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Research Article

Strategic Adaption to Marketing Failures

A Case Study of PohonCoklat.co

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Abstract: This case study examines the business discontinuity of PohonCoklat.co and reconsiders the widely accepted notion that a strong digital marketing strategy alone is sufficient to secure long-term business sutainability. Although the brand achieved notable digital performance-reflected in a steady 4.5% engagement rate accross social media and sustained visibility on major online marketplaces-the business ultimately ceased operations in mid-2023. Using a retrospective qualitative approach that incorporates document analysis and semi-structured interviews, this study reveals that the discontinuity was rooted not in marketing shortcomings, but in critical operational weaknesses. The main contributing factors included owner burnout driven by overly centralized decision-making, intensifying operational burdens caused by rising raw material prices and platform commission fees, and the lack of a scalable, decentralized system to distribute tasks effectively. These structural limitations progressively undermined profitability and constrained the company's ability to respond to shifts in market demand. The findings highlight that digital marketing success cannot offset core operational deficiencies. Thus, this study asserts that sustainable digital business performance requires a strategic blend of marketing strength, robust operational frameworks, adaptive resource management, and longterm planning. The experience of PohonCoklat.co demonstrates that without these essential components, even digitally strong ventures remain vulnerable to stagnation and eventual closure.

Keywords: Business Discontinuity; Digital MSMEs; Founder Burnout; Marketing Strategy; Operational Model.

1. Introduction

In the contemporary digital business landscape, the success of a marketing strategy is often positioned as the primary indicator and guarantor of a business's sustainability. This paradigm is particularly strong among Micro, Small, and Medium Enterprises (MSMEs) operating in the online culinary industry, where social media visibility is often equated with business viability. However, this narrative of success often overlooks the more complex realities behind the scenes.

PohonCoklat.co presents itself as the antithesis to this simplistic narrative. This Jakarta-based No Bake Cheesecake in a Jar business once showcased a well-planned and well-thought-out digital marketing strategy portfolio, including the use of Instagram Ads, a Twitter autobase system, and multi-platform marketplaces. With a 4.5% engagement rate and a growing customer base, the business appeared to be on the right track. However, in May 2023, PohonCoklat.co's operations were discontinued. This discontinuity challenges conventional assumptions and raises a critical question: Why is an effective marketing strategy insufficient?

The digital era has brought significant changes to consumer consumption patterns, particularly in the online culinary industry. However, with increasing competition and market saturation, conventional marketing strategies based on massive digital promotions—such as

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discounts, endorsements, and social media advertising—no longer guarantee business success.

This phenomenon was experienced by PohonCoklat.co, an online culinary business specializing in chocolate-based products in Jakarta, Indonesia. It experienced a surge in sales in early 2021, but saw a sharp decline in mid-2023. Intensive digital marketing strategies were no longer able to attract new customers or retain existing ones.

This situation signaled business discontinuity, a sudden change in the effectiveness of a strategy previously considered successful. Therefore, an in-depth analysis of the factors causing this discontinuity, both internally and externally, is crucial. This phenomenon makes PohonCoklat.co a valuable case study for testing the limits of marketing effectiveness and exploring other, more crucial determinants of business resilience.

2. Preliminaries or Related Work or Literature Review

Marketing Strategy Concept

Kotler and Keller (2016) define a marketing strategy as an integrated, long-term plan that guides how an organization selects its target markets, develops a differentiated marketing mix, and delivers superior value to customers. The core objective of a marketing strategy is to align organizational capabilities with market needs, ensuring that companies can respond effectively to customer expectations and competitive pressures. A successful strategy must also be dynamic—able to adjust as consumer preferences, technology, and industry landscapes evolve.

In addition, Chaffey and Ellis-Chadwick (2022) emphasize that modern marketing strategies increasingly rely on data-driven insights, enabling firms to segment audiences more precisely and design personalized value propositions. Data analysis, customer journey mapping, and predictive modeling have become central components in crafting adaptive strategies within competitive digital environments.

