

DIGITAL MARKETING MODEL B2B LUBRICANT INDUSTRY

Mr. PURNOMO
Master of Management
Ahmad Dahlan Univeristy
Yogyakarta, Indonesia

Abstract

Lubricant is an essential item that is needed all at times for transportation and industrial plants. In line with the growth and development of industry and economic growth, distribution channels are also getting wider and more complicated. The lubricant industry has the characteristics of products consumer and industrial products, with distribution channels also being developed in different ways. Including channels B2B distribution. Digital marketing of B2B lubricants has provided a realistic picture of usage practices measurement, and barriers around digital marketing in the social media era. With the results showing progress in revenue and market share. B2B companies must continue to update their capabilities so that they are unique and able to compete because all companies also use digital media. The social media used must be relevant, add value to users, be centered consumer; and must be able to differentiate itself, therefore the digital marketing of a lubricant B2B company must have a strategy to be able to compete with market leaders and innovation leaders. Leaders of B2B companies Lubricant must rethink their digital strategy for B2B customer acquisition and loyalty, increase sales and market share in order to be profitable and sustainable.

Keyword: Lubricant, Digital Marketing, B2B, Covid-19

Introduction

The crisis due to the outbreak of the coronavirus disease 2019 (COVID-2019) from Wuhan, China, triggered the spread of a virus outbreak outside China, which greatly affected other countries around the world and became a global pandemic. The International Monetary Fund has indicated that the world is entering a crisis equal to or worse than the 2008–2009 financial crisis. Therefore, the nature of the Coronavirus crisis is affecting companies with B2B business models, especially their marketing and sales operations (Mora Cortez & Johnston, 2020).

Business to Business (B2B) is a business model in a company where one company cooperates with other companies on business. A company that has the ability to make a certain product, then the product cooperates with a special distributor company that specializes in selling. The company just needs to focus on determining the business strategy, value proposition and expected sales targets. In designing a digital marketing strategist for this business model,

there are several things that you need to pay attention to and prepare well. This is because companies that focus on business to business usually have a longer sales turnaround time, a more limited target market, and prices tend to be higher than the price of the product in general. The above conditions make B2B business has its own challenges. However, this does not mean that business to business digital marketing is difficult to implement due to the fact that this business model is quite profitable for the companies involved (Mora Cortez & Johnston, 2017).

Business-to-business (B2B) Web sites are used by businesses to establish strategic relationships with their customers and suppliers by making business transactions fast, convenient, and tailored to the needs of the business partners involved (Marakas & O'Brien, 2013). The evolution of digitalization is an important driver of the B2B world. The first step follows the growth of e-commerce which is becoming the main home for digital transactions. Today, the trend towards digitization involves manufacturers implementing intelligent digital systems that allow products to operate independently of human intervention and interact with other machines. In addition, suppliers have implemented digital platforms to automate billing, rebates, and payments; improve transaction processing efficiency. Human-machine, human-machine and machine-machine communication requires functional and continuous Internet access. In the near future, more and more inanimate objects will be built to upload data to the Internet without human involvement. The main benefit of this digitalization evolution is that technology will help to avoid the limitations of human resources (for example in terms of time availability, continuous attention, and accuracy), improve understanding and measurement of real world activities, companies can increase control, reduce waste, loss, and other costs (Mora Cortez & Johnston, 2017). B2B companies must update their capabilities with respect to the use and measurement of digital marketing to adapt current practices to suit the characteristics of today's digital media landscape (Jarvinen et al., 2012).

Total demand for industrial lubricants is expected to continue to rise, with the main market being Process oil and industrial machine oil having the largest market share in the Indonesian industrial lubricant market. these lubricants for the needs of the transportation industry, mining, manufacturing, marine, power green industry. CAGR over 2022 to 2027 is expected to increase to 2.1% with the expectation of better industrial sector growth, due to improvements in the mining and power generation sectors, as well as more infrastructure projects being initiated. (Sujarwo, 2020) However, there is a problem with competition from competitors in maintaining B2B consumer loyalty. strong digital dimension, including mobile apps, a Facebook game and a dedicated YouTube channel, with behind the scenes footage and details on the vehicles, the engines and the all important oil (Media Relations, 2013).

Lubricant industry B2B companies must also follow the communication needs of users who use various social media. Users are currently searching for information on YouTube, Facebook, Instagram, LinkedIn and Twitter. the key aspects to use are relevant, adding value to the reader; and thus the organization can differentiate itself from the competition by staying with the flow and being seen as a market leader, innovation leader, and able to compete (Stephenson, 2018).

