# THE STRATEGY OF ONLINE START-UP BUSINESS EXPANSION THROUGH POP-UP STORES INNOVATION

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#### Abstract

Entrepreneurial Marketing is a marketing activity conducted by small and mediumsized enterprises with an entrepreneurial approach. The Businessmen who able to respond market conditions quickly and anticipate market changes can be called an entrepreneurial marketer. It is very necessary, especially for start-up business that must keep innovates in order to develop brand and boost demand. Generally, start-up businesses are still not trusted by the market because of their new brand, especially for online start-up businesses which market trust is still not obtained yet. The people still not believe in it, because online start-up business doesn't have a physical store, so they can't see, touch or feel the product directly. These obstacles can be overcome through a pop-up store so that prospective customers can be sure before buying the product. Based on this phenomenon, researcher want to identify what is the barriers to business start-ups in developing markets. This research conducted with qualitative method by interviewing 8 project group business students at Ciputra University, Surabaya. This research has provided an entrepreneurial marketing strategy through the development of pop-up stores that fits with the needs of Ciputra University students' business projects. Hopefully, it can be applied for business start-up to strengthen brand and increase consumer demand.

Keywords: Entrepreneurship, Entrepreneurial marketing, Start-up business, Pop-up stores

#### Abstrak

Kewirausahaan pemasaran adalah aktivitas pemasaran yang dilakukan oleh usaha kecil dan menengah dengan pendekatan kewirausahaan. Para pebisnis yang mampu menanggapi pasar kondisi cepat dan mengantisipasi perubahan pasar dapat disebut pemasar kewirausahaan. Hal ini sangat penting, terutama untuk start-up bisnis yang harus terus berinovasi untuk mengembangkan merek dan meningkatkan permintaan. Umumnya, start-up bisnis masih tidak dipercaya oleh pasar karena mereka merek baru, terutama untuk online start-up bisnis kepercayaan pasar yang masih tidak diperoleh belum. Orang-orang masih tidak percaya di dalamnya, karena online startup bisnis tidak memiliki toko fisik, sehingga mereka tidak dapat melihat, menyentuh atau merasakan produk secara langsung. Hambatan ini dapat diatasi melalui toko pop-up sehingga calon pelanggan dapat yakin sebelum membeli produk. Berdasarkan fenomena ini, peneliti ingin mengidentifikasi apa hambatan untuk memulai bisnis-up dalam mengembangkan pasar. Penelitian ini dilakukan dengan metode kualitatif dengan mewawancarai 8 proyek kelompok bisnis siswa di Universitas Ciputra, Surabaya. Penelitian ini telah memberikan strategi pemasaran kewirausahaan melalui pengembangan toko pop-up yang sesuai dengan kebutuhan proyek-proyek bisnis

Universitas Ciputra siswa. Mudah-mudahan, ini dapat diterapkan untuk memulai bisnis untuk memperkuat merek dan meningkatkan permintaan konsumen.

Kata kunci: Kewirausahaan, Kewirausahaan pemasaran, *Start-up* bisnis, Toko-toko pop-up.

JEL Classification: L26, M13, M31, O31

#### 1. Research Background

The digital revolusion that is supported by the internet has been growing in more than last twenty years, especially on the fact that more schools, universities, and other education institutions demand their students to learn more about internet, as well as the growth of social media and online shop that make society put the internet as a primary needs (Laohapensang, 2009; Pratama, 2015). The growth of the internet itself has caused a habit of shopping on things and service online, both through personal computer or mobile phone (Pratama, 2015).

These particular things have triggered the emerge of businessmen who run their works online because it is considered as the most advantageous one for cosumers and the businessmen themselves. It gives easiness for the consumers to choose which product/service and the payment to use, also smaller level of buyer's compulsion since they do not need to face any kind of persuasion from the seller. As for the seller themselves, online business is a fast and easy adaptation towards the market's condition, cheaper cost, and at the same time, it can also maintain a simple communication with buyers (Ollie, 2008).

