



Proposed marketing strategy for PT. Harmony land group in facing off uncertainty period

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ABSTRACT

In the fourth year of PT. Harmony Land Group growth, an unexpected big disaster is coming, Pandemic Covid 19. The property business is greatly affected, people are afraid to leave house, even less to buy a house. After struggling to survive in a pandemic situation without firing any employees, Harmony Land started looking for the next opportunity. One big issue that Harmony Land wants to solve is increasing the act per ask at A5 customer journey. This research is to analyst internal and external business condition of PT Harmony Land Group; To understanding customers' need by doing customer behavior research. To propose strategy to increase conversion rate act per ask. This research employed quantitative and qualitative method or mix method. In addition, the researcher also applied AFI framework. Based on the result it can be concluded that housing Market is high competition, but because of the demand always grow while supplier is cannot be renewable make housing business is very prospective. Pandemic Covid make customer that should be buy house in 2020 until 2022 pending their purchase, so after pandemic end, there will be boom demand, because customer which pending their purchase will buy and new customer still will buy.



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INTRODUCTION

The house is one of the basic needs, “*Kebutuhan Papan*” category. Everyone wants to own a house that is suitable for residential, or as an alternative investment. Demand for housing continues to grow. Housing demand for investment purposes continues to increase if people's incomes also increase. And the housing demand for living also continues to increase if the number of families increases as well. Every family wants to have their own home. So, as a country with a high birth rate, Indonesia has a high potential for housing demand (Monkkonen, 2013).

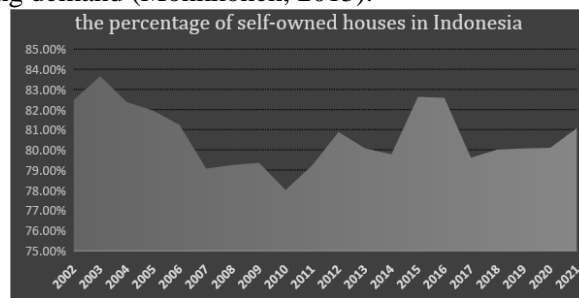


Figure 1 The percentage of self-owned houses in Indonesia

Source: <http://bps.co.id>

Figure 1. shows that the percentage of self-owned houses in Indonesia for 20 years is always up and down with an average of 80,67%. This means that house supply cannot meet demand. Because when house supply was built, there were new demands. So, on average, supply is lower than demand. While for the supply side, housing products are developed by developer companies, either from private companies or state companies (BUMN). To build a housing product, Developer needs two basic supplies: land and building material. Building material is a type of supply that can be renewed. While land is a type of supply that cannot be renewed. That's why land supply to build housing products is always increasing year by year.

Houses are in limited supply, but on the other hand demand is always increasing. So that house price always increases year by year as well. This condition shows in figure 2, Indonesia residential property price index from bank Indonesia.



Figure 2 Indonesia Residential Property Price Index
 source: <http://tradingeconomics.com>

March, 2, 2020, the first time Covid-19 announced its spread to Indonesia. Thursday (17/2/2022) In the Property Outlook 2022 held by CNBC Indonesia, Deputy Minister of Finance Suahasil Nazara said “Then people start to think that economic activity will go down and people will start buying less long-term assets, including property. Short-term uncertainty causes that. Therefore, if you look at the demand index for commercial property, it immediately falls,” (Rahardian, 2022). Changing of government policy to handle covid makes the situation worse. Two years, players in the housing industry had to push at any cost and think creatively to survive. One of them is PT Harmony Land Group.

As a company that builds from the scratch, Harmony Land grew so fast, only 5 years, in 2021 Harmony Land already has 25 residential projects with 1034 units in five cities, Depok, Jakarta, Bogor, Sukabumi and Medan. This success is due to the success of the initial project and various awards in 2017 which earned Harmony Land a lot of investor confidence. As a result, more and more investors, both institutions and individuals, are entrusting their money to Harmony Land. Not only that, there are also many landowners who are willing to cooperate or are willing to accept payment in terms of a soft tempo, which is paid for every unit sold. The Harmony Land brand brought by Fithor Muhammad, as a young success entrepreneur, also encouraged that achievement.

In the fourth year of growth, an unexpected big disaster is coming, Pandemic Covid 19. The property business is greatly affected, people are afraid to leave the house, even less to buy a house. Figure 1.6 shows sales historical PT Harmony Land Group from 2017 until 20221.



Figure 3 Unit sales PT Harmony Land Group per Quartal 2017 – 2021
 Source: internal report PT Harmony Land Group

When Covid-19 comes, Harmony Land gets shocked, many customers that are already booking units decide to cancel, and many potential customers cancel surveys and of course cancel the purchase. In quartal one, 2020, Harmony Land only sold 1 unit house. It is the lowest from five years of Harmony Land history. However, with a solid and learner team. Harmony Land immediately gets up to face off the challenge of Covid-19.

Through the adaptive mindset and agile organization of Harmony Land, Harmony Land is capable of rising up. Moreover, the units sold 2020 are still higher than before Covid 19. And for 2021, the units sold almost twice than before. Not only that, despite the Pandemic situation, Harmony Land also didn't fire any employees due to saving costs.

Entering 2022, The covid pandemic has started to subside, Harmony Land decide to improve again, innovate and achieve the bigger revenue. Because of that, this research is made to help Harmony Land achieve more revenue by doing scientific approach through MBA final project.

