Analysis of marketing strategy at JeKo restaurant

Ridho Maulana Putra1, Mian Ivany Banjar Nahor2, I Kadek Dwi Suastika3, Maria Mayasari Tinu4, Mawar Indah5, Ni Kadek Rhiska Lesthari Ardhika6, I Kadek Bagus Pramoedia Sananta7

Politeknik Negeri Bali, Indonesia1,2,3,4,5,6,7
1email: ridhoirhammaulanaputra@gmail.com
2email: mianivanybanjar@students.polmed.ac.id
3email: kdkdwisuastika@gmail.com
4email: mariamayastinu@gmail.com
5email: mawarndh04@gmail.com
6email: rhiskalestari2004@gmail.com
7email: nanta.pramudia04@gmail.com

Abstract - This research aims to find out how marketing strategy is implemented at JeKo. JeKo is classified as a restaurant, but the term “restaurant” is not implied directly in the name. JeKo serves food and beverages for customers but has different ways of managing it. It is different from the other restaurants. It is located at Jalan Lettu Wayan Sutha II, Batuan, Sukawati, Gianyar, Bali. Data is collected by observation, documentation, and interviews. This research finds that JeKo has already applied marketing strategies in some aspects of marketing, especially to attract and maintain its customers.

Keywords: customer retention; customer engagement; innovative practices; marketing strategy; restaurant management

1. Introduction

Tourism is a prominent sector contributing to national foreign exchange, and Bali is one of the most sought-after tourist destinations by both foreign and local tourists (Hitchcock, 2023). The increasing population density opens opportunities for entrepreneurs to venture into the culinary business. Amidst intense competition, restaurant owners compete to devise promotional strategies to sustain their businesses. This situation leads to the emergence of various types of restaurants. The rapidly growing tourism sector significantly impacts economic development, as evidenced by the construction of infrastructure supporting tourism services such as food and beverages (Meyer & Meyer, 2015). Each restaurant strives to highlight its products, whether through a varied menu or unique food presentation. In this competitive business environment, each restaurant employs its own marketing strategy. The level of consumer satisfaction with products and services offers a chance for these consumers to become loyal customers (Akbar & Parvez, 2009). Marketing strategies must align with consumer needs and competitor strategies. Marketing holds the key to success in
exploring, maintaining, and developing a business’s revenue sources. Various marketing efforts are integrated with the company’s goal-achieving strategies (Ella, 2019). JeKo, located at Jalan Lettu Wayan Sutha II, Batuan, Sukawati, Gianyar, Bali, has been selling traditional Balinese food for about six months. This dining establishment is owned by a TikTok content creator named Dewa Ayu Agung Shita Bhoraningrum, commonly known as Yuta.

In this research it will be discussed of (1) how JeKo attracts customers; (2) what marketing strategies have been implemented. (3) what other strategies should be implemented to attract more customers.

The study of marketing strategy has become the most discussion in marketing (Angela et al., 2022). This study explores the implementation of green marketing strategies at FiPuA, a company committed to environmentally friendly practices. The research highlights how FiPuA integrates sustainable principles into its marketing efforts to enhance its brand image and attract eco-conscious consumers. By examining various green marketing initiatives, the study provides insights into the effectiveness of these strategies in fostering customer loyalty and promoting sustainable consumption. The findings suggest that adopting green marketing can lead to competitive advantages and contribute to environmental conservation.

A study of direct marketing strategy was done by Fuadi et al. (2022). The study’s goal is to explore the implementation of direct marketing and its role in enhancing customer loyalty. Grounded in theories of direct marketing and customer loyalty, the research employs observation and interview methods for data collection, with descriptive qualitative analysis to assess the effectiveness of direct marketing efforts. The results demonstrate that direct marketing is vital and has been successfully implemented by the marketing team. Essential elements for boosting customer loyalty are strong consumer relationships and high-quality service.

The research investigated the planning practices of Nigerian firms regarding their marketing programs and the degree of formalization in marketing planning. Findings revealed that while various planning forms were utilized, only around one-third of the firms employed a fully formalized approach, primarily among larger firms. Almost half of the firms substituted marketing plans with forecasts and budgets, attributed to the complexity of marketing planning. The study suggests that businesses should appoint seasoned professionals to head their marketing departments. The study targeted medium to large firms in Lagos with a workforce of 50 or more, as listed in the 1986 Lagos state industrial directory (Ogu, 2024).

The study proposes a marketing model leveraging social media to boost tourist visits to Alas Kedaton, aiming to provide an affordable, effective solution without time and location constraints (Susanto et al., 2023). This is crucial as tourist numbers have not recovered post-Covid-19. Despite the low admission fees, the attraction faces financial challenges due to insufficient visitor numbers. Located in Kukuh village and managed by the local community, the attraction involves villagers in managerial roles and as souvenir sellers who also act as guides. Alas Kedaton, which promotes nature and animal conservation, is ideal for educational purposes, targeting a broad audience, including students and environmentalists. The research gathers primary data via interviews and secondary data from libraries, analysed using qualitative descriptive methods.

