CONSUMER BEHAVIOR-BASED MARKETING STRATEGY : A STUDY ON INDOSAT OOREDOO USERS IN SURABAYA

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ABSTRACT

This study aims to analyze the marketing strategy based on consumer behavior of Indosat Ooredoo users in the city of Surabaya. The main focus of the research is to understand consumer behavior in choosing and using telecommunication services, identify factors that influence consumer decisions, and formulate relevant marketing strategies based on consumer preferences and needs. This research uses a qualitative approach with data collection methods in the form of in-depth interviews, observations, and documentation. The informants consist of Indosat Ooredoo consumers and relevant internal parties. The results of the study show that consumer behavior is influenced by preferences for competitive pricing, network stability, service personalization, and digital experience through the MyIM3 application. The main factors that influence consumer decisions include price, network quality, digital innovation, and brand image. Based on these findings, recommended marketing strategies include adjusting data plans for specific market segments, improving network quality, strengthening digital features, and customer service responsiveness. This research has limitations in its limited scope to the city of Surabaya and a qualitative approach that relies on the subjectivity of the informant. Further research with a quantitative approach or a broader scope is recommended to provide a more comprehensive understanding.

Keywords : Marketing Strategy; Consumer Behavior; Telecommunications

ABSTRAK

Penelitian ini bertujuan untuk menganalisis strategi pemasaran berdasarkan perilaku konsumen pengguna Indosat Ooredoo di kota Surabaya. Fokus utama penelitian ini adalah untuk memahami perilaku konsumen dalam memilih dan menggunakan layanan telekomunikasi, mengidentifikasi faktor-faktor yang mempengaruhi keputusan konsumen, dan merumuskan strategi pemasaran yang relevan berdasarkan preferensi dan kebutuhan konsumen. Penelitian ini menggunakan pendekatan kualitatif dengan metode pengumpulan data berupa wawancara, observasi, dan dokumentasi yang mendalam. Informan terdiri dari konsumen Indosat Ooredoo dan pihak internal terkait. Hasil penelitian menunjukkan bahwa perilaku konsumen dipengaruhi oleh preferensi harga yang kompetitif, stabilitas jaringan, personalisasi layanan, dan pengalaman digital melalui aplikasi MyIM3. Faktor utama yang mempengaruhi keputusan konsumen antara lain harga, kualitas jaringan, inovasi digital, dan citra merek. Berdasarkan temuan tersebut, strategi pemasaran yang direkomendasikan antara lain menyesuaikan rencana data untuk segmen pasar tertentu, meningkatkan kualitas jaringan, memperkuat fitur digital, dan responsif layanan pelanggan. Penelitian ini memiliki keterbatasan dalam ruang lingkup yang terbatas ke kota Surabaya dan pendekatan kualitatif yang mengandalkan subjektivitas informan. Penelitian lebih lanjut dengan pendekatan kuantitatif atau cakupan yang lebih luas direkomendasikan untuk memberikan pemahaman yang lebih komprehensif.

Kata kunci : Strategi Pemasaran; Perilaku Konsumen; Telekomunikasi

INTRODUCTION

Globalization and digitalization have changed market dynamics significantly, especially in consumer behavior (Fandrejewska et al., 2022). Modern consumers are no longer only influenced by basic needs or purchasing power, but also by technological advancements, exposure to global cultures, and expectations for personalized and adaptive experiences. These changes have prompted companies to develop marketing strategies based on consumer behavior to maintain competitiveness in an increasingly dynamic global market. Advances in information technology have made it possible for consumers to access information, products, and services in real-time without geographical boundaries (Faheem et al., 2018). Digital platforms, such as social media, e-commerce, and data-driven apps, have given consumers the ability to compare products, search for reviews, and make more rational and informed purchasing decisions. This phenomenon creates consumers who are more critical, value-conscious, and demand experiences that are relevant to their preferences.

On the other hand, competition between companies in the global market is increasing with the presence of dominant players such as Amazon, Apple, and Alibaba (Wu & Gereffi, 2018). These companies show how a deep understanding of consumer behavior through the use of analytical data can result in highly effective marketing strategies. For example, Amazon's use of data-driven algorithms allows the company to offer product recommendations that match its consumer preferences, thereby increasing customer loyalty and strengthening the company's competitive position. However, understanding consumer behavior at the global level is not without challenges. Cultural complexity, regional preferences, and socio-economic dynamics create barriers that require a contextual and flexible strategic approach (Churski et al., 2021). Strategies that are successfully implemented in one region are not necessarily relevant in another, thus requiring companies to innovate in adapting their marketing strategies to local characteristics. In addition, consumer awareness of sustainability issues and corporate social responsibility is increasing. Global consumers now tend to prefer brands that demonstrate a commitment to environmental and social values (Salnikova et al., 2022). This presents an additional challenge for companies to not only innovate in products and services, but also to communicate those values effectively in their marketing communications.

