

Exploring the Potential of E-Commerce: Strategies to Increase Sales at the Al-Umm Malang Community Development Foundation

Lukman Afandi¹, Roni Angger Aditama², Moh. Shabri³, Muh. Ilham⁴, Arnanda Ajisaputra⁵
^{1,2,3,4,5} STIE Indocakti Malang, Indonesia

Abstract

This study examines e-commerce tactics in order to boost sales at the AL-UMM Community Development Foundation. The marketing team lacks expertise, particularly in the areas of strategy and E-commerce processing, and the AL-UMM Community Development Foundation is not yet well-known in the city of Malang. This research seeks to promote the accomplishment of objectives, anticipation, effectiveness and efficiency to improve service sales at the AL-UMM Community Development Foundation. This study employs qualitative research methodologies, with a focus on observation, documentation, and interviewing procedures. Thus, complicated and thorough data are obtained by researchers. The collected data will undergo a multi-phase analysis utilizing a methodology that incorporates citations to prior diaries, interviews, and a compilation of supporting documentation. Upon conducting a thorough analysis, the author has determined that a number of factors, including a lack of account maximization, particularly in e-commerce, contribute to the fact that the AL-UMM Community Development Foundation is not well-known in the city of Malang, despite the fact that the account is already well-implemented and structured by profile.

Keywords: Marketing Strategy, E-commerce, Sales

JEL Classification : F1,F2,F5,01,02,03,C1,C3,C4

Received: September 6,2023 Accepted: October 1,2023

DOI : 10.54204/TAJI/Vol1112023008

Introduction

Technological developments are the impact of the increasingly widespread globalization in human life, increasingly tough business competition, and increasing demands on consumer tastes for the goods and services offered (Widarni, Prestianawati, & Bawono, 2020). Current developments are in balance with the development of the dimensions of human life. Every latest discovery in technology is created to provide benefits to human life so that things are easier and to help make activities easier. One of the technological developments that currently makes a big contribution to human life is the internet (Interconnection networking), which is a connection between computer networks. Initially the internet was only used to send electronic letters or emails and to search for words or what is usually called searching, but now the internet has also developed into a means of buying and selling online via the internet (Ande, Adebisi, Hammoudeh, & Saleem, 2020).

The number of internet users in Indonesia increased dramatically from 83.07% in 2014 to 93.04% in 2015. This indicates that the country's internet user base is growing. The eMarketer research firm predicts that there will be more than 100 million internet users in Indonesia. till the year 2017. The following statistical data is quoted from the Internet. Currently, it is a necessity

for society, even for people who live in urban areas, the internet can become a secondary need because by using the internet people can search for whatever data and information they need (Astari, 2021). In our digital age, the necessity of the internet has a significant impact on daily living. People no longer need to bother utilizing print media, such as newspapers, magazines, and other print media, to seek for information as time goes on. Nonetheless, individuals may now more easily discover knowledge and provide assistance in solving unknown difficulties thanks to internet technology. As time goes by, technology and the internet have increasingly developed and become a tool or media used for various purposes. One example of the use of technology that is equipped with the benefits of the internet is e-commerce (Taher, 2021).

The promotion, delivery, and purchasing of goods and services using electronic systems is referred to as e-commerce, or three-digit electronic commerce. According to Nugroho's contract in Rehatalanit (2021), e-commerce is defined as an economic transaction in which buyers and sellers collaborate online through electronic media to establish a contractual agreement about the cost and delivery of specific goods or services. The transaction is then completed by the delivery and payment of goods or services. The promotion, delivery, and purchasing of goods and services using electronic systems is referred to as e-commerce, or three-digit electronic commerce. (Šaković Jovanović, Vujadinović, Mitreva, Fragassa, & Vujović, 2020). These days, e-commerce has seen a number of advancements in terms of features and e-commerce kinds, such as business-to-business (B2B) and business-to-consumer (B2C). All electronic exchanges of products or services between businesses are considered business-to-business (B2B) e-commerce. This kind of e-commerce is often used by traditional manufacturers and dealers. EDI (Electronic Data Interchange) and email are typically used in this kind of e-commerce when making purchases, obtaining information and consultations, or sending and receiving business offers. B2C is a sort of e-commerce between corporations and end customers. This relates to e-commerce's retail segment, which is often run by traditional retail trade. This kind may spread more unevenly or even come to a stop, but it may also be easier and more active. This type of e-commerce is growing very quickly due to the support of the emergence of websites and the many virtual shops on the internet that sell various people's needs (Mubarak, 2021).

