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# **HNI Marketing Communication in Sharia Image Construction** as an Effort to Maintain Customer Loyalty in Palu City

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**ABSTRACT:** This study aims to explain the marketing communication strategy carried out by HNI in building a sharia image in Palu City, as well as to determine the implications of the sharia image in maintaining HNI customer loyalty in Palu City.

The results of this study indicate that the marketing communication strategy carried out by HNI in building a sharia image in Palu City includes: Advertising, namely by using the hashtag Hijrah Product (#HijrahProduk) in social media posts about HNI products; Personal sales, namely through home sharing activities using excerpts of the Quran and Hadith in sales presentation messages by HNI Agents; Sales promotion, namely by providing rewards in the form of Umrah vouchers to HNI Agents who have achieved a certain turnover; Direct sales, using social media such as Facebook and Instagram, and conducting group broadcasts via WhatsApp. Public relations are carried out by HNI by participating in community activities, religious activities, and holding Agent meetings containing religious activities. The implications of the sharia image as an effort to maintain customer loyalty carried out by HNI are through providing rewards in the form of Umrah vouchers for HNI Agents who have achieved a certain sales turnover. Other activities that HNI also carries out as an effort to maintain customer loyalty and build a sharia image are through membership activities such as HNI leader meetings combined with religious activities such as congregational prayers and spiritual guidance.

**KEYWORDS:** Marketing Communication Strategy, Image Construction, HNI

## INTRODUCTION

Currently, the Multi Level Marketing (MLM) business in Indonesia is experiencing rapid development. This can be seen from the many MLM companies that are starting to appear in the community. According to data from the Indonesian Direct Selling Association (APLI), it is estimated that there are more than 300 companies engaged in the direct selling industry. Around 200 of them already have a Direct Selling Business License (SIUPL). Based on data from 2022, there were 116 direct selling companies recorded as APLI members. Meanwhile, globally, the direct selling industry experienced an increase of 2.3% in 2020, which was 179.3 billion US dollars (https://www.apli.or.id). Multi Level Marketing (MLM) is a concept that provides opportunities for consumers to participate as sellers and gain benefits and profits in their partnership lines. In MLM terms, members can also be referred to as distributors or business partners. MLM allows the distribution costs of marketed products to be very cheap, even having no distribution costs at all. The development of Multi Level Marketing (MLM) companies in Indonesia made the National Sharia Council - Indonesian Ulema Council (DSN-MUI) in 2009 issue a fatwa No: 75 / DSN-MUI / VII / 2009 concerning guidelines for direct multilevel sharia sales (PLBS). In the fatwa, the MUI decided on several provisions that must be met by MLM companies so that their system runs according to sharia. So with the existence of this fatwa, in Indonesia now the MLM sales system must be based on sharia principles or sharia-based MLM. Sharia MLM is an MLM business that bases its operational system on sharia principles (Anggraini, 2019: 4). One of the sharia-based companies that is growing rapidly in Indonesia is PT. Herba Penawar Alwahida Indonesia (PT. HPAI).

Based on 2014 data, it was recorded that the HNI Company had 49 branch offices or Business Centers (BC) in various regions in Indonesia, while in 2016 there were 114 Business Centers (BC) recorded in Indonesia. The data proves that since its official establishment in 2012 until this research was conducted, HNI has experienced quite rapid development. It was recorded in 2020, the HNI Company had 343 Business Centers (BC), not to mention stock agents who were below the Business Center level. HNI's marketing was quite successful, as evidenced by the growth graph of the number of agents which continued to increase every year. This shows that at the age of 8 years, HNI is still surviving and especially in Central Sulawesi, 3 Business Centers have been established as an extension of HNI.

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The following is a list of Branch Offices/Business Centers (BC) in Central Sulawesi that have been established and registered by the central company (HNI Success Guide Document: 40):

- 1) BC Palu: BTN Griya Tadulako Permai Block A.2 No. 9. Palu, Central Sulawesi. Head of Neli Rahman, S.K.M Phone: 082394142872
- 2) BC Palu 3: Jl. Head of Moh. Iqbal Phone: 08112567018/082191245466
- 3) BC Toli-Toli: Jl. Head of Ardiana Arifuddin, S.E Phone: 081236276428

Like companies that use the Multi Level Marketing (MLM) system in general, HNI has established a bonus system that focuses on the range of sales quantities that have been achieved by the Agent. To carry out effective sales activities, an appropriate marketing communication strategy is needed. Marketing communication strategy is one of the important activities in the business world, because it is a driver to increase sales so that company goals can be achieved. Various experts urge companies to move from short-term to long-term goals that build value-laden relationships and marketing networks (Sugianto, 2020: 1). This is the reason for HNI to attract public interest in Islamic-based products, therefore HNI instills the image of a halal company based on sharia to the public, seen from the tagline they have "Halal Is My Way" which in the sense of spirit as well as education.