Eventhough e-commerce is getting wide spread, there are some points that are identified as the obstacles for the growth itself. Yayasan Lembaga Konsumen Indonesia (YLKI), the institution of Indonesian consumers, stated that e-commerce is still quite dangerous with its scam. The discrepancy between the type and quality of the promised product, the imprecision of the delivery time, and the lack of security during transactions are the things that consumers mostly complained about (Supriadi, 2014). Hafidzi (2015) also stated that during the e-commerce era, businessmen prefer to do the transactions offline instead of online. Aside of the safety guarantee that they will get during the transactions, consumers also need a direct experience in choosing the real product itself.

Based on those distrust mentioned, it is necessary to have an innovative marketing strategy expansion for online businessmen to build a real store that can be accessed directly by future buyers. The problem is that this can become one big challenge for those start-up businessmen who have a very limited source, most especially the funding for space rental, permit letter and many more. One of the innovative strategies of entrepreneurial marketing that can be done by businessmen start-up online is through developing the format of pop-up stores. According to Benigson (2008), pop-up stores can give an opportunity for businessmen to stimulate the demands of their products from future buyers and test the market's interests with new products. Pop-up stores can be considered as an innovative entrepreneurial marketing strategy for start-up businessmen to face the problems that are related to market's distrust toward the offered products.

Triggered by these phenomenons, researchers wanted to identify and dig deeper about some things as follows:

1. What are the challenges that will be faced by start-up businessmen the moment they run their shop online?

- 2. How is their understanding about the concept of pop-stores?
- 3. Can the new format of pop-up stores become a good sollutions for the problems that start-up businessmen deal with?
- 4. What are the new ideas of pop-up stores format that can be developed?

The sample that is considered as the representative of small businessmen are the students of Management, Ciputra University, Surabaya, who become the owner of start-up business. Hopefully, pop-up stores format can become one of the innovative strategies of entrepreneurial marketing to develop brand names and gain the consumers' trust for a small scale businessmen. The concepts that will be used as the base of this particular research are start-up business and its characteristics, entrepreneurial marketing, and pop-up stores format.

## **1.1.** Start-Up Business and its Characteristics

So far, the characteristics of start-up business has not yet been defined formally, the particular term is quite identic with small companies that have innovative ideas and pretty much related with entrepreneurship. The definiton of start-up was established by Ries (2011), an institution that was formed to create new innovative products and services in the situation wherein the level of uncertaintiness is quite high. Start-up business is the early stage of the development of a business with some components that have close relations with start-up business; entrepreneur and entrepreneurship. The meaning of entrepreneurship is the stage that shows an individual capacity or identify new chances and apply it onto the products or services in tha market (Schaper et al., 2011). As for the understanding of entrepreneur is the person that can see the chances itself and can use it as different productions factors (Deakins and Freel, 2009).

Sutanto et al. (2008:39) defined the characteristics of start-up business as a company with such criterias as follows; operational time/the age of the company is between 0-5 years old, the character of the organization comes in a small scale and dynamic (fluctuative), the purpose is to make this early business become successful. Aside of the age, early operational funding of start-up business is also relatively small, without any minimum limits. That particular fund depends on the type of the start-up business itself.

According to Munizu (2013), there are some important factors that affect small business in the form of UKM, such as the availability of the market, the length of the business itself has been running, quality control, managements and promotions as the internal factors. Siswanto (2013) added that in dealing with the weakness found in the market and the length of UKM, social media has to be optimized as the competitive advantages. Which is why, business that comes in a small scales preferred to use online marketing.

## **1.2.** Entrepreneurial Marketing

Entrepreneurial marketing combined two different understanding, used to define the process of the company in pursuing the chances under the condition of the uncertaintiness in the market (Becherer et al., 2006). Morris et al. (2002) defined entrepreneurial marketing as a pro-active identifications to gain customers through an innovative approach that gives more value in a business.

Ionita (2012) stated that the emerge of the concept of entrepreneurial marketing is a response of some research that show a mismatch between traditional marketing theory and the practice itself that is done by micro scale businessmen (UMKM) or those who have just started their business. This condition portrayed that the existing marketing concept, which was originally created for big companies, can not be directly applied to UMKM without any adjustments (Stokes, 2000). Morish et al. (2010) defined that this particular approach as an idea and way of thinking that was inspired by chances or actions to find those chances.