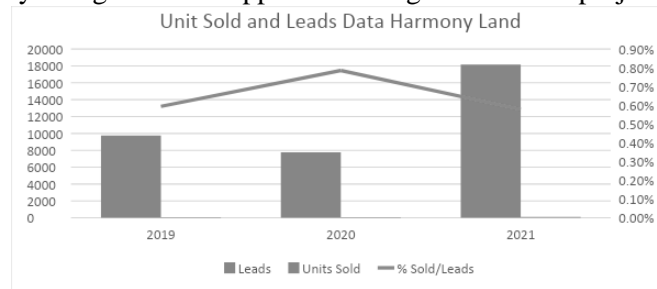


Figure 5 unit sold and leads data Harmony Land
 Source: Internal report PT Harmony Land Group

In 2019, the conversion of potential customers (leads) became sold out was 0.59% then increased to 0.79% which finally fell back to 0.59%. Harmony Land sees an opportunity to increase sales from optimizing existing leads. Using the A5 customer journey framework, Harmony Land is a funnel type where each stage is converted into smaller ones. If 2021 data is used to visualize the A5 model, then the result will be like the following image.

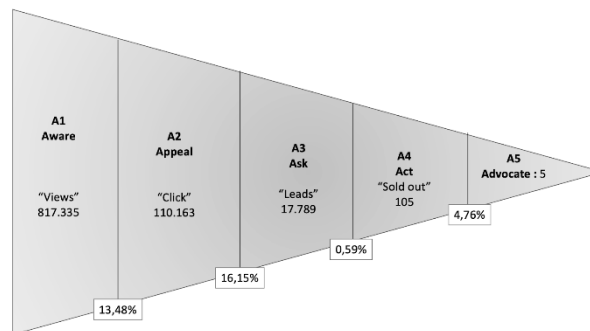


Figure 6 customer journey A5 of Harmony Land
 Source: internal report of Harmony Land

Conversion in each process is still very small. If the BAR (brand advocate ratio) is calculated, then Harmony Land only has 0.0006% which is obtained from the number of advocates divided by the number of Harmony Land ad viewers. However, Harmony Land's management decided that in the early stages, after receiving knowledge from the MBA ITB, Harmony Land wanted to increase the conversion of Act per Appeal, or in Harmony Land's parameters, namely Unit Sold per Customer Leads.

Seeing the potential market and future opportunities in the housing industry, Harmony Land wants to continue to develop its projects, realizing its dream of becoming the Developer with the most Housing in Indonesia. Therefore, as a first step, the management of Harmony Land wants to increase sales by focusing on increasing sales conversion from the number of consumers who are interested in Harmony Land advertisements.

The objective of this research is to analyst internal and external business condition of PT Harmony Land Group; To understanding customers' need by doing customer behavior research. To propose strategy to increase conversion rate act per ask. To Develop implementation plan of strategy that recommended

RESEARCH METHODS

This research employed quantitative and qualitative method or mix method. In addition, the researcher also applied AFI framework. For quantitative research, this research will use questionnaires that are divided into two target questionnaires. The first for people that want to buy houses and the second one is for people that already buy houses in Harmony land Group. While for the secondary data,

we use internet source, article, journal, books and internal report PT Harmony land Group. After data collection, the analyst will start from internal analysis and external analyst, then combine them to develop a problem-solving approach using several tools in business strategic and marketing management.

RESULT AND DISCUSSION

Internal analysis

Porter's Value Chain Analysis

Primary activity

Inbound logistics

As a property developer company, the main raw material of Harmony Land is land. while other supplies are permit support by public notary, mortgage support by bank, construction support by contractor, and funding support by bank or investor. While output from inbound logistics is a new project. Inbound logistic of Harmony Land has several activities, such as project analysis for feasibility, land acquisition, architectural product design, and project preparation.

Operation

Process is all activities that develop raw materials to become finished products that are ready to sell. Harmony Land product is an indent house. So, Harmony Land sells the houses first, then builds them. To be able to do that, Harmony land has two key activities. First, legal permit management to make project ready to sell with mortgage bank facility. Second, Residential facilities construction to develop interesting projects for sale such as iconic gate, park and garden, security post, shop building, main road, show unit (house example) and other buildings that can attract customers to buy the house.

Outbound logistics

Outbound logistics is all activities in processing delivery products to the customers. Harmony Land's product is an indent house. So, after public notary transactions either use mortgage bank facilities or not, Harmony Land will deliver consultation sessions to design customized houses for customers. After the design plan is final, Harmony Land will process house construction and deliver to customers after finishing the building. Then, Harmony land will give a 3 month guarantee for the customers.

Marketing and sales

After the architectural product finishes, the marketing team will design content marketing to start advertising with several channels. The goal of the marketing team is to get leads or potential customers. Then Harmony Land's sales team which is called property consultant will help customers to simulate the Moorgate bank approval and help them to get the house. Output from this section is transaction in notary public.

Services

Besides interesting products, Harmony Land service is also very important to increase sales and create customer satisfaction. The services of Harmony Land are divided into three parts. First, property consultant service is service from the salesperson to help customers choose their house in Harmony Land. Second, construction services are design consulting sessions, monthly progress report of construction, house handover and repair of guarantee time until delivery of the finished house to the customers. Third, residential service is service after house after house handover until before residential handover. This service is designed to help customers build harmony ecosystems in their residential.

Secondary/support activities

Firm's Infrastructure

The support infrastructure of Harmony Land are administration, tax, legal, and finance. Legal in this area is different from legal permit management in the main activity area. In support activity, legal is about permits of company business from the government, not a project permit.

Human Resource Management

To meet the needs of a competent workforce, Harmony Land opened a training centre to recruit and develop their competence. Besides that, for new employees, there is a value internalization program for one month to make sure that the employees have the same value and mindset about how they do their work.

Technological Development

Fifteen projects are very difficult to control using manual tools. So, technology development is very important to increase real time project control and do market research with digital technology approach.

Procurement

The main raw materials of Harmony Land are land. So, land acquisition became part of main activities at inbound logistics. While for another purchasing can be categorized as support activities, such as purchase office stationaries and other vendor supply for partnership programs.