Theory

Digital Marketing is an activity to carry out marketing communications for a brand or product via the digital world where you can communicate with potential consumers online. There are various accesses for potential consumers online using websites, blogs, social media (Instagram, Whats app, Line, etc.) and it feels more personal as if marketing activities are given specifically to everyone differently (Huovila, 2020; Kotler et al. ., 2021).

Digital technology is the representation of information in bits, reducing the cost of collecting, storing and decoding customer data. This new digital technology can be seen as a reduction in the cost of certain marketing activities. Digital marketing explores how traditional areas of marketing such as pricing, promotion, product and placement change when certain costs drop substantially, perhaps near zero (Goldfarb & Tucker, 2019)

. Digital marketing is evolving towards greater use of interactive platforms. This provides an opportunity for the creation of a new paradigm of industrial customer behavior and a greater understanding of digital B2B marketing activities in areas such as customer service, experience management, advertising creativity, and discovery of new business opportunities. Digitalization has facilitated a major paradigm shift in B2B marketing by providing a platform that enables companies to perform more strongly (Kim & Moon, 2021).

Some of the benefits of Digital Marketing:

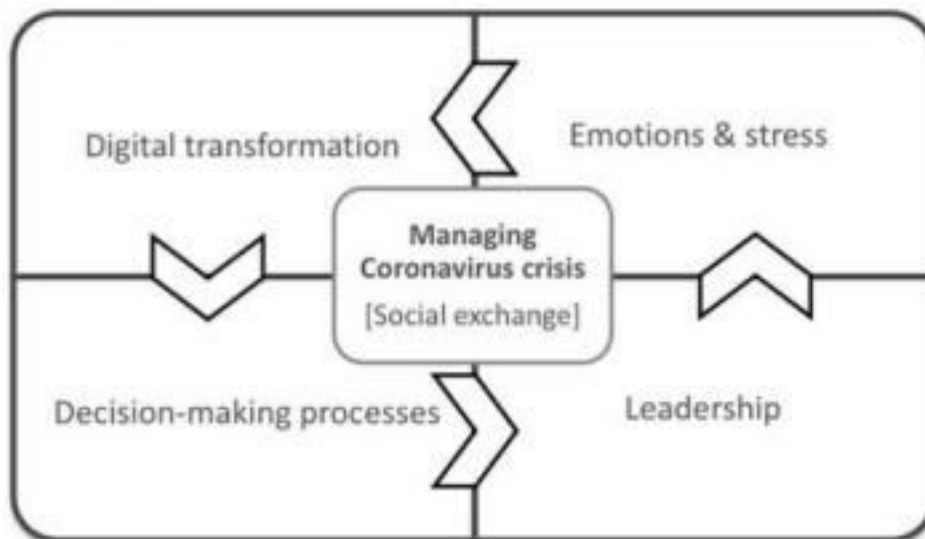
- **Help To Increase Sales.** The results of digital marketing activities can increase sales, because digital marketing can reach more customers, digital marketing can reach many areas that already have an internet connection (Melović et al., 2020).
Digital Marketing has been confirmed by many business owners as being able to increase revenue (Kingsnorth, 2016).
- **Reaching a Wider Market.** Digital marketing can reach a wider market. With a wider market reach, the business can be recognized in other areas. Thus, the opportunity to get customers can also be greater (Kingsnorth, 2016).
- **Save on Promotional Costs.** The benefits of digital marketing that are most enjoyed by brands are that it can be carried out cheaply and very economically, namely saving promotional costs. Yes, the promotion strategy of applying internet media is indeed much cheaper when compared to applying conventional methods such as brochures, billboards, or making advertisements on radio and television. Therefore, for those of you who are just starting a business and want your business to be quickly recognized by many people, you should choose a digital marketing strategy to run promotions (Goldfarb & Tucker, 2019).
- **Good Liaison Means With Consumers.** Digital marketing is carried out with various media that are directly connected to customers. Even though they don't know each other yet, with digital technology it is possible to communicate with customers directly using digital marketing techniques. This makes digital marketing very popular because it is closer to the customer. Customers or customers are one of the important things in the success of a business. Therefore, building a good relationship with customers is of course very important. Well, the next benefit of digital marketing is that it can be a good liaison with consumers (Dempster & Lee, 2015).
- **Helping Compete With Big Companies.** Before information and communication technology developed as fast as it is now, small entrepreneurs or beginners would usually

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find it very difficult to compete in the business world. But, not for now. Not only does it make your position on par with competitors, but digital marketing also allows you to compete head to head with big brands and companies. By carrying out targeted marketing applying various existing digital media (Krings et al., 2021).

