

# Strategy Analysis of the 7p Marketing Mix in Co-Working Space

Fahrizal<sup>1</sup>, Arabella Jean Cornelia<sup>2</sup>, Suwara Hadiwiroso<sup>3</sup>, Edi Hamdi<sup>4</sup>,  
Rhian Indradewa<sup>5</sup>, Ferryal Abadi<sup>6</sup>

<sup>1,2,3,4,5,6</sup>Department Management, Faculty Economic and Business, Esa Unggul University, Jakarta – Indonesia

Corresponding Author: Fahrizal

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## ABSTRACT

The development of co-working spaces in Indonesia still faces several obstacles, such as there are still many Indonesians who still feel unfamiliar with the concept of co-working space, differences in work culture, and the assumption that the costs incurred for co-working spaces are not cheap because office co-working spaces look more modern. Co-working space providers must be able to choose a strategic location with an attractive concept and design a comfortable space for workers who often have to be ready to work with fast and high mobility. The purpose of this study is to determine the impact of the 7p marketing strategy implemented by PT Space Digital Indonesia or Space-Con, a startup in the field of container-based coworking space services. The concept of 7p is considered the best option for developing new businesses (startups). 7p consists of 7 elements to increase sales growth and company revenue.

**Keywords:** co-working space, marketing mix, startup, 7p

## 1. INTRODUCTION

The co-working space industry is currently increasingly popular, where co-working space can be the right means to facilitate creative and digital industry players as an alternative workplace or as a place to build networks. Co-working space providers must be able to choose a strategic location with the concept of attractive and comfortable room design for those workers

who often have to be ready to work with fast and high mobility.

PT Space Digital Indonesia is a startup company with the Trademark Space-Con which is engaged in the co-working space industry. Offers a modern, modified container-based co-working space concept.

The targeted customer segments are Millennials and Gen-Z generations, most of whom are creative industry players such as digital nomads, startups, and MSMEs. Space-Con defines many marketing strategies to achieve its marketing goals. Marketing Mix is the best step to consider all the factors of Space-Con marketing. This is because the marketing mix can see in terms of product, service, price, and location. By using the 7P marketing mix, it is hoped that Space-Con can formulate a useful strategy to win the competition.

## 2. LITERATURE REVIEW

### 2.1 Co-working Space

In its main activity, a co-working space is not only a rental space equipped with work facilities but also a social function for its users to interact, exchange information, and collaborate (Marcelina et al., 2015). Based on the type of user (Pramedesty et al., 2018), co-working spaces are divided into three types. First, a co-working space for a special profession, which is used by one perpetrator. Second, is a common co-working space, which is often used by freelancers and small companies. Third, a

special co-working space as a business incubator or business startup which is a workspace with the added benefit of the latter type is usually used by pioneering application companies, so a special digital space is needed that facilitates testing the application being made.

## 2.2 Marketing Strategy

According to (Kotler & Keller, 2012) in (Lukmandaru, G., Istoto, 2016), states marketing is a social process in which some individuals and groups get what they need and want by creating, offering, and freely exchanging products of value with other parties. (Ruliah & Susanto, 2015) states that marketing strategy is the logic of marketing, and based on that the business unit is expected to achieve its marketing goals. Service marketing activities according to (Sukotjo, 2010) must be able to bring consumers, and customers closer together, assess market opportunities, determine the position of services in the market segment and target market on the basis of the needs of these services and formulate a marketing mix, which includes the quality and diversification of services, prices or tariffs from promotional activities and strategies for delivering these services..

## 2.3 Marketing Mix

According to Kotler and Keller (2012) that Marketing Mix is a set of marketing tools that a company uses to continuously achieve its marketing goals in the target market. (Sukotjo, 2010) for service businesses there are 7 elements of marketing mix (Marketing Mix-7p) namely: Product, Price, Promotion, Place, People, Process, and Physical Evidence. The marketing mix of 7P services also shapes the image of higher education institutions through marketing activities such as physical facilities, the ability and knowledge of educators, ease of access and news via the internet and symposia held by these educational institutions (Maisah et al., 2020).

### **Product**

Products are everything that producers can offer to be noticed, requested, sought after, purchased, used, or consumed by the market as a fulfillment of the needs or desires of the market concerned, both in the form of goods and services. Products can be measured among them through (Kotler and Keller, 2012): First Product variation, Second Product quality, and third Product display.

### **Promotion**

Promotion is a company's effort to influence potential buyers through the use of all elements or Marketing Mix (7P). The determination of the promotional medium to be used is based on the type and form of the product itself. Promotion can be measured broadly through first the level of advertising attractiveness, secondly competitor publicity (Tjiptono, 2014).