Segmenting, Targeting, and Positioning Analyst

Table 1 STP Analysis of Harmony Land

Segmenting	
Geographic	Suburb Area in Jakarta, Depok, Bogor, Bekasi, Tangerang
Demographic	Age 24-35, Middle Class economic, Join Income 5-15 million rupiah
Behavior	Tech-savvy, a lot of looking for info online first then survey offline, non-experience buying house, first time to buy and maybe the last house bought, buying house as living place, searching for a house that has an accessible location to their workplace, need more consideration to buy, active to search.
Psychographic	Anxiety, Excited, tend to want more than capability, feel confused, afraid make wrong decision,
Targeting	
	First home buyers for a living place
Positioning	
	Developer company that develops homey homes in many locations.

Source: interview with management of Harmony Land

7Ps Marketing Mix

According to (Kotler & Armstrong, 2018), 7Ps elements of marketing mix are:

Product

Harmony Land's product is landed houses that are divided by two kinds of residential, the first is one gate system residential, the second one is one gate one house residential. Usually, one gate one house products are developed with a number of houses less than twenty. At December 2021, Harmony Land has 25 residential projects in 4 cities with a total number of houses being 1004 units and 317 of them already sold out.



Figure 7 Harmony Land's product
 source: document of Harmony Land

Price

Harmony Land always sets the initial price below the average of the competitor. Along the way, if the speed of sale is exceeded from the target, the price will increase step by step.

Table 8 Harmony Land product price

No.	Project Name	Average Price	Project Value
1	Sapphire Regency 1	300,000,000	5,100,000,000
2	Sapphire Regency 2	300,000,000	1,500,000,000
3	Sapphire Regency 3	300,000,000	600,000,000
4	Sapphire Regency 4	300,000,000	1,500,000,000
5	Sapphire Regency 5	350,000,000	1,750,000,000
6	The Singkarak Icon	900,000,000	5,400,000,000
7	Blok Ubud	500,000,000	1,000,000,000
8	The Green Ubud	700,000,000	13,300,000,000
9	The Green Valley	350,000,000	15,750,000,000
10	Permata Green Park	370,000,000	20,350,000,000
11	The Green Bali Resort	600,000,000	24,600,000,000
12	Green Bali Resort 2	500,000,000	36,000,000,000
13	Bogor Green Resort	350,000,000	54,950,000,000
14	The Cimanggis Platinum	400,000,000	4,400,000,000
15	Green Sapphire Village	150,000,000	4,950,000,000
16	Permata Green Resort	450,000,000	19,350,000,000
17	Parahyangan Green Resort	150,000,000	22,650,000,000
18	Pondok Cinere Mansion	1,000,000,000	8,000,000,000
19	Luth De Mezza, Jagakarsa	900,000,000	3,600,000,000
20	The LoftHouse, Depok	700,000,000	7,000,000,000
21	Kyoto Green Resort	500,000,000	8,500,000,000
22	The Bougenhill Park	700,000,000	23,100,000,000
23	Grand Setu City	500,000,000	27,500,000,000
24	New Taman Tenera Indah	400,000,000	55,600,000,000
25	The Angsana Foresthill	350,000,000	39,550,000,000
Total			406,000,000,000

Source: Harmony Land document

Place

Harmony Land has two places for business activities, a place for office and place for project location. For office, Harmony Land has two places, Keadilan street number 20, Pancoran Mas Depok and Tole Iskandar Street, Sukmajaya, Depok. While for the project, Harmony Land opened 25 residential projects in five locations, Depok, Bogor, Sukabumi, Jakarta and Medan.

Table 3 Place for project and office (source: Harmony Land's document)

No.	Project or Office	Location	No.	Project or Office	Location
1	Office 1	East Depok	15	Bogor Green Resort	Tajur Halang
2	Office 2	Depok 2	16	The Cimanggis Platinum	Bojong Gede
3	Sapphire Regency 1	Citayam	17	Green Sapphire Village	Cikaret, Cibinong
4	Sapphire Regency 2	Citayam	18	Permata Green Resort	Cilangkap, Tapos
5	Sapphire Regency 3	Citayam	19	Parahyangan Green Resort	Sukabumi
6	Sapphire Regency 4	Citayam	20	Pondok Cinere Mansion	Cinere
7	Sapphire Regency 5	Citayam	21	Luth De Mezza, Jagakarsa	Kecapi, Jagakarsa
8	The Singkarak Icon	Depok	22	The LoftHouse, Depok	Kelapa Dua, Depok
9	Blok Ubud	Depok	23	Kyoto Green Resort	Cibinong, Bogor

No.	Project or Office	Location	No.	Project or Office	Location
10	The Green Ubud	Depok	24	The Bougenhill Park	Depok
11	The Green Valley	Citayam	25	Grand Setu City	Bekasi
12	Permata Green Park	Bojong Gede	26	New Taman Tenera Indah	Medan
	The Green Bali				
13	Resort	Pondok Rajeg	27	The Angsana Foresthill	Bojonggede
14	Green Bali Resort 2	Pondok Rajeg			

source: document of Harmony Land

Promotion

Harmony Land uses several media to execute promotion strategy, market place, Facebook or Instagram ads, google ads, WhatsApp blast, referral approach, Instagram or facebook organic, YouTube, survey on the spot, online and offline event. Almost all promotion channels that Harmony uses are online platform approaches. Offline promotion is only done to capture on the spot surveys for people that walk-in project locations and offline events in several companies to capture employees in those companies. The rest of the channel is an online platform.