2. Method

This study uses a descriptive qualitative research design to provide a detailed description of the marketing strategies implemented by JeKo Restaurant. A qualitative approach was chosen to delve deeper into the experiences and perceptions of customers
and restaurant management (Barnham, 2015). Data was collected using several techniques such as observation, documentation, and interviews. 1). Observation. The researcher was directly involved in daily activities at the restaurant to observe how marketing strategies were implemented in the field. This observation included analyzing the restaurant layout, food presentation, and interactions between staff and customers. 2). Documentation. This research also reviewed internal restaurant documents such as financial reports, marketing reports, and sales data to get a comprehensive picture of the restaurant’s marketing performance. 3). Interviews. It was conducted with the manager and marketing staff of JeKo Restaurant to understand the marketing strategies used, including promotion, pricing, products, and location. Additionally, interviews with customers were conducted to gather feedback on the effectiveness of these marketing strategies.

Strategy is a shared means with long-term goals to be achieved. Business strategies include geographic expansion, diversification, acquisition, product development, market penetration, tightening, divestment, liquidation, and joint ventures. Strategy is a potential action that requires top management decisions and large amounts of company resources. So strategy is an action or activity carried out by a person or company to achieve the targets or objectives that have been set (Naga, 2011).

2). Marketing: Kotler and Keller (2012) quote the American Marketing Association saying that marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and managing customer relationships in a way that benefits the organization and its shareholders. Kotler and Keller (2012) explained that Marketing Mix is a set of tactical marketing tools where all elements of this Marketing Mix itself can be controlled by the company with the aim as one of the functions to find out the response needed by a company's business that comes from target market. In his theory Kotler explained that there were 7 marketing mix elements consisting of product, price, place, promotion, people, process, and physical evidence.

Product, according to Kotler & Keller (2012) about the meaning of the product which is everything that can be offered to the market to get attention, bought, used, or consumed that can satisfy desires or needs. Some things that accompany and complement the products are as follows: a). Branding. It is an identity, term or character that is attached to a work with the intention of recognizing or identifying a product or service. b). Packaging. Activities for designing and making containers. c). Product Quality. Product function capabilities in terms of durabilities, accuracy and ease of operation. There are also levels in a product explained by Kotler and Armstrong (2016), which consists of: a). Core Product. Core Product is a product that only consists of core problems for solving problems sought by consumers when buying goods or services. The core in the actual product is the existence of planning, such as product quality, branding or brand, and packaging that is designed so that the functions of a product can be conveyed properly. c). Additional Product. There are additions in products such as services to satisfy consumers, for example customer service to serve customers if there are problems or questions.

Kotler et al (2009), describes price as the only element of the marketing mix that generates sales revenue, while the other elements are only elements of cost. There is also a theory from Tjiptono (2008) about prices which is a monetary measure to calculate the value of a product or service, with the aim of obtaining ownership or users rights of goods and services. There are two general factors that need to be evaluated in ascertaining prices. a). Internal factors of the company are marketing objectives, companies, marketing mix strategies, production costs. b). The company's external factors are the nature of the market and demand, the presence of competition, government policies and regulations.
According to Swarnawati et al (2023), promotion as a communication tool that serves to inform and invite/persuade buyers. Kotler and Keller (2009) also explained, promotion is one of the marketing strategy processes as a way to communicate with the market with the association of promotional mix composition (Kotler & Armstrong, 2014).

There are five variables in the Promotional Mix: a). Advertising. A form of exposure and promotion that contains ideas, goods or services that are not personal by a particular sponsor for profit. b). Personal Selling. It is an effort made personally by the company's sales with the aim to achieve the target and establish relationships with customers. c). Sales Promotion. It is a short-term incentive to encourage the purchase or sale of a product or service. d). Public Relation. It is an activity that aims to create a good relationship between the public and the company or commonly called by building a "Business Image", in order to avoid negative gossip or issues related to the company, products or services offered. e). Direct Marketing. Direct and special promotions are carried out to a person or group of consumers that have been targeted by the company in order to obtain a direct response.

Place as Tjiptono (2008) writes location outline as a marketing activity that seeks to facilitate the delivery of goods and services from producers to consumers. A good place or location in the marketing process is an easy place for buyers to reach. According to Amri (2020), there are several types of interactions that affect location, namely consumers come to the seller, sellers come to consumers, sellers and consumers do not meet directly.

