

Research Article

Analysis of a New Medical Service Product's Marketing Strategy During the COVID-19 Pandemic

Arbert Pandhega, Egidius David Erison, Kukuh Lukiyanto*

BINUS Business School Undergraduate Program, Bina Nusantara University, Jakarta, Indonesia

ORCIDKukuh Lukiyanto: <https://orcid.org/0000-0002-8204-5506>**Abstract.**

The purpose of this research was to find the right strategy for developing new medical services in PT. Erha during the COVID-19 pandemic. The study used qualitative research methods. The subjects were eight employees of PT. Erha in the Medical Service Development division. Data collection was done through semi-structured interviews by asking concept questions that were prepared. The results of this study showed that Medical Treatment in Erha had decreased during the COVID-19 pandemic. Therefore, it was necessary to develop a new medical treatment. To market this new product, a more effective digital marketing strategy was needed. Other results showed that the development of new products must adapt to current consumer conditions as well as regulations, government, and economic situations. The results of this study were also homogeneous between the informants.

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Lukiyanto; email:
kukuh.lukiyanto@binus.ac.id**Published:** 22 March 2024Publishing services provided by
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1. Introduction

PT. Erha is a company with the main business of network clinics specializing in skin, hair, and beauty health. PT. Erha was initially established in 1999 in Jakarta as a skin specialist clinic. Currently, Erha is spread in almost all cities in Indonesia with more than 100 clinics.

PT. Erha has products in the form of goods and services. In general, the goods and services provided by Erha consist of three broad categories, namely the counter products, personalized program products, and signature lines. The counter products are skin and hair health products that can be purchased freely by consumers without the need for a consultation first. The product personalization program is a health and skin and hair care service that is provided based on a recommendation by a doctor after

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consulting a doctor at the clinic. The signature line is a treatment service provided by Erha with the support of medical equipment with high technology [1].

The problem faced by the Erha clinic during this pandemic, especially when the Large Scale Social Restrictions was enforced was the decreasing need for people to care for skin health due to the declining economy of the community during the Covid-19 pandemic, changing community needs and trends for their skin health from before the pandemic and during the Covid-19 pandemic. 19 as well as community networks to come directly to the clinic, causing a decrease in sales of products and services at the clinic [2].

There are several changes in consumer behavior toward medical actions that are carried out directly at the clinic:

1. Consumers want to take action with a faster duration, so consumers don't have to linger in the crowd.
2. Consumers want actions that have minimal direct contact with doctors or nurses or therapists.
3. Consumers want action with maximum protection and health protocols.

The medical service development strategy carried out by Erha before the Covid-19 pandemic focused on patient skin problems and the latest medical device technology trends, as well as the need to meet face-to-face to be able to consult a doctor. However, during the Covid-19 pandemic, people's needs for skin health have changed, they are unable to conduct direct consultations face-to-face, and also very limited capital for investment in new medical device technology. So the development strategy carried out focuses on:

1. Problems that arise during a pandemic, adjusting to the lifestyle of patients during a pandemic and also maximizing existing modalities to become a new treatment to increase company revenue without adding new investments.
2. Utilize medical materials which are relatively cheaper and do not need to invest to be able to produce new treatments.
3. Providing online consultation services or without the need for face-to-face meetings as well as special e-commerce services to purchase products with a doctor's prescription

This strategy turned out to be quite effective and allowed the company to survive and thrive amid problems that were initially difficult to find solutions for such as online

consultations, purchasing prescription products online, and also developing new treatments without the need to make new investments. It is interesting to study amid a difficult situation for companies in general, PT. Erha, on the other hand, can make a profit without making a new investment. This condition will be examined carefully to be a reference for other companies in developing their strategies.

In a previous study entitled Product Innovation in Cosmetic Industry – a case study of major cosmetic companies, the objective was to analyze innovations from other leading cosmetic products, namely “La Vie Est Belle” by Lancôme or Revitalift V-Shaper by L’Oréal Paris. Also Estee Lauder and Shiseido where these companies continuously release new product innovations every season

In a study entitled Improving new product development (NPD process by analyzing failure cases), the first result is that the rate of failed or deferred projects are drastically reduced from the current level. Therefore, projects that have no chance of succeeding after launch are more likely to terminate first, and critical projects will ensure more time and cost. Secondly, there will be a reduction in incidents that add to the cost of failure by continuing the project without a proper evaluation stage. The fact is that it often happens when the completion and mass production of products does not lead to sales, or when a fully developed product is not passed on to the sales department. By establishing a process, sales department staff members will share as much responsibility as the development department members. Third, efforts will increase to secure an objective and adequate reference and decision-making framework for k project priority propositions and their importance [3].

