

Implementation of Direct Marketing in Asset Lease of PT. Kereta Api Indonesia (Persero) by Non-Transportation Commercialization Unit (KNA) DAOP 6 Yogyakarta

Ardian¹, Anas Hidayat^{*2}

^{1,2*} Universitas Islam Indonesia, Yogyakarta, Indonesia

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Email Correspondence:

anas.hidayat@uii.ac.id

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ABSTRACT

This study aims to analyze the application of direct marketing strategies in the leasing of non-transportation assets by PT Kereta Api Indonesia (Persero) through the Unit Commercialization Non-Transportation (KNA) in Operational Area 6 Yogyakarta. Direct marketing is conducted through various media such as direct mail, internet and telemarketing. This study examines how direct marketing strategies can increase the leasing of non-transportation assets such as kiosks, company-owned houses, and commercial spaces owned by PT Kereta Api Indonesia (Persero). The results show that the implementation of direct marketing is effective in increasing non-transportation revenues and expanding market reach, particularly through targeted direct mail and digital promotion via websites and social media. Challenges include the suboptimal intensity of promotion and the need to enhance the use of various marketing channels. This research highlights the importance of personalization and market segmentation in direct marketing strategies, as well as the significant impact of digital media in promoting the company's non-transportation assets.

INTRODUCTION

PT Kereta Api Indonesia (Persero) has a company program to achieve targets that have been determined each year. PT Kereta Api Indonesia (Persero) has three main sources of income, namely: passenger transportation, freight transportation, and non-transportation commercialization (KNA). Passenger transportation uses trains that include long-distance, medium-distance, and short-distance routes. Freight transportation consists of coal transportation and other transportation such as cement transportation, fuel oil, containers, bulk and plantations, and cargo. Non-Transportation Commercialization (KNA) is a non-transportation service segment including asset optimization income, and other non-transportation. Assets owned by PT Kereta Api Indonesia (Persero) in Operational Area 6 Yogyakarta are divided into two categories, namely Railway Assets (Railway Assets) and Non-Railway Assets (Non-Railway Assets). These Railway Assets are assets that are directly related to the operational journey of the train. Railway Assets are also leased and are still in the railway area and are actively passed by trains. Then, these assets will become non-transportation income that will increase the financial value of PT Kereta Api Indonesia by renting out these assets by granting building use rights to debtors (tenants) as explained (Pratiwi et al., 2023). All these assets are the responsibility of the Non-Transportation Commercialization (KNA) unit to be marketed to tenants of assets owned by PT Kereta Api Indonesia (Persero). The results of the study (Faisal et al., 2024), in an effort to increase non-transportation income and optimize the utilization of assets owned by PT Kereta Api Indonesia (Persero) lease assets to the public. The purpose of providing asset utilization outside of business activities is to optimize all existing

assets, so that PT Kereta Api Indonesia (Persero) can play a significant role in supporting the smooth operation of the company. In an effort to market assets that are the responsibility of the Non-Transportation Commercialization (KNA) Unit of PT Kereta Api Indonesia, the right marketing strategy is needed. PT Kereta Api Indonesia has used a direct marketing strategy since the establishment of the Non-Transportation Commercialization (KNA) unit of PT Kereta Api Indonesia until now. Direct marketing is a marketing effort that involves the use of direct communication with potential or existing customers, where marketing messages are delivered specifically to certain individuals or groups to increase sales of products or services (Yunita et al., 2021). Direct marketing is a form of marketing communication that is carried out directly to consumers or potential consumers through various channels, such as letters, emails, telephones, text messages, and social media, with the aim of promoting products or services (Rusli et al., 2023). Direct marketing is a marketing strategy that involves the use of various techniques and media to contact consumers directly and invite them to buy products or services without going through intermediaries (Delviana et al., 2023). The implementation of direct marketing at PT Kereta Api Indonesia, Non-Transportation Commercialization Unit (KNA) aims to promote products and expand the reach of existing markets.