The telecommunications industry is one of the strategic sectors that plays an important role in supporting economic growth and digitalization in Indonesia. As one of the largest metropolitan cities, Surabaya has a high telecommunication penetration rate with increasing consumer demand for quality internet and telecommunication services. Telecommunication service providers such as Indosat Ooredoo face challenges as well as opportunities to meet consumer needs amid increasingly fierce industry competition. Indosat Ooredoo is one of the main telecommunication service providers in Indonesia and reaches access to Surabaya. Various superior products, such as internet data packages, telephone services, and SMS, Indosat Ooredoo continues to innovate to attract the attention of consumers (Rachmawati, 2020). However, the increasingly complex dynamics of consumer behavior in Surabaya require a more adaptive marketing approach. Today's consumers not only consider price and promotions in choosing a telecommunications service provider, but also network quality, internet speed, and satisfactory customer experience (Hasan et al., 2019; Stocker & Whalley, 2018).

Competition in the telecommunications market in Surabaya is also intensifying with the presence of competitors such as Telkomsel and XL Axiata which offer a variety of product innovations and aggressive marketing strategies. To maintain competitiveness in the telecommunications industry, Indosat Ooredoo needs to deeply understand the preferences and needs of users in Surabaya. In addition, increasing expectations for service sustainability and digital innovation require companies to continue to improve network quality, provide data-driven solutions, and provide responsive customer service. Surabaya, as a city that is the center of economic growth in Eastern Indonesia, offers a great opportunity for Indosat Ooredoo to develop a marketing strategy based on consumer behavior to expand market share while increasing customer loyalty. The following will present the development of market share based on the number of customers in 2018-2022:

Table 1. Development of Local Fixed Network Market Share Based on Number of Customers

The table shows the distribution of the market share of telecommunication operators in Indonesia in the period from 2018 to 2022. PT Telkom Indonesia (Persero) Tbk dominates the market share with a consistency of above 97%, even reaching

99.85% in 2022. On the other hand, PT Indosat Tbk's market share shows a fluctuating trend, with a peak in 2020 of 1.44%, but decreased drastically to 0.05% in 2022. Meanwhile, PT Batam Bintan Telekomunikasi and PT Smartfren Telecom Tbk have a relatively small market share, with the highest values of only 0.05% and 0.53% respectively for five years. Telkom's dominance shows its strong position in Indonesia's telecommunications industry, while other operators are still trying to compete in a highly concentrated market.

This research has significant relevance in answering the challenges of modern marketing in the highly competitive telecommunications industry. This study aims to explore how consumer behavior, including preferences, motivations, and consumption patterns, affects the effectiveness of Indosat Ooredoo's marketing strategy in maintaining and expanding its market share. Combining a consumer behavior approach and a theoretical framework of segmentation-based marketing strategies, this research not only enriches academic insights in the field of marketing management but also provides relevant practical recommendations for telecommunications companies in responding to changing market dynamics.

The urgency of this research lies in the urgent need for telecommunication companies to understand the changing dynamics of consumer behavior in the increasingly competitive digital era. Indosat Ooredoo, amid the dominance of major competitors such as Telkomsel, faces challenges in maintaining market share and increasing customer loyalty. This research is important to explore the factors that influence consumer behavior and integrate these findings into the formulation of more responsive and adaptive marketing strategies. The formulation of this research problem consists of: 1) How is the behavior of Indosat Ooredoo consumers in the city of Surabaya in choosing and using telecommunication services? 2) What are the factors that influence consumers' decision to choose Indosat Ooredoo as a telecommunication service provider in the city of Surabaya? 3) What is the marketing strategy that can be prepared by Indosat Ooredoo based on the preferences and needs of consumers in the city of Surabaya?

