



Live Streaming Technology As A Marketing Strategy during The Covid-19 Pandemic: Case Study on “Thrifted From Us” Online Shop

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Abstract

Industrial Revolution 4.0 is a phase of the technological revolution, which when it had taken place, became a transformation felt by the society throughout their life experiences. It is undeniable that technological development greatly impacts many aspects of human life, such as online business. Various companies compete with one another in providing innovative features to win the market competition. Shopee, one of the biggest e-commerce in Indonesia, also uses an application as their business technology as one of its features to ease in serving and reaching its consumers. Shopee gives a new experience for its users (the sellers and the buyers) to interact directly (through online transactions). Therefore, this research analyzed the use of technology as a marketing strategy during the pandemic provided in Shopee e-commerce. The marketing strategy used as the research samples were marketing mix and STP segmentation, targeting, and positioning. This research used a descriptive qualitative method which aims to describe various situations, conditions, or social realities in society as the research object and to bring out the reality to the surface as a trait or character of a phenomenon. The result of this research indicates that technological development has a significant impact, such as that of seen in the increasing demand for the Thrifted from Us's product during the pandemic and the marketing strategy the Thrifted from Us used during the pandemic, in which this situation demands society to stay at home and lead to the increase in shopping activities, while the technological development towards the level of sales of Thrifted from Us also lift up.

Keywords: live streaming technology; marketing mix; segmentation; targeting; positioning

Introduction

In the present industrial revolution 4.0, the world's development is often connected to technology advancement and naturally that technology advancement affects all aspects in life. In line with that advancement, e-commerce plays an important role in society,

caused by transaction which were one of the fundamental needs of the society. E-commerce creates a new economic system which connects producer, seller, and consumer through a technology which were never done before. E-commerce advancement is being the vessel provided for society so they can interact with each other and carry out business activities. This technology advancement creates a change in society's behaviors in shopping. This change in behavior is marked by society who usually go to a physical store to shop changed to shopping behaviors through e-commerce platforms, this phenomenon is a transformation from a traditional to a modern society.

Technology advancement specifically the Live Streaming feature on e-commerce continues to develop in Indonesia. That technology advancement goes hand in hand with humanity's development. It combines live streaming video experience with online shopping experience to provide consumers with commodities-related video content to influence their purchase decisions and promote the conclusion of transactions between buyers and sellers (Yang & Lee, 2018). With the development of e-commerce and the widespread popularization and application of the Internet, live streaming e-commerce has become an important retail e-commerce model. In Indonesia, at present, many retail e-commerce platforms has launched the operation mode of live-streaming e-commerce, such as Shopee live streaming is a representative product in the field of live streaming e-commerce. The users of Shopee live streaming platform include three roles: merchants, streamers and consumers. Merchants are providers of products and services that would like to increase sales and brand awareness. By providing live streaming content, streamers sell goods and services for merchants and help merchants to promote their brands. Streamers themselves could also act as merchants. Consumers are the receivers of information. By watching live streaming video, consumers could meet their both purchasing needs and entertainment needs (Yang & Lee, 2018).

Indonesian Shopee is one of the top 5 e-commerce in Indonesia. All sorts of products needed by the society is provided in that platform. Shopee's business model was first introduced as Customer to Customer (C2C) and has now develop to a hybrid model and Business to Customer (B2C). Shopee develops not only in business model but also as a platform. Shopee is always innovating and initiates to create new experiences in shopping online for its customers. One of it being presenting the Shopee Live feature. Shopee Live is a video live streaming feature where seller can sell and interact with buyer at once using Shopee as a platform. The Shopee Live feature was first launched in June 16th 2019 and was optimized for mobile users. Seller can utilize that feature as a tool to increase selling, build the store's exposure and optimizes the store's branding. Live Streaming is often described as a live show from a network broadcasted to may people at once at the same time as the real event. With live streaming consumer can know the products they're buying in detail such as its material, texture, shape, advantages, and lacking. So, consumer can be more objective and satisfied with their choice in buying or not buying a product. The interaction between seller and buyer is direct marketing. One of the main tools in direct marketing is direct response advertising, where a product is promoted through a media which pushes consumer to interact and buy directly through the producer (Belch & Belch, 2017). Strategy behind an advertisement or any kind of messages has a measurable goal focused on areas such as selling, information, psychologic appeal, emotion, branding, brand reputation and product's position and differentiation from competitors and the best prospection target (Moriarty, Mitchell & Wells, 2015).