In its application, direct marketing has the advantage of being able to reach consumers faster, increase customer loyalty, and increase sales quickly. However, the implementation of direct marketing by the Commercialization of Non-Transportation (KNA) unit of PT Kereta Api Indonesia still faces challenges and weaknesses, such as the lack of promotional intensity and too much focus on direct marketing. Therefore, it is important for the Commercialization of Non-Transportation (KNA) unit of PT Kereta Api Indonesia to maintain and improve the implementation of direct marketing so that the strategy and process of direct marketing can run more effectively and efficiently.

Literature Review

Marketing

Marketing is a social process in which individuals or groups obtain what they need and want by creating, offering, and freely exchanging products of value with others, according to Kotler (2016). Marketing is not merely an activity of selling products and services, but in marketing there must be good cooperation between parts to achieve effective marketing.

Marketing strategy

Marketing strategy is an effort made by companies to be able to market their products in the form of goods or services by prioritizing overall long-term plans or certain strategies or tactics to achieve predetermined sales targets (Haque-Fawzi, 2022).

Direct Marketing

According to Fandy Tjiptono (2015), direct marketing is an interactive marketing system that uses one or more advertising media to generate measurable responses and/or transactions in various places.

According to Hermawan (2013) there are several media used in direct marketing, including:

- 1 Direct mail, direct mail or direct mail: Traditionally widely used as a direct marketing medium and direct marketers learn a lot from direct mail. Direct mail is the most effective media to reach corporate or business consumers, who have the greatest sales opportunities by maximizing profits from the business customer list.
- 2 Telemarketing: Telephone-based direct marketing can be inbound and outbound. Inbound telemarketing is known as long-distance service and usually involves handling orders and responding to requests for product information. Outbound telemarketing is used as one-step sales, follow-up and sales, increasing sales and making customers active.
- 3 Magazines: Direct response advertising for print media in magazines invites readers by offering or attracting readers to order goods.

- 4 Newspapers: Although direct marketers advertise more in magazines than in newspapers, newspapers basically have more advantages than magazines. As a media, newspapers are better known to consumers, the variety of sections offered is also better, the response is more immediate, and the coverage is wider and larger, and the variety of audiences is greater.
- 5 Radio: A pioneer of direct marketing with broadcast programs, that the expansion of direct marketing through radio and television requires creativity as the key to the success of achieving its message. The most important thing is that the message can be quickly changed by cutting or adding it to be sent to radio stations.
- 6 Television: The message conveyed has undergone an extraordinary evolution where marketers can offer their products by demonstrating products virtually. The latest development of direct response advertising on television is the beginning of a longer demonstration format, in the form of informercials lasting 13-30 minutes.
- 7 Internet: The Internet has also become a potential direct marketing medium. Since 1998, 400,000 retailers have used the Internet to market their products. Direct marketing techniques can be applied to online catalog sites, virtual malls, and stand-alone websites to build customer databases, develop consumer relationships and provide the possibility of measuring responses directly.

Asset

According to data from the Company Profile (2023), PT Kereta Api Indonesia has two main categories of assets: Railway Assets and Non-Railway Assets. Railway Assets include all elements that directly support the operational activities of the railway, such as the rail network, stations, and related infrastructure like bridges and tunnels. These assets are used not only in daily operations but are also leased to third parties operating in the railway areas or those needing related facilities.

Asset Leasing

PT Kereta Api Indonesia (Persero) generates various sources of income, including revenue from passenger transport, freight transport, auxiliary transport services, and non-transport services as regulated by PSAK No. 72. In addition, PT Kereta Api Indonesia (Persero) also generates income from asset leasing, which is governed by PSAK No. 73 (PT Kereta Api Indonesia (Persero) Company Profile).

RESEARCH METHOD

This study adopts a **qualitative approach**. According to Sugiyono (2019), the qualitative approach is known as a research method in which the researcher serves as the primary instrument in examining the objects related to the study. This approach is used to conduct in-depth research and provide an understanding of the meanings held by individuals or groups in relation to social issues.

