



Banking Product Marketing Strategy through Instagram Social Media in the Middle of the Covid-19 Pandemic

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Abstract- The banking industry, especially BPR, has been affected by the COVID-19 pandemic. BPR Lestari wrote in a release that their assets grew in the midst of a pandemic. It is known that this bank is quite active in using social media even before the COVID-19 pandemic emerged. The purpose of this study was to find out how to implement changes in marketing strategies from conventional to marketing strategies through social media, especially Instagram in the midst of the COVID-19 pandemic. In this study, the sampling technique used was purposive sampling. Using data analysis techniques carried out in four steps, namely data collection, data reduction, data presentation and drawing conclusions/verification. The research validity test is the source triangulation test. The result of this study reveals that BPR Lestari has made maximum use of social media Instagram in supporting its marketing process in the midst of this COVID19 pandemic. Instagram BPR Lestari can fulfill every stage of the 5A concept (Aware, appeal, ask, act, and advocate) Marketing 4.0. Where the indicator for the success of marketing 4.0, namely at the advocate stage, has been achieved by BPR Lestari, as evidenced by the recommendations made either directly or through the Instagram share feature voluntarily by the customers of this bank. It can be concluded that the role of Instagram social media and digital marketing transformation has made BPR Lestari survive in the midst of the pandemic and even experience an increase in its assets.

Keywords: Digital Marketing; Instagram; Marketing 4.0

I. INTRODUCTION

At the end of 2019, there was a virus outbreak that allegedly first appeared in the city of Wuhan, Hubei province, China. Then the virus quickly spread throughout the world and was declared a global pandemic by WHO. The Director General of Taxes at the Ministry of Finance, Suryo Utomo, explained the three impacts of the corona virus pandemic on the economy. The first impact, household consumption or purchasing power which is the pillar of 60 percent of the economy fell quite deep. This is evidenced by data from BPS which recorded household consumption fell from 5.02 percent in the first quarter of 2019 to 2.84 percent in the first quarter of this year. Second, the pandemic creates prolonged uncertainty so that investment also weakens

and has implications for the cessation of business. Third, the entire world is experiencing a weakening economy, causing commodity prices to fall and Indonesia's exports to several countries also stalling (cnnindonesia.com, July 14, 2020).

The banking industry, especially BPR, has also been affected by the COVID-19 pandemic. Based on a survey conducted by KPw BI Bali, it showed that in the second quarter of 2020, the development of commercial bank assets and deposits showed a slowdown and even a decline, the same condition also occurred in the BPR industry (bisnisbali.com, July 17, 2020). However, the impact of the COVID-19 pandemic is not too significant for the number one BPR in Bali, namely BPR Lestari. BPR Lestari wrote in a release that their assets grew by 8.5% or Rp.

479 billion year on year so that currently they reach assets of Rp. 6.1 Trillion. It is known that this bank is quite active in using social media even before the COVID-19 pandemic emerged. It is proven by the existence of several official accounts of this bank on various social media. As of August 2020, BPR Lestari's Instagram account has 22,300 followers, a Facebook account with 29,788 followers, and a Twitter account with 14,800 followers.



Figure 1. Capture social media BPR Lestari

In this era of the COVID-19 pandemic, companies are required to be able to adapt to the social distancing policy launched by the government. One of these adaptation efforts is a digital-based marketing strategy or better known as "digital marketing". One form of digital marketing is promotional efforts by utilizing social media. One of the most popular social media is Instagram. Instagram provides a platform where users and companies can communicate publicly and directly, this makes Instagram an ideal platform for companies or brands to connect with consumers and target consumers (<http://su.diva-portal.org/>). BPR Lestari, which already has tens of thousands of followers on Instagram, certainly benefits from this, and this bank's activity on Instagram social media may be one of the key factors that prevent this bank from being significantly affected by the COVID-19 pandemic. Therefore, researchers are interested in proving this possibility and also exploring how BPR Lestari's strategy is in utilizing social media, especially Instagram to market their products in the midst of the COVID-19 pandemic.