### **Price**

According to Phillip Kotler and Keller (2012) Price is an amount of money charged for a product or service or the amount of the consumer's exchange rate for the benefits of owning or using the product or service. The price in question is a certain amount of money that must be paid by the customer to get the product or service offered. Price is also one of the most flexible elements of the marketing mix. Prices can be changed quickly, unlike product signatures and distribution agreements (Alma, 2009).

### **Place**

According to Sutojo (2009) distribution is a business so that a product can be available in places that make it easier for consumers to buy it whenever consumers need it.

### **People**

People are people who have a hand in providing or showing the services provided to consumers during the purchase of goods. Kotler and Keller (2012) the more positive the performance was given to consumers, the better the impact on making purchasing decisions.

### ***Process (Proses)***

Kotler & Keller (2012) explains that the process here is about how a company serves the demands of each of its consumers. Starting from these consumers ordering (order) until finally they get what they want. Certain companies usually have a unique or special way of serving their consumers.

### ***Physical Evidence***

Physical Evidence is the physical environment in which services are created, which directly interacts with their consumers (Maisah et al., 2020). Sukotjo (2010) explained that the characteristics of the physical environment are the most visible aspects of the situation. What is meant by this situation is the situation and conditions of the geography and environment of the institution.

## **3. MATERIALS & METHODS**

The type of research carried out is a type of research with inductive quantitative methods, since this study aims to conclude the correlation relationship between the variables under study. Inductive quantitative method, is also a study that can calculate quantities by statistical methods. Quantitative causality is a scientific approach to economic and managerial decision-making to obtain evidence of the existence of causal relationships or the influence of research variables.

## **4. RESULTS AND DISCUSSION**

Based on the results of the implementation of the marketing strategy carried out by the researcher, the outline of the strategy applied by Space-Con in winning the competition with competitors of the marketing strategy is to apply the 7P marketing mix strategy and improve several digital channels in its promotion strategy. Broadly speaking, the results applied by the researcher are as follows.

### **Sales Strategy**

In developing a marketing strategy, PT Space Digital Indonesia sets goals in the form of brand awareness and instilling the company's positioning. The company carries out a series of activities to support marketing activities and achieve sales targets, as follows:

#### ***Sales Activity***

1. Short-Term Activity (0-2 years)  
Strategy: Introducing the Space-Con Brand
2. Medium Term Activity (3-5 years)  
Strategy: Expanding Space-Con branding
3. Long-Term Activity (>5 years)  
Strategy: Penetrate the market into other cities

#### ***Sales Team***

In carrying out marketing activities, PT Space Digital Indonesia will manage the company's human resources for marketing personnel. Sales Force organizational structure at PT Space Digital Indonesia by focusing on marketing personnel goals, marketing personnel strategies, marketing personnel structures, and marketing personnel sizes through geographical segmentation results. As for the sales team structure, it consists of a Sales Manager, Sales Person, and Space-Con Expert.

### **Product Strategy**

The brand that will be used by PT Space Digital Indonesia is Space-Con. This is by considering the factor of a name that is easy to remember and in accordance with the positioning desired by the company. The logo on Space-Con symbolizes the red and white color which means Indonesia, white lines and white circles which mean the direction of freelancers who work can be anytime and anywhere, and the shape of the box depicts the workspace without time limits and flexibility of the place. The products that Space-Con offers are as follows.

**Table 1. Space-Con Products**

Product	Personal Space
	Meeting Space
	Event Space
	Private Office
	F&B Space

Source: Author, 2022

**a. Personal Space**

Personal Space is the most fundamental product of the coworking space business. In addition to an internet connection via Wifi, the Space-Con workbench is also equipped with a LAN Network if it needs a more stable speed, even Space-Con also offers an additional internet speed package if needed. In addition, if the customer opens the drawer, space-con also provides a free mouse, mouse-pad and webcam that customers can use. By carrying out the smart office concept, Space-Con has also placed barcodes on each desk, where customers after scanning the barcode via cellphone, can enjoy other additional services such as F&B orders, live chat services with customer service, and other functions such as those found in the Space-Con. Personal Space app targets digital industry players such as start-up players, digital nomads, and MSME players. But it does not rule out the possibility that this personal space also targets students to corporate workers.



**Figure 1. Personal Space**  
Source: Author, 2022

**b. Meeting Space**

Space-Con has a multifunctional room that can not only be a meeting facility, but can also be a studio for making videos, podcasts, and music recordings because there is a soundproof room. Space-Con has 4 meeting rooms on the 1st floor, which has a soundproof function, and if the partition of the room is opened, it has 1 room with a wider size. Just like a personal space, this

Meeting Space also targets the main digital industry players such as start-ups, digital nomads, and MSME players. Space-Con also does not rule out the possibility that this meeting space can target students to corporate workers who are professional and formal.