Thrifed From Us wouldn't survive this far if entrepreneur didn't keep up with the technology advancement in the COVID-19 pandemic, where buying and selling activities

becomes far more restricted. Based on the preceding description researcher will research on how technology advancement impacts advertising strategy in the COVID-19 pandemic on Thrifted From Us, how Thrifted From Us's situation before and after utilizing technology in the COVID-19 pandemic and the connection between the technology used by Thrifted From Us and the increase in selling during the COVID-19 pandemic.

Literature Review

Live Streaming

According to Tong (2017), Live Streaming combines several elements such as text, photo, voice, and other expressions into broadcasting, in order to make the atmosphere of the live stream become more intuitive, clear, real, and interactive with the viewer. Viewer or audience watching the broadcast can also comment and communicate with each other with the text based conversation feature (Hu et al., 2017). Live streaming feature helps seller to convince consumers of what is being sold and who is selling it.

Marketing Mix

According to Kotler and Keller (2012), marketing mix is a distribution and communication of customer value to market. There are four components of marketing mix to enter the market, which are company should have a good product in accordance with market's target (product). And then that product should have a price in accordance with the market's target (price). The success in entering the market is also decided by the location (place) and through the right promotion (promotion) to make sure that the product could be accepted by the market's target.

1. Product

According to Kotler and Amstrong (2012), product is a unit of goods and services offered by companies to be bought or consumed by the market and fulfill needs.

2. Price

According to Kotler and Amstrong (2012), price is a number of money that the consumer needs to pay to obtain a product.

3. Place

According to Kotler and Amstrong (2012), place includes company's activities in producing products available to market's target. Choosing the right location can affect the increase the profit of a company as a whole (Setyoko, 2013).

A factor that needs to be considered in choosing location is a close distance to industrial areas, offices, central government, market, housing area, number of competitors, and an adequate facilities and infrastructure (Kotler dan Amstrong, 2012).

4. Promotion

Promotion is an activity in communicating a product in order to persuade the market's target audience to buy the product (Tjahjono, 2013). That description is strengthened by

Amalia et al. (2012) whom says that promotion is one of the important things to do in order to open new market opportunities and expand marketing network.

Marketing Strategy Component

1. Segmentation

Firmansyah (2019) segmentation is a process of grouping a heterogenic market into a group that has the same characteristics and needs.

2. Targetting

According to Gunara and Sudibyoy (2007) targeting is a process of choosing a target and match the market's reaction with the fundamental needs, purchasing abilities, and limitations.

3. Positioning

Positioning is a method to place a product in a clear place, different and wanted by the target audience (Kotler, 2012).

Research Methodology

The method used is a qualitative research with case study approach with Thrifted From Us as the object of research. Qualitative research with case study approaches allows to investigate an event, situation, or certain social condition and to give an insight of the process which explain how an event happens (Hodgetts & Stolte, 2012).

The type and source of data is obtained to primary data which is interviews and observations, and secondary data from the second data such as books, articles, journals, internet, and research examples which is in line with this research.

The key information of this research is the founder of and the company Thrifted From Us. The main informant of this research whom is the successor of Thrifted From Us.

The data analyzing technique used in this research is qualitative descriptive analysis. Data were obtained from interviews and observed.

Results and Discussion

Thrifted From Us Marketing Strategy Before and After Using Technology in the COVID-19 Pandemic

Marketing Mix

1. Product

In the product section its clear that during Viva's leadership the products marketed by Thrifted From Us is not always in line with market's demand which means Viva is not really able in identifying the market's demand caused by the lack of knowledge to use the technology to keep up with the current fashion trends. According to Kotler and Amstrong (2012), product is a unit of goods and services offered by companies to be bought or

consumed by the market and fulfill needs. Whereas during Stevanie's leadership, products launched are in line with market's demand because she could interact directly with the consumer in real time through live streaming, furthermore she could also search for the current fashion trends from various social median by utilizing the internet.

2. Price

In the price aspect, during the marketing process Viva also sold the products in a higher price because Viva has to provide a physical store by renting a store building or spend money on renting booths in events. During Stevanie's leadership it could be said that the products were sold in more variative prices and tend to be cheaper since selling in e-commerce platforms Thrifted From Us no longer need to pay rent for store building. All selling systems were done from home online, with cashback promos and shipping cost already borne by the e-commerce. According to Kotler and Amstrong (2012) price is a number of money that the consumer needs to pay to obtain a product. It could be said that in establishing prices Thrifted From Us has no problem.

