Marketing Strategy Model of the Construction Consulting Service in South Kalimantan

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Abstract: *The general public of service users have not understood about the value of construction consultancy services. This hampers marketing opportunities in the private sector for construction consulting services particularly, in South Kalimantan. The objective of the research is to create an appropriate marketing strategy for corporation construction consultancy services in South Kalimantan. It can be identified by SWOT analysis, AHP analysis, and Importance Performance-Analysis. This research is done by giving the questionnaire to the service users and construction consulting firms in South Kalimantan. The result of its are, a model of the marketing strategy of the construction consulting service, Strength-Opportunity strategy, grow and build it, service pricing strategy, and basic strategy. This model is a collaboration between the marketing-mix and service quality.*

Keywords: *AHP, construction consulting service, marketing strategy, SWOT*

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I. Introduction

Construction consultancy services in South Kalimantan Province have experienced significant growth in recent years. The projects handled by the construction consultancy services of the Province of South Kalimantan, most of them, are government-owned. The general public lacks appreciation and involves the existence of construction consulting services corporations on private-owned projects. For example, the general public in planning the design of shophouses, houses, private offices or other buildings, rarely use the services of construction consultancy to be involved in the planning and supervision phase.

The fact shows that there is a gap of understanding between the user (the general public) and the corporation construction consulting services. The general public don't understand that value can be added to the products offered by construction consulting services. This gap creates limited market opportunities for consultancy services on private projects in the province of South Kalimantan. Construction consulting services require appropriate marketing strategies to be accepted by a market segment. This research formulate the right marketing strategy model, so that construction consultancy service in South Kalimantan is acceptable. The goals are to know the level of understanding of the general public of the service users to the construction consultancy services, the factors causing the gap of it, and the feasibility of the cost of construction consultancy services.

II. Literature Review

According to Zeithaml and Bitner (2000), service is economic activity whose the results are not products in physic or construction, consumed at the same time as the resulting time and provide added value, such as comfort, entertainment, pleasure, or health [1]. According to Lovelock (2004), services have three main characteristics that are more intangible than tangible, simultaneous production and consumption, less standardized and uniform [2].

There are four components covered in a marketing mix that are product, price, promotion, place, and distribution [3]. Booms and Bitner (2001) proposed 3P in addition to marketing services, i.e. people, process, physical evidence [3]. Consumer perceptions of service quality is a comprehensive assessment of the superiority of service. Parasuraman, et al. (1988), make scale measurement service quality (service quality) which is multidimensional, that is reliability, responsiveness, assurance, empathy, tangibles [4].

Kotler and Armstrong (2011) explain that there are three types of marketing in service corporations, namely external marketing, internal marketing, interactive marketing [5]. According to Hasan (2013), in marketing strategy planning should refer to five-key interrelated elements of market selection, product planning, pricing, distribution systems, and marketing communications [6]. David (2006) explains that the strategic management process consists of three stages of strategy formulation, strategy implementation, and strategy evaluation. Strategy formulation involves developing vision and mision of organization, identifying external

opportunities and threats, establishing the organization's long-term goals, creating alternative strategies and selecting specific strategies for use [7].

David (2006) explains that IFAS (Internal Strategic Factor Analysis Summary) and EFAS (External Strategic Factor Analysis Summary) is a measurement tool to present micro and macro environmental analysis into the matrix that has been given weight and rating [7]. This analysis is to know how much strength and weakness that exist in the micro environment.

The AHP (Analytical Hierarchy Process) method is a method for making effective decisions on complex issues. The AHP method simplifies and accelerates the decision-making process [8]. The AHP method solves the problem into its parts, arranging parts or variables into a hierarchical arrangement. The AHP method gives a numerical value to subjective considerations, about the importance of each variable and the AHP method synthesizes it for determining which variable has the highest priority and acts to influence the outcome in that situation [9][10].

