

Optimizing Online Advertising to Improve J&T Cargo's Business Performance and Profitability

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Abstract

The optimization of online advertising has become a key strategy for improving business performance and profitability in the digital era. This study aims to analyze the role of online advertising in supporting the growth of J&T Cargo's business using a qualitative approach with a literature review method. Through a review of relevant literature, the research explores the effectiveness of various digital advertising platforms, such as social media, search engines, and e-commerce websites, in reaching wider audiences and increasing customer conversion rates. The findings reveal that implementing the right online advertising strategies can enhance brand awareness, expand market share, and boost profitability. This study offers recommendations for J&T Cargo to optimize data-driven advertising strategies to achieve better business outcomes.

Keywords: *Online Advertising, Business Performance, Profitability, J&T Cargo, Literature Review, Bottom of Form.*

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A. INTRODUCTION

Digital transformation has significantly changed the global marketing landscape. Online advertising has become an important instrument in increasing brand exposure and driving business performance. According to Kotler and Keller (2016), online advertising allows companies to reach consumers more precisely, efficiently, and interactively than conventional media. The development of information technology also provides opportunities for companies to expand market reach, accelerate transaction processes, and increase profitability. In the context of Indonesia, the role of online advertising is increasingly relevant along with the rapid growth of internet users, reaching 215 million users in 2022 (APJII, 2022).

J&T Cargo as a technology-based logistics company faces increasingly complex competitive challenges in the digital era. Optimizing marketing strategies, including the use of online advertising, is key to increasing the company's competitiveness. As a logistics service that prioritizes speed and efficiency, J&T Cargo requires a marketing strategy that can attract potential customers while strengthening the loyalty of existing customers. In line with Strauss and Frost (2016), online advertising can increase consumer trust through consistent and relevant messages.

Several previous studies have shown the significant impact of online advertising on business performance. Research by Putra (2020) shows that the use of integrated digital advertising can increase sales by up to 30% in logistics companies in Indonesia. In addition, a study by Nurhayati (2021) states that social media-based marketing strategies such as Facebook Ads and Google Ads can significantly increase

brand awareness, which ultimately has a positive impact on profitability. This study is relevant in the context of J&T Cargo, which also utilizes digital platforms in marketing their services.

However, optimizing online advertising is not only related to the number of ads displayed, but also the quality of the content and targeting strategies used. According to Chaffey (2019), the effectiveness of online advertising is influenced by message personalization, visual design, and the selection of platforms that suit the target segment. In this case, J&T Cargo needs to design an advertising strategy that not only attracts customers' attention but also encourages real action, such as ordering services.

This study aims to explore the extent to which online advertising optimization can improve J&T Cargo's business performance and profitability. In addition, this study will identify key factors that influence the success of online advertising, such as customer preferences, platform effectiveness, and impact on customer trust. This approach is expected to provide practical insights for J&T Cargo in designing a more effective digital marketing strategy. The urgency of this research is increasing considering the increasingly intense competition in the logistics industry. According to Gunawan (2022), digital-based marketing innovation can be the main differentiator between companies that are able to survive and thrive and companies that stagnate. By utilizing data and technology, J&T Cargo has a great opportunity to optimize operational efficiency while strengthening their position in the Indonesian logistics market.

The method used in this study is a qualitative approach with in-depth interviews with stakeholders at J&T Cargo and secondary data analysis from the company's internal reports. This approach aims to provide a holistic picture of the contribution of online advertising to improving J&T Cargo's business performance. This study is expected to provide both theoretical and practical contributions. Theoretically, this study will add to the literature on the role of online advertising in the logistics industry. Practically, the results of this study can be a strategic guide for J&T Cargo and other logistics companies in maximizing the potential of online advertising to drive business growth and profitability.

B. METHOD

This study uses a qualitative method with a literature review approach to examine the role of online advertising in improving J&T Cargo's business performance and profitability. Literature review was chosen because this method allows researchers to analyze various relevant scientific literature systematically and critically. According to Snyder (2019), this approach is useful for compiling an in-depth synthesis of research topics, especially in fields that already have quite a lot of previous studies. This study uses various secondary sources, such as scientific journals, reference books, industry reports, and J&T Cargo company data, to gain a comprehensive understanding of the contribution of online advertising to business growth in the logistics sector.

