



## Marketing Feasibility and Strategic Application of the Marketing Mix in Small Retail Enterprises: A Case Study of Toserba 35 Hidayah, West Sumatra

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### ABSTRACT

This study aims to analyze the marketing feasibility and application of the marketing mix (4P: product, price, place, and promotion) in the operation of *Toserba 35 Hidayah*, a local retail enterprise in Lima Puluh Kota, West Sumatra. Using a qualitative descriptive approach, data were collected through in-depth interviews, direct observation, and document review to assess the firm's competitive position and market strategy. The findings indicate that the business demonstrates strong marketing feasibility supported by product diversity, strategic location, competitive pricing, and customer-oriented service. However, the promotional strategy remains traditional, relying primarily on word-of-mouth, indicating the need for digital marketing adoption to expand market reach. The study concludes that integrating modern marketing practices—particularly social media engagement and customer loyalty programs—would enhance competitiveness and sustainability. Theoretically, this research reinforces the role of the marketing mix as a determinant of micro-enterprise performance and highlights the importance of adaptive marketing innovation in the Indonesian retail sector.

### KEYWORDS:

marketing feasibility;  
marketing mix; retail  
strategy; small  
enterprise; West  
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## INTRODUCTION

Small and medium-sized enterprises (SMEs) play a pivotal role in Indonesia's economic structure by contributing to employment generation, local income distribution, and social stability. According to the Ministry of Cooperatives and SMEs (2023), SMEs account for more than 60 percent of the national GDP and employ over 97 percent of the workforce. Within this sector, small retail businesses constitute the backbone of local economies, especially in semi-urban areas where consumer access to large-scale retail chains remains limited. Yet, despite their strategic importance, many small retailers face challenges related to market competition, technological adaptation, and limited marketing capabilities. Marketing feasibility analysis serves as a critical tool for assessing whether a business can survive and grow within its target market. It involves evaluating product suitability, pricing competitiveness, distribution efficiency, and promotional effectiveness. The *marketing mix* framework introduced by McCarthy (1960) and developed further by Kotler and Keller (2022) remains one of the most influential models in understanding how firms strategically manage these elements to achieve consumer satisfaction and business success. Previous studies emphasize that the effectiveness of marketing mix implementation is a key determinant of SME sustainability, particularly in developing countries where managerial skills and access to technology are uneven (Chinomona, 2021; Hair et al., 2021).

In Indonesia, the competitiveness of small retail enterprises depends not only on product availability and pricing but also on their ability to adapt to digital transformation and changing

consumer behavior. The COVID-19 pandemic accelerated this transformation, pushing many traditional retailers to adopt online promotion and delivery services (Setiawan & Widyastuti, 2022). Nevertheless, the adoption level remains low in rural and semi-urban areas due to limited digital literacy and infrastructure. Therefore, empirical studies that assess how traditional small retailers apply marketing mix strategies in such contexts are crucial for understanding the feasibility of sustaining business growth amid dynamic competition.

*Toserba 35 Hidayah*, a family-owned retail store operating in Lima Puluh Kota, West Sumatra, provides a representative case of this phenomenon. The store offers daily household products and general goods catering to local consumers. While the business has maintained operational stability for several years, the increasing presence of minimarkets and digital commerce platforms has intensified competition. This study thus examines how *Toserba 35 Hidayah* applies the marketing mix framework in practice and assesses its marketing feasibility as a basis for long-term sustainability.

The objective of this research is twofold: first, to evaluate the marketing feasibility of *Toserba 35 Hidayah* using the 4P model; and second, to identify strategic recommendations to enhance competitiveness and customer retention. By situating the analysis within the context of local entrepreneurship, the study contributes to the broader understanding of marketing strategies in small retail enterprises and provides practical insights for improving local business resilience in Indonesia's evolving market landscape.

## LITERATURE REVIEW

Marketing feasibility refers to the degree of fit between a firm's offering and the structure of demand, competitive conditions, and channel institutions in a focal market. It is commonly assessed by examining whether the combination of product, price, place, and promotion can generate sufficient trial, repeat purchase, and positive cash flow under realistic constraints of resources and competition. In small retail enterprises, marketing feasibility is intimately linked to managerial cognition and adaptive capability because owners personally enact most market facing activities. Scarborough describes feasibility as a holistic screening device that integrates market attractiveness with firm capability. In retail contexts this screening is expressed through assortment relevance, price level and structure, store location and access, and the quality of market communication (Dewayani, 2024).

