

DIGITAL MARKETING STRATEGY OF INDONESIAN STARTUPS TO ACHIEVE “UNICORN” STATUS

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ABSTRACT

The development of the digital startup ecosystem in Indonesia is inextricably linked to digital marketing, as sales of startups occur digitally through *websites* or *mobile applications (apps)*. The purpose of this study is to analyze the application of digital marketing strategies in Indonesian startups, along with the benefits and challenges of using digital marketing compared to traditional marketing in its efforts to become a “unicorn” startup. The research was conducted on digital startups at the developing level (cockroach) and high level (unicorn), thoroughly examining four startups in Indonesia from various industries. Data collection is carried out through in-depth interviews with key informants in the startup industry, representing various startup categories. This study indicates that the startups named Bukalapak, Sribu.com, Terampil.com, and Koolio.id use various digital marketing channels linked to workforce and marketing budgets, focusing on maximizing the most important media for each startup's category. *Content marketing* is found to be the primary strategy used by digital marketing practitioners in digital startups. In growing and becoming a unicorn, a combination of digital and traditional marketing is recommended to get the best possible outcomes.

Keywords: *Business Strategy, Digital Marketing Communication, Startups, Marketing Strategy, Inbound Marketing, Online Marketing*

1. INTRODUCTION

According to Hootsuite and We Are Social, Indonesian internet users account for 73.7 percent of the country's population of 274.9 million people [1]. In other terms, Indonesia has 202.6 million internet users as of January 2021. With a 27 million rise from the previous year, this statistic increased by 15.5 percent. The rise of the digital ecosystem in Indonesia can be observed by the increase in internet users from year to year. The emergence of this digital ecosystem has also aided the growth of Indonesian startups. According to startupranking.com, a website that ranks startups worldwide, Indonesia is the fifth most populous country with startups. The research conducted by Google, Temasek, and Bain & Company states that Indonesia will have strong growth in all sectors of the digital economy in 2021, with *Gross Merchandise Value (GMV)* of Indonesian e-commerce growing from 35 billion US dollars in 2020 to 53 billion US dollars by 2021 [2].

A *startup* is a business that has just been established and is still in the development and research stages to find market potential, where all of these businesses are classified as technology and information businesses [3]. Meanwhile, based on the Indonesia Digital Creative Industry Society, mapping and database of Indonesian startups have been compiled, which defines a *startup* as a company in the digital industry that already has a business entity or has digital products that have been released to the market [4]. The digital industry sector includes *e-Commerce*, *financial technology*, game development, and digital application development in various sectors.

From the Indonesia Digital Creative Industry Society data, it is stated that there are 1190 startups in Indonesia. There are 481 (39.59 percent) startups in Greater Jakarta, followed by 93 startups in Bandung (7.87 percent) and Yogyakarta (7.05 percent), which shows that the development of

startups is centered in Greater Jakarta [4]. The data mapping and database of Indonesian startups also explains the main problems faced by startups in Indonesia, namely regarding capital (34.1 percent), human resources (18.7 percent), regulation (12.3 percent), market (12.9 percent), strategy (12.3 percent), and facilities (8.8 percent).

With the rapid development of various startups in Indonesia, the competition has become tight, and it is hoped that these startups can survive, sustain, and develop until they reach their peak point, which is to become a unicorn. Unicorn is a term for a startup valued at over a billion dollars [5]. Unicorn startups have a positive impact on the Indonesian economy because they can support economic growth and equity, such as in terms of providing jobs as well as absorbing large numbers of workers, as well as accelerating the flow of goods and services from producers to consumers and being able to empower people towards economic independence [6].

One way that can be used to develop startups is digital marketing [7] [8] [9]. Digital technology is considered the main factor that must be considered because startups are developed using information and communication technology in the digital aspect [10]. Digital marketing tends to be more cost-effective than traditional marketing, and thus, various companies are choosing this new approach to minimize marketing budgets [11] [12].