This study is **descriptive** in nature, with the primary objective of presenting, analyzing, and interpreting various aspects related to direct marketing. Through this approach, the researcher aims to clearly describe how the direct marketing process is applied in the asset leasing activities of PT Kereta Api Indonesia (Persero) Non-Transport Commercialization (KNA) Unit in the Yogyakarta Operational Area 6.

RESULTS AND DISCUSSION

The role of the Yogyakarta Operational Area 6 is as an agency that supervises, guides, monitors, and carries out marketing efforts for PT Kereta Api Indonesia (Persero), a state-owned enterprise engaged in the railway sector throughout Indonesia. The Yogyakarta Operational Area 6 has the authority to oversee the operations related to PT Kereta Api Indonesia's business activities in the surrounding Yogyakarta area. Promotional activities carried out by the Non-Transport Commercialization Unit of Yogyakarta Operational Area 6 aim to help PT Kereta Api Indonesia (Persero) increase its revenue.

The promotional strategy implemented by the Non-Transport Commercialization Unit of Yogyakarta Operational Area 6 involves **direct marketing**. Direct marketing is an effort by the unit to introduce PT Kereta Api Indonesia's assets to the public, especially in the Yogyakarta area. Direct marketing plays a crucial role in asset leasing, particularly for the commercialization unit that seeks to reach customers effectively and efficiently. Direct marketing allows asset leasing to target very specific market segments. By understanding customer needs and preferences, the company can deliver relevant and targeted messages, thereby increasing the likelihood of positive responses from potential tenants and customers.

The direct marketing media utilized by the Non-Transport Commercialization Unit of Yogyakarta Operational Area 6 include **direct mail**, **internet**, and **telemarketing**, all of which allow the company to reach potential tenants in a more personal and effective manner. Direct mail offers a direct and targeted approach to specific market segments, while the use of the internet allows for wider and faster dissemination of information. The combination of these two media not only enhances the visibility of the offered assets but also creates better interaction with customers, thereby supporting the company's overall marketing goals.

In applying the direct marketing strategy, the unit conducts detailed market segmentation. By identifying the demographics, location, and specific needs of potential tenants, the mailed materials can be tailored to meet their expectations and requirements. This approach increases the relevance of the information being conveyed. Data becomes a vital tool in optimizing direct marketing efforts. The unit utilizes historical leasing data to understand the behavior patterns of previous tenants. Through proper analysis, they can adjust the offers to be more attractive to new potential tenants.

Listening to feedback from potential tenants is an important step in direct marketing. This feedback can be used to improve the products and services offered, as well as enhance the quality of future mailings. A good response to feedback also helps improve customer loyalty.

PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 also utilizes the internet as a primary marketing strategy to promote the assets they lease. Through the official website, the company provides complete information about the available assets, including descriptions, photos, and leasing terms. This makes it easier for potential tenants to access the information they need anytime and anywhere, thus increasing their chances of making a transaction.

Additionally, PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 takes advantage of social media, particularly **Instagram**, to reach a wider audience. Using this platform, the company can share engaging visual content, such as photos of the assets available for lease, as well as information about current events or promotions. Attractive and informative content can increase public interest in the offered assets.

In addition to direct mail and the internet, PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) also uses **telemarketing** for leasing marketing. Telemarketing, which is commonly conducted through telephone, is an effective direct marketing strategy for increasing leasing rates and expanding the market.

This study reveals that PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 has developed innovative marketing strategies for asset leasing. One method used is placing **banners** and **pamphlets** at vacant outlets or kiosks that are available for lease. This marketing strategy aims to attract public attention and make it easier for potential tenants to obtain information about available assets.

Banners and pamphlets placed at strategic locations include clear contact information, making it easier for the public to contact PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 if they are interested in leasing assets. Through this method, PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta

Operational Area 6 not only enhances the visibility of the assets owned but also creates an effective communication channel between the company and potential tenants.

