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# Implementation of Integrated Marketing Communication on Low Cost Carrier Airlines in the New Normal Era (Qualitative Descriptive Study at PT Citilink Indonesia Branch Office Denpasar)

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### **Abstract**

This study aimed to determine how the implementation of integrated marketing communications at PT Citilink Indonesia Denpasar Branch Office as a low-cost airline in the new normal era. The research method used in this study is a qualitative descriptive method with data collection methods through observation, interviews, and documentation. The results of this study are based on five dimensions of integrated marketing communication, showing that 1) advertisements at the PT Citilink Denpasar Branch Office use the company's digital on-channels such as Instagram, Facebook, Twitter, and Youtube; 2) The company's direct & digital marketing is done through the website, mobile app & call center; 3) Sales promotions are channeled through social media and websites that offer promotions for free rapid tests, snacks & drinks, internet quota, round-trip tickets, and discounted stays; 4) Public relations is carried out through online media relations by providing positive news that helps maintain the company's brand image. 5) Personal Selling at the PT Citilink Indonesia Denpasar Branch Office is done through ticket sales counters at Ngurah Rai Airport.

**Keywords**: Customer Loyalty, Brand Image, Brand Trust

### A. Introduction

Airline companies are one of the fastest-growing companies. Caused by the current era of globalization also escalate the public's mobility (Astuti, 2012). Bali Province, as a province with tourist attractions such as culture, natural beauty, and special interest tourism potential (Yudhistira, 2021), is also supported by the existence of adequate transportation access. I Gusti Ngurah Rai International Airport is one of the airports with many achievements. One of the Ngurah Rai Airport awards is being the best airport in the world in 2017, where the Global Airports Organization gave the award to Canada (Bisnis.com, 2018). As one of the best airports, Ngurah Rai Airport also takes third place as the busiest airport in Indonesia where the number of passengers to this airport can be seen in the table below:

Table 1. Number of Airplane Passengers at Ngurah Rai Airport 2016-2020

Year	International Passengers	Domestic Passengers
2016	5.035.870	4.925.589
2017	5.628.983	5.128.687
2018	6.404.342	5.577.535
2019	6.938.489	4.955.803
2020	1.354.682	1.775.528

Source: Central Bureau of Statistics (2021)

Based on the table above, it can be seen that the average number of passengers in 2016 to 2019 has increased. In contrast to 2020, the number of passengers decreased drastically due to the pandemic caused by the coronavirus. In Indonesia itself, the number of cases of COVID-19 patients continues to increase every day (Kemenkes, 2020). The increase can be seen in the image below:

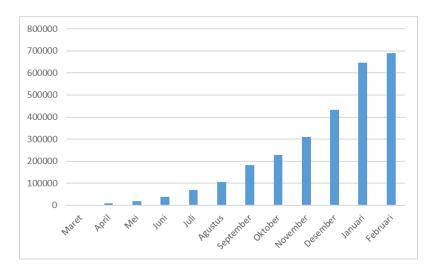


Figure 1: Graph of Covid-19 Cases in Indonesia Source: (Center for Systems Science and Engineering (CSSE), 2021)

The graph above shows that coronavirus transmission is still very high. This condition has impacted the aviation industry because airlines, as a key of global transportation, have a key role in spreading disease widely (Adiga et al., 2020). Therefore, the government began to implement a new order of life, commonly referred to as the new normal era. Implementing the new normal era is accompanied by various policies issued by the government. Some of these policies are implementing a curfew and social distancing, wearing masks, and washing hands.

Airline as an industry that helps the country's economy continues to develop. One of these developments can be seen in the operational concept of low-cost carrier flights. This concept is a strategy to reduce airline ticket prices by reducing the operational costs of all routes called Low-Cost Carrier. (LCC) (Yowanda, 2017 and Rozenberg et al, 2014). One of the airlines that uses the concept of a low-cost carrier is PT Citilink Indonesia.

As a national-scale company, PT Citilink Indonesia is spread across major cities throughout Indonesia, including Bali (Citilink Indonesia, 2018). As one of the operating branches of the Citilink airline, it has a high number of passengers and increasing every year. A similar condition happened to PT Citilink Indonesia, which decreased the number of passengers to Bali through I Gusti Ngurah Rai International Airport, the number of passengers at PT Citilink Indonesia Outgoing Station Denpasar also decreased in 2020. The COVID-19 pandemic also caused this condition. The other reason the number of passengers decreased is the government's policy of implementing social distancing (Kemenkes, 2020). As of June 2020, the aircraft capacity was reduced by approximately 30%, which made the aircraft capacity impossible to be used as usual.