The advantage of this research compared to previous research is that this research does not only focus on how companies develop new products to be able to compete with market competitors but also examines the extraordinary factor, namely the Covid-19 pandemic which cannot be predicted by anyone where this development strategy is used. to survive during the Covid-19 pandemic.

2. Methods

This study fully uses phenomenological qualitative methods [4]. By conducting semi-structured interviews to find data. Semi-structured interviews were conducted to gather information regarding New Medical Services at PT. Erha with 8 informants [5].

While the interviews were conducted using a purposive sampling method which aims to determine the informants’ perceptions of the new medical services from PT. Erha, apart from that the interview was conducted once for each informant at a different time.

Then the interview data were transcribed into written form and reduced, after which the data was processed with NVIVO 12 Plus using the word frequency feature, hierarchy diagrams and concept maps used for the triangulation method. Data that has been completed is displayed for re-checking using the member-checking method, meaning that the data that has been processed is viewed with facts that have been found in the field during observations and interviews [6].

3. Results and Discussion

3.1. Medical service

Medical Treatment is one of the products owned by PT. Erha in the form of services. Medical Treatment consists of two categories, namely medical and non-medical which serve to perform skin care or aesthetics. Examples of medical treatments that are medical in nature are laser action, peeling action, and injection then non-medical action is facial action. Medical treatment is carried out at the branch of PT. Erha is spread in various regions in Indonesia and is carried out by doctors, nurses or therapists. So to use the services of medical treatment consumers PT. Erha must come directly to the branch or clinic of PT. Erha.

Quality medical treatment is carried out to increase patient satisfaction by always improving the quality of medical services and creating innovations in medical services themselves. Some factors affect the quality of medical services, two of which will be discussed: health facilities and the quality of services provided [7].

3.2. Covid-19 pandemic

The Covid-19 pandemic is an event that spreads the 2019 coronavirus infection to all countries in the world. The Covid-19 pandemic has greatly affected various fields such as business performance, exchange rates, and business activities. The impact of the Covid-19 pandemic has resulted in a decrease in the supply of labor, unemployment, a decrease in income, and an increase in operational costs in each sector (including disruption of production networks in each sector). Decrease in consumption due to changes in consumer preferences for individual goods, people's vulnerability to disease, and vulnerability to changing economic conditions.

The pandemic that occurred affected the sales performance of PT. Erha, because at the beginning of the pandemic, skin health was not a top priority for the community.

Then with this pandemic, people limit their activities to get out of the house and interact so this also limits patient visits to clinics or Erha branches to conduct consultations, purchase products, and especially medical treatment.

The Covid-19 pandemic outbreak in 2020 was a blow to the industry engaged in beauty clinics. Realizing the danger of spreading this type of virus causes consumers to be afraid to come to the clinic for treatment or treatment and prefer to do their treatment at home [8].

In addition, the influence of Covid-19 has greatly impacted people's lives, where the regulations or policies that have been set by the government are certainly very influential on all sides of life. This greatly affects the economy, the business world, and education. Among them caused several things, namely: the community's economy declined, the country's economy declined drastically, and Covid-19 also affected industry and the business sector [3].

3.3. Decrease in company revenue

At the beginning of the Covid-19 pandemic, people reduced their activities to interact with other people and reduced activities outside the home. So this reduction in activity will have an impact on reducing community activities to come to the Erha clinic. And during this pandemic, people are more focused on maintaining their health from the threat of the Covid-19 virus so there is a decrease in people's purchasing power for Erha products, especially Medical Treatment where consumers have to come directly to the clinic. Plus there are several government policies that regulate the movement and activities of the community as a whole.

The decline in revenue that occurred at Erha was due to Erha being a company engaged in products and services. The services provided by Erha are in the form of consultations and various medical treatments where before the pandemic period all of these things, especially medical treatment, must be carried out directly by the patient at the clinic. So that this pandemic causes a significant decrease in consumers who come to the clinic to use products, especially medical treatment. So the impact on the decline in revenue from PT. Erha.

The impact that occurred during the pandemic was a decrease in income from business actors and a decrease in the purchasing power of people whose activities were limited outside the home [9].

3.4. Government policies that cause the decline

At the beginning of the pandemic, a few weeks after the first Covid-19 case appeared in Indonesia, the government set several policies related to community activities outside the home, including interactions with fellow community members as stated in the term Large-Scale Social Restrictions (PSBB). activities outside the home such as teaching and learning activities at school, limiting work in the office and limiting mobility and capacity of public transport. So that at the beginning of this PSBB, most of the activities outside the house were eliminated.

From June 2021 to September 2021, the transitional PSBB will be implemented, here a lot of easing is being applied, so that people's activities to go out of the house start to increase slightly, although there are still restrictions in various aspects.

In January 2021, because it was felt that cases were getting under control in some areas, a new policy called PPKM (Enforcement of Community Activity Restrictions) appeared, which adjusted to the severity of cases in each region, and more and more things were relaxed in this PPKM so that economic activities and People's purchasing power began to increase.