The concept of entrepreneurial marketing is associated with marketing action that is more opportunity-driven, compared to traditional marketing (Hills et al., 2008) and this concept integrating the market with innovations, centered in the principles of entrepreneurship (Morish et al., 2010). In the application of entrepreneurial marketing, businessmen are required to improvise in order to gain more demand. Pandeya (2010) stated that a businessman who can responds the market's situation fast, fullfil the consumers' request, is qualified to be named as an entrepreneurial marketer.

#### **1.3. Pop-Up Stores**

Pop-up stores is a concept wherein the store is opened suddenly at a certain location in a certain period of time, for example for a few days or the longest, a month. Pop-up stores is a new marketing format that is made to gain more involvement from the consumers (Gogoi, 2007). It expands an innovative way of promotions and provide an interactive experience for consumers. Moreover, pop-up stores is a way that can be taken to introduce a new brand and or products of a company (Spire Research and Consulting, 2013).

Pop-up stores provide chances for businessmen to induce request and demands of their products. Another advantage is that through pop-up stores, they will be able to introduce their brand to the society and test the market with new products (Benigson, 2008). Pop-up stores let the consumers to feel a close-up experience with the offered products. This format is open only in one location for a certain limited time, in a few days for a year (Gogoi, 2007).

Niehm et al. (2007) said that pop-up stores is a new marketing experience that is formatted based on surprises and exclusivity, that is also aimed to increase the consumers' involvement. Baker (2008) also stated that pop-up stores is also known as guerrilla retail stores, a prove of a creative and innovative activity in a marketing communication method that goes beyond the traditional one. Further, Spire Research and Consulting (2013) explained that the main purpose of pop-up store is to build brand awareness and increasing consumers' trust.

A good pop-up stores concept need to focus in the brand promotions or products, available for quite short time, and mostly in a more small area that encourage a more intense dialogue with the company's representatives (Tomlinson, 2014). According to Barr (2008), there are no ambitious target achievements from a pop-up stores, they will eye a minimum of even number with their original fund. It means that pop-up stores more emphasizing onto the introductions of brand and products to increase and gain people's trust toward the company itself, and not too focusing on the profits. Pop-up stores was cretaed to create demands, not income (Ryu, 2011).

Research and publications that discussed about pop-up stores in Indonesia is not that many, it's only referred to a news about a company or brand that open a popup stores in a certain period of time. Companies that run pop-up stores concept mostly those come from abroad. Local businessmen, in the other hand, have not yet applied the particular concept. Pop-up stores in Indonesia mostly be done in a joint venue with other companies such as in bazaar and exhibitions.

## 2. Research Methods

Researcher used a qualitative approach in this particular research that consists of a series of data interpretations to explain, transform, and translate of a meaning of a social activity that more less, happened naturally (Cooper 2006 : 226). As a method, qualitative research is started with an experience which is expressed into the story by sources or informant. Meanwhile, writer is looking for a way to analyze and understanding the told story.

The procedure in doing this research started with focusing towards the source, data collection based on their story, reports of their experience and the order of the experience itself. This research, based on its purpose, is to explain about the process of how informant described online distribution that they used on their start-up business along with the obstacles that they needed to deal with. Informant then explained about the consideration that they had in doing both online and offline method. After that, informant is asked about their understanding of pop-up store concept and whether they have applied it in their business or not.

The fact of the data of qualitative research has got to be checked, one of its way is through triangulation technique. This technique is done trough data crosschecking from different sources with many kind of ways and time. Triangulation based on Bungin (2013) is divided into four; triangulation of data sources, researchers, theories and methods. This research is using the triangulation of data sources, through data cross-checking from different informant who do the same activities, having start-up business based on a certain criteria. The informant of the research who were chosen are eight owner of start-up business, who are also the students of Management, University of Ciputra, Surabaya with criterias as follows; Semester 5 students who have their business run for a year or more, having their marketing online, do not have a store yet and selling products (not services). The reason of why these criterias are created is that students who have been studying for five semester have their business run for at least minimum of a year, suitable with the characterstics of start-up business (business time 0-5 years). Besides, all respondents are using online marketing and have not had a store to answer the problems that were based on the research of start-up business online.

