

## **SHOPEE'S E-COMMERCE MARKETING STRATEGY IN INTERNATIONAL BUSINESS**

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### **ABSTRACT**

The lifestyle of modern society and economy has been shaped by the advancement and evolution of information technology. Shopee implements worldwide marketing strategies to achieve success in foreign businesses, due to the high number of internet users and the desire to shop online. This study uses a descriptive approach and uses a qualitative strategy. Secondary data were collected through literature review found in various materials, including scientific journals and novels. The purpose of this research is to find out how Shopee's marketing approach has developed and grown in foreign markets. According to the findings of this study, Shopee uses a combination of techniques, including a pull approach and a push strategy, to increase consumer loyalty. Shopee has launched Shopee Streamer Academy, a new curriculum. Shopee's new program is a one of a kind marketing public relations approach to influencing public perception, which benefits the company's sales.

**Keywords:** *International Business, Marketing Public Relations Strategy, Shopee, Marketing Strategy.*

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## **INTRODUCTION**

People's lifestyles are gradually changing along with the growth and development of technology in the rapidly developing era of globalization. Computers which currently play an important role in the dissemination of information and will continue to increase with the internet is one of the technical advances. The Internet can provide information to the entire population regardless of time and location. Human lifestyles are becoming increasingly instant and easy in this day and age as a result of high mobility in daily activities. The ability to shop online is one of the benefits that people get. Buying and selling online has become a new trend in society since the birth of the internet. As a result of the changing world, the fourth industrial revolution makes it easier for humans to access various types of information through the internet. The Internet and advances in information technology can help shape the nature of service delivery and impact service delivery change processes.

According to research from We Are Social and HootSuite, the world population is estimated to be around 7.83 billion people in January 2021, with 4.66 billion people using the internet (59.5 percent). In Indonesia, 25% of internet users are active in buying and selling

goods in E-commerce using a computer or laptop, while the remaining 80% use mobile phones to buy and sell products in E-commerce. E-commerce refers to the sale or purchase of goods or services using an internet network that is specifically equipped to receive orders. Purchases of goods or services can be made online, but payment for these purchases does not have to be made that way.

The rapid and growing progress of the E-Commerce industry has prompted the emergence of many new E-Commerce businesses that offer a variety of attractive benefits and conveniences, resulting in increased competition among significant E-Commerce businesses to gain top rankings in various categories. Companies must have their own identity to improve consumer purchasing decisions when competing. Advertising on television or social media, for example, has a very short time span of minutes or even seconds, so the company slogan becomes very significant. The tagline must be innovative and unique in order to attract the attention of consumers and persuade them to buy the product being promoted.

Many people, both inside and outside Indonesia, have turned to online shopping to buy the things they want. Shopee has also enlivened this business thanks to the continuous growth of E-Commerce. Since 2015, SEA Group has officially managed Shopee, an online retail platform. Shopee concentrates its efforts on the mobile platform, making it easy for users to search, shop and sell right from their phone.

Shopee soon expanded its business by launching products in Indonesia, Thailand, Malaysia, Taiwan, Vietnam, and the Philippines, among other countries. Shopee was named the best E-Commerce site in Southeast Asia to attract the most traffic. For that, Shopee relies on the company's marketing strategy. In 2019, Shopee attracted around 2.1 billion web visitors.

The process of planning, pricing, and advertising a company's goods or services to customers for a profit is known as international marketing. In conducting research, forecasting, and designing strategies to sell goods in target country markets, international marketing plays an important role. International strategy is a company's international business strategy that implements business strategies in domestic and foreign markets by analyzing opportunities that local competitors do not have.

Shopee uses various international strategies, one of which is public relations marketing as a business development approach. Public relations marketing is a technique for disseminating information, providing education, increasing trust and confidence, and gaining sympathy and support from the general public (John Wiley & Sons, Inc. Hermawan, 2012). To achieve the desired goal, three public relations marketing strategies (Three Ways Strategy) can be used, namely push strategy, pull strategy, and pass strategy (Ruslan, 2010). Combining marketing and public relations with advertising can help you get more of the results you want, and it's also great for increasing customer brand awareness and knowledge.

## **METHOD**

This study uses a descriptive approach and uses a qualitative strategy. This research is based on secondary data collection, with literature study as a data collection technique. Library research is a data collection technique that involves collecting data and information from various sources, such as scientific journals, books, photos, and other electronic media, to support certain claims made in a study (Sugiyono, 2015). To show in detail the marketing

strategy or a broad or real picture of the evolution of the marketing strategy carried out by Shopee E-Commerce, any information obtained will be sorted by sentence in the analysis of this research.

## **RESULTS AND DISCUSSION**

To grow its business worldwide, Shopee has implemented many strategic marketing initiatives, including Shopee guarantee, free shipping, lowest price guarantee, and Big Mobile Shopping Day campaign. Shopee uses various international strategies, one of which is public relations marketing as a business development approach. Public relations marketing is a technique for disseminating information, providing education, increasing trust and confidence, and gaining sympathy and support from the general public (John Wiley & Sons, Inc. Hermawan, 2012). To achieve the desired goal, three public relations marketing strategies (Three Ways Strategy) can be used, namely push strategy, pull strategy, and pass strategy (Ruslan, 2010). A push strategy is a marketing approach used to showcase a brand's product or service in front of people. A pull strategy, on the other hand, focuses on using consumer advertising to build brand loyalty and keep customers coming back. While the pass strategy is defined as a strategy that focuses on the company's participation in community activities that involve selecting information to have an impact or build a positive public perception of the company. Combining marketing and public relations with advertising can help you get more of the results you want, and it's also great for increasing customer brand awareness and knowledge.