Digital transformation and changes in consumer behavior have brought new challenges for companies that need to change their attitudes and create new ways to win and retain their customers [13]. Startups, as technology-oriented entrepreneurs, have unique business models, making it difficult for them to manage marketing plans from a standard and traditional point of view. Moreover, startup business ideas are generally actualized with technology, and digital marketing strategies tend to be more relevant to technology than traditional marketing.

Marketing planning and strategy comprise a series of complex and resource-intensive processes that can be highly rewarding if fully implemented [14]. The advantage of digital marketing is that it is more affordable and reaches a broader market audience than traditional marketing [15].

There has not been much research about digital marketing in the startup industry, especially those that comprehensively analyze and compare digital marketing strategies between developing startups and unicorn startups with in-depth interview

methods. Therefore, researchers are interested in continuing research related to digital marketing in the digital startup industry with the following questions: 1. What is the digital marketing strategy used by digital startups in Indonesia, both unicorn startups and developing startups?; 2. What are the benefits and challenges of implementing a digital marketing strategy for digital startups in Indonesia?; 3. How do digital marketing strategies compare between developing startups and those already unicorns? Research conducted by in-depth interviews with key informants from four startups in Indonesia in various levels and industries can contribute to digital marketing, especially for startup companies, both academically and managerially.

2. LITERATURE REVIEW

2.1. Systems Theory & Innovation Diffusion Theory

Systems theory is an organizational theory that generally tries to understand objects through the relationships between and among individual objects, the relationships between the arrangement of objects, and how those objects relate to their environment. *Systems theory* is an illustration that describes organizations as conglomerates of parts, their interactions, interrelationships, and the synergies that stem from their relationships [16]. This theory gave rise to business systems theory which explores the interactions between people, organization, and institutional features and how they affect human skills, strategies, and organizational professions [17]. Systems theory is critical in entrepreneurship because it notes the importance of working together and not excluding new firms from their environment.

The system theory is suitable for digital startups, where a digital marketing strategy can be likened to a system in which each aspect is continuous with one another. In addition, the cooperation of a marketing division within a company plays an essential role in the success of a digital startup. Furthermore, implementing digital marketing in startup companies can also be analyzed with the theory of Diffusion of Innovation.

Diffusion of innovation is spreading absorption of new ideas or things to change a society that occurs continuously from one place to another, from one period to the next, from a particular field to another to a group of members of the social system [18].

The Diffusion of Innovation model can be used to analyze the decision to use digital marketing in a startup [19]. With the Diffusion of Innovation model, the speed with which a startup adopts digital marketing innovation can be identified. Innovation is an idea, practice, or object that is considered new by an individual or other unit of adoption, and in this case, the object in question is digital marketing. In the diffusion process of innovation, there are four main elements: an innovation, communicated through specific communication channels over time and occurs among members of a social system.

2.2. Digital Marketing and Inbound Marketing Strategy

Digital marketing can be defined as achieving marketing goals through digital media, data, and technology [20]. In practice, digital marketing strategy focuses on managing various forms of online company presence, such as company websites, mobile applications, and corporate social media pages, which are integrated with online communications, including search engine optimization, social media marketing, online advertising, email marketing, and partnerships with other websites. These techniques are used to support acquiring new customers and providing services to existing customers that help develop customer relationships through customer relationship management (CRM).

Digital marketing can be defined as an adaptive, technology-enabled process by which companies collaborate with customers and partners to co-create, communicate, deliver, and sustain value for all stakeholders [19] [20]. The definition states that digital marketing cannot be separated from marketing intelligence, a term used to describe various methods of practice and techniques used in online marketing.

One of the earliest contributions to the modern marketing framework is the 4C marketing mix model, in which each of the traditional 4 P's is replaced by a consumer-focused dimension; consumer wants and needs to replace the product; costs to meet needs replace price; convenience replaces place; communication replaces promotion. Consumer orientation is also emphasized in the Digital Marketing Framework, where the success of online marketing efforts is defined using five main factors [21]. These factors are: attracting users, engaging users, creating interest in users, retaining users, and learning about users to continuously adapt the online approach. Social media, in this case, can

be one of the most effective digital marketing channels that companies can use [22].