A deeper analysis shows that visually appealing banners are more effective at attracting attention. An eye-catching design, with contrasting colors and relevant images, can encourage people to read the information presented. Therefore, it is essential for PT Kereta Api Indonesia (Persero) to pay attention to design elements in each marketing campaign.

In 2020, the revenue generated reached IDR 1,163,317,509. Although this figure indicates stable performance, the challenges faced during the COVID-19 pandemic affected operations and marketing, limiting revenue growth. In 2021, revenue slightly decreased to IDR 1,134,200,352.

This decline in 2021 reflects the ongoing impact of the pandemic, where many economic activities were disrupted. Although the company implemented various strategies to increase leasing, such as direct marketing and digital promotions, the existing challenges still constrained growth potential. However, this period became a turning point for PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 to evaluate and improve their marketing strategies.

Entering 2022, PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 managed to reverse the negative trend by recording significant revenue of IDR 1,575,688,038. This increase of 39% compared to the previous year indicates the success of more effective marketing strategies. The implementation of direct and digital marketing has shown positive results, attracting more tenants to use the services offered.

The strong growth in 2022 can also be linked to the increased demand for non-transport asset leasing as economic activities began to recover. Many businesses and individuals resumed activities requiring spaces for events, meetings, and other purposes. PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 capitalized on this momentum by enhancing visibility and promoting the advantages of the available assets for lease.

CONCLUSION

Based on the research findings, Operational Area 6 Yogyakarta functions as an institution that oversees, fosters, and supports the marketing of PT Kereta Api Indonesia (Persero), a state-owned enterprise engaged in the railway sector across Indonesia. This area has the authority to operate the business of PT Kereta Api Indonesia (Persero) in the Yogyakarta region and its surroundings. In carrying out these operations, Operational Area 6 Yogyakarta has the Non-Transportation Commercialization Unit, which aims to assist PT Kereta Api Indonesia (Persero) in increasing its revenue through the rental of non-transportation assets.

The Non-Transportation Commercialization Unit (KNA) of PT Kereta Api Indonesia (Persero) Operational Area 6 Yogyakarta has implemented a direct marketing strategy in the asset rental business, yielding significant results. Methods such as direct mail, the use of the internet, and telemarketing to prospective tenants have proven effective in attracting public attention and raising awareness about the assets available for rent. Furthermore, new strategies, such as the placement of banners and pamphlets in strategic locations, have brought innovation to direct marketing efforts for asset rental. In addition, the utilization of historical rental data has assisted in more precise market segmentation, making offers more relevant to the needs of potential tenants.

Following recommendations are provided to optimize direct marketing for asset leasing by PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 in the future. These recommendations are as follows: PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 should become more active in using social media platforms such as Instagram and Facebook to introduce and promote the assets available for lease. These platforms offer a wider reach and a more interactive way to engage with potential tenants.

The official website of PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 should continue to be developed by providing more comprehensive information about the available assets for lease, including detailed pricing, photos, locations, and leasing procedures. A more user-friendly and informative website will enhance customer convenience and encourage more inquiries and transactions.

The design of banners and pamphlets displayed in stations and other properties should be made more visually appealing, with clear and easily understood messages. This will increase the likelihood of potential tenants being attracted to learn more about the available assets and the leasing opportunities. PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 could enhance marketing effectiveness by sending personalized offer letters more frequently to potential tenants. This approach can help maintain continuous engagement and increase conversion rates. Utilizing data from previous asset leasing histories can help PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 target more specific and relevant potential tenants. By analyzing tenant behavior and preferences, the company can optimize its marketing campaigns and tailor offers to those most likely to lease the assets. PT Kereta Api Indonesia (Persero) Non-Transport Commercialization Unit (KNA) of Yogyakarta Operational Area 6 should strengthen its follow-up services after sending offer letters or placing advertisements. Follow-up communication via phone or email can significantly improve the chances of converting interest into actual asset leasing transactions.

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