The government policy limits people's activities to interact and engage in activities outside the home, so medical treatment at Erha experienced a decline, especially at the beginning of the pandemic because almost all of the medical treatment at Erha required it to be done at the Erha clinic, while with government policies that regulate community mobility, consumers cannot come to the clinic.

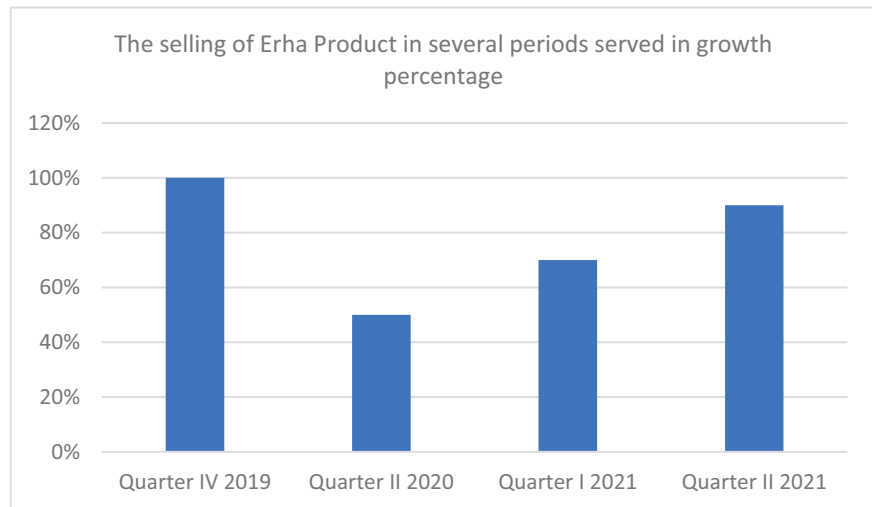
The government's efforts to break the chain of the Covid-19 virus by issuing policies related to the implementation of restrictions on community activities (PPKM), but on the other hand social and economic decline drastically due to the prohibition on activities outside the home and also to interact [10].

3.5. Increased company revenue

The results of the research obtained and based on observations made by the author, the increase in companies begins with government policies that begin to loosen large-scale social restrictions and regulations. In addition, contributions from third parties help the company in supporting the provision of services that previously did not exist at Erha.

In addition, based on the results of surveys and observations made by researchers based in the Fig. 1 below, it can be said that there was a drastic decline in the financial statements for the second quarter of 2020 because at that time the Covid-19 pandemic

was very high and the graph began to increase during the first quarter 1 (one) and 2 (two) in 2021.



Source: Secondary Data Ministry of Finance PT Erha

Figure 1: Comparison of PT Erha's sales in several periods.

3.6. Government policies that lead to improvement

The government policy that has the most impact in helping to increase revenue in companies is the loosening of policies such as easing large-scale social restrictions (PSBB) and so that distribution channels to all regions can be reached again. In addition, an increase in income occurred at PT. Erha after the easing of government policies, where people can start their activities again although still with various limitations.

In recovering the economy after the Covid-19 pandemic in Indonesia subsided. The government will bear PPh 21 or workers' income tax in the manufacturing sector with a maximum income of IDR 200 million in one year. The government also exempts the import PPh for 19 certain sectors. This is targeting the Ease of Import Export Destination Taxpayers (KITE) and Small and Medium Industry KITE Taxpayers. The government also reduces PPH 25 by 30 percent for certain sectors of KITE and Small and Medium Industry KITE Taxpayers. The corporate income tax rate was also reduced to 22% for 2020 and 2021 and 20% starting in 2022 [1].

3.7. Digital marketing

In the business strategy carried out by Erha, marketing both goods and services, especially in the Covid-19 pandemic, must be able to take advantage of advances in

digital technology. Social media is one of the information technologies that provide enormous benefits for marketing the products that you want to offer. And one of the business strategies carried out by PT. Erha in developing her business is to use information technology to introduce new products or services provided by PT. Erha during the Covid-19 pandemic.

The digital marketing strategy carried out by Erha, among others, is through the provision of teleconsultation where initially the patient consultation requires meeting directly with the doctor through teleconsultation, this allows patients to stay at home but can consult directly with doctors, then there is also telemedicine where the purchase of products must use a doctor's prescription. Previously, patients had to come directly to the clinic, now by simply uploading a photo of a prescription on the Erha website, patients can order drugs online to be delivered directly to their homes.

3.7.1. Teleconsultation

Teleconsultation is a service provided by PT. Erha helps patients to consult online. For technical teleconsultation, you can chat through the contact center, then an appointment will be made. After getting an appointment from customer service, the patient chooses a schedule to be contacted by customer service PT. Erha. After the patient gets a prescription for the product to be purchased, the patient is asked to upload the recipe from the results of the consultation that has been carried out.