Digital marketing strategy is closely related to inbound marketing [23]. When it comes to implementing strategies for corporate goals, there are two main paths for doing so: inbound marketing and outbound marketing. These marketing styles differ mainly in approach, cost, the time required to get results, and duration [13]. *Inbound marketing* is a strategy that focuses on welcoming and giving unique customer experiences through various digital media, with an emphasis on organic communication and content marketing. The traditional form of advertising is called outbound marketing, a strategy in which a company advertises its products and services directly, presenting information to consumers even if they do not want to buy it.

Inbound marketing is considered more profitable, where even if the shared content does not result in an immediate purchase action, as long as it is attractive and able to engage customers, it can build brand awareness. The main goal of this strategy is to create a relationship between the brand and the consumer so that it culminates in the desired goal, which is a sale or subscription action [13].

Inbound marketing is closely related to digital marketing and startups, which use the website as the primary medium for their sales location. Digital paid advertisements (ads) such as advertising on Google, or social media are still not considered by practitioners. They have difficulty distinguishing between them, and therefore a gray zone appears [23] [24].

Table 1: Inbound & Outbound Marketing [13][24][25]

Inbound Marketing	Outbound Marketing	Gray Zone
-Content Marketing	-Print Ads	-Email Marketing
-Marketing Blog	-Direct Mailings	-Display Advertising
-Search Engine Optimization (SEO)	-Outbound Call Center	-Search Engine Ads
-Social Media Marketing	-TV, Radio Advertising	-Social Media Ads
-Viral Marketing	-Intrusive Online Ads	-Mobile Marketing
-Podcasts		
-Webinar		

2.4. Digital Startups and Development Strategies

Based on Krishnan et al., the term “startup” has several meanings used in various previous studies. Some researchers refer to the term “startup” which means the first phase/early operation of a company, while some refer to it as a company engaged in digital technology [26]. With various startup terms used, this study uses the term “digital startup”, which means that the startup in question is a company engaged in digital technology.

Digital startups are defined as newly created companies that only produce digital products (goods or services) [27]. Meanwhile, among the many startups in circulation, companies that reach a valuation of \$1 billion or more are called unicorns to describe very successful startups [28]. Thus, it can be concluded that not all startups are in the form of newly built companies, but the term “startup” can also be used to refer to digital startups that have been around for a long time and have been successful so that they become unicorn startups.

There are two categories of digital startups, namely “unicorn” and “cockroach” [5]. Unicorn startups have been valued at over a billion dollars by investors. There are eight unicorn startups in Indonesia such as *GoTo*, *J&T Express*, *Bukalapak*, *Traveloka*, *OVO*, *OnlinePajak*, *Ajaib*, and *Xendit* [29].

Furthermore, cockroach startups, or startups that are still in their early or developing stages, are in survival mode by taking advantage of the uniqueness and strength of their small team [5]. Developing startups will grow slowly with a strong foundation and business model.

The Mapping and Database of Startups Indonesia 2021 published by MIKTI (Indonesia Digital Creative Industry Society) [4] explains the main problems faced by startups in Indonesia, namely capital (34.1 percent), human resources (18.7 percent), regulation (12.3 percent), market (12.9 percent), strategy (12.3 percent), and facilities (8.8 percent). According to this data, the right strategy is needed for startups in Indonesia to develop.

Technological advances have also added new pressure for companies to continuously improve creativity to stand out from competitors. In the development process, startups try to get the best business model so that the interactive process

through digital marketing allows them to achieve product-market fit [3] [30].

Amazon, one of the world's most prominent digital startups, which has the highest growth scale, has a proactive marketing approach, where it highly favored inbound marketing that is closely related to digital marketing [31]. Furthermore, through “Amazon Web Services”, this company can improve its products by providing inbound marketing tools for digital startups and other companies.

3. METHODOLOGY

3.1. Data Gathering Procedures

Data for this research was collected by applying a case study qualitative research methodology in the form of semi-structured interviews. Interviews are the most widely used form of data collection in qualitative research. Semi-structured in-depth interviews are the most widely used interview format for qualitative research and can occur with individuals or in groups. Most commonly, one interview is conducted and takes between 30 minutes to several hours to complete [32].