The technique of triangulation that is used in this research fits Sugiyono (2010), through a participative observasion, in depth interview, and documentation. Researcher is the facilitator of 8 owners of the business project students of Management, University of Ciputra who are used as informant, so that the participative observasion done in the form of guidance from the researcher to the informant. Primary datas were obtained through a semi-structured in depth interview and documentations done during the interview.

Data analysis done is using model Miles and Huberman (1984) which consists of data reduction, data serving, and conclusion. Data analysis technique that is used the domain analysis technique to analyze informant's understanding about the questions given. Research using this technique usually have an explorative purpose and mostly done to get a general and full picture about social situations that have been observed by the informant themselves without having any details factors (Bungin, 2013). The explorations were done on the domains as follows; (1) the reason of online promotion, (2) the obstacles that needed to deal with in running start-up business online, (3) sollution/strategy that needs to be done to solve the problems, (4) a better way for promotions (offline/ online), (5) the understanding of pop-up stores concept, and (6) the purpose of pop-up stores according to the informant. These six domains became the guideline in the questions arrangement during in depth interview.

#### **3. Result and Discussions**

Data in the form of documentations obtained during in depth interview to dig more informations from the informant is shown in Picture 1 as follows;



**Figure 1: Documentation during in depth interview** Source: Personal documentation (2015)

Picture 1 portrayed the process of a semi-structured in depth interview to some informant of the research. As for the participative observation was documented in the archive of consultations or guidance for each business project that were done by the students themselves (Picture 2).



**Figure 2: Physical evidence of participative observation** Source: Personal Documentation (2015)

Picture 2 showed a physical evidence of the participative observation in the form of archives of the consultation done by the participants towards the researcher that functioned as their facilitator of the business project. Participative observation was done by the researcher by providing an input, suggestion, critics and also sollution when they face some problems in doing online start-up business. As for the documentation of online distribution, participants can be seen through some screenshots of social media that are used as the tools for the informant's trading activities (Picture 3).

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## Figure 3: Documentations of informant's online distribution

Source: Personal Documentation (2015)

Data gained from the interview of all of the informants was identified and analyzed based on each domain that had been decided in the beginning. Here are the summary of answers given by the eight informants (Table 1).

Name of the start- up business and short description of the offered products	Domain	Summary of informants statements
AL Bracelet • Homemade bracelet made of high quality beads	Reasons of why choosing an online platform Obstacles faced in doing online start-up business	No fund needed to open a store Easy to operate and monitored anywhere Competitors that have already established their brand that are quite well-known
	Sollutions/strategies done	Provide more values for the consumers so that they will feel comfortable and know AL Bracelet better
	Better promotions platform	A mixture between offline-online as it is considered to be more effective
	Understanding of pop-up stores concept Purpose of pop-up stores	Quite aware, but not yet apply it for their business So that the consumers can see and choose the
		offered products directly
Adamar • Woman handbag	Reasons of why choosing an online platform	People are using the internet these days
	Obstacles faced in doing online start-up business	It's difficult to give fast response
	Sollutions/strategies done	They have got to be more update and find new marketing strategies
	Better promotions platform	The combination of offline-online, so that future buyers can see the offered products directly
	Understanding of pop-up stores concept	Quite aware, has already applied the system through joining some exhibitions
	Purpose of pop-up stores	Increase people's brand awareness about Adamar's products
Ecstasy • T-shirt with the design of movie characters and animations	Reasons of why choosing an online platform	It is because online social media is very advantageous for marketing purpose
	Obstacles faced in doing online start-up business	Other brand that are more well-known
	Sollutions/strategies done Better promotions platform	None The combination of offline-online, so that aside of online shop, their existency can be acknowledged by the society through the availability of a store
	Understanding of pop-up stores concept	No idea
0.11	Purpose of pop-up stores	No idea It is more effective to reach consumers who
Gotcha Nugget and	Reasons of why choosing an online platform	come from other cities and islands
escargot (snail) chips	Obstacles faced in doing online start-up business	Delivery process that sometimes late Future buyers ask for a tester Lack of consumers' trust because the brand itself is relatively new and not yet well-known
	Sollutions/strategies done	Maximize company performance so the delivery will become faster than before Increasing consumers' trust towards the company
	Better promotions platform	The combinations of offline-online (offline for Surabaya and its surroundings, online for other cities and/or islands)
	Understanding of pop-up stores concept	Quite aware, applied it through exhibitions and bazaar
	Purpose of pop-up stores	To introduce the offered products to bigger communities and to gain more trust from the market