Kotler (2012) also explained, that people are all actors who play an important role in providing services so that they can influence customer perceptions. The elements in people are company employees, consumers, distributors, and others. Human resources are needed for companies as part of the work of a company that can provide services for consumers. In the world of work that sells services, employees who work in the service sector affect the weight of the services provided.

According to Soewarno et al (2022) the process something demands change from an event of development something that is done continuously, the process is also associated according to the company's work system in providing services to consumers in the provision of food or products. According to Tjiptono (2008) the process is super service companies; the work process begins with consumers entering and leaving the company. The work process involves the speed and accuracy of work. If the process is done quickly then the consumer will be satisfied.

Physical evidence is original evidence that influences consumer decisions in shopping for a product or service sold by a company. Physical Evidence is an element in a marketing mix that can change (dynamic). Physical Evidence is also a tangible or visible part of improving service performance and smoothness. The elements in physical evidence are real buildings such as buildings, furniture, fixtures, brands, packaging, and other physical items. Zeithaml et al (2009) also explained that Physical Evidence is an environment where a company provides services or products in a location where the company can interact directly with consumers.

Effective marketing strategies start with proper market segmentation. JeKo targets domestic and international tourists who want to experience authentic Balinese cuisine. The restaurant also targets families and large groups looking for a comfortable dining place with a varied menu. According to Kotler and Keller (2016), appropriate market segmentation can help companies design more focused and effective marketing strategies.

Positioning is how the restaurant wants to be perceived in consumers’ minds. JeKo positions itself as a restaurant serving high-quality traditional Balinese cuisine with an authentic atmosphere. Branding is also an important element in their marketing
strategy. Using the name "JeKo," which in Balinese means "inside the house," the restaurant emphasizes a familial and comfortable ambiance. Strong branding helps JeKo build customer loyalty and create differentiation from competitors.

Effective promotion is key to attracting consumer attention. JeKo utilizes various promotional channels, both online and offline. They are active on social media platforms like Instagram and Facebook to share attractive photos of their menu and restaurant ambiance. Social media is a highly effective tool for reaching consumers and building engagement (Shawky et al., 2019). Additionally, JeKo collaborates with local influencers to increase their visibility and reputation.

Experience. Good service and pleasant consumer experiences are integral parts of JeKo's marketing strategy. They ensure that every guest feels welcome and well-served. High-quality service can increase customer satisfaction and encourage them to return (Hernon et al., 1999). JeKo also frequently holds special events such as cooking classes and food festivals to provide unique experiences for visitors.

Menu innovation is also a crucial part of JeKo's marketing strategy. They regularly update their menu with new and interesting dishes while maintaining quality and authentic flavors. This innovation not only attracts new customers but also keeps existing customers interested in coming back. Innovation is key to surviving in a competitive industry (Banbury et al., 1995).

3. Results and Discussion

3.1 Overview of JeKo Restaurant

JeKo restaurant is situated in the heart of Ubud, Bali, an area renowned for its cultural richness and tourism appeal. The restaurant offers a traditional Balinese dining experience, featuring a menu that includes a variety of authentic Balinese dishes such as Plecing, Rujak Kuah Pindang, Tipat, and etc. The decor is inspired by Balinese architecture, with intricate wood carvings, traditional textiles, and a serene garden setting that enhances the dining experience.

Facilities and Services

Restaurant JeKo boasts a range of facilities to ensure a comfortable and enjoyable dining experience for its guests. These include:

Indoor and Outdoor Seating: The restaurant offers both indoor and outdoor seating options, allowing guests to choose their preferred dining environment. The outdoor area is particularly popular for its lush garden and tranquil atmosphere.

Private Dining Areas: For guests seeking a more intimate dining experience, the restaurant provides private dining rooms that can be reserved for special occasions.

Parking Facilities: Convenient parking is available for guests, which is a significant advantage given the busy location in Ubud. Free Wi-Fi: To cater to the needs of modern diners, the restaurant provides free Wi-Fi access, and toilet.

Digital Marketing

Restaurant JeKo has established a strong online presence through its active engagement on social media platforms such as Instagram and Facebook. The restaurant regularly posts high-quality images of its dishes, behind-the-scenes content, and customer testimonials, which helps to attract and engage followers. The restaurant’s website is user-friendly and provides comprehensive information about the menu, special events, and booking options.

Interview Data Presentation

The data from interviews with the restaurant management revealed that (a) The social media strategy has significantly increased brand awareness and customer engagement. (b) Collaboration with local influencers has resulted in a noticeable increase in customer visits and social media following. (c) Targeted advertisements on social media
platforms have successfully reached a broader audience, particularly tourists planning to visit Bali.

**Word-of-Mouth Marketing**

Word-of-mouth marketing plays a crucial role in the restaurant’s marketing strategy. Positive reviews and recommendations from satisfied customers contribute significantly to its reputation.