Image construction in the context of marketing communications can be an important part of the marketing strategy of a brand, product, or service. This involves efforts to build a positive image through various elements of the promotional mix, such as advertising, sales promotion, personal selling, public relations, and direct marketing. In addition, image construction is also related to efforts to build customer loyalty, where marketing communication strategies are used to pay attention to various aspects of communication that help companies achieve their goals. Based on the description above, researchers are interested in studying more deeply the construction of sharia image in the context of marketing communication strategies carried out by HNI in a study entitled, "HNI Marketing Communication in Sharia Image Construction as an Effort to Maintain Customer Loyalty in Palu City".

#### **METHODOLOGY**

This research is a type of qualitative research, using a descriptive approach. This research approach was chosen because the researcher wanted to clearly describe the Marketing Communication carried out by HNI in Constructing Sharia Image as an Effort to Maintain Customer Loyalty in Palu City. The object of this study is the marketing communication strategy carried out by HNI in constructing a sharia image as an effort to maintain customer loyalty, especially in Palu City. The determination of the research subjects was through purposive sampling technique. Purposive sampling includes people who are selected based on certain criteria made by researchers based on research objectives (Kriyantono, 2006:154).

The data collection technique in this study was carried out through; a) Interviews, in this study semi-structured in-depth interviews were used. This is used so that the questions asked can be asked in a structured manner according to the interview guide, but can still be developed or asked further if there are questions that get unclear answers. b) The observation method or observation carried out by researchers in this study was carried out directly by observing the marketing activities carried out by HNI Agents in Palu City. Direct observation was conducted during interviews with informants and when researchers directly participated in marketing activities such as home sharing. Researchers conducted participant observation so that they could obtain other information that might not have been revealed in the interview. c) Documentation in this study was obtained through the company's official website and the HNI Success Guide Document book which contains information about the company profile and HNI developments.

#### FINDINGS & DISCUSSION

#### 1) Advertising

Advertising is an effective strategy to reach consumers spread out at a low cost and with wide coverage. The advertising strategy consists of two elements, namely creating the message content to be conveyed and choosing the right media to place the advertisement.

"We actively sell posts about HNI products or activities through social media only, such as Whatsapp, Facebook, TikTok, then Instagram. But TikTok usually only shares, if you make it yourself, you can't do it yet." (Mrs. Marlinsa, 05/27/2024).

Based on the statement above, the researcher concluded that in implementing advertising, HNI does not use electronic media which is generally used by conventional companies to introduce and provide information about products and brand image. The HNI company uses social media such as Facebook and WhatsApp to present information that is public and non-personal so that it is easy for anyone to access. This is in accordance with the statement put forward by Kotler and Keller, that advertising is a form of presenting information and promotion carried out by companies that is delivered in a non-personal manner.

"When uploading about products, we often use the hashtag 'Hijrah Produk', sometimes we also use hadiths or excerpts from the Koran, whether the post is about HNI products or activities." (Mrs. Marlinsa, 05/27/2024)."

Another thing that is the conceptual basis for this strategy is creating message content. Based on the image above, HNI's social media posts use captions with the hashtag Hijrah Produk (#HijrahProduk) in introducing or promoting their products to the public.

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Hashtags aim to strengthen the ability of advertising to execute (achieve its targets), namely influencing consumers to use the advertised products.

In addition to using online media as previously explained, HNI also publishes company profiles in the form of electronic or printed books. A company profile is a report that provides an overview of the history, current status, future goals of a business, and also often includes some general statistics related to the status of the business. According to Kriyantono (2008:226), the function of a company profile is as a representation of the company, complementing oral communication in order to create mutual understanding, saving transaction time, and building corporate identity and image.

#### 2) Personal Selling

HNI Company is a networking or multilevel marketing business, where marketing activities are carried out by HNI Agents through sales presentations carried out directly or face to face. The sales percentage carried out by HNI Agents uses a strategy they call PCA (Use Stories to Invite). The basic concept built through PCA is to provide prospects to consumers through a sense of trust by using testimonial language or sharing personal experience stories. PCA is structured in a simple way that is generally carried out in Home Sharing programs or activities. Home sharing is a sales prospect carried out through informal meetings directly between HNI Agents and customers or consumers to introduce a product and form customer understanding of the product, also explain existing business opportunities and other technical matters. Home sharing is divided into two, namely introductory home sharing and coaching home sharing. Introductory home sharing is attended by people who have never known HNI or those who have not registered as HNI Agents. While coaching home sharing is attended by people who have registered as HNI Agents.

## 3) Sales Promotion

Sales promotion is the use of various incentives or prizes as a form of persuasion carried out by companies to stimulate consumers to make product purchases immediately or increase the number of items purchased by customers.

"Yes, so there are two types of prices at HNI, there are general prices or consumer prices that are generally for everyone. There is a special price for those who join HNI, namely the partner price where the comparison is 10% - 30%." (05/19/2024)

This is in accordance with Kotler & Keller's statement, that sales promotion includes tools for consumer promotion and trade promotion in the form of discounts. The difference in Agent prices is one of the attractions for consumers to join as HNI members or Agents.