A study that examines the use of social media in the marketing strategy of a product has been carried out previously by several researchers, including [Alfian & Nilowardono \(2019\)](#) that analyze the extent of Social Media Marketing Instagram, Word of Mouth, and Brand Awareness of purchasing decisions at Arthenis Tour and Travel. The result of their study showed that social Media Marketing Instagram, Word of Mouth, and Brand Awareness simultaneously have a significant effect on purchasing decisions at Arthenis Tour and Travel 2. In addition, Instagram Social Media Marketing, Word of Mouth, and Brand Awareness partially affected the purchasing decisions at Arthenis Tour and

Travel. [Susanto et al. \(2021\)](#) also examined a similar study that revealed Social Media Phenomenon in Time of COVID-19 Pandemic for Boosting Start-Up Businesses through Digital Ecosystem. The result of their study revealed that there are many uses of social media in time of COVID-19 pandemic for boosting business start-ups, which have been addressed in this study. Social media connects people across the globe where they are able to keep in contact and share their experiences. This is made possible by the digital ecosystem. Another similar study was also conducted by [Ara Eti et al. \(2021\)](#) that examined power and stimulus of social media marketing on consumer purchase intention in Bangladesh during the COVID-19. The results of this study showed that social media marketing (Facebook, Instagram, and YouTube) was a significant stimulus on consumers purchase intention during COVID-19 and all factors except discount or coupon offer and brand awareness had an epoch-making and constructive connection with consumers' purchase intention during the coronavirus malady (COVID-19) pandemic in Bangladesh.

Based on the background and the previous studies above, it can be stated that there has never been a study on the use of social media in the marketing strategy of a product in the banking field. Therefore, this research aims to find out how to implement changes in marketing strategies from conventional to marketing strategies through social media, especially Instagram in the midst of the COVID-19 pandemic.

II. CONCEPT

Marketing Strategy

Every company that wants to grow must have prepared its own marketing strategy. Marketing strategy is a marketing logic by which companies hope to create customer value and achieve profitable relationships ([Kotler and Armstrong, 2006](#)) in [Dewi Kurniawatin \(2015\)](#)). Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products of value with others ([Kotler & Armstrong, \(2004:7\)](#); [Handika & Darma, \(2018\)](#); [Adnyana & Darma \(2015\)](#) and [Darma, \(2015\)](#)).

Marketing Mix

According to [Kotler & Armstrong \(2012:92\)](#); [Darma \(2006\)](#), "Marketing mix is good marketing tools, is a set of product,

pricing, promotion, distribution combine to produce the desire response of the target market". The marketing mix or called the Marketing Mix is a collection of variables that can be used by companies to influence consumer responses. In other words, this is an absolute marketing strategy to offer a product. The variables that can influence buyers are the so-called 7Ps (Product, Price, Place, Promotion, Process, People, and Physical Evidence).

Digital Marketing

According to Urban (2004:2), digital marketing is a marketing technique using the internet and information technology to expand and enhance traditional marketing functions. This definition concentrates on all traditional marketing. We can also state that opinions such as "interactive marketing", "one-to-one marketing" and "e-marketing" are closely related to "digital marketing". use of other interactive technologies to create and connect dialogues between companies and identified consumers. They also argue that e-marketing is part of e-commerce.

Transforming Traditional Marketing to Digital Marketing

Digital marketing is not meant to replace traditional marketing. Instead, they must coexist with complementary roles on the customer path. In the early stages of interaction between companies and customers, traditional marketing plays a major role in building awareness and interest.

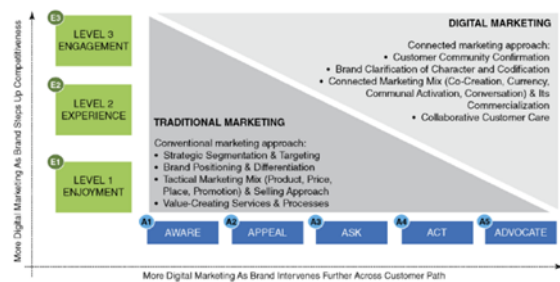


Figure 2. The Complementary Roles of Traditional and Digital Marketing

Understanding the Change of Concept 4A to Concept 5A Similar to the 4Ps of marketing (product, price, place and promotion), the AIDA concept has undergone several expansions and modifications.

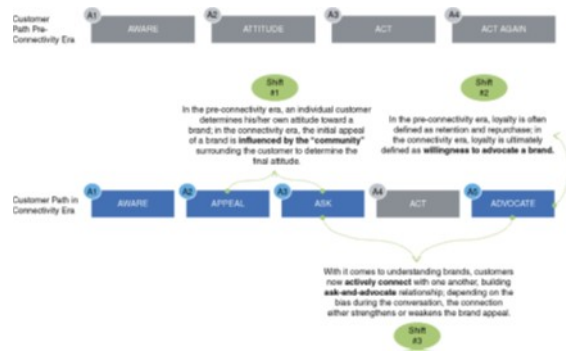


Figure 3. Shifting Customer Paths in a Connected World

Mark Plus, Inc. (Philip Kotler, Hermawan Kartajaya and Iwan Setiawan) came up with a new customer path concept, which was previously named "Concept 4A". To this concept, one more point is added, namely "advocate" which is later referred to as "Concept 5A" which consists of: aware, appeal, ask, act, and advocate.