- Provide Ease of Seeing Business Changes. Knowing business changes is very important. The problem is, not all business people can quickly notice changes in their business. However, with a digital marketing strategy, this will not be a problem, because business changes can be easily noticed without having to wait a long time. That way, you can also do business analysis and evaluation quickly (Kim & Moon, 2021; Mora Cortez & Johnston, 2017).

The Business to Business Model (B2B) is increasingly popular along with the development of online or e-commerce business models. B2B is one of the business models of a company that focuses on selling products and services to other companies, not to individual consumers. The concept is easy, in running its business, companies B2B is oriented to support other companies through its products and services. Some of the most common products or services offered by B2B companies are raw materials, finished spare parts, business consulting services, marketing services, and web development services (Mora Cortez & Johnston , 2017)



.Digital Transformation Model B2B Business Model during the Covid19 Pandemic (Mora Cortez & Johnston, 2020)

From the picture above, it can be seen that one of the most important things is digital transformation and leadership. Leadership must direct, decide, and oversee the implementation of digital transformation , including implementing digital marketing.

Running B2B business model is considered as something that is quite challenging for some people. What's more, this business model is relatively flexible because it can penetrate into various business fields. Of the many fields that can be reached by B2B, one of them is distributors. Suppliers in the business-to-business (B2B) market actively manage relationships not only with their distributors but also

distributor customers through various marketing activities (Wang et al., 2021).

The digital era has also penetrated the activity of supplying business needs. In fact, nowadays companies are willing to pay other companies to get access to sites or portals that have information about various supplies needed by certain industries. For this category, B2B businesses act as intermediary sites to meet supply needs between business owners and suppliers. If you have collaborated with B2B, a company's purchasing agent can easily identify and access the supply of raw materials, components, and other products remotely through the e-procurement site (Dessaigne & Pardo, 2020).

Discussion

Program Pertamina Olimart as an implementation of the marketing communication strategy of the Pertamina Lubricants Business Unit is through the Strategic Partnership system, PINTER Service Standards, Incentives for workshop mechanics, Sales Promotion Support, and Workshop Branding (Oktafianti et al., 2010). Porter's model for approaching markets with specific strategies is the most accepted strategy model in domestic, regional, international & global markets. In recent years it has been observed that although one can apply this model as a general guideline to approach various markets but sometimes the marketing team has to use a combination of cost leadership, differentiation & focus strategies to win certain new projects/businesses. This combination decision can be based on an ongoing review of the existing strategy & its results (business results). In this article experiences, observations & results have been shared based on variations in market strategy approach with regard to supply of specialty lubricants to one of the major power sector companies in India. Combination strategy success stories (Integrated Strategy: both cost leadership & differentiation strategy) have been shared to make it clearer (Awade & Sadan, 2015).

In order to market products according to the desired brand, B2B companies must find the right marketing channels according to their target users, use efficient marketing strategies so that they can remain competitive with competitors (Kam & Lee, 2013). In the case of India, the majority of sales of industrial lubricants are purchased by retailers (B2B) with 60% (Market share), so that the B2B business model in the lubricant industry is a good choice to earn income (Singh et al., 2011). PT Pertamina Lubricants continues to strengthen its B2B network and digital marketing methods following market trends, technology trends and also digitalization trends that have been adopted by customers and society (Rachman, 2018).

The lubricants industry remains an attractive—but also challenging—business in the short term. Value growth is not evenly distributed, and suppliers need to design strategies that ensure access to growth areas. This could involve leveraging distributors or affiliates to help penetrate new markets; alternatively, an existing enterprise business may be the best platform to enter. Digital marketing efficiency can be increased by coordinating advertising across business units and using advanced analytics to identify and overinvest in priority segments. Today, and increasingly in the future, it is also important to develop expert content marketing and social media capabilities, with more budgets for B2B technical sales and less for B2C. To ensure this is achieved efficiently, companies must optimize product portfolios and routes to market, move forward with sales channel integration, and hone digital marketing skills to engage buyers (Bau et al., 2018).