Figure 4 Example of Spotless Promotion

Channel	Leads Total	% Leads
Market Place	2.762	15,53%
FB / Instagram Ads	11.363	63,88%
Google Ads	793	4,46%
Wa blast to database	608	3,42%
Referral	33	0,19%
Instagram organic	1.832	10,30%
Youtube	26	0,15%
Survey on the spot	282	1,59%
Offline event	88	0,49%
Online event	2	0,01%
TOTAL	17.789	100,00%

source: document of Harmony Land

Physical Evidence

Physical evidence is very important for property businesses like Harmony Land. House for living is a premium product for buyers. Several buyers just buy a house once in their lifetime. So, customers tend to have many considerations to make decisions, one of the variables is trust to the company. And the trust can be built by visual on physical evidence. Moreover, in the real estate business, customers need real visuals to increase their trust in the company.

People

The key people for the service process above are property consultants, and home design consultants. To train and develop them, Harmony Land created a training centre to make sure that every property consultant deliver service excellent.

Process

Harmony land focuses to help customers get their own house. The process service is following: Surfing online through website, news, and social media of Harmony Land, customer contact to Harmony Land sales, that called property consultant, customer surveys the project and makes a decision to buy, home mortgage process for credit payment, and legal transaction process, layout consultation with home design consultant Harmony Land, building process until house handover, residential service until houses handover.

External Analysis

Pestel

a. *Political Factor*

PSBB and PPKM for property business have a huge impact on property business. In the PSBB situation, people are afraid to go outside from home, even less to buy a house. Besides that, one of key strategies of property developers to marketing their product is through events and product launching. PSBB or PPKM rules make developers unable to execute event launching strategies. Many institutes or companies that before the pandemic became Harmony Land's partner to create events in their company, in PPKM policy, they decided to close the partnership program, because afraid of government warning if they forbid the PPKM rule. Not only that, uncertainty of government policy in pandemic situations also make investors hold their money and several Harmony Land's investors even draw their investment money from Harmony Land.

Positive side of government policy is tax policy. During 2021, PPN tax (Pajak Pertambahan Nilai) for property business was erased. In 2022, the government will give a subsidy of 50% for PPN tax. But the bad news is the PPN tax increase from 10% to 11%. So, in 2022, the company has to pay 5,5%, but after September 2022 the company must pay 11%. This regulation is set by PMK number 6/PMK.010/2022 about value added tax (PPN) on the delivery of landed houses and apartment units borne by the government of the 2022 budget.

Outside of Covid impact, political factors also have a huge impact on property business, because property business is very dependent on local government policy. Land certificate policy is very dependent on BPN (Badan Pertanahan Nasional) and IMB (Izin Mendirikan Bangunan) policy is very dependent on regional governments. Actually, there is national policy about that, but the problem is every region has different interpretations and has authority to make derivative policies. Moreover, each change of regional government officer, several rules will change following the officers. So, the developer company must understand local policy and build good relationships with local government officials to maintain the performance of the legal permit of their projects.

The government also launched the One Million Houses or Sejuta Rumah program to help people of productive age groups gain access to property. The illustrations of government aid offered through this program are Housing Financing Liquidity Facilities and Subsidies for Down Payments. As a result, the probability of developing a property business is still quite excellent.

b. *Economical factor*

A sharp decline in economic growth occurred in the second quarter of 2020, although on a monthly basis there has been a decline since March 2020. In the first quarter, economic growth slowed to 2.97% (yoy) and contracted by 5.32% (yoy) in the following quarter. The decline in income and transactions in line with limited mobility caused household consumption to drop significantly in the first half. Investment activities also fell sharply due to the PSBB which caused several construction projects, both government and private, to be delayed.

Spatially, the economic slowdown occurred in most parts of Indonesia, which was largely supported by domestic demand. PSBB carried out by more than 31 local governments (4 provinces and 27 Regency/City) affect people's income and production activities. These restrictions lead to weak consumption and investment, which has an impact on economic contraction, especially in the Java region, as the centre of trade and manufacturing activities. In addition, PSBB also caused economic contraction in several areas related to tourism activities, such as Bali-Nusa Tenggara

The monetary policy easing was carried out by lowering the BI 7-Day Reverse Repo Rate (BI7DRR) policy rate. Throughout 2020, Bank Indonesia has lowered the BI7DRR policy rate 5 (five) times. The decline in BI7DRR in 2020 was recorded at 125 bps, so that at the end of 2020 BI7DRR was 3.75% and was the lowest level in history. Monetary policy easing was also carried out through liquidity injection, which as of December 30, 2020 had reached around Rp. 726.57 trillion or 4.7% of GDP, mainly from a decrease in the Statutory Reserves (GWM) by around Rp. 155 trillion and monetary expansion by around Rp. 555.77 trillion.

The Covid-19 tragedy created fear in the community, so many people decreased their purchase in various sectors. In fashion or food products, after Covid is over, consumers who previously reduced their consumption will not double their consumption, buy more food than daily need or

buy clothes more than monthly need. Which means that the consumption of these products has been lost due to the Covid 19 outbreak. As for the housing market that makes purchases for living places, COVID-19 makes consumers delay purchases, not eliminate their purchases. When the Covid-19 outbreak is over, consumers will still buy houses. This means that demand is not lost. Moreover, new families will emerge which will become a new demand for the housing market. That condition will create a demand boom for house products.

This condition ever happened before. Indonesia had several crisis experiences, monetary crisis in 1997-1998, then in 2000, property price and sales went back to increase. After that, in 2008 mortgage financial crisis happened, then in 2010 property price and sales went back to increase. According to Mr Panangian Sipanungkalit through his program Panangian School of Property (source: <https://panangianschool.com>), there are four cycles of property industry, boom, recession, contraction and revival

According to that theory, most likely after the pandemic covid end, the property market will rise again. Government policy of lowering interest rates and Loan to Value (LTV) will be strong driving force to increase housing market demand after pandemic covid.

c. *Socio-cultural Factor*

Based on Indonesia Statistics' census data, the population rate in Indonesia continues to rise by 1.25% in comparison to 2019. And more than 70% of the total population is dominated by the productive age group 15-64 years old. Banks require that housing loan applicants be between the ages of 20 and 40, because they already have an ID card, steady jobs, and sufficient income. In terms of population distribution, 56% of the overall population is still concentrated on Java Island.

