

## **Analysis of International Marketing at Saung Angklung Udjo Bandung**

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— *Review of* —  
**Integrative  
Business &  
Economics**  
— *Research* —

### **ABSTRACT**

International marketing as one of the methods to distribute and preserve the nation's culture to the international world. Saung Angklung Udjo applies international marketing to market its products internationally, so it can be known by consumers abroad. This study aims to analyze an international marketing in Saung Angklung Udjo. The method used is the qualitative method by testing credibility of the data by using triangulation technique and source. Data collection techniques by observation, documentation, and interview with the informants. The results of this study indicate that Saung Angklung Udjo has performed international marketing well and obtained a positive image of Sundanese cultural products such as Angklung and Arts Performing which are promoted to the international market through several media such as websites and social media (Facebook, Twitter, and Instagram). Saung Angklung Udjo also has good relations with the Indonesian Embassy and the Arts and Culture Community abroad to support the media campaign conducted by Saung Angklung Udjo.

Keywords : International Marketing, Performing Art, Saung Angklung Udjo, Creative Industry

### **1. INTRODUCTION**

Bandung has various types of creative industries which are one of its attractions, such as the textile industry in Cegondewah, the shoe industry in Cibaduyut, the

convection industry in Suci, the puppet industry in Sukamulya, and so on. One of the developments in the creative industry in the city of Bandung is the results of research conducted by Arianis Chan and Sam'un Jaja Raharja from the Department of Business Administration (UNPAD) in 2018 that the creative and fashion industries are the biggest sector in Bandung, where the culinary sector has contributed up to 30% of the total income of the tourism sector and creative economy. The rest is the contribution of creative industries from other sectors that have very strong development potential. The development efforts are also supported by the government and awareness of creative industry players in the use of USP in the competition of their business. As many as 75% of creative industry actors use clearly brand names and logos on their products. The development of the creative industry in the city of Bandung was also shown by the use of high social media as a promotion, and the expansion of product distribution channels to foreign countries. This increasingly improves the image of Bandung as a creative city of the industrial sector. The other side Bandung is one of the creative cities in Indonesia that has a high tourist attraction for local and foreign tourists. (Chan, 2017 : 184)

In addition, Bandung is also known for its Sundanese art and cultural identity. One of the highlights is the company engaged in the creative industry in the arts, Saung Angklung Udjo, which is a typical West Java art performance studio as a concern for the preservation of Sundanese culture by Sundanese art education and training.

Products offered by Saung Angklung Udjo include angklung musical instruments, arumba musical instruments, gambang musical instruments, Sundanese souvenirs and Sundanese cultural performances. Angklung musical instrument is a superior musical instrument in Saung Angklung Udjo, which is a musical instrument made of bamboo and consists of several types of angklung namely Toel, Kindergarten and 2 tb melody and 3 tb melody. Based on the private data of Saung Angklung Udjo (2013), angklung production has fluctuated every year, while the most production is in 2011.

Saung Angklung Udjo strives to create harmony between nature and culture by Sundanese cultural tourism as a part of the wealth of world cultural tourism. However, at this time Saung Angklung Udjo consumers in the international market are still dominated by Indonesians living abroad. Meanwhile, foreign consumers are still a minority, as seen from the small number of purchases of Saung Angklung Udjo products by foreign tourists.

Thus, Saung Angklung Udjo has cooperated with Indonesian embassies abroad such as Korea, Malaysia, Myanmar, the Netherlands, China, Vietnam, Finland, the Philippines and Australia, to support the international marketing of Saung Angklung Udjo products. One of the real efforts is to perform Sundanese arts performances both at home and abroad with the number of performances that continue to increase every year. Especially in 2013, based on private data of Saung Angklung Udjo, Sundanese art performances abroad reached 504 performances, which have increased compared to previous years.

Nevertheless, Saung Angklung Udjo still faces several obstacles in carrying out international marketing related to the distribution of Saung Angklung Udjo

products to international markets. These constraints include damage to products when shipping abroad, certification of fumigation (pest-free), and relatively expensive overseas shipping costs. Thus, the authors are interested in conducting research related to international marketing at Saung Angklung Udjo entitled, "Analysis of International Marketing at Saung Angklung Udjo."