The thing that can be done to maintain the company's operations is a promotion. Promotion is needed to compete with other competitors. One of the good promotion strategies is implementing integrated marketing communication. An integrated marketing strategy will provide the value desired by consumers. Therefore marketing planning must be implemented properly (Armstrong et al., 2015). Understanding the theory of Integrated Marketing Communication, which signifies an action done by the particular company to provide value and reputation towards consumers or passengers in this case. The urgency of doing research with this variable, Integrated Marketing Communication in specific, is so that in the future if cases such as the pandemic would reoccur, companies out there would have ideas or suggestions on how to survive during the particular situations. Therefore, hopefully, it would inspire other companies to apply Integrated Marketing Communications to survive the situation. Moreover, this research in this locus of study is to analyze and inspect further which Integrated Marketing Communications behavior or act would be more influential and which is not.

PT Citilink Indonesia is one of the airlines that implements integrated marketing communication as a promotional strategy in normal conditions and the new normal era. It is understood that focusing on winning new customers would be the main idea of communication. However, because PT Citilink Indonesia is applying Integrated Marketing Communication, the company is expecting to win some new consumers and maintain a long-term customer who has been loyal to the company or brand before. The company has applied IMC in general because the brand has maintained a good reputation or brand image among consumers. Hence, PT Citilink won by applying IMC and building up a reputable brand image to give a satisfactory performance. However, the author is intrigued about how would Integrated Marketing Communication has influenced the consumers and how it might give ideas and suggestions to future studies or other companies. Hence the author believes this research is necessary. Based on the previous elaboration, the writer is interested in taking this research to discover how the implementation of integrated marketing communication at PT Citilink Indonesia Branch Office Denpasar in this new normal era.

### B. Literature Review

During this pandemic, companies must be able to improve their promotional strategies even better and require more effort than before. In this digital era, the integrated marketing communication strategy is one of the right strategies to use because online users see it in Indonesia and even globally (Darmawan & Perdana, 2017). The company's marketing strategy outlines which customers it will serve and how it will create value for these customers (Widjaja, 2022). The marketer develops an integrated marketing program to deliver the intended value to target customers. The marketing program builds customer relationships by transforming the marketing strategy into action (Kotler et al., 2017).

Marketing is an aspect related to consumers. In a simple sense, marketing means managing profitable customer relationships (Armstrong et al., 2015). Meanwhile, according to the American Marketing Association in Varadarajan (2015), marketing is a function within an organization and a set of processes for creating, communicating, and delivering value to customers and managing customer relationships in ways that benefit the organization and its stakeholders. The main marketing mix tools are classified into four major groups, called the Four P's Marketing, consisting of product, price, place, and promotion. (Armstrong et al., 2015).

According to Percy (2008) and UL-Rehman & Ibrahim (2011), integrated Marketing Communication is the planning and execution of all types of messages, such as advertisements and promotions that are selected for a brand, service, or company, to fulfill a set of communication objectives, or more specifically, to

support a single positioning. Then according to Kotler & Armstrong (2017) in which he stated, there are five communication the elements of marketing communication mix or promotion mix, namely 1) Advertising; 2) Direct & Digital Marketing; 3) Sales Promotion; 4) Public Relations and; 5) Personal Selling.

A low-cost carrier is the newest concept from lower-cost airlines (Belobaba et al., 2016). Meanwhile, according to Aulia (2017) and Silalahi et al. (2016), a low-cost carrier is a concept where airlines provide basic prices without additional service fees. According to Pargholopati (2020), New Normal is a new term produced because of the community's need to adapt to the existing recovery process due to the COVID-19 pandemic. Humans will have a new lifestyle or habit, such as the learning process and the adaptation process after the COVID-19 pandemic.

# C. Research Methodology

This research was conducted on one of the low-cost carrier airlines in Indonesia, namely PT Citilink Indonesia Branch Office Denpasar. In obtaining data, this study determined five people as informants. There are three categories of informants in determining this study's informants: one key informant, one main informant, and three supporting informants. The informants used as research subjects are as follows:

Table 2: Informant List

Name	Age (Year)	Gender (M/W)	Occupation
M. Widi Siswanto	44	M	Bali Nustra Area Manager
Nurman Hadi P.	27	M	Sales Executive
Cahya Kumara	20	M	Ticketing & Customer Service Staff
Tauhid Mulia	20	M	Employee
Ulan Parwati	21	W	Student

Source: Citilink Indonesia (2018)

To determine the informants used in this research, a technique was used, namely purposive sampling. The informants were selected based on the researchers' considerations in obtaining the data needed in this research. The technique of collecting data in this research applies observation techniques at the research location, interviews with informants who are determined using a purposive sampling technique, the total of informants are five people, and documentation obtained directly from PT Citilink Indonesia Branch Office Denpasar in the form of POB (pax onboard). After the data is collected, the data will be analyzed through 3 stages: data reduction, data presentation, and

conclusion drawing. Furthermore, in checking the validity of the data to get more accurate results, the researchers used the triangulation technique.