The Indonesian population always increases year by year, which means families that need to buy houses also increase year by year. But, on the other hand, families that buy houses also increase year by year. Based on Badan Pusat Statistik (BPS) data from 1999 until 2021, even though every year many families buy houses, many other families still don't own houses.

Beside that historical record to look for an opportunity for the housing market, we also can analyze the future potential market by predicting the population size of Indonesia. From 2020 until 2035, Indonesia will get demographic bonuses. It means most of the Indonesian population will be dominated by productive age from 15 to 64 years old.

Working age category is the main segment market in the housing industry. Increasing the amount of working age affects increasing housing demand, either house for living or for investment. So, this means Indonesia's housing industry is in good condition with high demand.

d. *Technological Factor*

In the last 10 years, the growth of technology has accelerated rapidly. With the availability of many platforms via the internet, the process of learning information and conducting transactions is completed pretty quickly. The same thing happened in advertising, according to Industry 4.0: Building the Digital Enterprise (PWC data overview), the number of digital advertisements is increasing by 11%. Digital advertising generates higher revenue for product or service portfolio than traditional television advertising, entrepreneurs now prefer to place advertisements on digital platforms. This is considered more efficient because they can easily see the number of reach given, making it much easier to manage the budget.

Aside from that, several marketplaces now provide more detailed information about a property's location by displaying housing photographs, price levels, and many are also integrated to KPR information. For example, the rumah123 and Lamudi platforms facilitate the interaction between a potential buyer and a developer, by allowing them to communicate and negotiate the process of purchasing a property. This is one of the new channels that developers are working to optimize in order to get closer to the buyer, especially during a pandemic, it is very difficult to maintain a face-to-face approach. Emergence of the marketplace for property products create new behavior of customers in processing buy a house. Before, when a customer wanted to search for a house, he would come to a property exhibition or just go to survey while looking at the banner or banner in the street. Right now, a customer just scrolls his mobile phone to view advertisements of property.

For example, if we search for a house in Depok using rumah.com we will get 24.469 options. If we use rumah123.com, we will get 33.588 option, while for using 99.co, we will get a 50.240

option. Although several of those numbers are double write, the total numbers of house advertising for sale are still big information. So, technology change behavior of property customers.

e. *Environmental Factor*

The environment plays a vital role in a buyer's decision to purchase family housing. They will evaluate the size and value of the land first, because in addition to providing a residence, property has a significant investment value. Other factors include the location itself, such as whether it is in an urban or suburban area, and whether it is easily accessible from the nearest school, office, or public transportation.

Pandemic Covid makes consumers more concerned about healthy life and place a higher value on things that are environmentally friendly. Green construction standards are familiar to those in the construction industry. It is referred to as a green building because the materials used in those residential or commercial construction projects are already environmentally friendly and recyclable to reduce the weight of waste. In relation to business, projects that follow green building standards will have better values in the future.

f. *Legal Factor*

In terms of legality, the developer must comply with regulatory requirements. As previously explained in political factors, property business is highly dependent on government regulation. The challenge is that property legal policy is different depending on city regulation and its officers. This situation has a negative and positive impact. The negative one is that the developer company must learn more and make new government relationships every time they enter a new city. While the positive impact is if developers want to change the rule, they don't need to propose to the central government, which will be enough just for local government.

Right now, that condition is processing in change. In 2020, the government issued law of the Republic of Indonesia number 11-year 2020 about Work Creation, called omnibus law. This policy will change local government autonomy for building permits. *Izin Bangunan Gedung* (IBG) will replace *Izin Mendirikan Bangunan* (IMB). However, the changing process needs more time. Because of that, in 2021-2023 the legal regulation about property will be uncertain. Moreover, the pandemic situation also creates uncertainty, many developers and investors decide to wait and see in this condition.

Porter's Five Forces

a. *Threat of new entrants*

It is **medium**. Several things that needed by the entrants for having this business such as (1) high capital to open land house projects, finding investor and others is very needed to support the initial project (2) regulations, deal with regulations will be also a challenge for new entrants, those innumerable not align regulation between building regulation from PEMDA (*pemerintah daerah*) with land regulation from BPN (*Badan Pertanahan Nasional*) also different regulation one city with another city. A new player will have a great deal of hassle once they want to move into this business. But currently, there are some opportunities to start property business with zero capital, because of digital acceleration there is already so much training regarding to the property training to start the business with zero capital such as YukBisnisProperti, Property Development Academy, these moves make the entrants can entry the business easier. It creates a position of the threat of new entrants from high to medium.

b. *Threat of substitutes*

This one seems to be **Medium**. It is quite difficult to come up with a substitute for residential housing in Indonesia. Residential housing is one of the primer necessities of people in Indonesia, different from cars or motorcycles, school for children, someday residential housing is needed by people especially for a family. Another thing that might be a possible substitute for residential housing is residential high-rise building, but it does not seem quite applicable at the top of owning a residential housing with its land as well. Because most Indonesian customers for property residential still think that property products need to be inherited by the family. Meanwhile high-rise buildings like apartments, have time limited land ownership by SHRS (*sertifikat hak rumah susun*) also time limited building function (Law of the Republic of Indonesia No. 28 of 2002 concerning Buildings). Despite that, several customers prefer to choose an apartment over a house. Because for several locations, the price of a house is very expensive

compared to the apartment. And several customers want residential compact living with a mobile lifestyle. So, an apartment with a strategic location and full facilities is the best practice.