From the interviews with customers and staff, the following insights were gathered:
(a) The majority of new customers discover the restaurant through recommendations from friends or family. (b) Customer satisfaction is consistently high, with many praising the authenticity of the food and the quality of the service. (c) The restaurant encourages customers to leave reviews on platforms such as TripAdvisor and Google Reviews, which has helped to build a positive online reputation.

**Customer Relationship Management**

The restaurant has implemented a loyalty program to reward repeat customers. This program offers benefits such as discounts, special promotions, and personalized services based on customer preferences.

Data from the interviews with the restaurant management and staff indicated that:
(a) The loyalty program has been well-received by customers, with many returning regularly to take advantage of the benefits. (b) Personalized services, such as remembering regular customers’ preferences, have helped to build strong customer relationships. (c) Feedback collected through surveys and direct interactions is used to continuously improve the restaurant’s offerings and services.

**Cultural and Local Marketing**

Restaurant JeKo places a strong emphasis on its cultural heritage. The restaurant’s decor, menu, and overall dining experience are designed to reflect traditional Balinese culture. Hosting cultural events and festivals further attracts tourists and locals interested in experiencing authentic Balinese culture.

It is found that (a) Cultural events and festivals hosted by the restaurant are popular among both tourists and locals, often resulting in increased patronage. (b) Collaborations with local businesses and participation in community events have enhanced the restaurant’s visibility and reputation. (c) Customers appreciate the authentic cultural experience, which differentiates the restaurant from others in the area. The results from the interviews and observations are summarized in the following table

<table>
<thead>
<tr>
<th>Marketing Strategy</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Marketing</td>
<td>Increased brand awareness and customer engagement through social media and targeted ads.</td>
</tr>
<tr>
<td>Word-of-Mouth Marketing</td>
<td>High level of customer satisfaction leading to positive reviews and recommendations.</td>
</tr>
<tr>
<td>Customer Relationship Management</td>
<td>Successful loyalty program and personalized services enhancing customer retention.</td>
</tr>
<tr>
<td>Cultural and Local Marketing</td>
<td>Effective use of cultural elements and local collaborations to attract and engage customers.</td>
</tr>
</tbody>
</table>

**4. Conclusion and Suggestion**

JeKo Restaurant has successfully implemented a range of marketing strategies that have significantly contributed to its growth and popularity within a competitive market. The restaurant’s emphasis on digital marketing, word-of-mouth, customer relationship management, and cultural marketing has proven effective in attracting and retaining
customers. The use of social media and collaborations with local influencers has enhanced brand awareness and engagement, while positive customer experiences and recommendations have built a strong reputation. The loyalty program and personalized services have fostered customer loyalty, and the integration of cultural elements has provided a unique and authentic dining experience. Despite its relatively short presence in the market, JeKo has effectively positioned itself as a restaurant offering high-quality traditional Balinese cuisine, successfully differentiating itself from competitors.

**Suggestion**
Enhance Digital Marketing Efforts by
a). Continue to leverage social media platforms by creating more engaging content, such as behind-the-scenes videos, cooking tutorials, and customer testimonials.

b). Explore additional digital marketing channels such as YouTube and TikTok to reach a broader audience and showcase the restaurant's unique offerings.

c). Implement targeted advertising campaigns during peak tourist seasons to attract international visitors planning their trips to Bali.

Strengthen Customer Relationship Management by
a). Expand the loyalty program to include more exclusive benefits, such as early access to special events, personalized dining experiences, and members-only discounts.

b). Utilize customer feedback to continuously improve services and menu offerings, ensuring that the restaurant meets evolving customer preferences.

c). Implement a customer database to track preferences and offer personalized promotions based on individual dining history.

Increase Cultural and Local Marketing Initiatives by taking the following steps.

a). Organize more cultural events and festivals that highlight Balinese traditions, such as dance performances, traditional music, and art exhibitions.

b). Collaborate with local artisans and businesses to create unique dining experiences that showcase Balinese culture and craftsmanship.

c). Develop partnerships with local tour operators to include JeKo in cultural and culinary tour packages.

Explore Menu Innovation by
a). Regularly introduce new and seasonal dishes to keep the menu exciting and attract repeat customers.

b). Incorporate customer feedback into menu development to ensure that new offerings align with customer preferences and expectations.

c). Highlight the use of locally sourced ingredients to emphasize the restaurant's commitment to sustainability and support for local farmers.

Enhance Customer Experience by
a). Train staff to provide exceptional service, focusing on creating a welcoming and memorable dining experience for all guests.

b). Improve the restaurant's ambiance by regularly updating the decor and maintaining the cleanliness and comfort of both indoor and outdoor seating areas.

c). Implement technology solutions such as online reservations and digital menus to streamline the dining experience and cater to tech-savvy customers.

**References**