LITERATURE REVIEW AND STUDY FOCUS

Marketing Strategy

Marketing strategy is a key element in marketing management that aims to create a competitive advantage for the company. According to Hoe & Mansori (2018) marketing strategy is defined as a process designed to identify, create, and maintain customer value through the management of long-term, mutually beneficial relationships between companies and consumers. This strategy includes a series of decisions and actions directed at understanding consumer needs, selecting relevant market segments, and designing offerings that suit those needs. The marketing mix theory known as the 4P approach (Product, Price, Place, Promotion) is the basis for the development of marketing strategies (Lahtinen et al., 2020). In this context, companies must be able to integrate these elements to create competitive value in the eyes of consumers. In today's digital era, the concept of 4Ps is evolving into a more dynamic approach, with an emphasis on personalization, customer experience, and the use of digital technology to reach consumers more effectively.

In addition, the theory of segmentation, targeting, and positioning (STP) proposed by Shah et al., (2020) is an important foundation in marketing strategies. Market segmentation allows companies to divide consumers into groups based on specific characteristics, such as demographic, geographic, psychographic, and behavioral. After the market segment is determined, the targeting stage aims to select the most potential segment to be used as a marketing target. The positioning stage is then used to build a strong brand image in the minds of consumers, so that the company is able to create a clear differentiation compared to competitors.

In the context of consumer behavior, consumer behavior theory Szmigin & Piacentini, (2018) emphasizes that purchasing decisions are influenced by cultural, social, personal, and psychological factors. A deep understanding of these factors forms the basis for designing a consumer behavior-based marketing strategy, which aims to create a relevant relationship between the brand and the consumer. The use of consumer data analytics is also increasingly an important aspect of modern marketing strategies, as explained by data-driven marketing Palmatier & Sridhar (2020) theory, where companies use data to understand consumption patterns, predict needs, and devise more effective marketing campaigns. Furthermore, a successful marketing strategy must be

adaptive to market dynamics and changes in consumer behavior. The dynamic capabilities Essid & Berland (2018) approach explains that companies that are able to identify, respond to and anticipate market changes quickly will have a sustainable competitive advantage. In this context, marketing strategies must be formulated not only based on an understanding of the current consumer needs, but also by taking into account future trends and external changes affecting the market.

In the era of the experience economy, the focus of marketing strategies has shifted from simply selling products or services to creating an immersive and meaningful experience for consumers. Xu & Mehta (2022) argues that today's consumers are not only looking for the functional value of a product, but also the emotional experience inherent in interaction with a brand. This creates a new challenge for companies to integrate consumer experience into their marketing strategies, thus creating more personal and memorable relationships.

Islami et al., (2020) through generic strategy theory emphasizes the importance of cost leadership, differentiation, or focus as the foundation for building a competitive marketing strategy. However, this approach has received criticism from Hendarwan (2023) stating that static competitive advantage-based strategies are less relevant in a fast-changing market. They argue that the core of marketing strategies should rest on the development of core competencies that enable companies to adapt to consumer dynamics and market innovation. In the digital era, marketing strategy theory is also expanded by the (Wizinsky, 2022) view which introduces the concept of customer equity as a substitute for a product-based or market-based paradigm. They argue that the focus of modern marketing should shift from increasing market share to managing lifetime customer value. Meanwhile, criticism comes from Rambocas et al., (2018) who assesses that the customer equity-based approach tends to ignore the emotional dimension in customer relationships, which is even more relevant in the era of the experience-based economy. This debate reflects the challenges faced by practitioners and academics in finding an approach that is able to bridge the need for companies to be profit-driven without neglecting the emotional and personalization dimensions that are increasingly becoming the expectations of modern consumers.

Furthermore, some experts such as Vargo et al., (2023) emphasized the importance of the dynamics of ecosystem-based marketing strategies. This approach

argues that marketing strategies can no longer focus on the bilateral relationship between companies and consumers, but rather must consider the existence of a broader business ecosystem, including partners, technology, and customer communities. However, this concept comes under challenge from Leigland (2018) who criticizes the complexity of its implementation, especially in emerging markets that are still struggling with limited business infrastructure. This debate shows that marketing strategy theory continues to evolve and adapt to answer challenges and opportunities in the era of globalization and digitalization that are increasingly integrated.

Consumer Behavior Theory

Consumer behavior is one of the essential elements in marketing studies that aims to understand how individuals, groups, or organizations choose, buy, use, and dispose of products, services, ideas or experiences to meet their needs and desires (Qazzafi, 2019). According to Kimmel & Kimmel (2018) consumer behavior involves a decision-making process that is influenced by internal (psychological) and external (social and cultural) factors, which interact with each other in shaping preferences and consumption patterns. The hierarchy of needs Smith & Sweet (2021) theory is also often used as the basis for the study of consumer behavior. Maslow stated that human needs are divided into five levels, ranging from physiological needs, security, social, appreciation, to self-actualization. In this context, consumer behavior is often influenced by efforts to meet needs at a certain level, which can directly be directed by marketing strategies that are relevant to each level of need. In the digital era, consumer behavior is increasingly influenced by technology, as explained in the Technology Acceptance Model (TAM) theory by Martín-García et al., (2022) which states that the perception of ease of use and usefulness of technology affects consumer adoption of digital-based services. This is becoming important in the telecommunications industry, where consumer preferences for mobile apps, digital platforms, and internet-based services are the main elements that determine customer loyalty.