c. *Bargaining power of suppliers*

This one seems to be **high**. When building a property, the supplier including contractor (workers and supplier), and also landowner technically is the supplier that will be impacted to make a profit for this business, when price has risen from these suppliers, the profit will be impacted directly. For making the residential housing, the very important aspect that we should take a note is the location, the more strategic location we had, the more people want buy the house in it, strategic means near public transportations etc, which the price of land in this area will be very high, the land owner also has investment in this area, thus the bargaining power of supplier is very high.

d. *Bargaining power of buyers*

It is **medium**. According to rumah.com's yearly report in 2021, The most consideration variable to make a decision for buying a house is location. People buy a house to live and work, so they tend to search for a house with a location that is easy to go to the workplace or other life activities. According to figures 2.16 in technological factors in PESTEL analysis, there are many competitors in one location. On the other hand, Harmony Land's yearly report in 2021, total view of Harmony land's promotion in market place is 152.220. This is just from Harmony Land, how much total view for all developers that create advertisement in the property market place? So, with many competitors and many customers, the bargaining power of buyers will become medium level. Buyer has bargaining to choose other competitors, but at the same time, if buyers don't make a decision to buy, the property price will increase.

e. *Rivalry among Existing Competition*

It seems to be quite **High**. Harmony Land focuses on developing landed houses residential in sub urban areas that target new families that buy houses as living places. Usually, customers already have their estimation budget to buy a house. Their behavior is searching for a house with an accessible location to their workplace as long as below the budget. So, a competitor of Harmony Land is any house's product either developed by PT Tbk developer companies or individual developer, either primary or secondary house, as long as the products have similar prices, transportation and similar distance to the workplace.

Competitive Analysis

Competitor Analysis is a method to identify the key competitors, accessing their objective, strategies, strength and weakness (Kotler and Armstrong, 2016). Harmony Land customers are people that buy a house for living. They search for a house with an accessible location to their workplace with their own budget. So, a competitor of Harmony Land is any house's product either developed by PT Tbk developer companies or individual developer, either primary or secondary house, as long as the products have similar prices, transportation and similar distance to the workplace. However, to choose competitors that need to be analyzed, there are three main criteria. Similar business size with Harmony Land. Has more from one residential project that become direct competition with Harmony Land residential projects, and similar project type with one gate system landed house residential that have 30-150 units each project. There are three competitors which have that criteria, Relief Property, Hamasah Land, and Easton Urban Capital.

Table 5 Competitor analysis using marketing mix framework

Direct Competitor	Relief Property	Hamasah Land	Easton Urban Capital
Product	Greenland Rivervilla, Greenland Foresthill, The Spring Townhouse, Greenland Kemang, Alana boutique townhouse, Ayana Town House, Amaya Townhouse, Riviera Villa, Greenland healthfull living, Greenville cileungsi		Ardency House, Clarity House, Hummingbird House, Providence House, Florista Garden, Carlton Private Residence, Somerhill House

Direct Competitor	Relief Property	Hamasah Land	Easton Urban Capital
Price	Between 300 million until 1,5 billion rupiah		Between 500 million until 2 billion rupiah
Place	Bogor, Jakarta, Serpong, Bekasi, Lombok	Depok, Bogor	Serpong, Tangerang, Depok, Bogor, Palembang
Promotion	Property Marketplace, exhibition, event launching and marketing agency	Marketing agency focus strategy	Property Marketplace, exhibition, Event, social media and marketing agency
Physical Evidence	Relief always creates green visual with yellow lamp to create calmness. For the house design, Relief use exposed brick or natural stone to deliver nature design with modern touch	Hamasah land have no characteristic of physical evidence	Easton Capital focus to develop modern minimalist design with simple elegant interior.
Process	Relief is not highlighting the service process. The process is usual, customer booking unit, then complete requirement for home mortgage and finally transaction in public notary.	Hamasah service is simple, without customize design. So after booking, then mortgage service and building construction.	Easton Capital focus to develop ready stock product include the furniture and interior design. The process transaction is simpler, after home mortgage process,
People	To selling process, relief use external marketing agent. Then to process home mortgage and build the house, Relief use internal employee.	Hamasah land use freelance or other vendor as people to deliver service.	

source: anly

Consumer Analysis

Table 9 Result of questionnaire distribution (source: author report)

Target Audience	Date Created	Link Share	Result
Send to WhatsApp group author	04/04/22	https://www.surveymonkey.com/r/HarmonyLand-SBM_ITB	3
Mailing list civitas ITB	04/04/22	https://www.surveymonkey.com/r/Survey_Thesis_SMEMBA	37
Send to 15.000 database potential customer (leads) Harmony Land	05/04/22	https://www.surveymonkey.com/r/MBA_ITB-HarmonyLand_survey	220
Total Respondent			260

SWOT Analysis

Strength

According to the Resource based view and VRIO framework, Harmony Land's sustainability competitive advantage is training and developing property consultants as salesforce and project manager with entrepreneurship approach to handle project issues to achieve profit target. Furthermore, other core competencies from the analysis that can compete with competitors are digital marketing, funding strategy, service excellence, legal permit, and product design customization.

Weakness

Based on the performance analysis on background section, Harmony Land has high many leads (customer call) through digital marketing core competency. However, the conversion rate from leads becoming transactions is very low, only 0.578% in 2021. This condition reflects that Harmony land has

weakness in converting potential customers to be transactions. Besides that, according to a questionnaire for Harmony Land customers, from 320 families that already buy houses in Harmony Land, 128 from them fill that questionnaire. The result for the customer satisfying index is 3,92 from scale 1-5 point. The result is classified as high performance for product and service. However, 29 customers gave scores below 3 for several parts. This shows that Harmony Land has weakness in standardization for delivering product and service excellence.