Shopee's newest feature, Shopee Live, debuted in 2016. Through this live broadcast, shoppers can more easily ask questions about products provided by manufacturers, and they will be answered quickly and directly on the spot. Furthermore, users who are interested in purchasing products from this business can use the shopping cart function during the live broadcast to purchase related products. Not only that, but they can also be accessed after the live broadcast through their own account and replayed after the live broadcast ends.

Through the Shopee Streamer Academy program, Shopee also applies a combination of pull and pass strategies in the application of marketing public relations. The pull approach is used here by emphasizing the use of advertising and promotional activities to consumers in order to increase consumer demand and build product loyalty (Ruslan, 2010). Shopee Streamer is one of the features of the Shopee program, and it's a great way to make money and grow your business. Shopee, an e-commerce platform, promotes customers to purchase products by arousing their interest through an attractive display of materials made by steamers. Despite the fact that Shopee Streamer Academy is not a community, this interpretation is correct. Steamers are responsible for connecting the company with its customers. Furthermore, steamers as a third party assist companies in increasing public awareness, especially for products related to content discussed and purchased through the Shopee application.

Shopee also examines the behavior, mindset, and desires of the target community. One of them is Shopee's new advertising program, which features K-Pop idols as performers or commercials. Shopee uses three approaches based on Thomas L. Harris' A to Z marketing public relations concept: competition, demonstration, and product placement (Harris, 1993).

A competition is a contest in which a group of people compete for a prize. Public relations using the competition method in conducting promotions obtain various benefits, including increasing public interest by giving prizes or awards to contestants who win the competition. In order to enliven the broadcast of KCON: TACT 2020 Summer on Shopee Live, Shopee launched the KPOP Stream Competition on June 20-26 2020. KCON: TACT 2020 is a Korean pop music festival which is often referred to as Korean Pop or K-Pop. , which was broadcast online through a live streaming platform and featured a number of well-known Korean musicians, including Black Pink, GFRIEND, Chungha, ITZY, Monsta X, and others. To excite K-Pop fans in Indonesia, Shopee sponsored a live broadcast competition on Shopee Live with the topic of Korean culture.

The second strategy method is demo, which Shopee uses by allowing streamers to present product usage from the customer's perspective. Shopee uses product placement tactics as a last resort. Product placement, according to Karrh, is the process of introducing products from a particular company into the mass media platform using audio, audiovisual, or visual media (Karrh, 1998). The first component of product placement is the placement of a screen to display the brand in plain view, such as an advertising banner on a street. The dialogue describing the brand is the location of the second script. The third element is plot placement, which helps develop the storyline. When streamers create product review content, these three principles are used.

Shopee also comes with new ideas such as discounts, free shipping throughout Indonesia, and other interesting offers. Of course, people will be interested in buying goods from Shopee E-Commerce. Shopee has also narrowed the gap between itself and other E-Commerce platforms that have been around for a long time in Indonesia. From 10.10 mobile shopping campaigns onwards. However, this shopping campaign is usually carried out every month according to the results of the previous month, and has been proven to increase consumers' purchasing power. The marketing strategy that has been designed in such a way must be accompanied by a service strategy for prospective buyers, because service quality is a determining factor for consumer happiness.

Everything Shopee does as part of its overseas business activities is based on an international marketing strategy. Foreign marketing tactics are intended to improve international marketing performance. The worldwide marketing strategy has a significant impact on a company's reputation and brand awareness. An effective marketing plan will result in marketing benefits and increased trade as it attracts many new customers, enables Shopee to conduct international trade exchanges and serves as a link between the domestic and global economies.

## **CONCLUSION**

The advancement of life combined with the availability of information and communication technology, as well as the use of the internet, has resulted in the creation of a multinational business. Consumers play an important role in shaping all commercial and manufacturing operations in the modern economy, so businesses that emerge in this era must be able to match their desires. Every business is involved in consumer marketing to determine what the market needs. International marketing is the practice of applying

marketing principles, methodologies and tactics to target foreign markets. The company's ability to understand the wants and needs of key markets and distribute its products and services in an international commercial setting is the key to success in international marketing. Companies must research the habits, mindsets and tastes of foreign consumers in order to compete in the international market. Shopee, as one of the E-Commerce companies that has successfully penetrated the Asian market, has used its public relations marketing plan to adopt various approaches to international marketing strategies. To increase consumer loyalty, Shopee uses a combination of pull and pass strategies. Furthermore, with three steps implemented, the Shopee Streamer Academy program becomes an international marketing tool, including competitions (organizers of the K-Pop Stream Competition), demonstrations (presenting material such as product reviews), and product placement (packaging content in livestreams). The company's strategic methods include providing easy and effective access in ordering and purchasing products for consumers, especially Shopee application users

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