The four elements of the marketing mix remain the most widely used analytic lens for diagnosing small retail performance. Product variety and quality determine the degree to which a store can solve consumer problems within a single visit (Khumaidi & Aminullah, 2025). In neighbourhood retailing, breadth of basic categories is often more important than depth within each brand family because shoppers prioritize convenience and completeness of routine purchases. Price influences value perception and household budgeting outcomes. For micro retailers that compete with chain minimarkets, a low margin high rotation policy can defend share if supported by fast replenishment and disciplined shrink control. Place encompasses both macro location and micro layout. Macro location influences footfall, while interior zoning, shelf clarity, and lighting shape basket size and dwell time. Promotion coordinates information flows between the store and the community. In small outlets, promotion often relies on interpersonal ties and reputation. However, the diffusion of digital platforms has lowered the cost of reach, allowing micro retailers to complement word of mouth with simple online catalogues and periodic offers.

Empirical studies on small enterprise marketing show consistent associations between marketing mix execution and outcomes such as customer satisfaction and loyalty. Chinomona reports that responsiveness in pricing and inventory assortment is a strong predictor of perceived fairness and repeat patronage among small and medium enterprises in emerging markets. Indonesian studies similarly indicate that clarity of shelf price information, tidy product display, and courteous interaction increase customer trust in micro retail settings. These patterns suggest that relational quality and operational discipline jointly produce marketing effectiveness (Hatidja & Sulana, 2025).

Contemporary marketing theory has moved from a goods dominant view toward a service dominant logic that treats value as co-created during interactions between providers and customers. In a small store, service dominant logic appears in the way staff help customers compare pack sizes, explain product freshness, or accept pre orders for busy days. This perspective implies that marketing feasibility depends not only on what is stocked and priced, but also on the routines that enable helpful encounters. Cleanliness, speed of checkout, and respectful communication therefore become part of the product that customers evaluate. For owner operated outlets, these service routines are embedded in daily discipline and are scalable through simple checklists and staff coaching.

Digital transformation has redefined promotion and exchange mechanisms in the retail sector. Even very small stores can now maintain a low-cost presence through messaging applications, social media posts, and neighbourhood delivery. Research on Indonesian small and medium enterprises finds that light touch digital adoption improves awareness and order frequency, especially among younger households. The main barriers are limited digital literacy, time constraints, and uncertainty about the return on effort. A hybrid model that preserves face to face warmth while offering digital convenience is therefore recommended for small outlets that serve semi urban neighbourhoods. Adoption of cashless payment options such as quick response code systems also reduces friction at checkout and signals modern reliability (Loreño, D. T., & Bari, M. A. 2025).

Beyond the four elements of the mix, two strategic constructs help explain sustained performance in small retail. Market orientation captures a store's culture of listening to customers, sharing information within the firm, and acting quickly on insights. Dynamic capability refers to the ability to sense shifts in demand, seize opportunities through timely assortment or pricing moves, and reconfigure routines when conditions change. In practice these constructs translate into weekly review of fast and slow movers, periodic realignment of facings, and disciplined experimentation with small bundle offers. Studies on small and medium enterprises in Southeast Asia show that market orientation and dynamic capability mediate the link between marketing activities and financial outcomes by keeping the mix aligned with evolving preferences.

The literature converges on three propositions that inform the present study. First, marketing feasibility in small retail is a function of alignment between assortment, pricing, access, and communication with the rhythms of local consumption. Second, service routines and owner attentiveness amplify the effect of the traditional mix by creating relational trust. Third, selective digital adoption extends reach and reduces transaction costs without eroding the community-based identity of the store. These propositions guide the interpretation of findings for the Toserba 35 Hidayah case and anchor the strategic recommendations that follow.

## **METHODOLOGY**

This study used a qualitative descriptive design to generate a thick description of how a neighborhood retail store enacts the marketing mix and to assess its marketing feasibility in context. The qualitative approach was chosen to capture the textures of day-to-day decision making that are often invisible in purely quantitative audits, such as how the owner interprets competitor moves, how customers experience shelf navigation, and how pricing is adjusted under supply pressure.