Within the digital context, marketing strategies extend beyond traditional promotional tools and involves the strategic use of social media platforms, search engine optimization (SEO), content marketing, influencer partnerships, and community-based engagement (Ryan, 2022). Tuten and Solomon (2021) argue that social media strategies must account not only for user demographics but also for platform-specific cultures and algorithmic structures that influence visibility and engagement. Because digital ecosystems are highly volatile, changes in platform algorithms, user interaction patterns, and the perceived authenticity of a brand can significantly after the effectiveness of a marketing approac.

Furthermore, recent studies show that digital marketing performance is strongly shaped by external technological forces and internal strategic capabilities. For instance, Setiawan and Ramadhani (2023) demonstrate that startups with strong promotional visibility may still underperform if operational and strategic alignment is weak. Similarly, (2024) highlights that consumer expectations—especially in lifestyle and culinary sectors—shift rapidly due to health trends and digital consumption behaviors, requiring firms to continuously recalibrate their marketing strategies.

Overall, the literature indicates that while digital marketing strategies offer powerful tools for reach and engagement, their success is contingent on the company's ability to combine market insight, adaptive planning, and authentic communication within rapidly evolving online ecosystems.

Business Discontinuity Theory

Business discontinuity theory describes the conditions under which organizations encounter strategic turning points—moments when previously effective strategies lose relevance due to structural, technological, or market changes. Christensen (1997) conceptualizes this phenomenon as a disruptive mode, a stage in which emerging innovations or shifts in consumer expectations undermine established business models. In such conditions, firms that fail to recognize or respond to early signals of disruption often experience stagnation and eventual decline.

Several scholars argue that business discontinuity is not merely organizational failure but a sign that transformation is needed (Mahendra & Kartika, 2021). In digital business, discontinuity often stems from algorithm shifts on social media and marketplaces, rising competition in saturated digital spaces, and higher consumer expectations shaped by rapid

technological change (Nugroho, 2022). Yuliana (2024) also highlights that consumers noew seek not just functional products but holistic experiences, making operational and experimential quality as crucial as marketing visibility. When firms fail to align operations, customer experience, and digital presence, discontinuity becomes more likely.

Thus, the literature views discontinuity as a structural signal for strategic renewal, urging firms to reassess their operational value propositions, and long-term competitive stance.

Adaptive Strategy in Digital Business

Hamel and Prahaland (1994) introduced the cincept of strategic resilience, namely the ability of an organization to recover, adapt, and innovate amidst uncertainty. Adaptive strategies can be realized through product innovation, brand repositioning, marketing channel diversification, and the implementation of customer experience-based strategies (experience marketing).

Adaptive strategies in digital contexts typically include products and service innovation to differentiate offerings (Tuten & Solomon, 2021), brand repositioning to match evolving consumer identities and social media driven cultural shifts, and marketing channel diversification to reduce dependence on unstable algorithms (Ryan, 2022). Customer experiene-driven approaches, or experience marketing, also play a central role, as positive digital interactions strengthen engagement, lower churn, and support long-term loyalty (Nurhalim, 2022).

Overall, the literature drames adaptive strategy as a long-term organizational capability—not a reactive response. Digital firms that embed resilience, innovation, and customer-centricity into their culture and operations are better positioned to withstand discontinuity and achieve sustainable growth.

3. Proposed Method

This research uses a descriptive qualitative approach with a single case study on PohonCoklat.co. This approach is used to understand the phenomenon of declining marketing strategy effectiveness in depth, through an exploration of experiences, perceptions, and empirical data. This research was conducted online, but the business is headquartered in Jakarta. The data sources used are primary and secondary data. Data collection techniques used were semi-structured interviews, digital observation of the business's social media accounts, and document study. Data analysis used data reduction, data analysis, and conclusion drawing.