The United States and several other ASEAN nations are among those where e-commerce has flourished. With 88 million internet users and 130 trillion worth of transactions made by Indonesians, e-commerce has experienced fast growth throughout the ASEAN region, particularly in Indonesia. E-commerce genuinely helps vendors to market their items fast, conveniently and for free. With free trade in the next millennium, with the implementation of AFTA in ASEAN in 2003, APEC in Asia Pacific in 2010, and the WTO in the world in 2020, the competitiveness and competition of business people and bureaucratic systems will be greatly affected, including in Indonesia (Shimizu, 2021). Companies that use e-commerce will get benefits, namely: opening new, more promising income streams that cannot be found in traditional transaction systems, increasing market exposure, reducing operational costs, expanding reach, increasing customer loyalty, improving supplier management, shorten production time. Rebright Partners Founder Takeshi Ebihara said that e-commerce is the initial gateway to economic growth. This causes e-commerce too mature, so other internet businesses will also grow (Taranenko, Chychun, Korolenko, Goncharenko, & Zhuvahina, 2021).

Other business accelerators will emerge in tandem with the mature growth of e-commerce, such as online payment, fulfillment and logistics. The progress of this segment will ultimately encourage other internet industries to develop as well. Many are engaged in transportation, food and other sectors, but there are also those that are increasing, namely selling educational service

products. Educational services are a very important part of school or foundation management to win market competition in the modern era. What educational institutions want to achieve in their marketing activities are: looking for consumers, and looking for funds and donors. When paired with high-quality educational administration and services, other benefits of effectively marketing educational services include enhanced school input, improved process effectiveness, and expanded human resources. In this way, public and government recognition of the existence of the school or foundation in question will increase. This will affect subsequent marketing activities. For this reason, marketing educational services is a very important and inseparable part of school or foundation management to improve the quality of education. With the considerations above, the marketing activity of educational services is the first and even main activity for a school or foundation that is trying to demonstrate its existence in society (Hifza, Palapa, & Maskur, 2020).

This service sector is also growing rapidly, especially in the field of educational services. Educational institutions, both public and private schools, must compete fiercely to get consumers or potential students. The AL-UMM Community Development Foundation is an educational institution with MI, MTs and MA levels located on Jl. Joyo Agung No. 1 Merjosari Lowokwaru-Malang 65144, every year competes with other state schools and private schools located in the Malang City area to achieve student targets. In order to be able to get the desired target consumers, assistance is provided to the existing marketing team so that they are able to optimize the existing promotional budget and to determine the most appropriate marketing program.

Theoretical review

Strategy

The word "strategic" is derived from the Greek word "strategia," which means "the art or science of becoming a general" (Stratos = military, ag = lead). Another way to think about strategy is as a blueprint for how military resources and force will be distributed and used in certain locations to accomplish specific objectives. The corporate world frequently adopts and applies military strategy, as shown in the theories of Carl von Clausewitz, Sun Tzu, and Hannibal. In the context of business, strategy refers to a company's chosen course in the selected environment and serves as a directive on how to allocate the resources or efforts of an organization (Belozero, 2023).

E-Commerce

The meaning of electronic commerce Electronic commerce, or e-commerce, as defined by Adi Nugroho in Rehatalanit (2021), is the buying and selling of products and services over the internet. In the meanwhile, Rahmati claims in Rehatalanit (2021) The term "e-commerce" refers to electronic commerce, which is a marketing strategy that makes use of electronic media. E-commerce refers to the marketing, sales, distribution, and purchase of goods using electronic platforms like the internet and other computer networks. E-commerce is a mix of commodities and services rather than a single service or item. The deregulation of domestic services and the acceleration of integration with international production activities can be two key factors in the improvement of the home economy through e-commerce and associated online activities. E-commerce will combine domestic and international trade, therefore discussions and negotiations will cover both global trade and domestic regulations pertaining to trade oversight in a nation, especially in the fields of telecommunications, financial services, and shipping and distribution. E-commerce is a term used to describe the sale of goods and services over the Internet. In the most general sense, simply creating a Web site that advertises and promotes your products can be

considered “e-commerce.” In recent years, however, e-commerce has become much more sophisticated. E-commerce businesses now offer online stores where customers can access thousands of products, order, select their preferred shipping method and pay using their ATM, mobile-banking or credit card (Kumar, 2020).