"HNI has an Umrah reward. so there are Umrah vouchers, there are also those who do Umrah. If the Umrah voucher is later to join the Umrah, just pay the rest, the voucher is in the form of a discount." (Mrs. Marlinsa,

05/27/2024)

The provision of Umrah vouchers is one of the rewards offered by HNI which can build good relationships between HNI Agents and the company, as well as build a positive brand image. The image that HNI can build through the provision of Umrah vouchers is as a sharia-based business company. Umrah vouchers can be obtained by HNI Agents by achieving a certain sales turnover. Sales turnover can be achieved through repeat purchases made by HNI Agents. The concept of loyalty in this study is represented by repeat purchases by consumers. So it can be concluded that the provision of Umrah vouchers can build HNI's sharia image as an effort to maintain customer loyalty.

# 4) Direct Marketing

Direct marketing is one of the interactive marketing systems that companies can develop to generate direct responses from targeted customers.

"We use Facebook, WhatsApp, TikTok, Instagram too. But I often just use WhatsApp or Facebook, that's enough." (Mrs. Sukarsih, 05/19/2024)

HNI forms a system or culture by providing direct service and communication with customers. Direct marketing carried out by HNI is a form of interactive marketing that motivates customers to make purchases and sell products. In direct marketing, direct marketing communications are aimed at individual consumers, with the aim that these messages are responded to by the consumers concerned.

# 5) Public Relations

HNI participates in community activities such as exhibitions held by the local government and religious activities such as tabligh akbar. HNI also holds Friday sharing activities by distributing food to the general public in the form of local fruits and opening an HNI booth in the mosque yard. Through the publicity of this activity, HNI can strengthen its image as a sharia-based business in the community. This is in accordance with one of the main activities of public relations described by Kotler and Armstrong, namely that business organizations can draw attention to products or other marketing activities by holding special events such as conferences, seminars, and sponsorships or getting involved in sports and cultural activities that will reach the target community. "At HNI there are training events for partners that we call HEBAT (Herbalist and Business Achievement Training) this is basic training for new partners, but partners with ranks can also join. Then there is also the BOSS (Business Opportunity Success Seminar) activity which provides motivation for partners to continue developing the HNI business." (Mrs. Sukarsih, 05/19/2024)

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HNI's HEBAT and BOSS programs are carried out as a company support system for HNI Agents in marketing brands to the public. HEBAT is a basic herbalist training for the general public or those who have joined as HNI-HPAI partners and are interested in learning about herbal medicine and other things about HNI-HPAI. The BOSS activity contains material about the importance of migrating to use halal products, motivation to become a successful entrepreneur through the HNI business, and healthy living solutions by consuming HNI herbs. The HEBAT and BOSS programs also contain religious activities such as congregational prayers, and spiritual guidance for Agents who have reached a certain level.

Public relations activities are also carried out by BC Palu 3 as an HNI distribution agent located in Palu City by carrying out humanitarian activities, namely providing donations in the form of assistance such as medicines to the Palestinian people who are victims of genocide by Israel. This assistance was then uploaded via Mr. Iqbal's social media as the owner of BC Palu 3. The humanitarian assistance carried out by HNI, in accordance with the last point in the characteristics of public relations mentioned by Kennedy & Soemanagara, namely community service activities.

#### CONCLUSIONS

Based on the focus of the research on the construction of the sharia image carried out by HNI in marketing communications as an effort to maintain customer loyalty, the marketing communications carried out by HNI include advertising, personal selling, sales promotion, direct marketing, public relations.

- 1) First, marketing communications through advertising are carried out by HNI through social media using the hashtag 'HijrahProduk' (#HijrahProduk). Another thing that HNI does to introduce the brand is by publishing a company profile in the form of a guidebook containing complete company information.
- 2) Second, personal selling is carried out by HNI Agents through home sharing activities with the PCA method (Pakai Cerita Ajak), where in the sales presentation using excerpts from the Quran and Hadith to educate customers.
- 3) Third, sales promotion is carried out by HNI by offering Agent prices, namely there is a difference in product prices for those who have joined as HNI partners and general consumers. HNI also provides rewards in the form of Umrah vouchers to HNI Agents who have reached a certain turnover.
- 4) Fourth, direct marketing is carried out by HNI using social media such as Facebook and Instagram, as well as conducting group broadcasts via WhatsApp.
- 5) Fifth, public relations is carried out by HNI by participating in community activities, religious activities, and holding meetings between Agents that contain religious activities.

The implications of HNI's sharia image as an effort to maintain customer loyalty are carried out through the provision of rewards in the form of Umrah vouchers. Umrah vouchers are obtained through achieving certain sales turnover requiring Agents to make repeat purchases. The concept of loyalty in this study is represented by repeat purchases by consumers. The construction of HNI's sharia image through public relations is carried out by holding HNI leader meetings that contain religious activities such as congregational prayers and spiritual guidance.

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