

INTERNATIONAL MARKETING AND IMPLEMENTATION IN BUSINESS (CASE STUDY AT DOMINOS PIZZA)

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Abstract

International marketing is the organization of a network of companies to disseminate information about goods and services that meet people's needs globally. International marketing involves companies based in one country selling their products abroad which also has the potential for business expansion. This was also done by one of the American pizza companies, Dominos Pizza, which implemented an international marketing strategy. The purpose of this research is to understand how international marketing affects a company's business expansion process. In this writing, a descriptive qualitative research method with data collection techniques with documentation studies was carried out by the authors. The results obtained from this writing are that by implementing a good and mature international marketing strategy, the company can develop its business globally. Dominos Pizza has successfully proven its existence to date by touching a wider global market share. International marketing begins when a country realizes that they cannot produce goods or services efficiently. Dominos Pizza strives to understand every cultural difference and also consumer demand which certainly has differences in each country that is used as its global business expansion area.

Keywords: *International Marketing, Globalization, Domino pizza*

INTRODUCTION

Technology, information and communication drive the fast and dynamic process of globalization. Social, economic, and cultural issues are all affected by globalization. Especially in the economic field, which has far-reaching ramifications for the way businesses work together, compete with each other and the work of governments everywhere.

Marketing is the practice of organizing business networks to promote the dissemination of information about products and services that help people satisfy their wants and needs. Marketing starts with the needs of the target audience and progresses to their desire for more value. The aim of marketing is to satisfy basic human wants. The difference between local and global marketing is very important. In international sales, the intended audience is the whole world. International marketing is when a company headquartered in one country develops plans to sell its products in another country. (Suhairi, 2023)

In order to successfully advertise their products and services, businesses need efficient worldwide marketing management. Operations, finance, people, and money management all come together in the realm of global marketing management. In other words, in this scenario, the interaction between the four

aspects is very important. Each company has the freedom to develop and implement a marketing strategy tailored to a particular product and customer base. This is often referred to as "cost leadership" in the context of the global business strategy. Another method companies can choose is strategic concentration.

Global marketing is an advertising method that takes into account regional differences to leverage the resources, experience and products of companies around the world. According to Yip (1995) and Ttjiptono (2012) in (Muslimatul Husnah, 2022), the four most important factors that cause globalization in most industries are as follows: We must take into account consumer driving factors, such as (1) customer factors, (2) cost driving factors, (3) country driving factors, and (4) competition driving factors.

Globalization has become one of the most influential trends in the development of international relations. Specifically in the economic context, the term "globalization" refers to the process by which national boundaries merge in relation to certain activities, such as the economy or markets, on a national or regional scale.

In the current developments, with the development of technology and the influence of globalization, it then has an impact on international marketing strategy efforts that have an impact on business expansion. Successful business expansion is inseparable from the marketing management strategy developed by the company. One company that implements international marketing with its marketing management is Domino Pizza.

Domino's Pizza was founded in 1960 in the Midwestern city of Michigan. Domino Pizza was started by Tom and James Monaghan, who are also brother and sister. Here, the initial investment is \$1,400 USD from the owner. This company was not always named Domino Pizza, but Dominick.

James resigned after the first eight months and handed over the company to Tom. The pizza delivery service flourished until 1965. When Tom finally decided to create a new location, he learned that he was not allowed to use the name Dominick, so he changed his own name to Domino's. Domino's rapid expansion to more than 70 countries and the addition of more than 13,000 stores can be directly attributed to the rebranding efforts. The original Kanda location is credited with being the first to sell merchandise internationally when it opened in 1983. It was not until the following year that outlets began popping up overseas.

Domino's Pizza opened its first outlet in Indonesia, in the Pondok Indah area, in 2008. PT Mitra Adi Perkasa is the sole licensee of Domino's Pizza in Indonesia. Significant shifts occurred on the way to Indonesia's current level of development.

