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# Marketing Communication Penetration Strategy Wuling Motors Indonesia in Acceleration Government Electrification Program

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#### **Abstract**

This research discusses the marketing communication penetration strategy used by Wuling Motors Indonesia in accelerating the government's electrification program. This research uses a descriptive qualitative method and an interpretivism communication paradigm to understand the marketing communication strategy used by Wuling Motors and how potential consumers respond to the strategy.

This research shows that Wuling Motors Indonesia successfully implemented an effective marketing communication penetration strategy in promoting their electric car in Indonesia. Wuling Motors was able to utilize their position as the sole brand agent of electric cars to increase consumer awareness of the benefits of using electric cars, including cost savings and a cleaner environment.

Meanwhile, the government can also benefit from the electrification acceleration program through subsidies to

waive the purchase cost of electric cars, which can help reduce air pollution and bring Indonesia towards more modern and sustainable technological advancements. Prospective buyers also benefit from this program, as they can enjoy the subsidy facility through a reduction in the purchase price of Wuling Air EV units. In the long run, the adoption of electric cars can also help reduce Indonesia's dependence on fossil fuels and increase national energy independence. In conclusion, this article shows that Wuling Motors Indonesia's marketing communication penetration strategy in accelerating the government's electrification program can provide benefits for Wuling Motors, the government, and potential consumers. This research provides a broad and in-depth view of the benefits of electric car adoption for Indonesians and provides insights into effective marketing strategies in promoting electric cars in Indonesia.

**Keywords:** Marketing Communication Penetration Strategy, Wuling Motors Indonesia, Electrification, Interpretivism Communication Paradigm

#### Introduction

This research discusses the marketing communication penetration strategy used by Wuling Motors Indonesia in accelerating the government's electrification program. This research uses a descriptive qualitative method and an interpretivism communication paradigm to understand the marketing communication strategy used by Wuling Motors and how potential consumers respond to the strategy. This research shows that Wuling Motors Indonesia successfully implemented an effective marketing communication penetration strategy in promoting their electric car in Indonesia. Wuling Motors was able to utilize their position as the sole brand agent of electric cars to increase consumer awareness of the benefits of using electric cars, including cost savings and a cleaner environment. Meanwhile, the government can also benefit from the electrification acceleration program through subsidies to waive the purchase cost of electric cars, which can help reduce air pollution and bring Wuling Motors, an automotive manufacturer from China, began to enter the Indonesian market through collaboration with PT SGMW Motor Indonesia (SGMWI), a joint venture between SAIC Motor Corporation Limited.

Wuling Motors in entering the Indonesian market by implementing a strategy.

Aggressive by means of market penetration, market development and product development. (Gumelar, 2021) [10]. As a new player in the Indonesian automotive market, Wuling Motors must compete with established brands such as Toyota, Honda, and Daihatsu. Therefore, it is important for Wuling Motors to develop an effective marketing communication strategy to increase brand awareness and create consumer preferences for their products.

The purpose of this case study is to analyze Wuling Motors' business communication strategy in Indonesia, identify key success factors, as well as challenges faced by the company in increasing brand awareness and sales.

#### **Reasons for Choosing Research Material**

The right reasons and thoughts that support the choice of the title "Strategy Wuling Motors Indonesia Marketing Communication Penetration in the Face Government Electrification Program "Business communication integration: This title highlights the importance of integration of business communication in Wuling Motors marketing strategy.

- 1. This title highlights the importance of integration Business communication in Wuling Motors marketing strategy. In context The government electrification program, this research will explore how Wuling Motors uses effective communication to deal with market changes, establish relationships with stakeholders, and influence consumer behavior.
- This research will provide insight into the communication skills required in the face of government electrification programs. The results of the study will show how Wuling Motors uses communication skills, such as persuasion, presentation, and negotiation, to achieve its business goals.
- 3. This research will examine how Wuling Motors selects and uses effective media and communication channels to deliver their marketing messages in the context of the government's electrification program. This is in accordance with the topic in the book "Achieving Success Through Effective Business Communication", which discusses how to choose the right communication channel to achieve communication goals.
- 4. Given that Wuling Motors is a Chinese company operating in Indonesia, this study will evaluate how companies overcome cross-cultural communication challenges to promote their electric vehicle products. This is relevant to the business communication course and the book "Achieving Success Through Effective Business Communication" which discusses the importance of cross-cultural communication in international business.
- 5. This research will examine how Wuling Motors measures the effectiveness of their marketing communications in facing the government's electrification program. This will include evaluating the metrics and performance indicators that companies use to assess the success of their marketing communications penetration strategies.