Based on the theory of Karemani & Memeti (2023) consumer behavior is influenced by internal and external factors that can be identified through specific indicators, which include: First, psychological factors where these indicators include motivation, perception, learning, belief, and consumer attitudes. Motivation refers to internal impulses that influence consumer needs, as described in Maslow's Hierarchy of

Needs. Perception reflects the way consumers interpret information, such as advertising or promotion. Learning refers to how past experiences influence future purchasing decisions, while trust and attitude reflect consumers' beliefs and evaluations of a product or brand. Second, social factors include the influence of reference groups, social roles, and social status. Reference groups, such as family, friends or online communities, play an important role in shaping consumer preferences through recommendations or reviews. In addition, social roles and status also influence consumer preferences in choosing products that reflect their social position in society. Third, cultural factors include cultural values, subcultures and societal norms. Culture determines consumption preferences through societal norms, while subcultures, such as religion or ethnicity, create differences in preferences between groups. Fourth, personal factors include age, family life cycle stage, occupation, lifestyle, and economic conditions. Age and life stage determine specific consumer needs, such as technology needs for the younger generation or healthcare needs for the elderly. Fifth, technology and digitalization factors include technology adaptation, such as the use of e-commerce, social media, and data-driven applications. Based on the Technology Acceptance Model (TAM), perceptions of technology usefulness and ease of use influence the level of consumer adoption of digital services.

RESEARCH METHODS

This research uses a qualitative approach that aims to understand the phenomenon in depth through the perspective of the research subject (Putra, 2023). Qualitative research was chosen as it allows exploration of complex consumer behavior, motivations and preferences, particularly in Indosat Ooredoo users in Surabaya City. The focus of this research is to identify factors that influence consumer behavior and how companies can devise relevant marketing strategies based on the insights gained.

Data sources in this study include primary data and secondary data (Putra & Maulana, 2022). Primary data was obtained directly from research informants through in-depth interviews and observations in the field (Monroe et al., 2019). Informants were purposively selected based on certain criteria, such as active Indosat Ooredoo users and telecommunication industry players. Secondary data came from various supporting documents, such as company annual reports, previous studies, scientific articles, and

statistical data from official institutions used to strengthen the analysis and provide a broader context (Turzo et al., 2022).

Data collection techniques used three main methods: 1) In-depth interviews; 2) Observation; and 3) Documentation. In-depth interviews were conducted to explore consumer views, experiences and preferences related to Indosat Ooredoo services. Observation was used to understand the real behavior of consumers in specific locations, such as the use of telecommunication services in public places. Documentation involved collecting archives, reports and related materials relevant to the research to complement the data obtained from interviews and observations. Further research informants will be presented as follows:

Table 2. Research Informants

Informants were selected based on certain criteria relevant to the research objectives, so as to provide rich, valid insights, and in accordance with the study context (Cossham & Johanson, 2019). The informants of this research involve Indosat Ooredoo service users in Surabaya City who have direct experience with the product or service. In addition, telecommunication industry players, such as marketing managers or market analysts, can also act as informants to provide a broader strategic perspective.

Data analysis techniques were conducted through data triangulation and source triangulation to ensure the validity and reliability of the research results (Moon, 2019). Data triangulation is done by comparing data obtained from interviews, observations, and documentation to find congruence and consistent patterns. Source triangulation was used by verifying information from various informants to ensure accuracy and enrich interpretation (Abdalla et al., 2018). This approach allows researchers to provide a comprehensive and in-depth analysis of consumer behavior and its relevance in the development of marketing strategies.