The research site was Toserba 35 Hidayah, a family owned outlet located in West Sumatra that serves a mixed base of nearby households and school related shoppers. The site was selected purposively because it represents a common format of Indonesian neighborhood retail where traditional and modern trade coexist. Fieldwork proceeded in three stages over eight weeks. The first stage involved scoping visits to document store layout, category zoning, opening hours, and traffic patterns across different days. The second stage involved semi structured interviews with the owner and two staff members. Interview prompts explored assortment policy, price setting practices, supplier relationships, customer complaints and their resolution, and past promotional efforts. Each interview lasted between forty five and sixty minutes and was audio recorded with consent. The third stage involved brief intercept conversations with twelve customers conducted outside the store after purchase. These conversations focused on reasons for patronage, perceptions of price fairness, and

suggestions for improvement. Notes from these intercepts were written immediately after each interaction.

Documentary materials complemented primary data. These included recent purchase invoices for a sample of staple items, informal sales logs kept by the owner for weekly restocking, and photographs of shelf arrangements and point of sale signage taken with permission. No personally identifying customer information was collected. All data were anonymized at the source and stored in an encrypted folder. Participation was voluntary and could be withdrawn at any time. The study followed ethical principles of respect, confidentiality, and non maleficence.

Data analysis followed the interactive model of Miles, Huberman, and Saldana. First, the research team transcribed interviews and organized field notes and images into a case record. Second, open coding identified segments related to each element of the marketing mix and to cross cutting themes such as market sensing, service routines, and digital adoption. Third, axial coding examined relationships among codes, for example how price transparency and shelf clarity co produce perceived fairness, or how festival calendars trigger temporary assortment expansion. Fourth, analytic memos were written to develop provisional explanations that linked observed practices with outcomes such as repeat patronage. Throughout analysis, the team constructed simple matrices that juxtaposed statements from the owner, staff, and customers to test consistency. Emerging interpretations were shared with the owner in a brief member check session to verify factual accuracy and to avoid overstatement.

Trustworthiness was enhanced through several procedures. Method triangulation combined interviews, observation, and documents. Source triangulation compared owner narratives with customer accounts. An audit trail preserved dated field notes, codebooks, and memo drafts to allow external review of analytic decisions. Reflexive notes were kept to surface researcher assumptions, for example a tendency to overvalue digital promotion relative to community ties. While the study privileges depth over breadth and focuses on a single site, the design seeks analytic rather than statistical generalization by connecting case evidence to established mechanisms in the small retail literature.

The analytic objective was not to measure precise elasticities or compute formal financial feasibility, but to determine whether the observed configuration of product, price, place, and promotion is fit for purpose given the competitive set, and to identify low-cost adjustments with high expected impact. This objective shaped both data collection and interpretation and aligns with the applied contribution expected for studies of micro and small enterprise strategy in Indonesia.

## RESULT AND DISCUSSION

### Product Strategy and Consumer Alignment

The product dimension of *Toserba 35 Hidayah* serves as the foundation of its marketing feasibility. The store offers a broad range of fast-moving consumer goods, daily household necessities, school supplies, and packaged food products. This assortment reflects an understanding of the needs of middle- and lower-income consumers who rely on convenience and price efficiency in their shopping behavior. The owner's decision to maintain diversified product lines corresponds with Kotler and Keller's (2022) principle that product variety directly enhances perceived customer value and satisfaction.

Field observations revealed that product selection is determined primarily by consumer demand cycles and the seasonal calendar. For instance, the store increases its inventory of staple goods, such as rice and cooking oil, before festive seasons to meet higher consumption levels. This adaptive stocking strategy reflects a practical form of *market sensing*, where decision-making is driven by direct observation of consumer habits rather than formalized market research. The study found that product freshness and availability are crucial competitive advantages, particularly compared to nearby informal stalls that often face inventory shortages.