3.7.2. E-commerce sales

E-commerce is buying and selling transactions that occur with the help of the internet. While the marketplace is a website that acts as an intermediary between sellers and buyers in an internet-based "market". The e-commerce sales system is a place where the website only provides original products from the site's e-commerce PT. Erha can be purchased at <https://www.erhastore.co.id/>. In addition to purchasing products that can be sold freely or without a doctor's prescription, PT. Erha has also developed an e-commerce site for purchasing special products with a doctor's prescription at Vijaya [11].

The Covid-19 pandemic has had an impact on the economy, this makes economic actors required to innovate a lot in maintaining their business. Technological developments make us innovate more. Today's society is faced with digitalization so some forms of social activities have also turned to digital systems. Currently, the marketing strategy

has shifted towards technology. Various platforms offer a lot of convenience to market MSME products, including social media (Facebook, Instagram, Whatsapp), Marketplace (Shopee, Tokopedia, Bukalapak), and e-commerce [12].

In addition, the use of the internet and social media is a very appropriate strategy amid this Covid-19 pandemic. However, the use of technology also requires no small amount of money as well as human resources who have the ability in the field of information technology [13].

3.8. Medical service development

Medical service development is the study of existing products that are further developed so that they have greater utility and popularity among consumers. This research can be in the form of field studies (consumer surveys) and can also be in the form of laboratory studies (at company laboratories), or it can be both. During the survey in the field, will look for data about the product to be developed. Developments here can include developments in quality, usability, and community needs according to consumer tastes. Based on the results of the survey conducted, it is used to improve the service quality of PT. Erha aims to improve the company's ability to provide the best high-quality service compared to its competitors.

The development strategy of medical service development was severely hampered at the beginning of the pandemic, and previously the development of a medical service required a large investment to create something new, PT. Erha created new strategies, including utilizing existing medical devices to create new medical treatments, using medical materials with lower investment to be used as new medical treatments, and also adapting solutions to skin problems, with skin problems that arise during the pandemic [8].

Based on the explanation above, the same thing was expressed by Daniel who explained that companies must make product development standards and product quality better for companies [14]. This is important so that complaints can be reduced and of course to increase company sales better. In addition, the marketing strategy needs to be increased in frequency so that printing products are better known by other customers, and can increase company sales.

4. Conclusion

Research conducted by the author regarding “Analysis of Business Strategy Development of Medical Service PT. Erha in Facing the Covid-19 Pandemic Condition” gave the result that there was a decrease and an increase in the condition of PT. Erha in the Covid-19 pandemic and also the increase that occurred due to a new strategy for the development of medical services at Erha as follows: Erha’s new medical service development strategy can have a positive impact on the company because it can be seen from the graph of the increase in the company’s opinion from the beginning of the pandemic until the end of 2021. PT. Erha created new strategies, including utilizing existing medical devices to create new medical treatments, using medical materials with lower investment to be used as new medical treatments, and also adapting solutions to skin problems, with skin problems that arise during the pandemic. In addition, the digital marketing strategy carried out by Erha, among others, is through the provision of teleconsultation where initially the patient for consultation requires meeting directly with the doctor through teleconsultation, this allows patients to stay at home but can consult directly with doctors, then there is also telemedicine where the purchase of products that must use Previous doctor’s prescriptions must also come directly to the clinic, now by simply uploading a photo of the prescription on the Erha website, patients can order drugs online to be delivered directly to their homes. The driving and supporting factors in the development of medical services during the Covid-19 pandemic because the company saw the impact caused by Covid-19, namely a decrease in PT. Erha is due to government policies during the Covid-19 pandemic, where the government policy limits people’s activities to interact and engage in activities outside the home, so medical treatment at Erha has decreased, especially at the beginning of the pandemic because medical treatment at Erha almost entirely requires it to be done at Erha. Erha clinic, while with government policies that regulate community mobility, consumers cannot come to the clinic.

Acknowledge

The Covid-19 pandemic condition is a condition that causes rapid and significant changes that can occur anytime and anywhere, especially in the business world. Therefore, to deal with these conditions, the suggestions that the authors give to companies are as follows: Companies must be able to adapt to rapid changes such as the Covid-19 pandemic. This very fast changes as a business person must be able to

adapt and determine the actions that must be taken so that the business can continue to run. Not only looking at the needs of consumers at that time but also seeing from the side how consumers get those needs, so that products or services that are already owned by business people can still be used by consumers or the community, follow new habits, and people's behavior, conduct a thorough evaluation and continuously in all aspects of the fields that have been applied in the development of new medical services, creating or creating a special division that is responsible for observing and evaluating changes in the business.

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