After analyzing the current digital marketing situation and the literature review, open-ended questions for interviews were created. Key informants are digital marketing professionals from the startups’ industry, interviewed from October to December 2021 in about 45-60 minutes via *Google Meet/WhatsApp Call*. Since the focus of the research is to investigate digital marketing techniques, data is also collected through websites, social media, and other digital instruments.

The selection of the research object is by purposive sampling, considering the level, type, and age of startups, which are the characteristics of each startup. It has been argued that purposive sampling is preferable to probability sampling when conducting qualitative research. Purposive sampling is based on informational considerations, not statistics. The goal is to maximize information, not facilitate generalizations [33].

The object studied in this research is a digital startup located in Indonesia. Four startups from various levels, industries, and ages are selected, with the purpose that this diversity can provide comprehensive knowledge about digital marketing strategies in digital startups. These are the four startups with the following characteristics:

Table 2: List of startups & key informants

No	Startup & Year Established	Industry	Key informant
1.	Bukalapak (Unicorn), 2010	E-Commerce	Head of Creative Marketing
2.	Sribu.com/Sribulancer.com, 2011	Freelancer Platform	SEO Specialist
3.	Terampil, 2020	Edu-Tech	Marketing Strategist
4.	Koolio.id, 2021	E-Commerce Spare parts	Marketing Manager

Key informants were selected based on their knowledge of digital marketing; therefore, all of the informants are from the marketing division. The first informant is the Head of Creative Marketing of Bukalapak, Defri, responsible for creating marketing content at *Bukalapak*. The second is Theo, an SEO Specialist at Sribu.com/Sribulancer.com, one of the oldest members of Sribu.com/Sribulancer.com and is part of the marketing division, who has a thorough understanding of digital marketing in the company. Third, Aldi, a Marketing Strategist at Terampil, an educational technology (ed-tech) startup. Lastly is Cindy, the Head of Marketing of Koolio.id.

4. RESULTS

4.1. Digital Marketing Strategy for Digital Startups in Indonesia

4.1.1. Digital marketing at unicorn startup (*Bukalapak*)

Bukalapak is an Indonesian digital startup in the e-commerce industry. Founded in 2010, Bukalapak has served more than 6 million sellers, 5 million Bukalapak Partners, and 90 million active users, and it achieved unicorn status in 2017 [34]. Defri, Bukalapak's Head of Creative Marketing, explained the marketing strategy used at Bukalapak, where all marketing methods have been tried and pursued with a 360 ° marketing campaign, including digital marketing (inbound marketing) and traditional

marketing (outbound marketing). The marketing division at Bukalapak is also extensive and diverse.

"For marketing, everything is used. Everything exists because everything is continuous, integrated. Traditional marketing methods, such as TV or radio, are also being used for collaboration with digital marketing. Podcasts and webinars are also used here. In essence, all lines are tried. Each piece of content will be well prepared, starting from the design to the copy/content writing."

Bukalapak's Head of Creative Marketing statement shows that for a startup that already has the status of a unicorn, using all marketing lines, both traditional and digital, should be tried and applied to get the maximum possible results.

Digital marketing carried out by Bukalapak is also very diverse, where Bukalapak uses various media: Instagram, Facebook, Twitter, Tiktok, LinkedIn, and Youtube. Meanwhile, Bukalapak runs on social media and Google for paid advertisements. Content marketing, which is a significant part of inbound marketing—that is, as a strategy to attract customers with relevant and helpful content, adding value at every step of the customer's shopping journey—is also essential at Bukalapak. Bukalapak uses various channels to reach the audience, including on Instagram. Content marketing performed by Bukalapak is soft selling content that provides information or recommendations to audience (Figure 1) as well as hard selling content by directly providing product lists and prices.



Figure 1: Content Marketing (informational content) by Unicorn Start-up Bukalapak on social media.

So far, Bukalapak has also worked as much as possible with the available budget. It is undeniable that marketing requires a budget, and the available budget will also be adjusted to the effort made. With an extensive marketing division at Bukalapak, communication between divisions and fellow divisions is crucial in realizing good marketing results.