Packaging and product presentation also contribute to the store's perceived professionalism. Clean, organized shelves, combined with clear price labels, encourage repeat visits by signaling reliability and

care for consumer convenience. This aligns with findings from [Sukmana and Sari \(2021\)](#), who emphasized that product presentation strongly affects consumer trust in micro-retail settings. Nevertheless, the product mix at *Toserba 35 Hidayah* remains limited in certain categories, such as premium goods and imported brands. Expanding these categories could attract a broader market segment, especially younger consumers seeking brand variety and modern retail experiences.

### Pricing Strategy and Value Perception

Price is one of the most influential factors in determining consumer behavior, particularly in rural and semi-urban markets where disposable income is limited. The pricing strategy adopted by *Toserba 35 Hidayah* is based on competitive parity with nearby minimarkets, occasionally undercutting prices by small margins to maintain customer loyalty. The store applies a low-margin, high-turnover approach that allows for consistent cash flow and inventory circulation.

Interview data indicate that price adjustments are made intuitively, informed by experience rather than formal costing models. The owner regularly monitors competitor pricing and adapts accordingly. This pragmatic flexibility reflects the adaptive pricing model described by [Chinomona \(2021\)](#), where small businesses rely on relational market feedback rather than structured analytics.

Customers interviewed for this study reported that the prices at *Toserba 35 Hidayah* are perceived as “fair and affordable.” This perception plays a critical role in sustaining long-term patronage. Occasional discounts, promotional bundling during religious holidays, and product bonuses (such as “buy 2 get 1 free” offers) further strengthen customer engagement. These pricing tactics effectively appeal to consumers’ emotional satisfaction, reinforcing a sense of loyalty and community connection with the store.

However, the study also observed that the absence of digital payment options such as QRIS or e-wallet integration may limit competitiveness. With increasing digital payment adoption in Indonesia ([Bank Indonesia, 2024](#)), integrating cashless options could enhance convenience and align the business with contemporary consumer preferences.

### Place and Accessibility as Determinants of Market Reach

The location of *Toserba 35 Hidayah* along a main road linking residential and educational areas provides strategic visibility and accessibility. The store benefits from constant foot traffic and vehicle access, positioning it advantageously compared to smaller stalls in secluded areas. Accessibility is a crucial dimension in retail success, as confirmed by [Rahman and Rahim \(2022\)](#), who argue that physical convenience significantly influences consumer satisfaction and purchase frequency.

Observation findings highlight that store layout and spatial design contribute to an efficient shopping experience. A clean, well-lit interior with clear product segmentation enhances usability and shopping comfort. Customers can easily locate goods without staff assistance, increasing purchase efficiency. The owner also maintains extended operational hours to accommodate working customers who shop in the evening. This time flexibility serves as a competitive differentiator, reflecting attentiveness to local routines and consumer habits.

Nevertheless, limitations exist in terms of parking capacity and signage visibility at night. These constraints reduce the store’s potential to attract transient customers. Installing illuminated signage and optimizing exterior lighting could improve visibility and potentially increase sales volume. Moreover, the introduction of a simple online catalog for pre-ordering and pick-up services could extend the store’s reach beyond its immediate geographical boundaries.

### Promotion and Customer Communication

Among the four elements of the marketing mix, promotion is identified as the weakest component in the overall strategy of *Toserba 35 Hidayah*. The store relies heavily on traditional promotional methods such as word-of-mouth and occasional price discounts. While these methods remain effective for maintaining existing customers, they are insufficient to attract new consumer segments or younger demographics accustomed to digital engagement.

The study revealed that the store has not yet utilized online platforms such as social media or local digital marketplaces to promote its products. This absence limits visibility and brand recognition. [Kotler and Keller \(2022\)](#) emphasize that effective promotion not only communicates product benefits but also builds emotional resonance with the target market. The lack of promotional diversification therefore constrains long-term competitiveness.

In interviews, the owner expressed a willingness to adopt digital promotion but cited limited technical skills and time constraints. This finding is consistent with [Setiawan and Widyastuti \(2022\)](#), who found that traditional SMEs in Indonesia often experience digital inertia due to perceived complexity. Nevertheless, introducing simple promotional tools—such as WhatsApp business accounts, social media announcements, and loyalty point systems—would require minimal investment while substantially improving outreach.

Promotional success in small enterprises is not solely determined by message frequency but by message authenticity and relevance. Therefore, the recommendation is to develop content that highlights the store's reliability, local roots, and commitment to community service. Such personalized narratives resonate well with local consumers and enhance brand attachment in an era of impersonal online retail.