# Table 1. Summary of the interview towards the eight groups of start-up business project

Misidu	Reasons of why choosing an online	To introduce the products more
<ul> <li>A ready to drink beverage comes in a cup (tea, coffee, ginger)</li> </ul>	platform Obstacles faced in doing online start-up business Sollutions/strategies done Better promotions platform	Expensive delivery fees, imbalance with the price of the products itself Put a minimum number for purchasing Combination of offline-online, selling more onto offline but promotions are done through online as well
	Understanding of pop-up stores concept	No Idea
	Purpose of pop-up stores	No Idea
NIMS - Sandal made of denim	Reasons of why choosing an online platform Obstacles faced in doing online start-up business	An easy way to find new buyers It can become a quite well-known Limited social media Followers because it's not yet well-known People's distrust towards the brand and product as the company is still new
	Sollutions/strategies done Better promotions platform Understanding of pop-up stores concept Purpose of pop-up stores	Endorse Combinations of offline-online Quite aware, already apllied it through exhibitions So that the product can be more well known and
	Reasons of why choosing an online	reachable for the future buyers Easier and cheaper operational costs
	platform Obstacles faced in doing online start-up business Sollutions/strategies done	Lack of consumers interest as the brand and products are not well-known Continue to update about new products and monitors the quality of the offered product to increase consumers' trust
	Better promotions platform Understanding of pop-up stores concept	Online, easier and cheaper operational costs No Idea
	Purpose of pop-up stores	No Idea
Sambal Kobonk - Sambal made of onions packed in a bottle and sachet (Primary Data 2015	Reasons of why choosing an online platform	A lot of younger generations these days are using social media
	Obstacles faced in doing online start-up business Sollutions/strategies done Better promotions platform	Consumers' trust is not that high since the products are still new Provide good service to increase people's trust Combination of offline-online, although online is more wide spread, but future buyers still need to have the tester
	Understanding of pop-up stores concept	Quite aware, but not yet apply it into their business
	Purpose of pop-up stores	Become a platform for their offline business

Table 1. (Continued)

(Primary Data, 2015)

After the result of the interviews was changed into above table summary, so it can be concluded that all of the informants who have the start-up business are using the online platform because of the reasons that more less are the same, that the using of social media which quite common and the developing of internet usage, so that seller can reach consumers from any places. However, they are also facing the same problems in doing this particular platform; lack of consumers' trust towards the offered products because the company is considered new and not quite well-known.

"Well, so far our selling is quite okay, Ma'am. But because we're focusing on food selling and the products itself are considered new so the consumers' trust is different from our competitor, Ma'am...... (mentioning one particular brand of sambal which packaging comes in bottle, which is quite famous in Surabaya), so yeah, sometimes they like to compare it, " said Candra Triana, owner of Sambal Kobonk.

Some also said that their brand is not yet well-known so consumers are not that interested onto the offered products. As explained by Lie Hartawan, owner of Ecstasy:

"... You know, Ma'am, there is one competitor brand that is quite famous in instagram, although it's only been a year. Their T-Shirt quality is the same with mine. It seems like the consumers are not that interested onto Ecstasy, Ma'am, it's maybe because lack of promotions because we're only doing endorse using the service of Selebgram..."

One of the owner of Gotcha, David Surya, added,

"... like this, Ma'am, our future buyers usually ask for some tester before they finally buy the products. It is quite difficult if we sell it online."

Most informants said that the sollutions and strategies made were more onto building the trusts of the consumers towards their brand and products. Things that have already done regarding this matter were providing a good service for them and more *update* and aware to their demand, increasing the work ethic, give more *value* to the offered products and a more innovative marketing strategy.