“The current marketing focus is advancing Bukalapak, not competing with other e-commerce competitors. Each company has its household affairs, with different budgets, which will be adjusted to their marketing efforts.”

Thus, it appears that the focus of unicorn startups is to maximize marketing strategies based on the available budget. Focusing on the company's condition rather than competitors is expected to provide optimal results, not be under pressure, and bring up unique selling points from related startups.

4.1.2. Digital marketing at developing #1 startup (Sribu.com/Sribulancer.com)

Sribu.com and Sribulancer.com are two websites under the PT Sribu Digital Kreatif which are mutually sustainable to bring together freelancers and companies. Over the last two years, they have tried almost all digital marketing strategies, starting with SEO, paid ads on Google, Facebook/Instagram, and social media. However, not all social media channels can be maximized due to limited manpower in the marketing division. SEO Specialist from Sribu.com/Sribulancer.com explained that currently, Sribu is pursuing to maximize on Reels (Instagram), Tiktok, Podcasts (Spotify), and Youtube. Increasing interesting content will increase the *brand image* and customer trust in Sribu.com/Sribulancer.com.

“What has not been carried out is included in next year's planning, for example, YouTube maintenance. All the channels already exist, including Twitter, but no one is running it yet. In addition, there was an event/press conference by inviting online media. It is like Sribu's slogan, “Your Digital Business Partner”, so it refers to digital.”

With some freelancer competitors in the platform, Sribu.com/Sribulancer.com also updates marketing strategies. As a startup that has been

around since 2011, the strategy used to stay afloat is to follow the trends.

“At first, I did not believe in Reels and Tiktok, but it turns out that with the long duration of Corona (virus), more and more people are monitoring digitally. So, like it or not, we have to use them too.”

Sribu realizes the importance of content marketing and keeping up with current digital trends, thus they decided to maximize content marketing in both Instagram Feeds and Reels (Figure 2)



Figure 2: Content Marketing (story telling) by Start-up Terampil on social media.

There will be website improvement too, and after the website update is complete, the Sribu.com and Sribulancer.com websites will be combined into one Sribu.com. After that, the next stage is to develop a mobile application (apps), because until now, Sribu.com/Sribulancer.com does not yet have a mobile apps.

In addition to directly offering services, email marketing is also used to promote articles on the Sribu blog. The ratio is 3:1, with 3 for introduction/education to the product and 1 for sales/conversion. It increases website traffic, as Google's ranking algorithm is currently more focused on the relevant website traffic. Meanwhile, for the *customer journey*, Sribu uses specific CRM tools that are connected directly to the website, so

when a lead wants to order or ask, it will be connected to the CRM tool and then to customer service.

“The most effective strategy at the moment is off-page SEO because many on-pages have not been addressed, as the website uses an old model. Off-page SEO is more about exchanging backlinks or buying backlinks on websites that are considered good. We also buy it at rajabacklink.com (a website for buying backlinks).”

It is known further that the Sribu.com/Sribulancer.com SEO plan has been going well, where there are already many keywords that appear on the first page for searches related to freelancers or services offered. About 80 percent of leads & traffic also come organically with SEO and the rest from paid ads. Meanwhile, press releases are only for awareness, and social media such as blogs & podcasts are more for branding.

4.1.3. Digital marketing at developing #2 startup (Terampil.com)

Not much different from Sribu.com, an ed-tech startup, Terampil, is also trying to take advantage of all existing digital marketing channels, but limited budget and manpower are the obstacles for startups that have just been established. As Marketing Strategist at Terampil.com, Aldi explained that the existing marketing focuses on digital marketing, where Terampil is doing marketing organically through social media, namely Instagram and paid advertising through Google & Facebook Ads. Tiktok, LinkedIn, and Youtube already exist, but they are not optimal.

“Everything has to be done; the most important thing is the objective. If a startup is just starting, the ideal objective is awareness, making people know about the product. At Terampil, because this is a training video product, the best channel for a marketing strategy is on Youtube, because we can upload an overview of the training video and the duration of the ads can be longer too.”