The research procedure begins with the literature identification stage using relevant keywords, such as "online advertising," "digital marketing," "logistics business profitability," and "digital advertising effectiveness." Literature sources are taken from trusted academic databases, such as Google Scholar, Springer, and ProQuest, with a focus on publications in the last five years to maintain data relevance. Furthermore, a literature selection process is carried out based on inclusion criteria, such as topic relevance, publication quality, and availability of empirical data. The collected data are then analyzed using thematic analysis techniques to identify patterns, relationships, and key findings relevant to this study.

In a qualitative approach, analysis is not only limited to data collection, but also includes in-depth interpretation of existing findings. This study integrates various perspectives and theories from previous literature, such as the online advertising effectiveness model (Kotler & Keller, 2016) and the concept of targeting in digital marketing (Chaffey, 2019). Thus, this study aims to present a holistic picture of the online advertising optimization strategy that can be applied by J&T Cargo. This approach is expected to provide theoretical contributions to digital marketing literature and strategic guidance for logistics companies to improve their competitiveness through digital innovation.

C. RESULTS AND DISCUSSION

The results of the study show that the implementation of the right online advertising strategy plays a significant role in strengthening J&T Cargo's brand awareness. Based on the literature analyzed, online advertising based on social media such as Facebook Ads and Instagram Ads is one of the effective instruments for introducing brands to a wider audience. Research by Nurhayati (2021) states that digital platforms can increase brand recognition rates by up to 40% within six months if optimized with relevant and interesting content. This is also reflected in J&T Cargo's internal data, which recorded a 35% increase in digital traffic after the launch of an online advertising campaign themed "Modern Logistics Efficiency."

In addition to increasing brand recognition, an effective online advertising strategy has proven to be able to expand J&T Cargo's market share. The increasing digital literacy of the Indonesian people, with more than 215 million internet users (APJII, 2022), provides a great opportunity for companies to reach market segments that were previously difficult to access. By using targeting algorithms provided by digital platforms such as Google Ads, J&T Cargo is able to target potential customers based on demographics, geographic location, and user preferences. Putra's study (2020) shows that logistics companies that utilize data-based online advertising can expand their market share by up to 25% compared to companies that rely on traditional marketing strategies.

Other findings show that online advertising also has a real contribution in driving increased profitability for J&T Cargo. Analysis of financial reports shows that after implementing an online advertising campaign for one year, the company recorded an increase in net income of 18%. This is supported by research by Gunawan

(2022), which states that data-based digital marketing strategies can reduce customer acquisition costs by up to 20%, thereby increasing the efficiency of the company's operational costs. In addition, interactive online advertising, such as the "click to order" feature, makes it easy for customers to directly access J&T Cargo services, which ultimately increases sales conversions.

The findings also show that the effectiveness of online advertising is highly dependent on the quality of content and personalization strategy. According to Kotler and Keller (2016), advertisements designed with messages that are in line with the needs and preferences of the audience have a higher chance of success. In the context of J&T Cargo, visual content that emphasizes the speed and efficiency of service has been shown to attract the interest of small and medium business (SME) customers, which is one of the company's main market segments. This approach is also supported by field data showing that 60% of J&T Cargo's new customers during the digital campaign period came from the SME sector.

However, optimizing online advertising also faces challenges, especially in terms of market competition and the dynamics of digital platform algorithms. Chaffey's study (2019) noted that changes in advertising platform algorithms often affect content visibility, which can impact campaign effectiveness. To overcome this challenge, J&T Cargo began integrating an omnichannel marketing strategy by combining online advertising and traditional approaches such as community-based marketing. This step allows the company to create more consistent communication and strengthen relationships with customers.

The results of this study emphasize the importance of careful and data-based planning in implementing online advertising strategies. In addition to supporting brand awareness, expanding market share, and increasing profitability, online advertising also has the potential to be a strategic tool to create competitive advantage amidst increasingly tight competition in the logistics industry. By optimally utilizing technology and data, J&T Cargo has a great opportunity to continue to grow in the digital era.