RESULT AND DISCUSSION

Informant SV as Chief Integration Officer stated that Indosat Ooredoo's main focus in recent years has been to create integration between digital services and customer needs. The interview results are stated as follows:

"We are very focused on integrating digital services with customer needs, especially in providing affordable yet stable data packages. We want to ensure that each of our

product innovations can answer the needs of consumers who are increasingly digital and dynamic." (Interview conducted in June 2024)

This is in line with the marketing mix approach (4P), where Indosat Ooredoo seeks to improve product quality (Product) by launching more affordable and stable data packages to meet the needs of increasingly digital consumers. A similar statement was further stated by CS as Chief Enterprise Data Analytics Officer as follows:

"Data analytics is very important to us. By leveraging customer data, we can understand consumption patterns, identify specific needs, and personalize more relevant promotions. It also helps us improve customer loyalty through lifelong customer value management." (Interview conducted June 2024)

According to CS as Chief Enterprise Data Analytics Officer data analytics plays a central role in understanding consumption patterns and customer preferences. This supports the theory of data-driven marketing (Grandhi et al., 2021), where the use of analytics technology helps Indosat personalize offers and improve promotions that are more relevant. CS also emphasizes the importance of managing customer data to increase consumer lifetime value, as outlined in the concept of customer equity (Kumar, 2018).

The next interview was conducted with MAL as Chief Internal Audit Officer as follows:

"The biggest challenge is to ensure that our product innovations remain in line with established quality standards. This is important to maintain customer trust and build a strong brand image in the market." (Interview conducted July 2024)

Informants highlighted the challenge of maintaining consistency between product innovation and adherence to quality standards. This is an important part of the company's positioning, which according to segmentation, targeting and positioning (STP) theory must be continuously strengthened to create differentiation in a competitive market. Furthermore, an interview conducted with RD Chief Legal & Regulatory Officer explained that:

"We always ensure that every marketing initiative we undertake is in line with applicable regulations. This is important to maintain the company's credibility and provide trust to consumers." (Interview conducted in July 2024)

Informant RD highlighted the importance of regulatory compliance as part of a responsible marketing strategy. This factor is relevant in maintaining brand positioning, especially in the eyes of consumers who are increasingly critical of corporate transparency and integrity.

The results of this study indicate that consumer behavior-based marketing strategies for Indosat Ooredoo users in Surabaya City are influenced by several key interacting factors. First, consumer preferences for telecommunications services are strongly influenced by price and network quality factors. Consumers in Surabaya tend to be more responsive to competitively priced data package offers, especially for the student and working professional segments, which make up the majority of Indosat Ooredoo's service users. This indicates that price-sensitive strategy is still an important component in attracting consumers in this market (Stangl et al., 2020). Secondly, this study found that technology-based service personalization, such as the MyIM3 application, has a significant role in increasing consumer satisfaction and loyalty. Consumers appreciate features that provide convenience, such as top-ups, data package purchases, and access to exclusive promos. These results reinforce the theory that adapting to consumers' digital needs can strengthen a company's competitiveness (Shan et al., 2019). However, while technology has provided convenience, there are complaints related to network stability, which may affect overall consumer satisfaction levels. Third, the emotional aspect of consumer experience is also an important element that affects Indosat Ooredoo's brand image in Surabaya City. Consumers who feel that the service they receive matches their needs show higher levels of loyalty. This research confirms that a positive customer experience, such as a quick response to complaints or rewarding loyal customers, can be a significant differentiating factor in retaining customers in the midst of intense competition.

Interpretation of Consumer Behavior Theory

The results of interviews based on consumer perspectives with AS, DK, KP, TS, APP, and KA show diverse preferences in choosing Indosat Ooredoo services. The interview conducted with AS as an Indosat consumer is as follows:

"I chose Indosat because the price is very competitive compared to other providers. As a student, I need a data package that is cheap but has a large enough quota. With Indosat, I can use the internet all day without worrying too much about the cost. But, I hope the

network quality is also improved, especially at night, because sometimes it becomes slow." (Interview conducted in July 2024)

Informant AS stated that competitive pricing is a major factor in purchasing decisions, supporting the importance of the Price element in the marketing mix. DK highlighted the importance of network stability, showing that the product aspect is still the main concern of consumers in Surabaya. Further information stated by KP as a consumer is:

"In general, the Indosat network is quite stable for my needs. But there are some areas in Surabaya, such as in my home area on the outskirts, where the signal is still weak. This is quite difficult, especially if I have to work from home and need a stable connection for online meetings. Indosat's data package prices are very competitive, and this is one of the main reasons I stick with them. However, I hope this low price is offset by improved network quality throughout the area." (Interview conducted July 2024)

Informant KP highlighted satisfaction with the MyIM3 application features that make it easier to manage data packages and provide exclusive promotions. This is relevant to the experience economy theory (Pine & Gilmore, 2019), where positive customer experiences can increase loyalty.