"... we have to give more value to our brand and prdoucts so the consumers are willing to get closer with us, Ma'am. So they will eventually believe that they buy our products that indeed come in a high quality," answered Ludovikus Andrew (CEO AL Bracelet).

"We have to find strategies to increase our company's work ethic so at the same time, consumers' trust is also rasied, Ma'am. As an example, we need to fasten the delivery. The problem is that the service provider is also taking a day off during holiday...," revealed David Surya (Gotcha).

"Fashion products like us have got to find a better marketing strategy, Ma'am,. Sometimes consumers wanted to see the offered products, they wanted to feel the products first, whether the quality of the materials used good or not, before they finally decide to purchase it. We are still thinking a better strategy of how consumers will believe in our brand although ours is still new...," answered Erika Claudia, CEO Adamar about sollutions that can be done in order with dealing the obstacles that they are facing in doing their business.

The best platform for promotions, according to the informant is through the combination of *offline-online*, aside of Septi Lestari, CEO Reine who feels that *online* is better because the operational system is easier and cheaper:

"... I think online is the most comfortable one, Ma'am. It is because I don't have more fund, no employees, so the operational system that is easy and cheap is none other than online platform. But well, I also willing to open a store because my consumers also often asking about one so they can see and feel the products directly."

Based on the interview done, it is clear that start-up businessmen who run theirs online also think that the offline platform is still needed. However, most of them also agreed that it is quite a challenge for them to have a store because of funding and legal papers, and also it means a more difficult operational system.

Summary of the interview done towards 8 start-up business owner who run theirs online provide a good example of how they are actually still in need to have an offline store because the society still not that believe in their brand and product. Start-up business that is still in the form of early development, which according to Sutanto et al. (2008) has the characteristic of operational system under the age of 5 years that is still not quite well known, their early funding is relatively small too, that it is quite difficult for them to deal with legal papers and building a store. Therefore, it is important to have innovations to answer and fight the obstacles emerged because of the lack of sources that were faced by start-up businessmen. The inconsistency between the theories and the practice of traditional marketing system can not be applied directly to the scale of UMKM (Morris et al., 2002) in this particular matter is start-up business, as explained by Stokes (2000) and Ionita (2012). Adjusment in the form of innovative approacg to give more value to the business itself is needed to develop the brand and increase cunsomers' trust which eventually, will raising the number of consumers' requests. The approach used is through entrepreneurial marketing to explore chances to gain more consumers, such as compiling pop-up stores format that support the development of the brand itself. Pop-up stores according to Baker (2008) is also known as guerrilla retail stores. Based on Morris et al. (2002), guerrilla marketing system is an alternative of innovative marketing strategy that is suitable with the concept of entrepreneurial marketing.

A strong branding will help the company to maintain their identity so it will be easier for them to be recognized and trusted by the consumers (Aaker, 1996). According to Aaker (1996), the effort of creating values to the company as well as the consumers is the main purpose of one brand's equity. Brand equity is a pair of assets and liabilities that are related with a brandm name and symbol, that can add or reduce the values of a product and service for a company or customers. Based on Aaker (2001), brand equity is classified into five categories; brand awareness, brand associations, perceived quality, brand loyalty, and other assets of belongings that represent the brand such as patent and distribution platform. Benigson (2008) revealed that businessmen can introduce their products to the society through the format of pop-up stores to create brand awareness. This statement is supported by Gogoi (2007), where pop-up stores allows customers to experience the offered products personally although it is opened in a limited period of time. Pop-up stores is a form of store that is quite efficient in reaching consumers' demand which has not yet been strongly created if it is only using online distribution system (Dehkordi et al., 2012). Marketing strategy using pop-up form, based on Manchanda et al. (2006) can increase positive response from online business consumers.