## **2. LITERATURE REVIEW**

### **2.1. International Marketing**

International marketing is defined as the performance of business activities that are designed to plan, determine prices, promote and refer company goods and services to customers or users in more than one country for profit (Graham, 2007). Another general definition, as explained by Chandra and Adriana (2008), Henry Simamora (2007), is that international marketing is related to marketing activities that transcend national boundaries with the purpose of business profits.

### **2.2. International Marketing Dimensions**

The basic difference between domestic marketing and international marketing is the scope of international marketing carried out in more than one country. Thus, Cateora and Graham (2007) explained that when the target market has been set, the market mix must be evaluated in accordance with the data, namely deciding the part of the marketing mix that is adjusted to the cultural barriers through uncontrolled environmental elements to effectively achieve the company's direction and objectives. Following this will be presented the dimensions of international marketing.

#### **2.2.1. Product**

The product focuses on core components, packaging components, support service components. These components cover all tangible and intangible product elements and provide a set of uses that are accepted in the market for product use (Cateora and Graham, 2007).

#### **2.2.2. Price**

Price is one of the keys to the success and failure of international marketing. As according to Henry Simamora (2000) that price is a sum of money charged to a product or service. Where pricing is very important in the company's strategy, financial performance, buyer perception and brand positioning. Besides that, the price is also a measure of product quality.

There are several versions of pricing, such as Keegen and Green (2005) which explained international pricing, including Market Skimming Pricing Strategy (premium prices for unique and special products), Penetration Pricing (Policy) Strategy (low selling prices to achieve rapid product penetration in a short time) and Market Holding Pricing Strategy (maintaining market share by moving production locations where raw material prices are lower). In addition, Cateora and Graham (2007) also explained that pricing includes variable-cost pricing (the price exceeds the variable costs are net benefits), full-cost pricing (a combination of variable

and full costs so the selling price is high), skimming pricing, and penetration pricing policy.

### **2.2.3. Promotion**

Promotion as communication of a product or service to influence consumer purchasing decisions. The statement of Henry Simamora (2000) that promotion is an information communication between the seller and the buyer to influence his attitude and behavior, which leads to the purchase of a product or service.

Integrated Marketing Communication (IMC) consists of advertising, sales promotion, sales exhibitions, personal sales, direct sales and public relations aimed at strengthening elements of the promotion mix to achieve sales of products and services.

### **2.2.4. Distribution**

One of the important things in international marketing is the distribution of products to destination countries because the scope of international marketing covers many countries which may cost quite expensive.

Cateora and Graham (2007) describe a number of points in retrieving distribution channels, including Distribution Path Structures, Distribution Patterns (General Patterns and Retail Patterns), and Options for Alternative Intermediaries (Intermediaries from Host Countries and Intermediaries from Foreign Countries).

## **2.3. International Market Entry Strategies**

International market entry strategy is a very important decision related to the analysis of market characteristics and the ability of the company, such as the level of the company knows about the market, marketing involvement and company commitment.

The options of strategy provided to enter the international market are Exporting, Licensing or Franchising, Contract Manufacturing, Joint Ventures and Foreign Direct Investment (Keegan and Green, 2017 : 294). In addition, another opinion from Cateora and Graham (2007) also explains that there are 4 (four) options for entering the international market, namely exports, contractual agreements, strategic alliances and direct investment.

Export is the production of goods in one country intended for other countries either directly (direct exporting) or indirectly (indirect exporting). A contract agreement is a long-term relationship between a country and another country without capital in a foreign market (a means of sharing knowledge), such as a franchise. Furthermore, the Strategic International Alliance consists of 3 (three) ways, namely the Strategic International Alliance (SIA), the Joint Venture and the Consortium. The last is Foreign Direct Investment to get cheap labor, avoid high imports, reduce market transportation costs, access raw materials, and market penetration.