Digital Marketing Strategy for B2B Distributors

a. Multichannel Social Media

Today's communication channels have evolved in the lubricant industry over the last 30 years. From traditional newspapers, cell phones and desks, to today's tablets and laptops. Integrated digital devices have taken the lead in an 'always connected' society. Consumers have never been exposed to so many communication channels as they are today. From content published via blogs, content shared through channels like YouTube, messaging content via apps like Facebook messenger, discussion forums like Reddit, collaboration platforms like Yamma or networking forums like LinkedIn. And they are important. Channels appeal to the needs of different users on social media. For information seekers there is YouTube, mass media sharers have Facebook, Instagram for young hi fashion individuals, future professional thinkers prefer LinkedIn and Twitter for news seekers and authoritative influencers. Social media has an immediate impact enabling organizations to see tangible results. For the audience, the key aspect is relevance, adding value to readers through the use of online forums or blogs; consumer-centric in a world where the barriers between B2C and B2B are collapsing; and thus the organization can differentiate itself from the competition by staying with the flow and being seen as a market leader and thought leader.

In short, digital communication is accelerating (Stephenson, 2018).

b. Internet of Thing (IoT)

Additional types of services that can be offered include remote Internet of Things (IoT) which enables real time monitoring of equipment and stock levels, such as those used by Morris Lubricants and Petasense. This increases maintenance efficiency and enables vendor-managed stock optimization while helping to increase customer intimacy (Bau et al., 2018)..

Another service is real-time used oil analysis, which involves a site-wide fluid management system using sensors in location to analyze used oil samples. The results can be compared with oil database

used to optimize lubricant change intervals and product selection. To offer such a service, companies must develop or acquire sensor technology and advanced artificial intelligence and analytics solutions needed to analyze and compare samples successfully (Dumitriu & Popescu, 2020).

c. Use Social Media Content Marketing Strategies

Digitization and the emergence of social media that can be accessed for free make anyone can become a content creator. This is a great opportunity for the B2B business model you are managing. Leveraging content marketing is a good investment for brands, in the short and long term (Barry & Girona, 2019).

By using content marketing, the opportunity to reach a market that suits your target is wide open. You do this by presenting content that is relevant, informative, and honest, according to the business you run. If you are consistent in content marketing, of course you can make your brand name more famous and trusted in its field, so that potential consumers will grow automatically. To align the company with the rapid digital development, MPM Lubricants adopts digital innovation in its efforts to get closer to consumers. The company's digitalization is developed through a platform by prioritizing big data as a basis for companies to make decisions. Brand

education is carried out through official accounts on a number of social media platforms and online media portals (Kotler et al., 2021).

d. Design Ideas and Plan Carefully

After deciding whether to use a content marketing model, allocate time to develop a solid strategy and plan (Kingsnorth, 2016). Design ideas for content over the next 12 months, or at least six months. Also consider the different possible content formats that best match your brand, such as videos, infographics, and articles. Carefully mapping out the strategy will greatly help your future content marketing process. For Instagram social media, presenting photo content is much better. YouTube is great for sharing long video content. Meanwhile, the website can be a place for publishing content in the form of writing that provides useful information for customers (Kane, 2020).

e. Use Advertising Media

To increase the effectiveness of content marketing in reaching the desired audience, advertising the content that you have created can be a solution. Currently, there are various advertising options available, one of which is advertising that provides a new breakthrough in the world of digital advertising (Jenkins, 2016).

In recent years, native advertising has become the choice of many marketers due to its high success rate. This ad format adapts to the format of the content on the site that displays it so that it looks more natural. In this way, native advertising will not disturb the audience while they are surfing your website. In addition, this format makes engagement more relevant because users will click on the displayed ads if they are really interested (Dekoulou & Trivellas, 2017).

f. Maintaining Consistency

Digital marketing is a long term marketing strategy. It is almost impossible to succeed overnight. This condition makes digital marketing require consistency and patience to be able to build a strong online presence and convert significantly (Olson et al., 2021).

These B2B Digital Marketing tips that you should try do look easy and difficult. But don't worry, this challenge can be overcome with various tools that will help you see if the steps you are taking are on track. If you still need support and assistance from experts, you can contact a digital marketing firm who will help provide the best input for you (Barry & Girona, 2019).

RESULT

Lubricant Industry Companies that run the B2B model must implement appropriate digital marketing strategies in order to provide the right branding, reach the right targets, provide value for their customers and maintain customer loyalty. Leaders of B2B Lubricant companies must rethink their digital strategies for B2B customer acquisition and loyalty, increase sales and marketshare in order to be profitable and sustainable (Vieira et al., 2019). Domain strategies that can be applied include:

- a. Multichannel Social Media
- b. Internet of Things (IoT)
- c. Use Social Media Content Marketing Strategy
- d. Design Ideas and Plans Carefully

- e. Using appropriate Advertising Media
- f. Maintaining Consistency

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