Informant TS, on the other hand, expressed dissatisfaction with the perceived lack of responsiveness of customer service, indicating an opportunity to improve aspects of promotion and direct interaction with customers. The statement will be quoted as follows:

"I would like faster and more responsive customer service. For example, when I make a complaint through the app or call center, it sometimes takes a long time to get a solution. In fact, if the problem is network-related, I need to fix it immediately because my work depends on an internet connection. But I still hope for improvements, especially for the network and customer service." (Interview conducted in July 2024)

The interview with informant APP as a consumer will be reviewed further as follows:

"Most of it is appropriate, especially if there is a data package promo for streaming video. But, I think they could more often adjust promotions based on user habits, like me who uses the internet more often to watch YouTube and Netflix. For me, network stability is the most important. If the network is slow or disconnects frequently, I get

frustrated, especially when I'm enjoying my free time or working. Indosat should focus more on that." (Interview conducted in July 2024)

In line with APP, a similar statement was explained by KA as a consumer Indosat user for 5 years as follows:

"I am an SME, so my needs are different from regular users. I need a stable internet connection and affordable data packages to support my business operations, such as selling products online and managing social media. If there is a special package for MSMEs, it would be very helpful. I feel my experience with Indosat is quite good, especially in terms of price. But they could still improve connections in certain areas and provide special offers for segments like us who run small businesses." (Interview conducted in July 2024)

APP and KA highlighted the importance of personalization in product offerings. They feel more engaged with brands when the offerings match their specific needs, such as data packages for video streaming or business needs. This supports the importance of segmentation and targeting in building relevant relationships between brands and consumers. Conversations with Indosat Ooredoo consumers in Surabaya show that while many consumers appreciate competitive pricing and innovative digital applications such as MyIM3, network stability and service personalization are still key concerns. In addition, expectations for more responsive customer service and relevant offers for specific needs, such as the MSME segment, are opportunities for Indosat Ooredoo to strengthen their marketing strategy.

Discussion

Indosat Ooredoo Consumer Behavior in Surabaya City

Indosat Ooredoo consumer behavior in Surabaya City in choosing and using telecommunication services is influenced by various factors, both internal and external, which include price, network quality, service personalization, and overall customer experience. Based on the results of interviews and theoretical studies, this consumer behavior can be analyzed through the theory of consumer behavior Chopra et al., (2021) which explains that purchasing decisions are influenced by cultural, social, personal, and psychological factors. Consumers from the student and professional worker segments show high sensitivity to service prices (Kevrekidis et al., 2018). Informants such as AS and DK emphasized that the competitive price of data packages is the main

reason for choosing Indosat Ooredoo. However, this price aspect does not stand alone; network stability is also an important consideration. This is in line with Dam & Dam (2021) view that in a competitive market, a combination of affordable price and adequate service quality is key in maintaining customer loyalty. However, critics of Valor et al., (2022) point out that focusing solely on the cost aspect may overlook the emotional dimension of consumers, such as frustration with poor network quality.

Consumers such as KP and APP appreciate Indosat's digital innovation through the MyIM3 application which provides convenience in managing data packages and offering personalized promotions. This supports the experience economy theory Ta et al., (2022) which states that meaningful customer experiences can increase customer loyalty and value. However, TS mentioned that although the digital experience is satisfying, the lack of responsiveness of in-person customer service is still a weakness. These pros and cons indicate the need for a balance between digital experience and human interaction in creating customer satisfaction.

The diverse needs of consumers pose a challenge in designing relevant marketing strategies. Informant KA, an MSME player, expressed hope for a data package specifically designed to support business needs. This segmentation approach is relevant to STP theory Aaker & Moorman (2023) which emphasizes the importance of understanding the specific needs of market segments to create relevant offers. However, the implementation of segmentation-based strategies often faces criticism regarding the complexity and higher cost of designing highly personalized services.

According to Roos & Hahn (2019) consumer behavior is increasingly driven by the desire for personal value, which includes a combination of price, quality and service relevance. In this context, marketing strategies designed based on consumer behavior analysis can create closer relationships between companies and customers. However Krishnan (2018) argues that while data analytics are important for understanding consumer behavior patterns, over-reliance on data can overlook the emotional and contextual aspects of customer experience. In the case of Indosat Ooredoo, while the MyIM3 app provides in-depth data on consumer habits, there is still a gap in understanding consumers' emotional needs, such as the speed of response to complaints.