Opportunities

According to PESTLE analysis, two years covid-19 directly impacts Indonesian economic growth. Of Course, this condition is very harmful for property business. Many developers go bankrupt. But, based on the historical property industry, that always grows up after a crisis. After the 1998 crisis, at 2000 back to increase, after 2008 crisis, at 2010 also back to increase. Moreover, to recover the economy is encouraged by Bank Indonesia policy BI 7-Day Reverse Repo Rate (BI7DRR) of 3.50%, Deposit Facility interest rate of 2.75%, and Lending Facility interest rate of 4.25%. This will become incentive for customers to buy a home using credit facility, also become incentives for property developer companies and other business complementor. Furthermore, the segment market of Harmony Land is the first home buyer for a living place. It means the newer families, the more the demand for the first home buyers. Covid-19 was decreasing demand for living place property products. this condition because customers are waiting to buy, not cancel to buy. It means after the pandemic ends, the customers that are waiting to buy will go back to buy a house for their families. So, the demand after the pandemic will rise again. This is a big opportunity for property developers.

Threat

Even though after the pandemic, property demand will rise again, in pandemic situations like now, many complementor of Harmony Land products also get harmful from the pandemic. Banks still tighten rules for credit approval. entrepreneurs and several industries are blocked to propose mortgage credit. Moreover, many building materials increase their price, like iron, steel, cement and others. This is of course a threat for property developers to increase their sale.

SWOT Matrix

Strengths

1. Sell before build with customize product
2. Capable to open and control many project
3. Strong in digital marketing

Strengths

4. High spirit of service (caregiver)
5. Good in R&D to develop right project / product plan
6. Lots of funding sources

Weakness

1. The service sometimes good sometimes bad
2. Several projects have poor physical evidence
3. Time to make product ready to sell is too long

Weakness

4. Not all leads are managed properly
 5. Many customers complain about construction
-

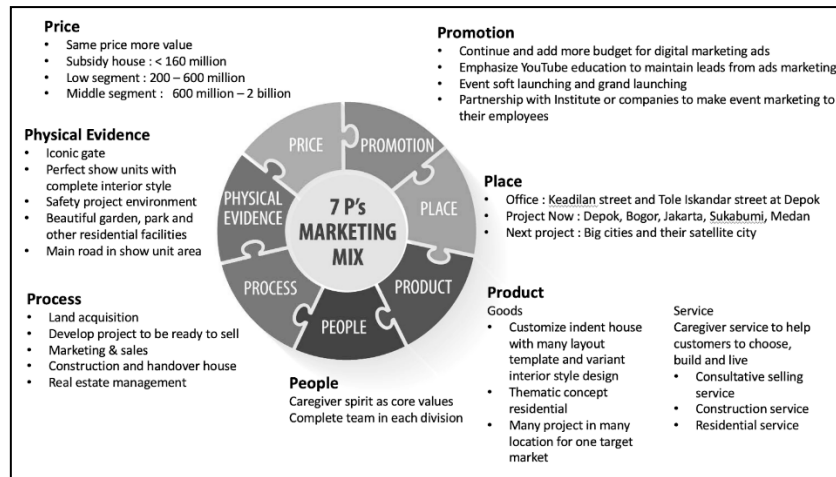
Opportunities	S-O Strategy	W-O Strategy
<ol style="list-style-type: none"> Government one million house program Boom Demand after Pandemic There are still backlog of house product Digital Marketing more effective Currently the number of competitors is reduced Several locations have high demand with low direct competitors 	<p>S2,6-O1,2,3,4: Open new projects in many locations to capture more customer after Covid</p> <p>S3-O4: Invest more in digital marketing strategy</p> <p>S1,4-O5: Increase product value and offers when competitor is wait & see</p> <p>S5-O6: Invest more in R&D to mapping area with low direct competitors and to analyst potential customers</p>	<p>W1,2,3-O1: Build effective organization by filling each role with competence people to increase team performance to capture more customers</p> <p>W1,2,3-O2: Discipline execute SOP to deliver product and service with standard that make customer satisfy</p>
Threats	S-T Strategy	W-T Strategy
<ol style="list-style-type: none"> Risk of changing legal rules Open price. Increases price sensitivity Change Impact of omnibus law Rule of legal permit depends on location and government officer In pandemic situation home mortgage getting tighter Medium-High industry level competition 	<p>S3-T1,2: Project manager with entrepreneurship approach will adaptive with legal and permit issue</p> <p>S4,5-T3 service excellence with caregiver spirit and interesting design will support to compete with competitor</p>	<p>W4-T1: Speed up the legal permit process by developing good relationships with many regional officers.</p>

a. STP analysis

Segmenting	
Geographic	Suburb Area in Jakarta, Depok, Bogor, Bekasi, Tangerang
Demographic	Age 24-35, Middle Class economic, Join Income 5-15 million rupiah
Behavior	Tech-savvy, a lot of looking for info online first then survey offline, non-experience buying house, first time to buy and maybe the last house bought, buying house as living place, searching for a house that has an accessible location to their workplace, need more consideration to buy, active to search.
Psychographic	Anxiety, Excited, tend to want more than capability, feel confused, afraid make wrong decision,
Targeting	
First home buyers for a living place	
Positioning	
Developer that very concern to help customers build home with caregiver service excellent	

Marketing Mix

After developing analysis internal and external, researchers propose several change strategies using a marketing mix framework. For property business, we use seven P aspects of marketing mix, product, price, place, promotion, people, process and physical evidence.



Product

As explained in the marketing mix for internal analysis that Harmony Land has two forms of product, it is goods and services. Based on the research that proposes new positioning, the product of Harmony Land also needs to improve for answering the positioning strategy.