**c. Event Space**

Space for events Space-Con provides several rooms according to the needs needed and desired by customers. This Event Space can be used for seminars, training, podcasts, and others according to the event to be held. Space-Con also targets that the events held are those with the theme of digital creativity and Space-Con will also provide events by involving sponsors to increase company revenue. Event Space targets the main digital industry players such as start-ups, digital nomads, and MSME players. Where Space-Con wants the event to be held still themed on digital and millennial creativity.



**Figure 2. Event Space**  
Source: Author, 2022

**d. Private Office**

Space-Con also provides a room for a private office for start-ups or pioneering companies who want to have office space. This office room has a capacity of 5-8 people, which this room is designed like a workspace that can adjust to customer wishes.

**e. F&B Space**

One of the services provided to tenants is in the form of a space kitchen, which is a space that is rented out to sell F&B. The purpose of this facility is so that Space-Con customers can easily find food and drinks that suit customer tastes when working at Space-Con. There are 2 (two) F&B spaces that will be rented out. F&B Space targets

the main MSME players in the culinary field to become Space-Con tenants, in this case by our target customers, namely MSME players who can develop their business together with Space-Con.

**Price Strategy**

The products offered by Space-Con are service products for the price offered according to what the customer wants. As part of the marketing strategy in the early stages, Space-Con will carry out price promotions such as situational discounts of 10-20% of the opening of the base selling price.

Table 2. Price

Product	Category	Price (IDR)
Personal Space	/ Hour	25.000
	Half-Day	50.000
	Full-Day	70.000
	Monthly	1.500.000
Meeting Space	Half-Day	300.000
	Full-Day	500.000
Event Space	Membership	2.000.000
	Non-Membership	3.000.000
Private Office	Monthly	6.000.000
F&B Space	Monthly	2.000.000

Source: Author, 2022

**Place Strategy**

Definition of distribution channel according to Kotler and Keller (2012), a distribution channel is a series of interdependent organizations involved in the process of making a product or service ready for use or consumption. Space-Con as a coworking place will open businesses in satellite cities and begin with a business unit in the city of Bekasi, more precisely located in the Harapan Indah area. In the long term, it will open further businesses in other satellite cities located in Tangerang, Depok, and Bogor.Space-Con will be built at the Harapan Indah location, where the location has the opportunity and is strategic to build a working space business. Harapan Indah is located on the border between the city of Jakarta and the city of Bekasi. Starting from the environment, commuters, and public places that allow Space-Con to be able to attract market share by the predetermined target consumers, namely the MZ Generation.

**Promotion Strategy**

The promotion from Space-Con for the end customer segment will focus heavily on digital marketing. Promotion channels use online and offline promotions. The following is how the promotion will be carried out by PT Space Digital Indonesia:

1. Online Promotion: Website and Social Media. Space-Con will open a Website with a www.Space-Con.id address and will have social media on digital platforms such as Facebook, Instagram, Twitter, TikTok, and also LinkedIn. As well as creating advertisements on these digital platforms. In this Online promotion, of course, Space-Con is to increase branding and brand awareness, so that it can attract the market to use its services of Space-Con.
2. Offline Promotion: Exhibitions and Seminars. By the target consumers of Space-Con, namely creative industry players, i will hold and participate in exhibitions and seminars. In Offline promotion, it is also the same as Online promotion, but the target of this Offline promotion is more specific according to the target consumers of the Space-Con itself, namely Digital Nomad, a Start-up player, and MSME actors by holding events face-to-face.

**People Strategy**

HR is an important component of a marketing mix strategy. The human resources factor largely determines whether a company is advanced or not. Therefore, Space-Con also forms human resources in the company, including the difference, is having HR personnel called "Space-Con Experts" who are ready to facilitate customers to get to know each other and collaborate.

**Process Strategy**

Process (Process), is all the actual procedures, mechanisms, and flow of activity used to deliver services. The process here includes how the company serves the demands of each of its

consumers, from the consumer ordering until finally, they get what they want.

### Physical Evidence Strategy

Physical Evidence or physical evidence of the place of business that explains the layout of the business building. Space-Con uses unique interiors, bright lighting systems, attractive room designs, and more. The company realized that the layout of buildings in an enterprise will affect the tastes of visitors. Interior design that looks messy makes consumers a little uncomfortable with the business situation. The building must be able to create a pleasant atmosphere to provide an experience and added value for visitors.



Figure 3. Physical Evidence  
Source: Author, 2022

### CONCLUSION

The marketing mix strategy is the implementation of marketing in which there are seven aspects, namely: product, price, location, promotion, human resources, physical evidence, and process. The application of 7P marketing mix in co-working spaces will be more focused on promotions where it will maximize all opportunities both online and offline, so that in today's global business the company will always be ready to face future challenges (Setiyawati et al., 2021)

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