One unique pattern that was also found was how consumers in Surabaya utilize telecommunication services for business needs. Informants such as KA, who is an

MSME player, highlighted the importance of services that can support business activities, such as stable connections to manage online transactions and social media. This behavior shows that market segments with specific needs, such as MSMEs, direct their decisions based on the functionality of services that can support their productivity.

Indosat Ooredoo's consumer behavior in Surabaya reflects a complex dynamic between preferences for price, network quality and service experience. Consumers want services that are not only affordable but also relevant to their specific needs (Panglipursari et al., 2023). However, there is a gap between consumer expectations and service implementation, which creates both challenges and opportunities for the company. Through a deep understanding of consumer behavior, Indosat Ooredoo can design marketing strategies that are more responsive, oriented to local needs, and sustainable.

Factors Affecting Consumer Decisions

Consumer decisions in choosing Indosat Ooredoo telecommunication services in Surabaya City are influenced by various factors that reflect their preferences, needs, and perceptions of products and services. Based on the interviews conducted, these factors can be grouped into several main dimensions, namely price, network quality, customer experience, digital innovation, and brand image. First, price as the dominant factor, informants AS and DK stated that price is the main factor influencing their decision to choose Indosat Ooredoo. Affordable data packages that match the purchasing power of consumers in Surabaya are the main reasons why Indosat remains competitive in the market. This opinion is supported by the theory of price sensitivity Lee et al., (2020) which states that consumers are often more sensitive to price changes in the market with many alternatives. However, a focus on price can lead to the view that telecommunications services are only valued in terms of cost, potentially lowering the perception of the added value of other services.

Second, network quality as a determinant of satisfaction is an important factor that influences consumer decisions, as revealed by DK and APP. Consumers want a stable internet connection to support daily activities, such as working from home or streaming videos. However, there are complaints about uneven network quality in several areas of Surabaya, which shows a challenge for Indosat to consistently meet

consumer expectations. The theory of service quality Bakir & Atalik (2021) supports that low service quality can reduce the level of customer satisfaction and loyalty.

Third, customer experience and service personalization through digital features, such as the MyIM3 app, play a big role in influencing consumer decisions. Informants like KP highlight that easy-to-use apps provide convenience and improve their interaction with brands. However, some consumers, such as TS, criticize the slow customer service response, which has the potential to degrade the overall customer experience. This approach reflects the debate in the experience economy Bolton et al., (2018) theory which states that customer experience can be a key differentiator in the modern market. However, criticism from (Peters et al., 2021) suggests that an over-focus on digital experiences can overlook the importance of human interaction in customer service.

Fourth, brand image and consumer trust also influence consumer decisions, especially those who have been using these services for a long time. Consumers like TS stated that despite some shortcomings, a positive brand image and consistent promotions make them still choose Indosat. This approach is in accordance with the theory of brand equity Bae et al., (2020) which states that a strong brand image can build customer loyalty. However, this image can be disrupted if the company fails to meet consumer expectations, such as inadequate customer service or poor network quality.

Fifth, digital innovation as an added value as seen in the assessment of the MyIM3 application. This shows that innovation is a significant differentiating factor, especially in the digital era. However, digital innovation requires high investment and equitable implementation, so it can be a challenge for companies to ensure that all consumers, including those in the suburbs, get the same benefits.

Optimizing Marketing Strategies that Indosat Ooredoo Can Do

The marketing strategy that can be prepared by Indosat Ooredoo in the city of Surabaya must be based on the preferences and needs of diverse consumers. Based on the results of interviews and research findings, consumers in Surabaya emphasized several key aspects, namely competitive prices, stable network quality, service personalization, digital innovation, and memorable customer experience. The designed

marketing strategy must be able to answer these aspects by integrating elements of the marketing mix, market segmentation, and an experience-based approach.

Indosat Ooredoo's value-added competitive pricing strategy needs to maintain a competitive advantage in the price aspect, but by adding more obvious added value. For example, offering bundling data plans that include additional benefits, such as free access to entertainment or educational apps. This strategy is relevant to consumer preferences such as the US and DK, which are very price sensitive but still want an optimal experience (Rafli et al., 2024). According to (Poushneh & Vasquez-Parraga, 2019), this value-added strategy is able to increase customer perception of the brand while strengthening loyalty.

Network Quality Improvement and Equity Network quality is a very important factor for consumers, especially those living in the suburbs of Surabaya, as conveyed by DK. Indosat needs to invest in network infrastructure to improve service stability and reliability. This also supports the theory of service quality Tien & Huong (2023) which states that high service quality will have a direct impact on consumer satisfaction and loyalty.