### D. Result

Based on observations and interviews with several informants, data related to the implementation of integrated marketing communication at PT Citilink Indonesia Denpasar branch office, especially in the new normal era, have been obtained as follows:

## Advertising

Based on observations made around Denpasar, there are no forms of printed advertising such as billboards, banners, or pamphlets around Denpasar. This is due to the current situation regarding the COVID-19 pandemic. PT Citilink Indonesia Branch Office Denpasar no longer uses printing advertisements such as billboards, brochures, banners, etc. Although the company uses social media as one promotional media, PT Citilink Indonesia Branch Office Denpasar has not used this feature to increase sales further. Instead, the company uses social media, Instagram, Facebook, Twitter, and Youtube, as a medium of information related to promotions and information from the company.

# Direct & Digital Marketing

According to Habibie et al. (2021), digital marketing is an activity about marketing, including a brand that uses various web-based media such as Instagram, Facebook, blogs, email, websites, or other social networks. To distribute information related to airlines, PT Citilink Indonesia Branch Office Denpasar opened a route that can make it easier for consumers. This convenience is through the existence of a website, mobile app, call center, and social media. Similar to the case of advertising at PT Citilink Indonesia Branch Office Denpasar, promotional activities are carried out digitally. Direct and digital promotions on Citilink are carried out through the four platforms previously mentioned. Social media is the most preferred promotional tool by PT Citilink Indonesia Branch Office Denpasar. Various social media used by PT Citilink Indonesia are Facebook, Twitter, Instagram, and YouTube.

### **Sales Promotion**

As one element of the promotional mix, sales promotion is used to attract consumers by providing short-term incentives to buy the products offered (Kotler & Armstrong, 2017). PT Citilink Indonesia, as a low-cost carrier, provides various attractive offers to attract consumers. PT Citilink Indonesia's promotional forms are considered quite effective, especially in the new normal era like now, even though they are only done online and digitally.

### **Public Relation**

The implementation of public relations carried out by PT Citilink Indonesia Branch Office Denpasar is through media relations. The use of media relations is very influential on the company's image, which is the thing that is most concerned by service companies. The purpose of implementing this media relation is to provide a positive image of the company and provide information related to attractive offers and other news that can help improve the company's branding. Various media reports related to the implementation of public relations by PT Citilink Indonesia Branch Office Denpasar were carried out on online mass media. Based on the previous statement by Mr. Widi and Nurman, who stated that in the new normal era, PT Citilink Indonesia Branch Office Denpasar tends to use online media as a promotional medium.

## **Personal Selling**

Considering the nature of personal selling sales, the company personally can interact directly face to face in making sales to consumers. Consumers can interact directly with the company without intermediaries or third people in its application. At PT Citilink Indonesia Branch Office Denpasar, personal selling is implemented at the Citilink ticketing counter located at the Domestic Departure Gate of I Gusti Ngurah Rai International Airport.

### E. Discussion

Based on the results of interviews and observations that have been conducted, the implementation of integrated marketing communication by PT Citilink Indonesia Branch Office Denpasar is considered very effective. This is supported by interviews with informants who used Citilink airlines nine times during the past year because they were satisfied with the promos provided. The information channels also made it easier for consumers to obtain company information. In addition, another informant, who is a staff of PT Citilink Indonesia Branch Office Denpasar, also stated that during the COVID-19 pandemic, none of the company's employees experienced a salary reduction or were even laid off. Then the observations showed that other low-cost carrier airlines, which were competitors of PT Citilink Indonesia, experienced a reduction in the number of employees, salary cuts, and layoffs. Some companies that have experienced this are Air Asia, Lion Air, Sriwijaya, Garuda Indonesia, and Susi Air (Aida, 2021).

From the findings, it can be suggested that the right strategy to apply Integrated Marketing Communication for PT Citilink Indonesia Branch Office Denpasar is to provide on-trend advertising so the brand would stay on top of the market demands. By applying Direct and digital marketing, such as following up with long-term consumers and offering them ongoing promotions through emails

or telemarketing. The company focuses on selling the main product, a flight ticket, by doing a sales promotion strategy. It offers consumers products such as hotel promotions, free covid testing, or free inflight services such as snacks and drinks.