Analysis of Importance Performance (IP Analysis) is a calculation of the level of conformity between the level of importance and the level of implementation. This Analysis is the result of comparison between service quality performance (corporate performance) and average expectation score (interest of service user). Analysis of Importance Performance determines the priority order of handling the indicators for improving the quality of service expected [11]. IP analysis application used 4 quadrants in the assessment on the average value as the data plot [12]. According to Kotler (2000) and Zeithaml, et al. (2000), the degree of conformance can be described in the Cartesian diagram. The function of the Cartesian diagram is to measure the level of the gap between performance and service user expectation, and to provide information to the service provider corporation about the attributes that need to be improved its performance to cause consumer satisfaction [13] [14].

III.   Research Methods

Primary data were obtained by distributing questionnaires. The population of this research is the corporation of construction consultancy services registered in DPD INKINDO which is 135 corporations. Respondents come from the service user and corporate consultancy services, each party as much as 101 respondents. Experts, which are used as a reference for this questionnaire, as many as 20 people from the academic (lecturer) and consultant profesi. Questionnaires include data of respondents' statements on performance and expectations of construction consulting services, respondents' statements on internal and external factors of corporations, and respondents' assessment of the determination of the feasibility of the price of construction consultancy services.

The variables for SWOT analysis include variable strength, variable *weakness,* variabel *opportunity,* and variable *threats.* Each variable has its dimensions, indicators and measurement scale [15]. Rangkuti (2011) explains that these variables are called by key-success factor [16]. The dimensions of each variable are listed in **Table 1**. The selection of these variable criteria is based on their advantages and disadvantages, new opportunities to increase corporate profits, and by of unfavorable situations for corporations.

Identification of corporate positions and capabilities to seize private sector markets is analyzed by SWOT and IE Matrix. Rangkuti (2011) explains that TOWS matrix is a translation form of SWOT analysis in matrix form [16]. The TOWS matrix provides a clear picture of what alternative strategic positions the corporation should implement in the marketing problem of construction consulting services [17]. The feasibility strategy of construction consultancy services price is analyzed by using Analytical Hierarchy Process (AHP). The perception gap between the service user and the consultant construction services is done by the analysis of Importance Performance.

Table 1. Research variable

Variable	Dimension
Strength	Marketing Service Mix
	Quality of Service
	Corporate Culture
Weakness	Marketing Service Mix
	Quality of Service
	Organization Climate
Opportunity	Political Stability and Security
	Economic stability
	Development of geography
	Demographic development
Threat	Regulation and law
	New arrivals
	Bargaining power users construction consulting services
	Competition among construction consulting service providers

IV. Data Analysis and Result

4.1 SWOT Analysis

Based on the frequency distribution of respondent data, the lowest mean value of the IFAS variable (2.17), on the dimension of weakness. The value indicates that "weak." The highest mean value (2.50) in the strength dimension. In the EFAS variable, the lowest mean (2.45), on the threat dimension. The value indicates that "threatening." The highest mean (2.61) in the dimension of opportunity. The value indicates that "a chance." The value of IFAS and EFAS variable are presented in **Table 2**.
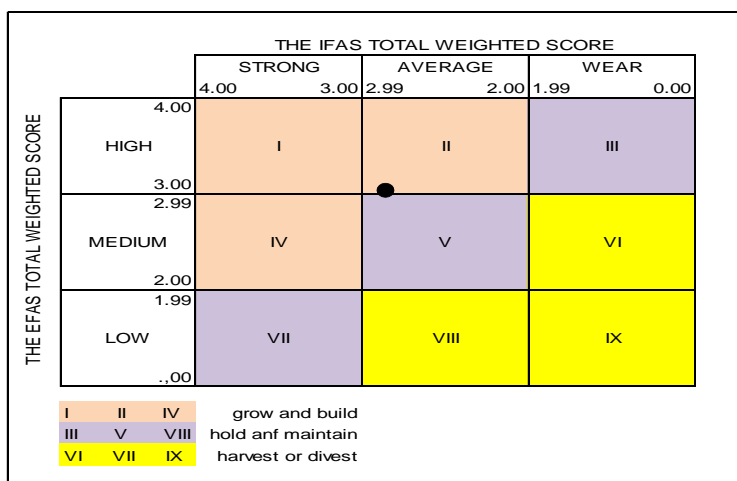
Figure 1. IFAS-EFAS *Matrix* or GE *Matrix*