RESEARCH METHOD

Research methodology is a systematic approach to gathering information for a defined purpose. In this study, the researchers themselves used descriptive qualitative techniques or field research. Qualities related to scientific aspects need to be studied using qualitative techniques with research objectives achieved, it is necessary to collect data that is comprehensive, in-depth, reliable, and useful. In this study, the researcher adopted a descriptive methodology. The descriptive approach used in this research has the aim of research with one that starts with a comprehensive description of the subject or object of research, continues to analysis and comparison of data or research results in the phenomena currently obtained, and finally ends with presenting a solution that is proposed.

Research data was collected from data sources (subjects and research samples) through data collection techniques. Methods of data collection need to be learned as they will form the backbone of your research tools. To gather information for their studies, researchers will use various tools known collectively as "research instruments" (Fadli, 2021).

The data collection phase of a research project is very important. Credible data can only be obtained through the use of reliable data collection methods. Due to the serious consequences of this wrong step, it must be carried out carefully according to the rules and characteristics of qualitative research. Because if there are deficiencies or errors in the way data is collected, it will lead to unreliable information, making research findings invalid.

Documentation study is a data collection technique carried out by researchers, in this case carried out by trying to carry out the process of collecting data from a series of available data recorded in a document. According to Arikunto (2006) in (Sutopo), in an effort to do documentation, researchers will try to investigate written objects such as documents, journals, magazines, books, and so on that are written. This study was also used by the researchers in order to obtain data in writing. The goal is more to be able to complete the research.

Efforts have been made to study, examine, read a number of documents that have a bearing on the phenomenon of the problem which is further studied. Notes, transcripts, books, newspapers, magazines, inscriptions, minutes of meetings, agendas, and so on related to the communication strategy are potential sources of information that can be obtained through the documentation method.

RESULT & DISCUSSION

RESULT

SWOT analysis

Seeing the development of the Domino Pizza business itself, in this case, this will be studied further using a SWOT analysis that looks at the strengths and potential that exists within Domino Pizza itself, both internally and externally.

S - Strength

1. The digital business strategy owned by Domino Pizza is a strategy that has been developed so far.
2. Product variants are more varied and follow developments
3. Prices are more affordable with a variety of affordable prices in accordance with the target market
4. It has a thinner and crunchier pizza texture compared to its competitors

W - Weaknesses

1. Promotional efforts are still far from competitors
2. Lack of brand awareness created for its target consumers
3. The Domino Pizza brand is still below its competitors, so it can be said that the Domino Pizza brand itself is not very strong in society and also its consumers.

O - Opportunities

1. Development of a growing digital strategy business
2. People's mobility is growing and also getting faster, making many consumers prefer ordering online
3. Business expansion to other regions in Indonesia and also other developing countries that still have broad market potential.

T - Threats

1. The development of innovation issued by competitors makes Domino Pizza unable to compete
2. The challenges of people who lack technology literacy are a challenge for Domino's Pizza's digital business strategy.

Domino's Pizza and Competitors

In its development, especially in Indonesia, Domino certainly has competitors that are no less competitive in terms of the food industry. The competitors of Domino Pizza in Indonesia are Ron Pizza, Izzi Pizza, and also Pizza Hut. However, in this case, Pizza Hut is the main competitor of Domino's Pizza.

Pizza Hut itself was first in Indonesia in 1987, which had the concept of a pizza restaurant outlet. So in this case, Pizza Hut itself has a main focus on food restaurant outlets, and pays little attention to delivery or delivery services.

However, along with the times, Pizza Hut itself began to develop a delivery business, in this case Pizza Hut was aware of developments and also competition in the Pizza business, especially since the presence of Domino Pizza. Since the presence of Domino Pizza itself, Pizza Hut has begun to develop PHD, or Pizza Hut Delivery, where the outlet focuses on delivery services.

Even though there is a lot of competition in the food industry, Pizza Hut has proven to still win the brand in the eyes of the public. It was noted that the Pizza Hut brand was still ranked first at the Top Brand Awards in 2019.

BRAND	TBI	
	2018	2019
Pizza Hut	76.2%	48.7%
Domino's Pizza	8.9%	8.8%
Izzi Pizza	-	-
Papa Ron's	3.8%	8.8%
Pizza Bar	2.3%	5.5%
Gian Pizza	2.2%	7.5%

Source: Top Brand Awards (2019)

This certainly makes Pizza Hut the main competitor of Domino's Pizza. This could be related because Pizza Hut entered the Indonesian market earlier than Domino Pizza. Thus, many Indonesian people who pay attention to the pizza brand are inclined towards Pizza Hut.