- Many Projects in many locations for each target market
According to deep interview analysis, for customers that buy a house as a living place, they will prioritize choosing locations that solve the distance of their daily family activities.
- Thematic residential
After choosing the location with a certain budget, customers will choose the best from the best in all choices on that location. According to deep interview analysis, Harmony Land's customers feel that buying a first house is achievement. It shows that I am a good father. And houses also become representative of their psychological aspect.
- Set your unique home by hundred layout template and interior style
- Product quality standard is enough to deliver basic function of house
- Residential facility quality standard is enough to deliver basic function
- selling service by property consultant that help customer to choose the house and help to be approved by mortgage credit
- construction service process that helps customers to choose home layout and interior design

Place

Office: Keadilan street and Tole Iskandar Street at Depok

Project Now: Depok, Bogor, Jakarta, Sukabumi, Medan

Next project: Big cities and their satellite city

Promotion

- Continue and add more budget for digital marketing ads, focus on Instagram
- Emphasize YouTube education to maintain leads from ads marketing
- Event soft launching and grand launching
- Partnership with Institute or companies to make event marketing to their employees

Price

For price, already good, initial price is below than average of competitors price

Physical Evidence

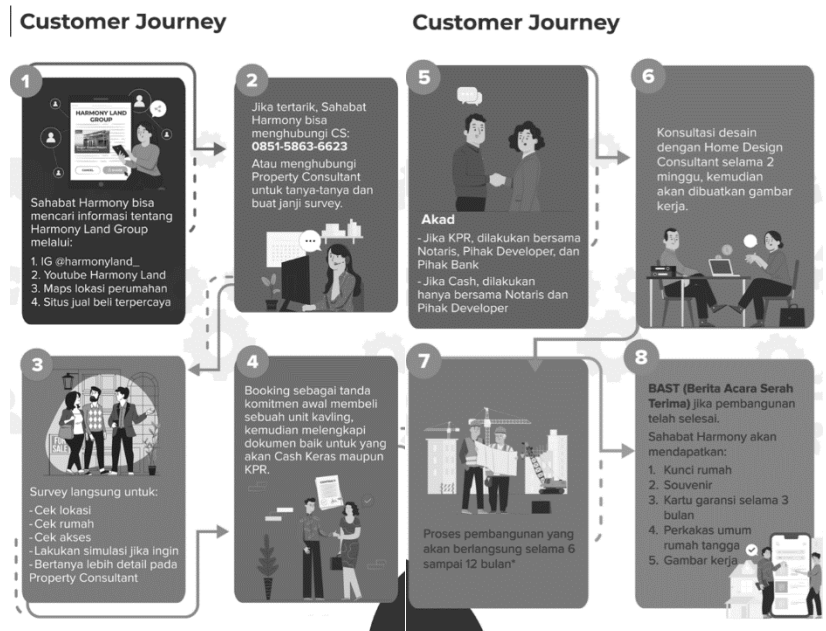
- Office Physical Evidence



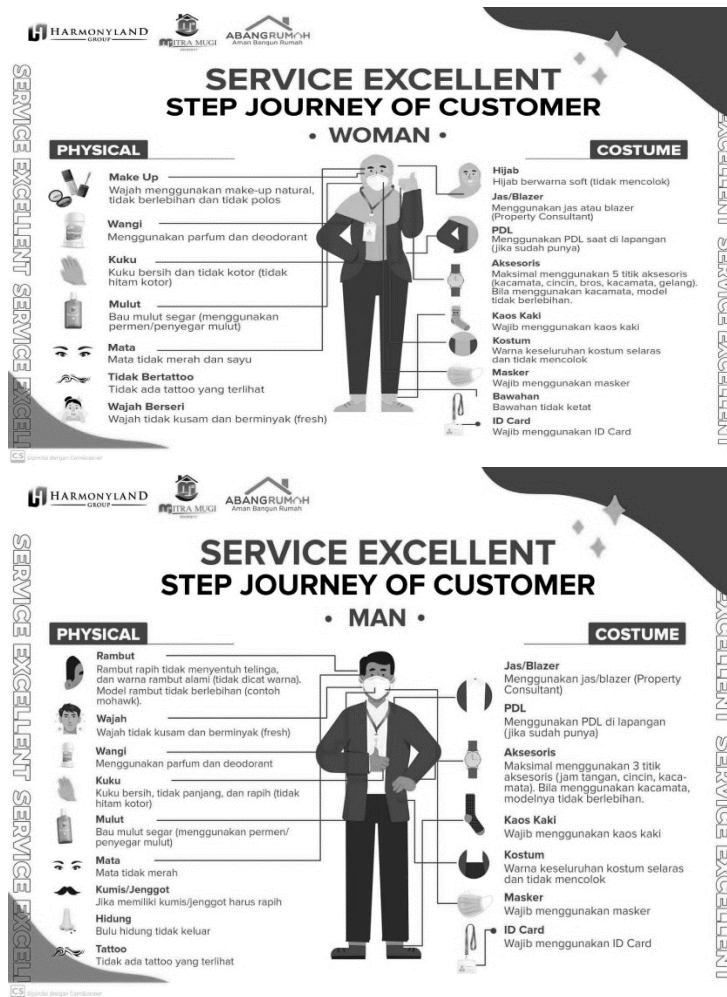
b. Project Physical Evidence



Process



People



CONCLUSIONS

Based on the result it can be concluded that housing Market is high competition, but because of the demand always grow while supplier is cannot be renewable make housing business is very prospective. Pandemic Covid make customer that should be buy house in 2020 until 2022 pending their purchase, so after pandemic end, there will be boom demand, because customer which pending their purchase will buy and new customer still will buy. Customers that buy house for living place will prioritize price first as comparable factor, then location and finally personal preference of their self and their husband or wife. Target market and competitor for housing product is very local, so several places have lots competitor and other few competitors. Existing customer's Harmony Land confirm that beside price and location, they are deciding to buy house in. Harmony Land because of product concept design and service with spirit to help. In STP analysis, positioning which is created by interview Harmony Land's board of director is different with what customer perception. And positioning before have no clear measurable performance. Customer need about quality house product is conformance. Customer won't ask something that not promise before. For first home buyer's customer, tend to need helped to process and educate about process and legal aspect.

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