Tabel 2. Descriptive Statistic Analysis

Variable	Dimension	Mean	Deviation standard
IFAS	Strength	2.51	0.50
	Weakness	2.17	0.58
EFAS	Opportunity	2.61	0.52
	Threat	2.45	0.63

Table 3. SWOT *Matrix*

		Column	
		Strenght	*Weakness*
Row	*Opportunity*	S-O (1.61+1.55) 3.16	W-O (1.27 + 1.55) 2.82
	Threat	S-T (1.61+1.45) 3.06	WT (1.27+1.45) 2.72

The coordinates of IFAS and EFAS variables are 2.88 (IFAS); 3.00 (EFAS). Coordinate position shows the formulation of the business strategy that is quadrant II which is classified as growth and build (**Figure 1**). Total IFAS weighted score and total EFAS weighted score on an IFAS-EFAS matrix, or GE matrix is a determinant factor for an arrangement of coordinates. While on the SWOT matrix, the weighted score dimension of each dimension on IFAS and EFAS, as a determinant factor for the arrangement of four pairs, i.e. S-O pair, S-T pair, W-O pair, and W-T pair. In **Table 3** it shows that the highest magnitude of pairs is 3.16 located on the S-O pair. The S-O pair is a strategy that utilizes all the power to seize and take advantage of the great opportunity for corporation construction consulting services. Business strategy formulation is presented in **Table 4**.

TOWS matrix is a continuation of SWOT matrix. SWOT matrix focuses on the detail of the business strategy per key-success factor, while TOWS matrix focuses on the summary of the business strategy formulation. TOWS matrix is presented in **Figure 2**. The S-O pair on the TOWS matrix is in quadrant I. TOWS matrix shows the business strategy of construction consultancy services, is a support for an aggressive strategy.
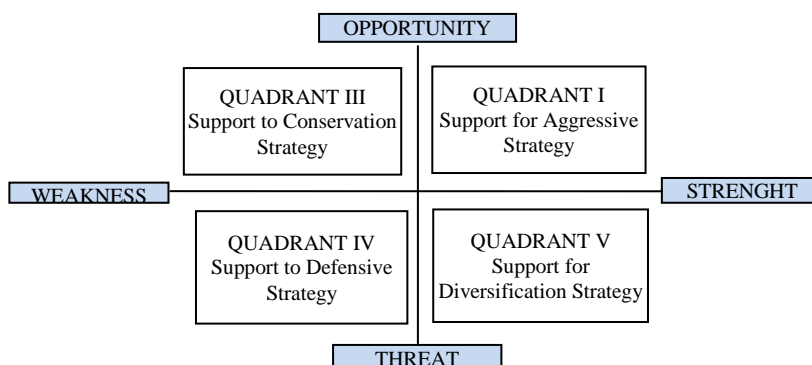
Figure 2. TOWS Matrix

Table 4. S – O Strategy

IFAS EFAS		Strenght
Opportunity	S₁	Products of construction consulting services owned by corporations
	O₁	An increasingly mature democracy in South Kalimantan
	Solution	Increase reliability, especially human resources and equipment
	S₂	Headquarters and distribution of construction consultancy services
	O₂	Security and order in society in South Kalimantan Province
	Solution	Improve ease of location access and homepage (website) to facilitate the customer (user) get information
	S₃	Human resources owned by construction consultancy services
	O₃	Regional GDP growth in South Kalimantan province
	Solution	Improving empathy related to understanding the needs of the customer (user) construction consulting services
	S₄	Document reference work experience of some projects owned by corporation
	O₄	The growth of construction consultancy services market in South Kalimantan area
	Solution	Increase responsiveness especially regarding responsiveness to claims. Also, need to consider the flexibility of the payment system.
	S₅	The level of ability of professional technical personnel owned by the corporation
	O₅	Special attention from local governments on development issues and community empowerment
	Solution	Optimize adequate equipment, understand user needs and timeliness and quality of work
	S₆	Infrastructure and facilities owned by the corporation in handling the project
	O₆	Expansion of new territory within the scope of South Kalimantan province
	Solution	Enhance equipment and facilitate access to location and homepage (website), so that the user society of consultancy services construction easy to get information.
	S₇	Vision, Mission, and existence of Standard Operation Procedure
	O₇	Population growth
	Solution	Improve Assurance, in particular, the timeliness and quality of work. For this purpose, necessary measures to improve human resources, and adequate equipment