However, the channel that uses the most significant budget is paid ads because this is the easiest way to reach as many audiences as possible in the shortest time. However, in the next 3-5 years,

it is likely to take advantage of organic channels because gradually, people will get tired of the increasing number of digital advertisements. Therefore, in the future, SEO and relevant content marketing need to be maximized more at Terampil.

“Content marketing is essential, and it can be used in many channels, for example, on social media, blogs, press releases, email marketing. Take advantage of all the available channels. The content design is important, but what is more important is the copywriting.”

Apart from social media and paid ads, marketing is also done through display advertising, WhatsApp blast, email marketing, push notifications, partnerships with campuses and private and government companies, and building ads or advertising in various buildings, especially elevators.

“We are also running display advertising at Kompas Group through pasangiklan.com. Email marketing, push notifications, and WhatsApp are also currently running, and for WhatsApp, there is customer support on the digital marketing team to approach clients, offer or ask for feedback.”

Regarding the use of copywriting, as for the ed-tech industry, which still requires an introduction to the Indonesian audience, there is no problem using words that are “wordy” or hard-selling. Soft selling techniques, such as viral marketing or storytelling can be used in broad and indirect reach channels like social media (Figure 3). Meanwhile, hard-selling techniques can be used in direct channels, such as CRM (WhatsApp, email marketing, push notifications).

Furthermore, it was explained that research and analysis were needed beforehand on the related startup industry in making a good strategy. Ed-tech is a new thing in Indonesia, so the market has not yet been formed, and much more education about ed-tech is required.

4.1.4. Digital marketing at developing #3 startup (Koolio.id)

Unlike Sribu and Terampil, which started digitally, PT Global Cool started their business as a traditional company. When the company got outstanding sales through various e-commerce, PT Global Cool took

the initiative to build its e-commerce in 2021, named Koolio.id. Koolio.id explicitly sells products in the B2C segment in the air conditioning spare parts industry.

Marketing Manager of Koolio.id, Cindy, said that there are certainly desires to develop into a unicorn startup, but this dream can be realized when finding the right strategy/treatment, *customer*, and distribution channel.

"The way to find it all is not easy. We have to look at the momentum. To be number one and compete, we must not lose quickly; we must see the competition. For example, through Google Trends, we can see what the best thing in the year from the industry is we are living in."

Koolio.id is a very new website; therefore, it still needs a lot of introductions and improvements in the digital marketing scope. The target market still has to be explored. So far, SEO has been running and is quite successful, with 25 keywords that come on "page one". Google Ads and Facebook Ads will be running soon, and for now, the focus is more on website optimization with SEO, then follow up with email marketing/WhatsApp. Meanwhile, for creating content and paid ads, the plan from the marketing division of Koolio.id is to use external parties, namely digital agencies.

"For social media, it is still not maintained right now, because there are manpower obstacles. Because of limited energy, mobile apps is not built yet, and we want to focus on website first. Do not let everything run, but later it will not be taken care of."

Building a startup at a very early stage requires focusing on some of the most suitable digital channels. At Koolio.id startup, the application of digital marketing is not done in a hurry, so the use of websites and SEO is the best option for now.



Figure 3: Content Marketing by Start-up Sribu on social media.

4.2. Benefits and Challenges of Implementing Digital Marketing Strategy for Startups

For Bukalapak startups with unicorn status, digital marketing benefits are proven, as is the benefit of traditional marketing. With the availability of budget and manpower, Bukalapak combined traditional and digital marketing, with a 360 ° marketing campaign that was already implemented.

Meanwhile, digital marketing is considered very important at Sribu.com, where even from seven years ago, this startup has considered digital marketing very important. Data from Google Trends/Google Keyword Planner can also be used as a reference to see the importance of digital marketing. The use of digital marketing or traditional marketing can be adapted to the industry/product being offered, and in Sribu itself, digital marketing plays a significant role because it is also very compatible with the industry.

The challenge of implementing digital marketing at Sribu.com is that digital advertising costs are getting more and more expensive; therefore, it needs to be maximized organically. Another challenge is competition and technological modernization, where self-awareness and a desire to keep learning are needed to keep up with the latest updates from algorithms and new digital media that are developing.