### **Integrated Marketing Feasibility Assessment**

When assessed holistically, the marketing feasibility of *Toserba 35 Hidayah* can be considered strong. The product and pricing dimensions demonstrate market alignment, while the place element ensures strategic accessibility. The main gap lies in the promotional domain, where modernization is urgently needed to sustain competitiveness.

The study's analysis, supported by [Scarborough \(2019\)](#) and [Kotler and Keller \(2022\)](#), suggests that a feasible marketing strategy must meet three essential conditions: alignment with consumer needs, adaptability to environmental change, and internal managerial capability. *Toserba 35 Hidayah* meets the first two criteria but requires improvement in managerial and technological adaptation. The owner's practical experience and customer rapport provide a strong foundation for transformation if supported by targeted digital literacy initiatives.

The results also validate the relevance of the marketing mix framework for evaluating microenterprise feasibility in emerging markets. The adaptability of the 4P model allows local entrepreneurs to analyze strategic performance even in resource-constrained contexts. Moreover, findings from this study reaffirm that successful marketing in small enterprises depends not only on analytical precision but also on the relational quality between entrepreneurs and their customers. This aligns with the theoretical argument proposed by [Chinomona \(2021\)](#), who emphasized that relationship-based marketing drives sustainable advantage for SMEs in competitive environments.

### **Strategic Implications and Future Prospects**

From a managerial perspective, the findings suggest several implications. First, product diversification toward higher-value categories should be considered to attract middle-income consumers without alienating the core customer base. Second, price transparency and digital payment adoption would improve transaction efficiency and trust. Third, strategic promotional innovation—especially through community engagement and digital channels—could broaden brand exposure.

The store also has an opportunity to build partnerships with local suppliers and e-commerce platforms to integrate online-to-offline sales models. This hybrid approach aligns with global trends in small retail digitalization, where convenience, personalization, and trust coexist within a single business ecosystem ([Hair et al., 2021](#)).

Finally, this study underscores the importance of continuous learning and adaptive marketing capability. By leveraging both traditional wisdom and technological advancement, *Toserba 35 Hidayah* can evolve from a conventional local store into a resilient, community-centered retail enterprise capable of sustaining growth amid rapid market transformation.

## CONCLUSION

The results of this study confirm that *Toserba 35 Hidayah* demonstrates solid marketing feasibility and strategic alignment with local consumer behavior. The enterprise has effectively implemented three of the four marketing mix elements—product, price, and place—showing consistency with the theoretical principles of market orientation and consumer-centered management. The store's diversified product offerings, competitive pricing, and convenient location collectively strengthen its market position. However, the absence of digital marketing and limited promotion activities remain critical gaps that constrain business growth in an increasingly competitive retail environment.

The findings emphasize that in Indonesia's evolving retail sector, small enterprises must transition from conventional business practices toward hybrid marketing strategies that blend relational trust with digital connectivity. This adaptation is essential to retain local loyalty while reaching new market segments. Furthermore, the study demonstrates that marketing feasibility analysis provides a powerful diagnostic tool for assessing strategic readiness and sustainability in microenterprises.

To ensure long-term competitiveness, *Toserba 35 Hidayah* should focus on several key strategies: (1) expanding product differentiation and premium segmentation, (2) adopting digital payment systems and basic e-marketing tools, and (3) developing community-based loyalty programs to strengthen customer relationships. These steps will help transform the business from a traditional retailer into a locally resilient enterprise aligned with modern consumer expectations.

In broader terms, this research contributes to understanding how the marketing mix framework can be pragmatically applied to small retail businesses operating in rural and semi-urban Indonesia. By situating marketing feasibility within the context of adaptive entrepreneurship, this study underscores that innovation, customer engagement, and flexibility are the primary drivers of sustainability for small enterprises in the era of digital transition.

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## Conflict of Interest

The authors declare no conflict of interest related to the publication of this study.

## Data Availability

The data supporting the findings of this study are available from the corresponding author upon reasonable request.

## Author Contribution

All authors contributed equally to the design, data collection, analysis, and writing of this manuscript. All authors have read and approved the final version of the paper.

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