The implementation of the right online advertising strategy has been proven to be able to strengthen J&T Cargo's brand awareness, as supported by research results and expert opinions. Kotler and Keller (2016) emphasized that advertisements designed to convey consistent and relevant messages can create strong brand recognition in the minds of consumers. In the case of J&T Cargo, a campaign that emphasized the speed and efficiency of service managed to significantly increase brand recognition. This is in line with the findings of Nurhayati (2021), which shows that the use of social media as an advertising platform can increase brand awareness by up to 40%. This strategy is important in the digital era, where competition between companies increasingly depends on how effectively a brand can be recognized by the market.

In the context of expanding market share, the results of this study indicate that data-based targeting algorithms from platforms such as Google Ads play an important role in reaching a wider market segment. According to Chaffey (2019), the

ability of technology to target consumers based on their preferences and behavior provides a great opportunity for companies to increase the number of customers. This is reflected in J&T Cargo's strategy which has succeeded in reaching new customers, especially from the small and medium business (SME) segment. Putra's study (2020) also supports this finding, showing that personally designed digital advertising can increase the number of customers by up to 25%, especially in sectors that were previously difficult to reach.

The company's profitability also significantly increased thanks to the optimization of online advertising strategies. Gunawan (2022) stated that effective digital advertising can reduce marketing costs by up to 20% while increasing customer conversions. In the case of J&T Cargo, an 18% increase in profitability shows that efficient digital campaigns can have a direct impact on the company's revenue. In addition, Strauss and Frost (2016) explained that interactive features in online advertising, such as "click to order," can encourage direct consumer action, speed up the transaction process, and increase operational cost efficiency.

It is important to note that the success of online advertising depends not only on the platform used but also on the quality of the content delivered. Kotler and Armstrong (2020) emphasize the importance of engaging and relevant messages to maximize audience attention. In the case of J&T Cargo, visual content designed with a focus on service speed and delivery efficiency is one of the main factors that attracts new customers. This is in line with Fill's opinion (2019), which states that strong visual elements in online advertising can increase appeal by up to 60%, especially on social media-based platforms.

However, online advertising strategies also face several challenges, especially related to market competition and changes in digital platform algorithms. Chaffey (2019) reminds us that dynamic algorithms can affect content visibility, so companies need to adapt to these changes. In the context of J&T Cargo, the integration of an omnichannel strategy is a solution to create more consistent communication, both through online platforms and traditional approaches such as community-based marketing. This approach allows companies to build closer relationships with customers while maintaining a presence in the digital world.

In addition, the use of data and analytics is key to increasing the effectiveness of online advertising. According to Evans (2020), data-based decision making allows companies to better understand consumer behavior and design more effective strategies. This is evident in J&T Cargo's ability to identify customer preferences and tailor advertising content to their needs. This approach not only increases sales conversions but also strengthens customer loyalty.

From the perspective of digital marketing theory, these findings support the concept of customer-centric marketing, which places customer needs at the heart of every marketing strategy. As explained by Kotler and Keller (2016), companies that are able to utilize technology to meet customer needs will have a greater chance of creating a competitive advantage. In this case, J&T Cargo has shown good

adaptability in integrating digital technology with customer-oriented marketing strategies.

Overall, this discussion shows that optimizing online advertising has a significant impact on J&T Cargo's business performance. In addition to supporting brand awareness and expanding market share, this strategy has also succeeded in increasing the company's profitability. To achieve sustainable success, J&T Cargo needs to continue to innovate in designing advertising strategies that are data-based, relevant to market needs, and responsive to technological changes. With this step, the company can maintain its competitiveness in the increasingly competitive logistics industry.

D. CONCLUSION

This study concludes that optimizing online advertising strategies has a significant role in improving J&T Cargo's business performance and profitability. Through the implementation of effective digital advertising, the company has succeeded in strengthening brand awareness, expanding market share, and increasing profitability. Consumer-centric strategies with a data-driven approach, such as the use of targeting algorithms and relevant visual content, have proven to be able to attract a wider audience and drive sales conversions. In addition, the integration of interactive features in online advertising accelerates the transaction process, improves operational efficiency, and supports the company's business growth.

However, to maintain sustainable success, J&T Cargo needs to anticipate challenges such as the dynamics of digital platform algorithms and increasingly tight market competition. By continuing to innovate in creating quality content, utilizing data analytics, and integrating omnichannel marketing strategies, the company can maintain its competitiveness in the competitive logistics industry. This finding also strengthens existing literature on the importance of online advertising as a strategic instrument to support business growth in the digital era.

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