#### **Background of the Problem:**

The problems faced by Wuling Motors Indonesia, especially related to the Air EV electric car product and subsidies to be provided by the government for Rp 25~35 million, include:

- 1. In the automotive industry, especially the electric vehicle segment, Wuling Motors will compete with global and local players who also present their electric car products, such as Tesla, BYD, and local brands such as PT. ESEMKA, Viar, INKA, and others.
- 2. Wuling Motors must ensure that Air EV products meet the criteria set by the government to get subsidies. These criteria may include battery capacity, mileage, cruise speed, lifetime battery, and other technologies.
- 3. One of the main challenges of electric vehicle development in Indonesia is the lack of supporting infrastructure, such as EV charging stations. Wuling Motors must ensure that their customers can access this

- infrastructure easily so that Air EV products become an attractive choice.
- 4. Building consumer awareness and trust in electric vehicle technology and the Wuling Motors brand in particular is a challenge. Companies must educate consumers about the benefits and advantages of Air EV products and how to claim subsidies offered by the government.
- To make Air EV an attractive choice for consumers, Wuling Motors needs to ensure that product prices remain competitive and unit availability is not a problem, especially after the implementation of subsidies.
- 6. Wuling Motors must ensure that after-sales services for Air EV products, such as maintenance, repair, and component replacement, are easily accessible to customers. This is important to build consumer trust and ensure customer satisfaction.
- 7. Wuling Motors ensures the success of their Air EV products in the market and utilizes subsidies offered by the government to increase sales and market share.

#### **Previous Research**

Previous research on this topic may have explored various aspects of marketing communication strategies, including the use of traditional and digital media, the importance of brand identity, the impact of social media, and the effectiveness of various promotional tools. Overseas researchers may have also looked at the specific challenges and opportunities faced by the electric vehicle industry in Indonesia and how marketing communication can help to address these issues.

Overall, research on marketing communication strategies in the context of the government's electrification program is an important area of study that can help companies like Wuling Motors Indonesia to succeed in this rapidly evolving industry.

#### **Theoretical Foudation**

The theoretical foundations that could be relevant in synthesizing scientific research on the marketing communication penetration strategy used by Wuling Motors Indonesia to accelerate the government's electrification program is Diffusion of Innovation Theory. Theory was developed & popularized by American communication theorist and sociologist, Everett Rogers, in 1962 that aims to explain how, why, and the rate at which a product, service, or process spreads through a population or social system.

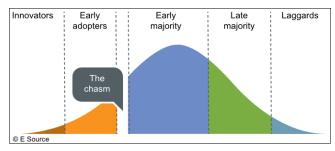


Fig 1: Rogers's diffusion of innovation curve and the chasm that EVs need to cross, courtesy of E Source copyright owned by them

EVs haven't crossed over the chasm to the early majority, so most EV buyers are in the innovator category of the curve.

The chasm is the barrier all new technologies must overcome in the early-adopter phase because early adopters have different priorities and expectations of new products than innovators do.

The theory explains how new ideas, products, or technologies spread through a social system over time, and identifies the factors that influence the rate of adoption.

This theory suggests that the adoption of new technologies or products can be influenced by various factors, including the perceived relative advantage, compatibility, complexity, trialability, and observability of the innovation. In the context of Wuling Motors Indonesia's marketing communication strategy, this theory could help to explain how the company can promote the benefits of electric vehicles and address potential barriers to adoption, such as concerns about range anxiety or unfamiliarity with the technology.

#### **Alternative Solution, Competition with Competitors**

For Wuling Motors to compete with global and local players in the electric car market. For the company to develop strategies that cover various aspects, such as the following:

- 1. Competitive product offerings.
- 2. Competitive price.
- 3. Extensive distribution and service network.
- 4. Effective marketing and promotional campaigns.
- 5. Cooperation with the government and the National Automotive industry.
- 6. Focus on sustainability and environmental responsibility.

By implementing these strategies, Wuling Motors is expected to increase their competitiveness in the national electric car market.

For Wuling Motors to compete with global and local players in the electric car market. For the company to develop strategies that cover various aspects, such as the following:

To ensure that Wuling Air EV products can meet the criteria set by the government in order to receive a subsidy of IDR 25 to 35 million per unit, Wuling Motors must take the following steps:

- 1. Study the regulations and criteria
- 2. Design the product according to the criteria
- 3. Product certification and testing
- 4. Coordination with government
- 5. Consumer education
- 6. Monitoring and evaluation

By following these steps, Wuling Motors will be able to ensure that their Air EV products meet the criteria set by the government, in order to receive a subsidy of Rp 25 to 35 million per unit.