Social Media

Kotler and Keller (2016: 642) define social media as a tool or method used by consumers to share information in the form of text, images, audio, and video with other people and companies or vice versa. According to Caleb & Rebecca (2015) and Arsriani & Darma (2013), social media is an internet-based media that allows users the opportunity to interact and present themselves, either immediately or delayed, with a wide audience or not, which encourages the value of user-generated content. and perceptions of interactions with others.

Marketing through Social Media

According to Salvatore (2005), social media marketing is a marketing medium that is carried out online with community involvement in it to form a market in cyberspace.

Instagram

The name Instagram is taken from the word "Insta", which comes from "Instant", and "gram" from the word "telegram". So Instagram is a combination of the words Instant-Telegram. From the use of the word, it can be interpreted that Instagram is an application for sending information quickly, namely in the form of photos in the form of managing photos, editing photos, and sharing to other social networks. (Ghazali, 2016).

Impact of COVID-19 on the Economy

The Director General of Taxes at the Ministry of Finance, Suryo Utomo, explained

the three impacts of the corona virus pandemic on the economy. The first impact, household consumption or purchasing power, which is the pillar of 60 percent of the economy, fell quite deeply. This is evidenced by data from BPS which recorded household consumption fell from 5.02 percent in the first quarter of 2019 to 2.84 percent in the first quarter of this year. Second, the pandemic creates prolonged uncertainty so that investment also weakens and has implications for the cessation of business. Third, the entire world is experiencing a weakening economy, causing commodity prices to fall and Indonesia's exports to several countries also stalling (cnnindonesia.com, 14 July 2020).

Government Policy during the COVID-19

Pandemic various countries have implemented social distancing (social distancing restrictions) designed to reduce interactions between people in the wider community, where individuals may be infected but have not been identified and thus have not been isolated (Smith & Freedman, 2020).

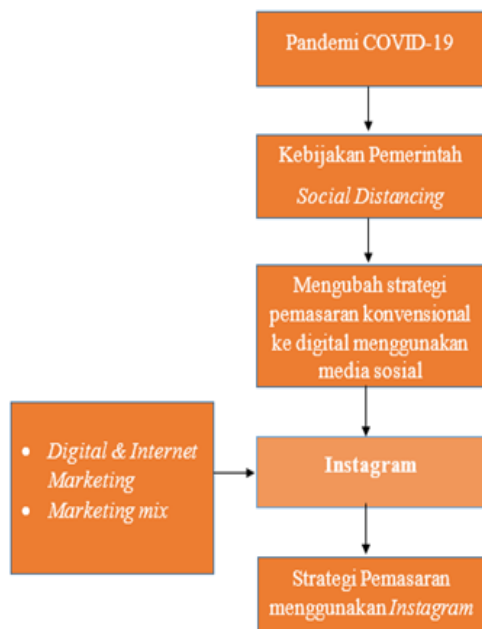


Figure 4. Conceptual Framework

III. METHOD

The research design used is qualitative research. Qualitative research, according to Lexy J. Moelong (2007:6) is research that intends to understand the phenomenon of what is experienced by research subjects such as behavior, perception, motivation, action and others. The research was conducted at PT BPR Lestari Bali. In this study, the sampling technique used was purposive sampling,

namely the sampling technique/informant based on certain considerations in accordance with the objectives and benefits of the research. The consideration in question is an understanding of the problem under study and is considered the most knowledgeable about what the researcher expects. The researcher also emphasized the importance of unbiased perception in answering questions in order to obtain realistic and accurate data. Related to these considerations, the informants in this study include the Digital Marketing Team, the Head of Digital Marketing, the Operations Directors, and BPR Lestari Customers who have followed the BPR Lestari Instagram account. Information was collected by conducting interviews, and documentation. This study uses data analysis techniques carried out in four steps, namely data collection, data reduction, data presentation and conclusion drawing/verification. The research validity test is the source triangulation test.