The movement of creativity and spirits of entrepreneurship develop varied innovations to deliver the products to the consumers. The trends of nomaden selling through pop-up stores can become a choice in order to increase consumers' trust towards the company, and at the same time, it can invite future buyers (Manchanda et al., 2006; Benigson, 2008; Bergqvist & Leinoff, 2011). Chances to test the market's reactions, as well as pressing down the operational costs make pop-up

stores become the sollutions for businessmen, especially start-up. Based on the research, the owner of start-up business do understand about the concept of pop-up stores and understand its purpose. They who understand the concept of pop-up stores think that its purpose is to make consumers can feel much closer with the company by seeing and analyze the offered products directly (AL Bracelet and NIMS); as the offline platform (Sambal Kobonk); to introduce their products to the society and increase their trust (Gotcha); and to raise society's brand awareness toward the offered products (Adamar). The other three start-up business (Ecstasy, Misidu, and Reine) are not yet fully understand about the concept of pop-up stores but they are also agree that offline platform is also important to maintain their existency within society.

Basically, pop-up stores or pop-up shops is a marketing strategy that using the element of surprise by showing up at an unexpected area (Niehm et al., 2007). Pop-up stores is not limited only in the form of exhibitions or bazaar which is commonly knows, but it can be more personal like opening a stand in a certain area that is crowded with potential buyers. According to Niehm et al. (2007) pop-up stores marketing strategy is commonly used by big famous brand abroad as their brand extension strategy. Pop-up stores is an innovative platform of a promotion that is considered as more effective way to create buzzing and increase brand awareness, rather than an advertisement (Marciniak & Budnarowska, 2009). On a primary location that is suitable for the character and brand, this particular strategy is very effective (Bergqvist & Leinoff, 2011). It is almost the same like an advertisement, only, it is more complete because the offered products can be purchased on the spot.

Morris et al. (2002) divided about six different perspectives in developing entrepreneurial marketing; guerrilla marketing, radical marketing, expenditionary marketing, subversive marketing, environmental marketing management, and proctive marketing. On the perspective of guerrilla marketing, Marciniak and Budnarowska (2009) related it with the concept of pop-up stores. This pop-up stores strategy can be used by companies and brand that is not yet well-known as a right place for start-up online businessmen, who are mostly still capable of opening a store to interact directly with their future buyers. Before the owner of the company can only interact with their consumers through social media (Facebook, BBM, Line, and Instagram), they can now try the offered product directly through pop-up stores these days. From businessmen side, this particular form can also be used to get feedback and invite more potential buyers.

Based on the summary of the interviews and literature search, start-up business mostly not yet gaining people's trust, especially those which were developed online. The growth of entrepreneurial marketing strategy using guerrilla perspevtive through pop-up stores can become a choice in gaining market's attention. For small and middle scale businessmen, pop-up stores concept has more advantages, especially a more reachable costs (Marciniak & Budnarowska, 2009). As it is opened temporarily and the booth is smaller comprared to a store, the rental fees is cheaper. Since pop-up stores need a low cost, willy-nilly the risk faced is also little, so the selling targets can be more achievable. More than that, these innovative retails can also increase consumers' trust through brand awareness and their relation with the company itself comes in direct interactions.

Pop-up stores format can also become a market test for the company before they develop a physical store (Spire Research and Consulting, 2013). It is because pop-up store can be used to see the interest of the market in one particular location, which from then on businessmen can notice about the traffic, whether it is good or not. Next step is paying attention on the marketing segment, is it suitable enough, the purchasing power and potential sales is good or not. This particular result of the analysis will become a basic valid considerations for businessmen to open a permmanet store in the area. Beside of the mentioned things above, according to Kim et al. (2010) as its characteristics in which temporarily, pop-up stores can fulfill consumers' needs in searching an unique experience with a certain brand if only the concept is well arranged in a proper and right surroundings.

Retail space in the form of pop-up store as explained by Suryawan et al. (2015) can be designed with a knockdown construction system so it will be easily overhauled. Also, pop-up stores will be designed from the same element but eventually can create a different shape. Through this particular design, start-up business owner can reduce the cost by saving up the constructions of pop-up stores before, and re-use it next time with quite a different model. Survawan et al. (2015) explained more about the method of design thinking which was adopted from David Kelley as the basic to design indoor shape-changing pop-up stores with knockdown system (Picture 4). The first step is empathize, it is an early step by collecting some datas needed in the form of literature data and typology data. Once the data was collected, market observasi then be done next to find out which brand or producer that can be asked to pair up as a partner in the process of designing pop-up stores. Second step is define, wherein the result of the observations and the finding in the previous steps will be defined and analyzed further. Through this step, we can see in detail about the activities and needs of the business owner. The third step is ideate, the phase where making ideas though creating concepts and early design is started. Result of these early design will be developed continuously and creating a much better designs until the prototype is formed on the fourth step; mock-up (a simple clone tool). The fifth step is when some tests to try mock-up made be done, it is to find both advantages and disadvantages of the design itself. Once it tested, mock-up will be revised and a better design will be created. Last step is the repetition process of proscess design step (ideate) to revise the design, which will be done over and over again until the last step to get a final design.