As for the method later, the Dealer will provide a kind of Purchase Order Voucher given to the Buyer and addressed to several designated Government Banks or State-Owned Enterprises (BUMN), then the Bank will disburse funds according to the applicable Claim regulations through charging funds to the Wuling EV Air Electric Car Buyer's account, of course by first verifying and checking the data validation.

#### **Literature Review & The State of the Art**

Literature Review & The state of the art on the topic of

marketing communication strategies for promoting electric vehicles and accelerating the adoption of new technologies provides some useful insights for the manuscript entitled "Marketing Communication Penetration Strategy Wuling Motors Indonesia in Acceleration Government Electrification Program".

Li *et al.* (2018) [2] found that social media and online forums were effective channels for promoting electric vehicles, and that messaging that emphasized environmental benefits and cost savings was particularly effective in increasing adoption. This suggests that Wuling Motors Indonesia could leverage social media platforms and online forums to promote their electric vehicles and emphasize their environmental benefits and cost savings to potential consumers.

Irawan *et al.* (2019) <sup>[3]</sup> found that government policies and incentives played a key role in promoting electric vehicle adoption in Indonesia and that targeted marketing communication strategies were needed to increase awareness and understanding of the technology among consumers. This highlights the importance of understanding the local context and tailoring marketing communication strategies to the Indonesian market.

Zhang *et al.* (2018) <sup>[9]</sup> found that perceived benefits, such as environmental protection and reduced fuel costs, were significant predictors of intention to adopt electric vehicles, while perceived cost and lack of infrastructure were significant barriers to adoption. This suggests that communication strategies that address these concerns could be effective in promoting adoption.

Wang *et al.* (2020) <sup>[8]</sup> found that perceived usefulness, social influence, and perceived compatibility were significant predictors of intention to adopt electric vehicles, while perceived risk and perceived complexity were significant barriers to adoption. This suggests that communication strategies that emphasize the simplicity and safety of electric vehicles could be effective in promoting adoption.

Overall, the state of the art on marketing communication strategies for promoting electric vehicles suggests that Wuling Motors Indonesia should consider leveraging social media and online forums, tailoring communication strategies to the local market, and emphasizing the environmental benefits, cost savings, simplicity, and safety of electric vehicles to promote their adoption and accelerate the government's electrification program.

#### **Research Method**

To conduct a research on "Marketing Communication Penetration Strategy Wuling Motors Indonesia in Acceleration Government Electrification Program", researcher uses

**Literature review:** A Thorough review of relevant literature on marketing communication, penetration strategy, and the government's electrification program can be conducted to gain insights into the topic.

**Interviews:** Interviews conducted with key stakeholders, including marketing and communication experts and industry insiders to gather insights on successful marketing communication and penetration strategies.

**Qualitative data analysis:** Qualitative data analysis used to analyze the data collected from interviews to gain insights into successful marketing communication and penetration strategies.

#### **Conclusions**

In conclusion, the descriptive manuscript on the marketing communication penetration strategy used by Wuling Motors Indonesia in accelerating the government's electrification program reveals that the company successfully implemented an effective strategy to promote their electric cars in Indonesia.

The research used a descriptive qualitative method and interpretivism communication paradigm to understand the strategy and consumer response to it. Wuling Motors utilized their position as the sole brand agent of electric cars to increase consumer awareness of the benefits of using electric cars, while the government benefited from the electrification acceleration program through subsidies to waive the purchase cost of electric cars, which helps reduce air pollution.

As a new player in the Indonesian automotive market, Wuling Motors faced competition with established brands and thus developed an aggressive marketing communication strategy using market penetration, market development, and product development.

The case study's purpose was to analyze the strategy, identify key success factors, and challenges faced by the company in increasing brand awareness and sales. Overall, the research highlights the importance of effective marketing communication strategies to increase brand awareness and consumer preferences, especially for new players in a competitive market.

The hope or future review for the next researcher in sharpening the analysis and synthesis of the material discussed in this theme is to be able to present a more detailed analysis, find novelty about a new marketing strategy that is more adaptive for Wuling Motors Indonesia in marketing its electric vehicles, including advertising campaigns, promotions, use of social media, and other promotional activities that are in accordance with the 4.0 generation of technology.

Then it can increase the effectiveness of Wuling Motors Indonesia's marketing strategy in achieving marketing and business goals, such as increasing sales of electric vehicles, increasing brand awareness, and expanding market share.

Can explain how Wuling Motors Indonesia's marketing strategy can adapt to changes in government policies and market factors that change over time.

## Compliance with ethical standards Acknowledgments

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#### Disclosure of conflict of interest

The authors of this study consist of similar scholars with the same backgrounds and who reside in a similar educational institution, the Faculty of Social & Political Sciences of Universitas Sultan Ageng Tirtayasa.

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