“Digital marketing is currently growing, and lessons about digital marketing can be obtained easily anywhere, so the young ones may even be more skilled than the old ones. It is useless for digital marketers if they are experienced in several years but do not want to keep learning.”

In two other developing startups, namely Terampil.com and Koolio.id, the benefits of digital marketing have been felt but not yet significant. For Terampil startups, the reason is that the ed-tech market has not been clearly established, where most customers only rely on Pre-Employment Cards from the Indonesian government in buying training for free in the *ed-tech industry*. Therefore, the most suitable initial objective for Terampil.com is awareness rather than sales or conversions. By running paid ads on Google and Facebook/Instagram, the population’s demographics will be visible to be used as further data to determine the audience's market.

The application of digital marketing at Terampil still provides more significant benefits than traditional marketing, but limited budget and manpower are still obstacles. In addition, paid ads/digital ads that are increasingly spreading in the future can also be an obstacle, where the price of advertising can be higher, and the competition is getting tougher.

Koolio.id startups experience a different obstacle, where startups that started from traditional companies still use traditional perspectives on marketing strategy. It is pretty difficult to convince companies that digital marketing can work optimally with traditional marketing that already exists.

“It will be difficult if traditional marketing in the center, because it affects the budget. The digital mindset is not ready, and the agency has not started yet because this year the plan is to realize first that digital (marketing) is important, the mindset is changed first, then it will be big next year.”

Furthermore, Cindy explained that maybe the company without digital marketing is still acceptable for now. However, for future developments, digital marketing is essential. When competitors are already using digital marketing, they have to use it.

From the presentation of the four startups, it can be seen that digital marketing can provide considerable benefits for the company’s development. However, the various challenges experienced in implementing digital marketing are also quite complicated and varied, especially in developing startups, where budget, manpower, competition, market-fit, and even internal underestimates have to be faced. Meanwhile, for unicorn startups with adequate budget and manpower, marketing is carried out thoroughly, both digitally and traditionally.

4.3. Comparison of Digital Marketing Strategies Between Developing Startups and Unicorn Startups

The differences in the application of marketing methods used by unicorn startups and developing startups are influenced by the marketing department, marketing budget, and the type of marketing. Thus, the marketing approach, as well as the benefits and challenges experienced, are also different. For unicorn startups with an adequate budget and manpower, the application of marketing in all marketing lines, applying all marketing lines, both traditional and digital, is worth trying and collaborating. Meanwhile, the limited budget and manpower of startup companies that are still developing have caused limited activities to be carried out. It is shown with developing #1 startup that uses digital marketing only because they are considered more effective with a lower budget, whereas developing #2 and #3 startups use traditional and digital marketing, but the media used are still limited.

The following is a comparison between each start-up that is the subject of this research based on the marketing department, marketing budget, type of marketing, inbound marketing technique, outbound marketing technique, gray zone technique, and the benefits and challenges faced by each startup.

Table 3: Comparison between Unicorn Startup & Developing Startups (Source: processed primary data, 2022)

	Unicorn Startup (Bukalapak)	#1 Startup (Sribu.com)	#2 Startup (Terampil.com)	#3 Startup (Koolio.id)
Marketing Department	Large & organized department	Small department	No organized department	No organized department
Marketing Budget	High	Low	Low	Low
Marketing Type	Conventional & Digital	Digital	Conventional & Digital	Conventional & Digital
Inbound marketing technique	Content Marketing, Blog Marketing, SEO, Social Media Marketing, Viral Marketing, Podcasts, Webinars	Content Marketing, Blog Marketing, SEO, Social Media Marketing, Podcasts, Webinars	Content Marketing, Blog Marketing, SEO, Social Media Marketing, Webinars	Content Marketing, Blog Marketing, SEO, Social Media Marketing
Outbound marketing technique	Print Ads, TV, Radio.	-	Direct Sales & Partnership (B2B & B2G)	Print Ads, Direct Sales (B2B)
Gray zone technique	Email Marketing, Display Advertising, Search Engine Ads, Social Media Ads	Email Marketing, Display Advertising, Search Engine Ads, Social Media Ads	Email Marketing, Display Advertising, Search Engine Ads, Social Media Ads	Email Marketing, Display Advertising, Search Engine Ads, Social Media Ads
Benefits of using Digital Marketing	High (with combination with conventional marketing).	Very high	Mid-level	Mid-level
Challenges of using Digital Marketing	-	Must always keep up with digital trends and lack of manpower.	Have not found a market-fit, and lack of manpower and budget.	Digital marketing tends to be underestimated, affecting the budget and manpower.

