Kandi Voice

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Will There be an Economic Recession in Indonesia?

Based on data from Bank of Indonesia, the growth of Indonesia economy is predicted about 4% to 5% in 2023. In the other hand, the Deputy Governor of BI, Dody Budi Waluyo, also stated that there would be an impact from the increase in the benchmark interest rate on the Indonesian economy indeed.

"BI will not raise the benchmark interest rate if it is not necessary," he said.



The International Monetary Fund (IMF) also predicts that the Indonesian economic rate will grow 5.3% in 2022 and has the potential to slow down slightly in the rate 5% by 2023, on contry to China which is expected to grow by 3.2% in 2022 and 4.4% in 2023. Meanwhile, the prediction of US economic will grow about 1.6% in 2022 and decrease about 1% in 2023.

Similiar to the data from the IMF and BI, the Central Statistics Agency (BPS) also released data spatially that, in the third quarter of 2022 growth 5.7% (yoy). Economic growth can absorb up to 4.25 million workers in the period of August 2021-August 2022.

Dody Budi Waluyo
Deputy Governor of BI

One of the signals of recession is a period when there is a decline in the whole of the economy which is marked by the weakening of the Gross Domestic Product (GDP) for two consecutive quarters. Fortunately, this is not happened to Indonesia for the time being yet we have to prepare for the worst case in the future.

Source : cnbcindonesia.com, bisnis.com & kemenkeu.go.id



Strengthen Our Business in an Economic Downturn

The stronger our business is, the less likely it is to be affected by risks – if they do eventuate – or unforeseen events. Strengthening our business doesn't just involve financial management. It also includes strategies to retain and broaden our customer base, market our business in affordable way, and improve business practices. We should also look for opportunities to gain network and form alliances; this will help minimize our exposure to risks. To strengthen our business during economic downturn, we should consider these following strategies.

Reviewing our marketing strategies, can help us come up with new ideas to increase sales and find better ways of using your marketing. We should focus on communicating our competitive advantage. Our unique selling proposition should also assist us to stand out from the crowd. Alongside with this, it's important to develop strategies to measure the effectiveness of our marketing. Marketing our business can be an expensive exercise, and during an economic downturn it's parti cularly important to explore kinds of free marketing tools that are available nowadays, including social media and word-of-mouth advertising.

Networking during an economic downturn can be useful to understand how other businesses are coping. We may also discover new opportunities, customers, staffs, suppliers and business partners with minimum business cost. we can also examine to form alliances with other business, for example, by offering complementary services and discounts.

Developing innovative practices may help us in adapting to market change conditions and staying ahead of your competitors. As part of this process we should consider the use of technology related to efficiency, cost reduction, and business competitiveness. Like, installing a customer management system or doing business online.

Seeking assistance and speak to a finance/business consultant or other types of business advisers, can help us surviving this economic downturn.

Source: qld.gov.au

As a Digital Marketer: How Brands Find Niche Opportunities in The 2023 Global Recession

The Point of View by **Dewi Irma Kusvianty**



Facing the Recession, Digital Marketing Can Be One of the Solutions



The 2023 recession is now just a prediction. According to Jokowi, until now it is still not possible to calculate the strength of the global recession and its impact on the economic situation, especially Indonesia. After the pandemic period was successfully passed and controlled, the economies of various countries including Indonesia are in the stage of revival, but another issue has arisen, namely a recession as a result of the world economic vacuum in the past two years. Do not panic! The threat of recession, digital marketing can be a solution.

This time, we had the opportunity to chit-chat with **Dewi Irma Kusvianty, Co-Founder & Co-CEO of Kalandara Group,** who has many experience in the digital world, especially in handling digital marketing. We will explore how a brand can continue to exist, survive and look for opportunities in difficult situations by utilizing digital marketing channels.

Dewi explained, **"we have been steadily and undeniably entering and transforming into the digital era since 2020, precisely because the pandemic situation 'forced' us to do so. Many businesses ordigital to survive, realizing that going digital is productive and effective. The more potential users in the digital era, the greater the opportunities, especially for businesses that want to take advantage of them. So far, for now, 2023 & beyond, it's still and continuing to be a golden opportunity, and needs to be continuously optimized to remain relevant to the times and needs."**

Social media is a platform for brands to build and show their voice, look & feel, as well as connect with their audience or customers which influence the brand image. This include dealing with crises that may appear on social media, brands are also tested for readiness. Don't be scared, just be prepared. Beforehand, you can prepare a crisis communication plan or scenario, then provide an FAQ in advance that help if negative comments or complaints arise, which can be answered or handled immediately.



Also prepare a policy, whether it is necessary to respond with an official statement or a spokesperson or tend to wait and see first, it will be seen case by case. Also monitor with a social listening tool, so you can immediately know when, for example, there is a negative sentiment, before it escalates to a bigger extent. Stay engaged and maintain good relations with the audience natively with empathy, especially if a crisis arises from an audience or customer who needs to be heard. If necessary, respond to criticism that arises, professionally, positively and sympathetically.

From a digital marketer's point of view, these changes need to be researched, and readjusted by marketers in their various efforts. The first thing that must be done in times of economic uncertainty is to audit the performance of the digital marketing channels that we are running, in order to enable us to decide on strategic steps and allocate budgets to the most effective channels and provide the highest profits to the business. It is for example reinforcing local SEO for nearby customers, remarketing with Google ads to visitors who have visited the website, or content marketing by creating educational content, and so on, will it adjust.

During recession, advertising costs may be lower, and in fact this is an opportunity to be 'seen' and maintain a share of voice in front of customers, rather than opportunity is taken by competitors by the end of the time causing our brand becomes forgotten by customers. There may also be no need for a high budget for new customer acquisition, because it focuses on maintaining existing customers for cross-sells and upsells. It's the marketer's and brand owner's job to keep finding opportunities and balancing between reviewing plans or allocating budgets, while maintaining the pace of business growth.

Resilience is key, namely the ability to adapt and remain firm in difficult situations. Strong brands and businesses learn quickly, and bounce back then. For example, by modifying the business model, readjusting the existing workforce, adding relevant skills & capabilities, etc. What is certain is that in the face of a pandemic, recession or any crisis, it is important to hone business's resilience, to continue to take advantage of unexpected opportunities, as well as to mitigate damage or threats.

In essence, regarding this recession, stay aware of the updates and changes, and also stay optimistic, stay positive and keep moving forward based on our business projections and the growing needs of our customers.