3. Place

According to Kotler and Amstrong (2012), place includes company's activities in producing products available to market's target. Choosing the right location can affect the increase the profit of a company as a whole (Setyoko, 2013). A factor that needs to be considered in choosing location is a close distance to industrial areas, offices, central government, market, housing area, number of competitors, and an adequate facilities and infrastructure (Kotler dan Amstrong, 2012). During Viva's leadership a shop building were used as a physical store and were located on St. Kapten Pattimura no. 133/417 and attend an event once every three months in various shopping malls in Medan. In Stevanie's leadership she only utilized e-commerce's technology with is the live streaming feature to market her products, whilst not having a physical store and attending any event. During Stevanie's leadership, she doesn't have a physical store but it's not a problem since the COVID-19 pandemic affects to the limitation of face to face activities with consumers, moreover the rule made by the government about the prohibition in holding an offline event becomes one of the advantages in online marketing.

4. Promotion

In promotion aspect it could be seen that Viva uses a simple promotion because she was hoping for consumer from mouth to mouth conversations, meanwhile Stevanie could do live streaming, attending the livestreaming promo event on the days that were decided by the Shopee e-commerce, a practical and transparent paying method, cashback promo with a certain minimum in order and a free shipping cost across Indonesia. According to Amalia et al (2012) promotion is one of the important things to do in order to open new market opportunities and expand marketing network.

Marketing Strategy Component

1. Segmentation

Firmansyah (2019) segmentation is a process of grouping a heterogenic market into a group that has the same characteristics and needs. Segmentation during Viva's leadership doesn't always fulfill the market's demand when it's the key factor in carrying out marketing strategy. Where she doesn't adapt the products with the current trends in fashion. Whereas during Stevanie's leadership she always adapt the products with the market's demand and could always innovate and increase her knowledge in the trending fashion.

2. Targetting

Viva only carries out her marketing in Medan, while Stevanie could market her products all across Indonesia. According to Gunara and Sudibyo (2007) targetting is a process of choosing a target and match the market's reaction with the fundamental needs, purchasing abilities, and limitations.

3. Positioning

Both Viva and Stevanie positions their products as thrifted clothing. Positioning is a method to place a product in a clear place, different and wanted by the target audience (Kotler, 2012). Even though both are thrifted clothing, during Viva's leadership the clothing sold were only tops whilst Stevanie expands the type of clothing like pants, skirts, dresses, and other.

Technology Advancement Impacts Thrifted For Us Marketing Strategy during COVID-19 Pandemic

Technology provided by Shopee e-commerce specifically the live streaming feature could be a solution to deal with marketing strategy problems occurred in this line of work, said by Stevanie as the business manager who carry out marketing strategy using internet which already provides various features that could simplify marketing activities.

In the end marketing with e-commerce using live streaming feature used in early 2020 which was the year where the COVID-19 pandemic started is better than relying on consumer to come directly to a physical store. As for the impact that were received from using technology such as Shopee e-commerce is simplifying and effectively carry out marketing as said by Fauziah and Hedwig (2010) technology as a knowledge of the use of technical devices (both hardware and software on computers) used by human to solve problems so devices used could be used efficiently, easily and well. This thing is in line in what Stevanie said "The impact of e-commerce technology advancement specifically the live streaming feature is more effective for marketing especially during the COVID-19 pandemic.". from the statement stated above researcher took a conclusion that technology advancement plays an important role in the development of "Thrifted From Us" this could be seen from the increase in sales rate because it fulfills the market's demand especially during the COVID-19 pandemic. Shopping alternative provided by Shopee e-commerce during the COVID-19 pandemic, where face to face buying and selling

activities done by Viva in 2017 were limited while consumer still have to fulfill their needs pushes online transaction between seller and buyer to increase.

From the interview above it could be said that the marketing strategy done by Stevanie is successful as she said "Until now the use of e-commerce especially during the COVID-19 pandemic plays an important role because while keeping up with technology advancement Thrifted From Us which were managed by Stevanie grew rapidly compared to during Viva's leadership which relies on consumer visiting a physical store.". This is in line with what Fandy Tjiptono (2000) concluded, marketing strategy is a plan followed by the marketing manager.