Domino's Pizza Business Strategy

Even though Domino Pizza is still a brand under Pizza Hut, this does not make Domino Pizza lose its strategy. In this case, Domino Pizza carries out three main business strategies including:

1. Delivery business strategy

This strategy is in fact the main key for Domino Pizza to win market share, where the main focus is more on the existing digital strategy with the development of online ordering. This makes the business strategy followed by many other competitors.

2. Expansion

Domino realized that to form a strong brand, it had to open up for even wider expansion so that its market share would grow and the brand would become more well-known. So that way, Domino continues to open and expand to several big cities in Indonesia to be able to strengthen the brand of Domino Pizza.

3. Cooperate with online transportation

This is also the method that is currently considered the most effective, because the proliferation of online transportation users is currently a good and efficient opportunity for Domino Pizza to maintain its business. However, even so, Domino continues to develop its own application as a spearhead of its business strategy.

4. Strengthening business product innovation

Domino Pizza continues to strive to develop its product innovations. One of them is by creating a variant that is healthy and also low in calories. This is of course suitable for consumers who are on a diet. In addition, Domino also innovates with personal size pizza products, which are suitable for people who want to enjoy pizza alone.

5. Approaching consumers

This business strategy has been carried out by Domino Pizza since the threat of COVID-19 has hit the world. This made Domino Pizza take the initiative to open a marketing strategy by using delivery motorbikes and staying in densely populated areas while selling their products. Apart from that, Domino Pizza also opens a food stand when there is a bazaar or public crowd. The business strategy steps taken by Domino Pizza succeeded in saving Domino Pizza from business competition. In addition, Domino has a sound financial calculation, which has allowed it to survive to this day.

International Marketing in Business

When a country realizes that they cannot efficiently produce services or products on their own, that's when international marketing kicks in. David Ricardo's theory of comparative advantage provides an explanation for this phenomenon. It would be more cost-effective for a country to specialize in making some goods and import the rest (production specialization), as this theory suggests (Muslimatul Husnah, 2022).

A country's dependence on international trade increases when the country is unable or inefficient in producing its own goods. After establishing contact with businesses in other countries, business owners saw that they could not only meet customer demands, but also make a profit. Profits come from growing the market (by attracting more customers) and maximizing output while reducing unit costs (Muslimatul Husnah, 2022).

When other factors are held constant (*ceteris paribus*), the idea of comparative advantage can be used to explain the two motivations mentioned above for worldwide marketing. Complexity has become a hallmark of modern economic activity, rendering simple models like David Ricardo's obsolete. Comparative advantage can be eliminated if modern tools are available. In other words, the shortage of human resources, natural resources, and so on in a country can be reduced by using the latest technology in its industrial processes. So that American industry can continue to lead.

Simply put, international marketing is all promotional efforts that cross national boundaries (both physical and legal, societal, or cultural). "A set of marketing activities undertaken by companies that emphasize cost efficiency and efforts that penetrate national and regional boundaries, opportunities to transfer products, brands, and other ideas across countries, meet global customer needs, and develop coordination between infrastructure national marketing into the global marketing infrastructure," as defined by James E. Keegan (Suhairi, 2023).

CONCLUSION

Global marketing is an initiative to organize and prioritize all available assets. Human resources, physical assets, cash capital, and other company objectives related to global market hazard monitoring and potential realization. worldwide marketing refers to implementing marketing methods on a worldwide scale. Every businessman will always be able to sell his wares, both domestically and abroad. Advertising on a global scale is called "international marketing," and its theoretical goal is to overcome barriers of distance, language, government, law, and culture. Therefore, it is important to consider the country of origin and destination when establishing an international marketing strategy. When it comes to cross-border marketing and its relation to strategic international marketing, the differences between the two countries begin to disappear, but the issues remain complex. While some organizations are designed from the outset to operate on a worldwide scale, transnational corporations are increasingly responsible for regional expansion of business.

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