Based on the description of the problem and the theoretical review which have been stated above, the following is the operational concept of this study.



*Figure. Operational Concept*

*Source: Cateora and Graham (2007)*

### 3. RESEARCH METHODS

The object of the research is international marketing, where the unit of analysis is carried out on a creative industry company in the art field in Bandung, namely Saung Angklung Udjo. This type of research is descriptive with data collection techniques including observations, in-depth interviews, and documentation of relevant agencies.

#### 3.1. Informants

The informants of this study consisted of key informants (ie the President Director and Secretary of Saung Angklung Udjo), the Main Informant (ie employees of the Production Department, Marketing Department and Teachers Saung Angklung Udjo who were directly involved with the research object), as well as Additional Informants (ie Saung Angklung Udjo consumers).

#### 3.2. Data Analysis Technique

This qualitative research collects data from various sources using various data collection techniques (triangulation) which are carried out continuously until saturated data. According to Sugiyono (2013), that data analysis in this study by organizing data into categories, describing it into units, synthesizing, compiling into patterns, selecting important data, then concluding the results that are easy to understand. In addition, data credibility and validity tests are also carried out by triangulating source data and technical data.

### 4. RESULT AND DISCUSSION

#### 4.1. Product

Saung Angklung Udjo recorded by UNESCO has introduced and preserved Indonesian Sundanese culture in the international market by products of angklung traditional musical instruments and traditional performing arts such as iwung performing arts (interactive angklung), awi (interaction and orchestra), gonggong, and arumba (bamboo strands )

The trademark "Saung Angklung Udjo" is pinned on each traditional musical instrument product and traditional performing arts as a recognition of identity

and positioning in the minds of consumers as traditional Indonesian products. The bamboo raw material is used in the production of Saung Angklung Udjo products to anticipate and minimize product damage due to pests and different climates in each country. Guidebooks for product use and maintenance are also included in each angklung musical instrument product (available online).

The performance art by Saung Angklung Udjo can be created with special requests from consumers, especially for certain events abroad. Angklung performance art can be combined with certain national cultures in modern events. This shows that without leaving the value of Indonesian traditional culture, angklung performing arts can still be combined with the modern culture of other countries.

#### **4.2. Price**

Saung Angklung Udjo product prices, especially angklung musical instruments, have a variety of prices which are divided into several types, namely angklung unit, angklung set and orchestra unit & arumba unit. Prices vary according to the type of unit and the number of angklung units that are different according to customer needs.

The difference in pricing also on sales to the domestic market and international markets. The price of products to the international market is higher due to shipping costs and fumigation costs (free of pests). As a world cultural heritage product originating from Indonesia, Saung Angklung Udjo product pricing is cheap. It is also recognized by consumers from abroad who buy angklung products set via online (official website: [www.angklung-udjo.co.id](http://www.angklung-udjo.co.id)). Moreover, the purchase of angklung sets will get discounts and save shipping costs and fumigation costs rather than buying unit angklung.

Penetration pricing is used to stimulate the market and sales growth by offering products at low prices. This is to preserve, regenerate, promote Angklung musical instruments which approved as a world cultural heritage by UNESCO.

In contrast to pricing on performance art, the price range offered is 8 million rupiah to 60 million rupiah, depending on the duration, number of players, and equipment. In addition, the prices of performing arts held domestically and abroad are also different because there are additional costs of foreign transportation (including passports and visas), lodging accommodations and special requests by invitees. Therefore, specifically for performing arts abroad, there needs to be a reservation (via the official website) 2 or 3 months in advance for price agreement and order preparation.

Thus, Saung Angklung Udjo uses full-cost pricing in determining the price of traditional performing arts products or services. This is indicated by the incorporation of variable costs and fixed costs in different pricing for one show with other performances in accordance with the criteria and performance art requirements ordered by consumers.