**Picture 4: Method of design thinking that is adapted from dari David Kelley** Source: Suryawan et al. (2015)

Picture 4 above is the steps of method of design thinking which is adapted in designing the format used in pop-up stores.

Based on the explanations of the interview given, businessmen provided answers that is also supported by the principles of pop-up stores development system, it can be concluded that the model of the store itself can be planned as an innovative entrepreneurial marketing strategy so small scale businessmen can maintain their sustainability by increasing people's trust toward their brand and products. According to Tomlinson (2014), through pop-up stores a company can portray their value, soul, and brand character. It is explained further through design, presentation, and the location of pop-up stores. Kim et al. (2010) stated, pop-up stores is interesting for consumers and future buyers because of hedonic reason related to the new and unique way of shopping. Pop-up stores, aside of its function to develop the brand, it can also provide customer experiece. Retailer chose to open pop-up stores for a certain period of time, based on Sunyono (2013) to promote their discounted product, as shown by famous retailer. However, for a small scale businessmen, pop-up stores also become an alternative entrepreneurial marketing to increase their consumers' involvement (Sunyono, 2013) and create an early awareness towards their brand and offered products (Kim et al., 2010).

Further study is needed to understand what kind of dimension that is important in order to prepare pop-up stores so businessmen can achieve the targetted market and eventually, will increase the number of request toward the offered products. Moreover, such supports from design, technique, and architectural wise is also needed in the process of developing pop-up stores that suitable with products, brand characteristics, and company's targetted market.

#### 4. Conclusion

Start-up business owner who were represented by the students of business project in University of Ciputra, Surabaya, provided images of obstacles that mostly faced by a company that is newly built; such as early limited funding which made them preferred to have an online promotions and distributions system, that of course cheaper and easier. Since they do not have a physical store, the awareness and trust gained from the consumers toward their products is still low. Based on the description and explanations gained from the interview, and supported by the principles of pop-up stores, so the format of pop-up stores can be planned as an innovative entrepreneurial marketing strategy so that small scale businessmen can maintain their sustainability by increasing people's awareness and trust toward their brand and products. This research concluded a strategy of entrepreneurial marketing through the development of \ pop-up stores based on the literature study, in the hope of its applications as an innovation for start-up businessmen to strengthen the brand and increasing consumer's request. Pop-up stores format that can be developed is indoor shape-changing pop-up stores with knockdown system, which shape can be changed depends on each product and brand's necessity.

Start-up businessmen supposed to always think about many different innovations to build their brand and gain people's trust so their company is not only profitable, but also sustainable. Eventhough it is still new, but whenever they are creating such innovations wherein they are trying to get closer with their consumers and increasing their brand awareness, it is not impossible for them to survive in the middle of competitions with a more well-known companies. Start-up business is still classified as a small scale business, so an innovative entrepreneurial marketing strategy is needed; such as through pop-up stores. This platform provide customer experience so future buyers can feel direct relationship with the company themselves. This particular platform can also be developed based on each company's needs. Therefore, further research and study about the developing of pop-up store for start-up businessmen is needed, especially in the field of how they can run their marketing and distribution online.

Suggestions for the next research is the developing of mixed methods that combine the research both in qualitative and quantitative way. This further research be done by start-up online businessmen who have already applied the format of popup stores on their expanding business. The qualitative method of the suggested mixed methods is made to explore deeper about the effective dementions of pop-up stores. Further, from those dimensions businessmen can measure the quantitative effects towards their brand (brand awareness) which eventually can increase the consumers' interest. Based on this particular further research, a platform of pop-up stores that is suitable for the hope of getting potential buyers can be made.

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