5. CONCLUSION AND RECOMMENDATION

The purpose of this research is to find out in-depth the digital marketing strategies carried out by digital startups in Indonesia, along with the benefits and challenges of implementing digital marketing strategies for digital startups in Indonesia. Furthermore, this study also compares digital marketing strategies between developing startups and those that already have unicorn status.

This study reveals that startups in Indonesia are already using digital marketing to reach a broader potential consumer. For faster growth, technology-

based startups recognize the importance of utilizing digital marketing strategies using various digital channels commonly used by Indonesians. However, a combination with traditional marketing is still recommended, especially if the budget is large enough. According to the interviews conducted with the four startups in Indonesia, it was found that three startups use a mix of traditional and digital marketing, while one other startup only uses digital marketing.

Various digital channels are used to run digital marketing in Indonesian startups, such as Instagram, Facebook, Tiktok, YouTube, Spotify,

Whatsapp, LinkedIn, Google, and Twitter. All the key informants from four startups in this research agree that content marketing, which is the main point in the inbound marketing concept, is essential in supporting the marketing success of a startup. With the increasing number of digital advertisements, organic content emphasizing customer engagement is valuable.

It is closely related to the benefits and challenges of using digital marketing and their budget, where #2 and #3 startups are still using traditional marketing to get customers, and the benefits of digital marketing have not been felt by companies too much. The reason which is also an obstacle to implementing digital marketing for each company is different, according to the industry and duration of digital marketing use. The developing #1 startup that has felt the positive impact of digital marketing optimally uses it to its fullest. Meanwhile, startup unicorn *Bukalapak* uses a 360 ° marketing campaign that includes both digital and traditional due to budget availability. The unicorn is aware of the importance of trying to use all marketing lines to get maximum results.

Based on the explanation above, it can also be seen that there are differences in the application of marketing methods used by unicorn startups and developing startups. Unicorn tends to have a larger budget, and more manpower, so traditional and digital marketing approaches are worth using. Meanwhile, the limited budget and manpower of startup companies that are still developing have caused more limited activities in the marketing field. Developing #1 startup uses digital marketing because it is considered more effective with a lower budget, and developing #2 and #3 startups use traditional and digital marketing, but the media used is still limited.

Achieving the status of unicorn is the dream of every digital startup, and this is in line with the wishes of the three developing startups that are the object of this research. Key informants from the three related companies hope that one day the startups they develop can become unicorns, but on the other hand, they are also aware that the more important thing is to maintain the startup's sustainability, which is still in its developing stage. There is a long way to go, and implementing the right strategies must be continuously developed, especially digital marketing strategies, which in the four startups' case studies in this research, also play

an essential role for a startup to survive until it grows successfully.

This research's findings and conclusions will contribute mainly to the managerial side of startups, especially in Indonesia, to see the importance of using digital marketing to develop startups. It is recommended to use digital marketing, which can later be collaborated with traditional marketing, which is still adjusted to the company's budget. Many digital channels can be used, in line with the growth of internet users in Indonesia. It is recommended that developing startups do not use all channels at once, but rather select a few that appear to be the most suitable for the related startup industry and then maximize those channels. Organic content marketing with appealing design and copywriting is recommended to increase brand awareness and purchases.

The limited research could be due to a strategy favoring qualitative research. From a scholarly point of view, increasing the sample size for future investigations is recommended to increase the breadth of findings and fill research gaps in startup studies. In summary, further academic studies are suggested to (1) use a larger sample, (2) use quantitative methods or a combination of quantitative and qualitative methods to obtain a more statistical analysis, and (3) expand the variables to be studied, which are adapted to the digital culture used in the country concerned.

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