Marketing

Through the creation, provision, and exchange of goods that are valuable to others, people and organizations may fulfill their wants and desires through the social and management process of marketing Kotler in Muttaqin (2012). The following are the marketing system's general goals: 1) Increase the amount consumed 2) Optimize utility (satisfaction) of consuming 3) Optimize your options Optimize living quality, quantity, quality, pricing, availability, and environment Good product creation, competitive pricing, and availability for target customers are not enough in today's marketing.

Businesses must converse with customers as well, and the topics covered in those conversations should present possibilities, Mahfoedz in Muttaqin (2012). The new direction of marketing trends in Indonesia can be described by the following 6 things: 1) Consumers are becoming more demanding 2) Clients desire top-notch service 3) Consumers possess the ability to make purchases. 4) Clients desire greater focus 5) The competitive landscape is getting more and more competitive. 6) The number of Internet users keeps rising. Widjaja Tandjung in Muttaqin (2012) said that It is impossible to separate marketing from first-rate service, and the internet can now handle both. Tandjung also mentioned that the number of people using the internet is growing year, particularly among youth, and that marketers need to take this trend into account by developing websites 2.0 that allow users to interact more rapidly and affordably while also obtaining information. The media used to carry out marketing communications has a significant impact on how successful marketing campaigns are. Deciding on the intended reach, frequency, and effect is the first step in selecting media. Planning steps are needed in determining marketing media based on several important decisions, namely: 1) Target audience (Market Segmentation) 2) Demographic area (Reach) 3) Right time (Relevance) 4) Effectiveness of material to be communicated Marketing communication media by Machfoedz in Muttaqin (2012) it is classified into 4, namely: 1) electronic media (television, radio and internet), 2) print media (newspapers, magazines, etc.), 3) outdoor media and other media. Television is thought to be the best medium for marketing activities (promotion and advertising). However, as information technology advances, the internet—an international information network—can also function as a dependable marketing tool. Jenu Widjaja Tandjung even claimed in Muttaqin (2012) that the internet can provide marketing budget efficiency because it is accessible, affordable, and has a wide reach.

Nonprofit

As a non-profit entity, the foundation obtains funds in the form of donations from donors, the community and the government to carry out its operational activities. Even though donors do not expect a return for the funds they have given, foundations must be able to prepare financial reports as a form of accountability for fund transactions. These financial reports also function as a decision-making tool for various parties (Dąbkowska-Dworniak, 2020). The principle that is always prioritized in the AL-UMM Community Development Foundation for instructors/teachers is "If a teacher's intention to teach students is only to seek a high salary, then he is not permitted to teach at this foundation, this foundation is not only for increasing religious deeds in the afterlife as well to provide useful knowledge to his students even with a small but

blessed salary." To provide better services for them, one of the things that must be supported by materials, in this case funds are still minimal, and many needs are still needed in the teaching and learning process activities. Non-profit organizations are often also referred to as profit organizations or non-business organizations. If we look at the term "non-profit", we can see that this non-profit organization was founded for reasons other than trying to make a profit for the owners or investors (Hliebova & Olkhovyk, 2020). According to Salusu in Atufah et al. 2018 Non-profit organizations are organizations or bodies that do not make profit their main motive in serving society. Or it is also known as a corporation that does not distribute any profits to its members, employees and executives. Non-profit organizations or non-profit businesses aim to serve several stakeholder groups, whose members are broader than stockholders. Stakeholders include the board of trustees, managers, officers or employees, creditors, suppliers, consumers and the surrounding community.