This research also shows the difference between the marketing strategy done during the pandemic and the new normal. Hence from the interviews and data collection, it can be understood that during the new normal, PT Citilink Indonesia Branch Office Denpasar is applying Integrated Marketing Communication, which differs from the pandemic situation; PT Citilink Indonesia Branch Office Denpasar only applies Marketing Mix Strategy in order to apply their marketing strategy. The keys to a successful IMC applied by PT Citilink Indonesia Branch Office Denpasar differ from other airlines, in which focus on selling the main product and selling other key features for tourism such as accommodation, dietary, and dietary travel documents, which differs from other airline which only focuses on giving low prices for flight ticket.

Based on this, the implementation or implementation of integrated marketing communication through digital media carried out by PT Citilink Indonesia Branch Office Denpasar can be effectively implemented in the new normal era. Thus, the integrated marketing communication promotion strategy through digital media or platforms can continue to be carried out and implemented by the company. During the pandemic, referring to goals and targets indicated by the performance indicators (KPI) shows that in 2020, during the pandemic, PT Citilink Indonesia has included several categories in concluding of a successful performance or not. As mentioned in the Annual Report of 2020, it is categorized into Financial Respective, Customer Perspective, Internal Business, Process Perspective, and Learning and Growth. Achievement description determined by the PT Citilink Indonesia shows a score of < 95 % signifies not achieved, 95 % - 105% signifies achieved, and > 105 % signifies Exceed. The 2020 Annual report stated that PT Citilink Indonesia as an airline achieved a total KPI Score of 94,3 % hence signifies that the company has failed to achieve a target KPI determined by the company.

Meanwhile, in 2021, due to the unavailable data published by the company, the author can assume that the IMC applied by PT Citilink Indonesia Branch Office Denpasar has been reached. This is proven by applying this integrated marketing communication; the company can provide a full salary to its staff. The company can also provide more sales in several supporting products such as hotels, inflight services, and several others. As well as proven y the loosened travel regulation, the field has realistically shown an increase in flight demands or passengers from 2020 to 2021. Therefore. The author has concluded that in 2021, the company should be able to achieve the KPI determined by the company.

### F. Conclusion

PT Citilink Indonesia Branch Office Denpasar is one of the branches of PT Citilink Indonesia, which is located in the province of Bali. Based on the data collection that has been carried out by the researcher, the conclusions that can be drawn are as follows: (1) On the advertising dimension, PT Citilink Indonesia Branch Office Denpasar no longer applies offline promotional media such as billboards, pamphlets, banners, brochures, newspapers and so on. PT Citilink Indonesia Branch Office Denpasar focuses on digital media to advertise its products; (2) In the dimension of direct and digital marketing, PT Citilink Indonesia Branch Office Denpasar implements promotional activities through the website, mobile app and call center; (3) In the sales promotion dimension, PT Citilink Indonesia Branch Office Denpasar offers various offers related to the new normal era such as providing free rapid tests, discounted stays, giving quotas, snacks and drinks as well as free airline tickets according to the terms and conditions; (4) In the public relations dimension, PT Citilink Indonesia Branch Office Denpasar utilizes the media relations aspect by providing information related to company offers such as procedures for claiming free rapid test vouchers, information regarding the opening of new routes from Denpasar as well as media in helping companies to clarify the causes an event; (5) In the personal selling dimension, PT Citilink Indonesia Branch Office Denpasar conducts this activity at the Citilink ticketing counter located at the Domestic Departure Gate at I Gusti Ngurah Rai International Airport.

Based on observations conducted by researchers, PT Citilink Indonesia Branch Office Denpasar is one of the airlines that can survive well during the current COVID-19 pandemic. This has also been proven by the informant's statement, who stated that he had used the flight services of PT Citilink Indonesia Branch Office Denpasar nine times in the last year. Then compared to Air Asia Denpasar as a competitor to PT Citilink Indonesia Branch Office Denpasar, which operates in low-cost carrier airlines, PT Citilink Indonesia Branch Office Denpasar can maintain its human resources. Meanwhile, at Air Asia Denpasar, there were quite a several employees who were laid off during the pandemic.

From the research done by the author, it can be concluded that the key to the success of Integrated Marketing Communication by PT Citilink Indonesia Branch Office Denpasar is the company's ability to provide personal selling in which provide services without using intermediaries or third parties. For public relations, it has been stated by one of the staff that public relations can reach its target because of the use of social media in which nowadays consumers or people, in general, can gain information easily. The company makes sales and promotions online and digitally; hence, consumers can access or obtain information about the product anywhere and anytime. Youtube, Twitter, Instagram, and Facebook are used for direct and digital marketing, the top four of its preferred social media to

market its products and services offered. The company does advertising; instead of going old school, it chooses what is more suitable and able to reach consumers in this generation, which uses social media; hence consumers can gain its marketing information through their phones even when the consumers are not anywhere near the company.

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