediator variable that influences social media users to have purchase intentions.

Online advertising is also a powerful tool to increase brand awareness and influence consumer purchasing decisions. Smart and relevant use of advertising, whether through Google Ads or other platforms such as YouTube and Facebook Ads can yield significant results in increasing website traffic and sales conversions. However, the main challenge is the cost associated with online advertising which requires a significant budget to achieve the desired results.

Findings from research (Yunefa & Sabardini, 2021) show that only advertising has an impact on purchasing decisions. Supported by (Pramesthi & Prasetyo, 2023) which shows that exposure to the "Waktu Indonesia Belanja" advertisement positively contributes 71.9% to the formation of brand awareness on the Tokopedia online buying and selling platform.

SEO (Search Engine Optimisation) is an important strategy to increase brand visibility in online search results. By improving their website's ranking on search results pages, cosmetic brands can reach more consumers who are looking for their products online. Although the SEO process requires time and continuous effort, this investment can bring significant long-term results in increasing organic traffic and boosting sales.

Research by (Abdul et al., 2022) shows that simultaneous trials of content marketing, search engine optimization and social media marketing have a significant impact on purchasing decisions. Supported by research (Alwi et al., 2022) shows that Search Engine Optimization has a positive and significant impact on purchase intention at JD.ID.

Content marketing is also an important aspect of an effective digital marketing strategy. Cosmetic brands can create engaging and relevant content, such as beauty tutorials, product reviews, and beauty articles, to attract consumer interest and establish brand authority within the industry. Quality content can also increase social interaction and sharing, expanding the brand's reach organically.

Research by (Fadhilah & Saputra, 2021) shows that content marketing and E-WoM campaigns on the TikTok social media platform jointly influence the purchasing decisions of Generation Z consumers, with the impact reaching 39.1%. In addition, findings from research (Chandra & Sari, 2021) show that content marketing has an impact on customer engagement from LazadaID's Instagram account.

Overall, this evaluation of various digital marketing strategies shows that there is no one-size-fits-all approach. However, a smart combination of several strategies, customised to the brand's needs and target market, can yield optimal results in increasing the presence and sales of cosmetic products in a rapidly changing digital environment.

Developing a relevant digital marketing strategy for local cosmetic products can be done by identifying the right target audience through in-depth research on their demographics, shopping behaviour and beauty needs. After that, digital platforms that match the characteristics of the audience are chosen, such as Instagram or TikTok for the younger generation, and Facebook or LinkedIn for the older or professional demographics. Engaging content such as beauty tutorials, product reviews, and customer testimonials are then created to build engagement with the audience. It is important to regularly measure the performance of marketing campaigns using relevant metrics, such as engagement and conversion rates, and optimise strategies based on the data obtained. Collaboration with local beauty influencers and communities can also be an effective strategy to increase product visibility. In addition, a seamless customer experience from product discovery to purchase and responsive customer service are important factors in retaining customers and building brand loyalty. Finally, SEO and SEM strategies can also be used to increase your product's online visibility through search engine optimisation and paid advertising.

The implementation of digital marketing strategies such as utilising social media marketing, online advertising, SEO, and content marketing can make a significant positive impact in increasing the market share of local cosmetic products. Direct interaction with consumers through social media, companies can build closer relationships and strengthen brand loyalty. Smart and relevant online advertisements can increase brand awareness and drive greater traffic to the company's website. Meanwhile, SEO strategies can increase brand visibility in online search results, helping consumers find products more easily. Thus, implementing the right digital marketing strategy can be the key to expanding the market and boosting business growth for local cosmetic product manufacturers.

CONCLUSION

Based on the discussion that has been outlined, the importance of digital marketing strategies in improving the competitiveness of local cosmetic products in an increasingly competitive market. From the evaluation of various digital marketing strategies, such as social media marketing, online advertising, SEO, and content marketing, it is seen that an integrated and customised approach to brand needs can bring a significant positive impact in increasing the visibility, brand awareness, and ultimately sales of local cosmetic products. By understanding consumer preferences and adopting the right strategies, local cosmetic product manufacturers have the potential to expand their market share, strengthen their position in the industry, and achieve long-term success in this ever-evolving digital era.

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