#### **4.3. Promotion**

Saung Angklung Udjo optimizes the official websites and social media as promotional media that can be accessed in two languages, Indonesian and English. So, in addition to products can be purchased at the studio but can also

be accessed online from any country. In addition, cooperation with the Indonesian Embassy (Embassy of the Republic of Indonesia) and arts and cultural communities abroad also helped Saung Angklung Udjo better known abroad.

The Indonesian Embassy contributed to the promotion of Saung Angklung because the Indonesian Embassy abroad often ordered Saung Angklung Udjo products as souvenirs for embassy guests. While the Indonesian Embassy in Jakarta, Indonesia refer foreign diplomatic candidates to study arts and culture at Saung Angklung Udjo.

Direct selling of products abroad is carried out with exhibitions when performing arts in certain countries. Thus, the guests present at the performance art can buy angklung musical instrument products there.

In promoting its products, Saung Angklung Udjo collaborates with various parties at home and abroad, such as the government and the arts community. In Indonesia, Saung Angklung Udjo has collaborated with PT. Gojek Indonesia (via the Go-Ticket feature) and Traveloka company to make it easy for consumers to buy (online) angklung performing arts tickets. Both online ticket purchase features can be accessed by all people, both domestic and foreign tourists.

While offline ticket sales are served through several Udjo Corner stands in several places, namely Jogja Kepatihan, Grand Indonesia, Nusa Dua Bali, Tangerang, several outlets of Batik Keris, and several other places throughout Indonesia.

Saung Angklung Udjo also cooperated with a second party and participated in a travel exhibition to promote and sell performance art tickets abroad such as in Korea, Japan, Australia and several countries in Europe. Even though currently, the biggest Angklung Udjo consumers abroad are Korea.

#### **4.4. Distribution**

Saung Angklung Udjo has two superior products, namely angklung musical instruments and angklung performing arts, where both have different international distribution processes. In the process of distributing angklung musical instruments, it is necessary to 3 packs of packaging using plastic wrap (bubble wrap), cardboard and pallet or wood. Packaging must be safe because of the longtime delivery process.

Whereas in the process of distributing angklung performing arts abroad, there are many things that must be prepared according to the request of the invitee. Not only preparing the performance but also visas, airplane transportation, stage equipment and special requests by invitees.

Of course, domestic and overseas distribution is different because of the different distances and bureaucratic processes to enter the foreign market. While Saung Angklung Udjo has been trying to carry out the necessary steps to cooperation with overseas parties such as the Indonesian Embassy and the cultural community to help optimally distribute.

## 5. CONCLUSIONS AND SUGGESTIONS

### 5.1. Conclusions

The results of the discussion in the previous session can be summarized as follows:

1. Angklung musical instruments and angklung performing arts are the superior products of Saung Angklung Udjo in order to introduce Indonesian culture in the international market, while preserving Sundanese culture that has been recorded by UNESCO. In addition, the embedding of the company's name carving on each of its products is the distinctive identity of Angklung Udjo.
2. Different pricing is applied to the two main products of Saung Angklung Udjo. Penetration pricing is carried out on angklung musical instrument products, while full pricing is applied to angklung performing arts because there are many costs that affect pricing.
3. Saung Angklung Udjo utilizes the official website ([www.angklung-udjo.co.id](http://www.angklung-udjo.co.id)) and social media (such as Facebook, Twitter and Instagram) in promoting and interacting with consumers. In addition, to extend promotion and sales, good relations and cooperation are also carried out with the Indonesian Embassy as well as arts and cultural communities abroad.
4. The distribution of angklung musical instrument products is carried out through overseas agents (such as Korea) and direct sales to consumers. As for the art of angklung designation, there needs to be cooperation with the Indonesian Embassy and the cultural arts community as intermediaries abroad.

### 5.2. Suggestions

1. Providing spare parts in angklung instruments to anticipate product damage, so easier for consumers to repair damaged angklung without having to buy a new unit.
2. Providing guarantees to angklung musical instruments to increase consumer trust abroad, because of the distribution through transnational shipments in a long time.
3. There is a reserve of players in the angklung performing arts to anticipate the shortage of players caused by bureaucratic constraints (such as visas).

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