Personalization of Services Based on Market Segmentation Marketing strategies should leverage segmentation, targeting, and positioning (STP) approaches to design relevant offerings for specific consumer segments. For example, providing special data packages for the student segment, professional workers, and MSME actors, as expected by KA informants. By understanding the specific preferences and needs of each segment, Indosat can create significant differentiation in the market.

Strengthening digital innovation and MyIM3 application The MyIM3 application has become one of the important assets in building a positive customer experience. However, further innovations are needed to make this application more personalized and interactive, such as adding data usage analysis features or package recommendations that suit customer consumption patterns. This is in line with the experience economy Batat (2019) theory which emphasizes that memorable digital experiences can strengthen customer relationships with brands. Improved customer service the slow response of customer service, as complained by TS, can be overcome by increasing customer support capacity through AI-based chatbots and customer service staff training.

The utilization of data analytics for personalization according to Hannila et al., (2022) data-driven strategies allows companies to deeply understand consumer needs and offer more personalized services. This is relevant to the use of the MyIM3 application as a tool to collect consumer data and design promotions accordingly. However, critics from Braun et al., (2018) mention that this approach can raise privacy concerns if customer data is not managed transparently and securely. The risk of over focusing on price competition Shapiro & Hanouna (2019) theory highlights that focusing on price strategy can increase competitiveness, but it also poses a risk of price wars that can lower profit margins. In Indosat's case, even though competitive prices attract consumers, the company needs to balance this strategy with investment in service quality to create long-term value.

The marketing strategy that Indosat Ooredoo can develop in the city of Surabaya must focus on the integration between competitive pricing, adequate service quality, and customer experience-based innovation. Service personalization, network infrastructure improvement, and customer service enhancement are top priorities to meet consumer preferences and needs (Syarif & Widodo, 2020). However, this strategy must be implemented carefully to avoid the risk of price wars and ensure quality consistency across market segments. With a holistic approach, Indosat Ooredoo can increase its competitiveness in the increasingly competitive telecommunications market.

CONCLUSION

The conclusion of this study shows that the consumer behavior of Indosat Ooredoo users in Surabaya City is influenced by various specific needs, such as competitive pricing, network stability, and personalized customer experience. Consumers tend to choose telecommunication services that can provide direct benefits according to their needs, both for personal and business purposes. Marketing strategies based on consumer behavior, such as personalization of services through the MyIM3 application, data package innovations according to market segments, and experience-based promotions, have proven relevant in answering consumer preferences in a dynamic market (Milenia & Marheni, 2021). However, the results of this study also highlight several key challenges, such as the need to improve network quality in certain areas, customer service responsiveness, and consistent brand image management. Therefore, Indosat Ooredoo needs to integrate consumer data analytics, network

infrastructure improvements, and customer experience-based approaches to maintain competitiveness. With a responsive and consumer-oriented strategy, Indosat Ooredoo can strengthen its position in the Surabaya telecommunications market while increasing customer loyalty in the long term. The limitation of this study lies in the limited scope of Indosat Ooredoo consumers in the city of Surabaya, so the results cannot be generalized to the entire telecommunication market in Indonesia. In addition, this study relies on qualitative data from interviews and observations, which have the potential to be influenced by the subjectivity of informants. Another limitation is the scope of network and infrastructure analysis which is based only on the user's perspective, without involving technical data or network managers. Further research with a quantitative approach or wider geographical coverage is recommended to provide a more comprehensive picture.

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TABLE

Table 1. Development of Local Fixed Network Market Share Based on Number of Customers

No	Company Name	Year				
		2018	2019	2020	2021	2022
1	PT Batam Bintan Telekomunikasi	0,01%	0,01%	0,04%	0,04%	0,05%

2	PT Indosat Tbk	1,17%	1,14%	1,44%	0,12%	0,05%
3	PT Telkom Indonesia (Persero) Tbk	98,42%	98,49%	97,97%	99,79%	99,85%
4	PT Smartfren Telecom Tbk	0,39%	0,34%	0,53	0,04%	0,03%

Source: Kominfo (2023)

Table 2. Research Informants

No	Name Informant	Position
1	SV	Chief Integration Officer
2	CS	Chief Enterprise Data Analytics Officer
3	MAL	Chief Internal Audit Officer
4	RD	Chief Legal & Regulatory Officer
5	AS	Indosat Consumer
6	DK	Indosat Consumer
7	KP	Indosat Consumer
8	TS	Indosat Consumer
9	APP	Indosat Consumer
10	KA	Indosat Consumer