4.2 AHP Analysis

The eigenvalue of each dimension is 0.05 which in the dimension of empathy. The highest eigen value 0.47, is in the reliability dimension. The highest subcriteria, 0.64, is in the subcriteria "reliable human resources." Then the subcriteria of "adequate equipment" is 0.25 and the "ease of payment" subcriteria is 0.10 (see **Table 5**). The lowest weight of the eigen value, is 0.101, shows that the feasibility of consultancy services price at a price of 2.5% to 3.5% of the physical value. The weight or the highest eigen value is 0.64 at the price of 5.6% to 4.65% of the physical value. To support the formulation of a business strategy of construction consultancy services in South Kalimantan province, so that the cost feasibility is 5.6% to 4.65% of the physical value. The weight values are presented in **Table 6**.

Table 5. Eigen Value Pairwise Comparison Dimensions

Priority	Criteria	Subcriteria	Eigen Value
1	Reliability		0.47
		Reliable human resources	0.64
		Equipment is adequate	0.25
		Easy payment	0.10
2	Tangible	Accessible	0.22
3	Assurance	Guarantees timeliness and quality	0.17
4	Responsiveness	responsive to claims	0.09
5	Empathy	Understand the needs of users	0.05

Table 6. Eigen Value Price

Priority	Feasibility of Cost of Construction Consultancy Services	Eigen Value
1	Price 5.6% - 4.65% of the physical value	0.64
2	Price 3.5% - 5% of the physical value	0.25
3	Price 2.5% - 3.5% of the physical value	0.10

4.3 Analysis of Importance Performance

Variables PSQ (Performance Service Quality) and ISQ (Importance Service Quality) variables construction consulting services are analyzed based on customer service satisfaction assessment. **Table 7** shows the lowest mean of the PSQ variable of 2.93 is in the tangible. The value indicates that the average respondent stated: "not satisfied." The highest mean value, 3.35, is in the reliability dimension. The value indicates that the average respondent stated "quite satisfied." The lowest mean value of the ISQ variable of 3.61 is in the four dimension. The value indicates that the average respondent stated "quite importantly improved." The highest mean value is 3.90 in the tangible dimension. The value indicates that a average respondent stated "quite importantly improved." The gap between performance with the importance on the quality of the construction consultancy services as a whole is -0.57. The lowest is -0.34 (empathy dimension), and the highest is -0.97 (tangible dimension). They are presented in **Table 8**.

Table 7. Statistic Descriptive Importance Performance Analysis

Dimention	PSQ Variable		ISQ Varable	
	Mean	Deviation Standard	Mean	Deviation Standard
Reliability	3,35	0,489	3,71	0,78
Responsiveness	3,27	0,63	3,65	0,87
Empathy	3,27	0,75	3,61	0,78
Assurance	2,96	0,68	3,78	0,77
Tangible	2,93	0,87	3,90	0,84

Tabel 8. Recapitulation The Gap Between PSQ and ISQ

No	Dimension		Performance (P)	Importance (I)	Gap
1	Reliability	n = 101, k = 4	3.35	3.71	-0.36
2	Responsiveness	n = 101, k = 3	3.27	3.65	-0.38
3	Empathy	n = 101, k = 3	3.27	3.61	-0.34
4	Assurance	n = 101, k = 2	2.96	3.78	-0.82
5	Tangible	n = 101, k = 2	2.93	3.90	-0.97
	Mean Service Quality (SQ)		3.16	3.73	-0.57

The existence of the gap of each attribute on each dimension of service quality, resulting in varying customer satisfaction levels. Each dimensional analysis, yielding a mean value of 0.85. The lowest level of customer satisfaction is 0.75 on the tangible dimension. While the highest level of customer satisfaction of 0.91 is in the empathy dimension, they are presented in **Table 9**. In **Table 9**, to improve customer satisfaction level is more optimal tangible dimensional improvement measures on a sustainable basis.