Description of Thrifted From Us Situation Before and After Utilizing Technology during the COVID-19 Pandemic

From the analysis result done by the researcher it was shown that during 2017 until early 2020 Thrifted From Us develops its company by using marketing strategy which is physical store and attending events, and utilizing various features provided by e-commerce specifically the live streaming feature Thrifted From Us continues to develop its company and efficiently for their consumer or entrepreneur, other advantages such as entrepreneur gaining knowledge about market's demand according to current trends by interacting directly with the consumer in real time with live streaming using Shopee so entrepreneur can use this knowledge as a reference in the process of buying new products to advertise every month. From the analysis result researcher could conclude that the marketing strategy used by Viva wasn't as successful and developed as now, this doesn't only include profit but also the economy of the worker that are working in the COVID-19 pandemic.

During Stevanie's leadership Thrifted From Us utilizes e-commerce technology since early 2020. The beginning of utilizing e-commerce specifically the live streaming feature was triggered by the decrease of the physical store shopping activity during the COVID-19 pandemic so the marketing activity were done more efficiently and effectively using e-commerce.

The technology advancement used by Thrifted From Us until now is the live streaming feature in Shopee. Alongside with the technology advancement which eases Stevanie to carry out marketing with whomever, wherever, and whenever.

The Connection Between Technology Utilized by Thrifted From Us with Sales Increase during The COVID-19 Pandemic

The increase in sales rate of Thrifted From Us before utilizing technology can be seen in a more detailed way in the Table 1.

Table 1. Sales Rate Before Using Technology

Year	Clothes/year	Sales (Rp)
2017	1500-1650	107,250,000
2018	1700-1750	113,750,000
2019	>1680	109,200,000

Source: Thrifted From Us (2022)

In the Table 1, it can be seen that before the existence of technology which impacts the sales rate of Thrifted From Us marketing strategy led by Viva that experienced a stagnant selling.

Table 2. Sales Rate After Using Technology

Year	Clothes/year	Sales (Rp)
2020	3500	227,500,000
2021	4500	292,500,000
2022	5000	325,000,000

Source: Thrifted From Us (2022)

Based on the analysis result obtained from Thrifted From Us it is known that technology plays an important role in marketing strategies carried out by Thrifted From Us. On Table 2 it could be seen that after utilizing technology the sales rate of Thrifted From Us led by Stevanie experienced a rapid increase in selling compared to the selling in 2017-2019 before utilizing technology. Selling is said to have increased due to the increasing demand specifically during the COVID-19 pandemic.

Conclusions

Based on the result and discussion above several conclusions could be drawn.

1. Technology impacts Thrifted From Us during the COVID-19 pandemic in carrying out marketing strategy, this is caused by Stevanie's leadership where she utilizes Shopee e-commerce features specifically the live streaming feature to advertise products by using marketing strategics such as components to carry out marketing and marketing mix which weren't done during Viva's leadership.
2. Description of Thrifted From Us situation before utilizing technology is said to be not as successful and as profitable, where the marketing strategy during Viva's leadership only relies on consumer who passes by the physical store or mouth to mouth conversations and also doesn't prioritize market's demand and also doesn't keep up with the current trends and attending an event once every three months in various shopping malls in Medan. During Stevanie's leadership all the marketing strategy carried out only utilizes technology in line with the internet development using Shope e-commerce feature specifically live stream feature which is broadcasted in real time and always fulfills the market's demands and keep up with the current trends.
3. The connection between the increase of Thrifted From Us's sales rate as said by Stevanie, the thing that affects the increase in sales is the limitation of the face to face transaction activity and society whom still have to fulfill their needs resolves to online shopping activities.

Suggestion

Based on the research carried out, researcher hopes to give several suggestions which is expected to be useful for Thrifted From Us.

1. Thrifted From Us should keep on following the marketing strategies during Stevanie's leadership which keeps up with the technology advancement resulting in the development of Thrifted From Us and Thrifted From Us getting known widely but it's better to bring back the physical store once the COVID-19 pandemic recedes so the marketing strategy carried out is balanced.
2. In indirect marketing carried out once the COVID-19 pandemic recedes company can add interesting displays and promote in various social media so the consumer who want to try out the clothes and can freely choose the clothes they want.
3. It's ought for Thrifted From Us to increase the variety of products such as bags, shoes or accessories to fulfill the market's demand. Not only to provide clothing, this could slowly change the stigma in society that thrift products are "trash" to product with quality and price that tends to be cheap and consumer can contribute to take care of the environment.
4. Thrifted From Us should educate society of how helpful it is to take care of the environment by shopping thrifted products.

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