IV. RESULT AND DISCUSSION

The implementation of the 4.0 marketing strategy at PT BPR Lestari can be described as follows:

Aware

This initial stage is the stage where marketing is aimed at making consumers aware of the existence of PT BPR Lestari. In this industrial era 4.0, information services can be disseminated by utilizing the sophistication of technology and the internet, for example through social media. In order to build consumer awareness, PT BPR Lestari has been doing digital marketing since 6 years ago and using social media Instagram for 4-5 years, which means it has been done several years before the COVID19 pandemic emerged. Although it is relatively slow compared to other conventional banks that have already done digital marketing, this step is a good foundation because when the pandemic has occurred, supported by a large number of followers, namely twenty five thousand followers on Instagram, making BPR Lestari no difficulty in doing marketing in the middle of a pandemic.

Appeal

After consumers are aware of the existence of PT BPR Lestari, there will be interest from consumers. This interest is a very important factor because the first step for consumers to have the desire to become customers is at this stage. At this stage, a

company can offer interesting activities or programs so that it can further convince consumers to enter the next stage. At this stage, consumers will find out more about a company that has attracted their interest. This is where the role of the Instagram social media feed feature can be utilized. BPR Lestari's Instagram feed is quite neat and quite active (three to four times a day) in uploading their feed material, this is not surprising because PT BPR Lestari manages it professionally using the Digital Marketing Team. A neat Instagram feed can create good branding in the eyes of consumers, namely a company can be seen as professional and serious in managing its business. In addition to the feed feature, BPR Lestari also uses the stories feature on their Instagram social media. The thing that is uploaded is not far from the feed which aims to reach more viewers.

Ask

The interest that is born from these consumers will raise many questions about BPR Lestari. Questions that often arise such as where is the exact location of the existence of BPR Lestari, operational times of BPR Lestari, banking products offered by BPR Lestari, the benefits of becoming a customer of BPR Lestari. The answers to these questions should be easily obtained by potential customers so that they are sure to become customers at BPR Lestari. The uniqueness of this 4.0 industrial era is that the answers to these questions can be obtained only by looking at a company's social media without the need to directly ask customer service. Therefore, a company's social media must be made in such a way that it can answer these questions. This is where the role of the feed, stories and highlights from Instagram social media features can be utilized. The material on BPR Lestari's feeds, stories, and Instagram highlights is diverse, not only about the profile of BPR itself, but also programs or events, banking products offered, content containing tips and tricks related to finance, and testimonials from BPR Lestari customers which of course aims to convince new customers to join as BPR Lestari customers. In addition, the role of customer service can also be assisted with the Instagram comment and direct message features. The advantage of the comment feature is that it can be seen by more than one consumer so that consumers who have the same question can simply see the reply from the Instagram account admin on the comment in question. While the direct message feature is more personal.

Act

When consumers have found all the answers in the "ask" stage, the public will make direct visits to PT BPR Lestari or even become customers directly. The COVID pandemic has forced PT BPR Lestari to innovate as well as adapt to the PSBB policy by the government, namely developing several products that make it easier for customers such as Lestari Mobile which makes customers not need to go out in the midst of a pandemic and can make transactions using smartphones. With Lestari Mobile, consumers can carry out digital banking activities, one of which can register as a customer through this application. The role of Instagram is to include a link that is directly connected to Lestari Mobile.

Advocate

The final step that is expected after consumers become customers is to encourage or recommend their community to also visit BPR Lestari's Instagram. On Instagram, advocacy can be developed using the likes, comments, and share features. According to the BPR Lestari Digital Marketing Team, the impact of the pandemic for this stage is very large because it is clear that there are differences in the number of likes, shares, and comments before and after the pandemic. Before the pandemic, the BPR Lestari Digital Marketing Team was more aggressive in uploading on feeds and stories so that the number of likes, shares, and comments also increased. This may also be due to an increase in the use of social media in the midst of the COVID-19 pandemic. In order to increase the number of comments, BPR Lestari hints or provides feedback by uploading something that makes followers comment. In addition to advocacy, at this stage, a company must be able to maintain the loyalty of its consumers. In this case, BPR Lestari has built more than 1000 merchants related to the Lestari Discount program.

V. CONCLUSION

Based on the findings, it can be seen that BPR Lestari has made maximum use of Instagram social media in supporting its marketing process in the midst of the COVID19 pandemic. Instagram BPR Lestari can fulfill every stage of the 5A concept (Aware, appeal, ask, act, and advocate) Marketing 4.0. Where the indicator for the success of marketing 4.0, namely at the advocate stage, has been achieved by BPR Lestari, as evidenced by the recommendations made either directly or through the Instagram

share feature voluntarily by the customers of this bank. It can be concluded that the role of Instagram social media and digital marketing transformation has made BPR Lestari survive in the midst of the pandemic and even experience an increase in its assets.

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