Recapitulation for the coordinate and quadrant positions of each dimension in service quality of construction consultancy services is shown in **Table 10** and **Figure 3**. The coordinates of each Performance and Importance are compared with the mean PSQ and ISQ. Quadrant A should be a top priority in the corporate policy of construction consulting services to improve service quality. Quadrant D is overvalued by users of construction consulting services.

Tabel 9. Recapitulation Customer Satisfaction Level

No	Dimension	Mean		Customer Satisfaction Level (P/I)
		Performance (P)	Importance (I)	
1	Reliability	3.35	3.71	0.90
2	Responsiveness	3.27	3.65	0.90
3	Empathy	3.27	3.61	0.91
4	Assurance	2.96	3.78	0.79
5	Tangible	2.93	3.90	0.75
	Mean Customer Satisfaction Level	3.16	3.73	0.85

Tabel 10. Recapitulation of Coordinate Position and Quadrant at Service Quality

No	Dimension	Coordinate		Coordinate Position		
		Performance (P)	Importance (I)			
1	Reliability	3.35	3.71	3.35 > 3.16	D	Overrated
				3.71 < 3.73		

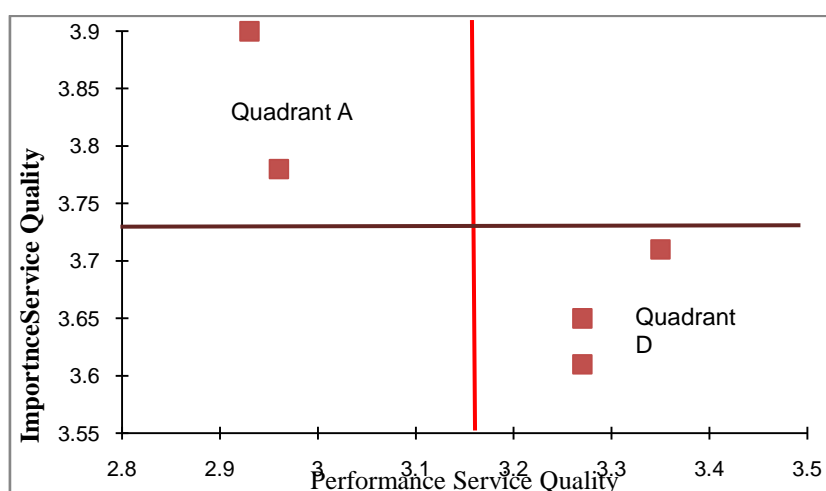| 2 | Responsiveness | 3.27 | 3.65 | 3.27 > 3.16 | D | Overrated |
				3.65 < 3.73		
3	Empathy	3.27	3.61	3.27 > 3.16	D	Overrated
				3.61 < 3.73		
4	Assurance	2.96	3.78	2.96 < 3.16	A	Main priority
				3.78 > 3.73		
5	Tangible	2.93	3.90	2.93 < 3.16	A	Main priority
				3,90 > 3,73		
	Mean Service Quality (SQ)	3.16	3.73	Dimensional Quadrant Determinants		

Figure 3. Cartesian Diagram for Dimension of Service Quality

V. Conclusion

The marketing strategy of construction consultancy services that can be applied in South Kalimantan, is a strength-opportunity collaboration strategy, growth and build strategy, pricing strategy, and basic strategy, namely the collaboration between marketing-mix and service quality. In the performance variable, the respondent's understanding level is in the reliability dimension of construction consulting services. The level of understanding of the general public is in the tangible dimension, that is in the clarity indicator corporate office, accessibility and adequate facilities owned by the corporation consultancy services, so it is important enough repaired. The cause of the gap in understanding between service users from the general public with the provider of construction consulting services is realized in the magnitude of the gap between performance, and what is expected. Therefore tangible dimension are improved so that service quality can be optimized.

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