Educational services

The school is a non-profit organization which operates in the field of educational services. Nowadays, educational services play an important role in developing and improving the quality of human resources. However, interest and attention to aspects of the quality of educational services has only developed in the last decade. The success of educational services can be realized in the form of service delivery | quality education to educational service customers, namely students. Services are often viewed as a complex phenomenon. The word service has many meanings, starting from personal service to understanding services as products. First discuss the definition of services from several experts so that the concept of marketing educational services can be understood thoroughly (Aris, Murthada, Hendra, Zainudin, Hartini, Malik, & Firdaus, 2023). According to Lovelock in Wijaya (2016), services can be defined as actions or deeds offered by one group to another group, economic activities that create value and provide benefits to customers at a certain time and place, something that can be bought and sold. Any economic activity that produces anything other than tangible goods or building materials and is simultaneously consumed and created that adds value (such as comfort, amusement, promptness, joy, or health) that is intangible for the first consumer is referred to as a service. Kotler and Keller in Wijaya (2016) put forward the definition of services as any action or activity that one party can offer to another party, which is intangible and does not result in any ownership. Its production may or may not be associated with a physical product. Stanton in Wijaya (2016) defines services as identifiable and intangible activities that are the main object of transactions, designed to provide the satisfaction that customers want. Lamb and McDaniel in Wijaya (2016) define services as the result of the efforts of humans and machines to use people or objects. Services include deeds, performance, or efforts that cannot be physically processed. The definition of services according to Alex in Wijaya (2016) is an intangible product that involves actions, performance or business that cannot be physically owned. The main element of services is intangible, which includes rental of goods, changes and repairs to goods owned by customers, as well as personal services. We may infer from the several definitions of services that have been proposed that services are actions performed by an individual or group of people in order to benefit clients. Services "are actions or deeds that often involve tangible things. However, basically services are intangible

Results and Discussion

Analysis of the effectiveness of e-commerce in marketing activities to increase service sales at the AL-UMM Community Development Foundation using several very supportive platforms,

including Facebook, Instagram and YouTube. With several media platforms, it is very easy for the guardians of prospective students to reach the foundation without having to look for information directly at the AL-UMM Community Development Foundation. And supported by the very complete profile information of the AL-UMM Community Development Foundation and also a very supportive internet network so that the AL-UMM Community Development Foundation can respond quickly in providing services in e-commerce. From the information obtained from the interviews, internal strengths and threats can be formulated. This institution is not only an educational institution but also a da'wah institution. Relations between members of the foundation are very good. It has several activities both in the religious and extracurricular fields. It is strategically located. It has a registration link. It carries out promotions online and offline by utilizing the media. social However, this Foundation is not yet widely known by the public. Marketing capabilities, especially in e-commerce, are low, promotion intensity is lacking. Next, opportunities and threats can be formulated in external analysis as. Potential opportunities include the community wanting an educational institution that is able to shape character, students who graduate can continue their further education from the foundation, government support, has coverage for students outside the Malang area. However, potential threats include the increasing number of similar educational institutions, parents' interest in state schools, lack of knowledge about e-commerce developments. Next is a strategic analysis of how the opportunities and threats faced by the AL-UMM Community Development Foundation can be adjusted to the strengths and weaknesses it has. So's strategy is to develop Islamic boarding school-based schools according to the needs of people who want character formation. Utilize assistance from the government and donors to provide assistance to outstanding students.

St's strategy is to continue to innovate in institutional development so that it is able to compete with other similar institutions. Increase the number of qualified graduates in the fields of religion and academics so that people have confidence in the quality of the Foundation. Wt's strategy is to increase marketing capabilities, especially in e-commerce so that the foundation is able to face competition with other schools or foundations. Seeking funds from donors or other businesses to support the development of schools or foundations. So the strategy that can be implemented by the AL-UMM Community Development Foundation to increase the quantity of new students at the AL-UMM Community Development Foundation is to continue to carry out promotions both manually and by utilizing social media. This was done considering that the coverage of the students of the AL-UMM Community Development Foundation is not only in the area around the AL-UMM Community Development Foundation. Increase response on the website, social media or contact person of the AL-UMM Community Development Foundation. This is done so that prospective students or parents of prospective students feel appreciated and get a good impression from the AL-UMM Community Development Foundation. Increasing activities in both the religious and extracurricular fields at the AL-UMM Community Development Foundation.

Conclusion

The existing e-commerce strategy at YBM AL-UMM Malang is quite adequate seen from the supporting factors in the form of a profile that has been well structured and implemented. Although there are several obstacles which are divided into two main ones, namely design research and account maximization. Therefore, the sales or marketing carried out by YBM AL-UMM must be increased if the number of students is to increase every year by focusing on maximizing the role of e-commerce.

References

- Ande, R., Adebisi, B., Hammoudeh, M., & Saleem, J. (2020). Internet of Things: Evolution and technologies from a security perspective. *Sustainable Cities and Society*, 54(1), 1-10.
- Aris, A. A., Murthada, M., Hendra, M., Zainudin, Z., Hartini, H., Malik, M. A., & Firdaus, M. (2023). The Role of Management of Human Resources in Enhancing The Quality of Schools. *Innovative: Journal of Social Science Research*, 3(3), 11012-11023.
- Astari, N. (2021). A Literature Review: Digital Marketing Trends in Indonesia During the COVID-19 Pandemic. *CHANNEL: Jurnal Komunikasi*, 9(2), 125.
- Atufah, I. D., Yuliarti, N. C., & Puspitasari, D. (2018). Analisis faktor-faktor yang mempengaruhi keputusan pembelian produk kosmetik Wardah pada mahasiswi Fakultas Ekonomi dan Bisnis Universitas Muhammadiyah Malang. *Jurnal Ilmiah Mahasiswa FEB*, 2(3), 115–123.
- Belozarov, V. K. (2023). Strategy as a Political Phenomenon and Concept. *RUDN Journal of Political Science*, 25(2), 368-376.
- Dąbkowska-Dworniak, M. (2020). Non-governmental organizations in Poland: Their role and sources of financing. *Zeszyty Naukowe SGGW, Polityki Europejskie, Finanse i Marketing*, 24 (73), 43-53.
- Hifza, J., Palapa, A., & Maskur, A. (2020). The Strategic Foundation for Competitive Excellent Development in Integrated Islamic Primary Schools in Indonesia. *International Journal of Advanced Science and Technology*, 29(1), 1747-1753.
- Hliebova, A., & Olkhovyk, O. (2020). A non-profit organization: essence, types and basic business processes. *Науковий журнал «Економіка і регіон»*, 2 (77), 68-76.
- Kumar, D. (2020). The Study of Significance of Digital Marketing Tools in the Promotion of E-Commerce Websites. *PalArch's Journal of Archaeology of Egypt/Egyptology*, 17(9), 10411-10425.
- Mubarak, M. (2021). Business Organization and e-Commerce. *Journal of Advance Research in Science and Social Science (JARSSC)*, 4(1), 181-191.
- Muttaqin, Z. (2012). Facebook marketing dalam komunikasi pemasaran modern. *Teknologi*, 1(2), 103–109.
- Rehatalanit, Y. L. (2021). Peran e-commerce dalam pengembangan bisnis. *Jurnal Teknologi Industri*, 5(1), 62–69. <https://doi.org/10.31294/jti.v5i1.8477>
- Šaković Jovanović, J., Vujadinović, R., Mitreva, E., Fragassa, C., & Vujović, A. (2020). The relationship between E-commerce and firm performance: The mediating role of internet sales channels. *Sustainability*, 12(17), 1-10.
- Shimizu, K. (2021). The ASEAN Economic Community and the RCEP in the world economy. *Journal of contemporary East Asia studies*, 10(1), 1-23.
- Taher, G. (2021). E-commerce: advantages and limitations. *International Journal of Academic Research in Accounting Finance and Management Sciences*, 11(1), 153-165.
- Taranenko, I., Chychun, V., Korolenko, O., Goncharenko, I., & Zhuvahina, I. (2021). Management of the Process of E-Commerce Development in Business on the Example of the European Union. *Studies of Applied Economics*, 39(5),1-10.
- Widarni,E.L, Prestianawati,S.A, & Bawono,S.(2020).Digital economy challenge: Innovation of technology and unemployment dilemma in Indonesia.The Future Opportunities and Challenges of Business in Digital Era 4.0 (page 167-170). London : Routledge
- Wijaya, D. (2016). Pemasaran jasa pendidikan. In B. S. Fatmawati (Ed.), *Pemasaran jasa pendidikan* (pp. 1–14). Penerbit Bumi Aksara