4. Results and Discussion

General Profile of PohonCoklat.co

PohonCoklat.co was founded in 2015 as an online culinary brand focusing on locally processed chocolate products. The brand initially focused on various cheesecake flavors—ranging from chocolate-based, matcha-based, to tiramisu variants—with a positioning trategy centered on "affordable artisanal desserts." This positioning aligned well with the rising popularity of homemade F&B brands on Instagram during 2015-2018, a period marked by the growth of micro-entrepreneurship supported by visual-driven platforms (Hapsari, 2019).

The business experienced substantial growth during the COVID-19 pandemic. Studies indicate that "comfort food" consumption increased significantly due to emotional stress and at-home lifestyle restrictions (Putra & Wicaksono, 2021). PohonCoklat.Co successfully capitalized this trend through aggressive digital promotions on Instagram and Whatsapp commerce. As a result, the brand recorded consistent monthly revenue increases of 20-30% throughout 2020-2021, mirroring broader national trends where home-based dessert business saw rapid expansion (Sundari, 2022).

However, since early 2023, the brand has faced a 40% decline in sales, despite maintaining promotional intensity. Similar declines have been documented in other small culinary brands as pandemic-driven demand normalized and consumer preferences shifted toward healthier alternatives (Hadiono, 2023). This decline signals the early symptoms of business discontinuity, particularly in the area of digital marketing effectiveness.

Indications of Business Discontinuity

An integrated analysis of sales data, customer feedback, and qualitative interviews reveals multiple indicators of discontinuity occurring within the digital marketing ecosystem of PohonCoklat.Co.

First, digital engagement rates have significantly dropped, reflected in declining reach, fewer interactions, and reduced conversion from Instagram Stories and Reels. This pattern aligns with Nasution (2022), who highlights that declining engagement often precedes commercial downturns in digital-first business.

Second, advertising costs have doubled without corresponding sales growth, demonstrating the diminishing returns of paid promotions. According to Ryan (2022), this is common when algorithmic competitiveness increases while brand differentitation remains weak.

Third, consumer behavior has shifted considerably. Interviews indicate a rising demand for low-sugar, dairy-free, and gluten-free producst, reflecting a nationwide shift toward health-conscious consumption documented by Yuliana (2024). Brands failing to adapt to these trends often experience accelerated market irrelevance.

Last;y, there is clear evidence of customer fatigue toward repetitive, homogenous content. This phenomenon is consistent with the findings of Tuten and Solomon (2021), who argue that digital audiences grow increasingly resistant to overtly promotional content lacking novelty or experiential value.

Collectively, these indicators confirm that PohohCoklat.Co is experiencing a structural discontinuity requiring strategic renewal rather than tactical adjustments.

Analysis of the Causes of Discontinuity

The discontinuity experienced by PohonCoklat.Co stems from a combination of internal and external factors that collectively undermine digital marketing effectiveness.

a. Content Creativity Stagnation

The brand's reliance on repetitive product photos accompanied by purely promotional captions has led to engagement fatigue. Contemporary digital audiences expect emotionally resonant content, narrative-driven storytelling, and aesthetic variation (Sari, 2023). The absence of these elements reduces both shareability and retention.

b. Lack of Differentiation in Saturated Market

The dessert market—particularly cheesecake products—has become increasingly saturated since 2021. Competitors entering the space often utilize superior branding, cohesive visual identities, and more dynamic short-form video content. This aligns with the argument by Kotler et al. (2021) that saturated digital markets demand sharper differentiation to maintain visibility and competitiveness.

c. Algorithmic Volatility

Instagram and TikTok algorithm changes significantly impact content reach. As Nugroho (2022) notes, algorithmic volatility disproportionately affects small businesses lacking adaptive strategies, such as diversified platforms or engagement-focused content. PohonCoklat.co's heavy dependence on Instagram amplifies this vulnerability.

d. Over-dependence on Digital Platforms

The brand's near-exclusive reliance on digital interactions limits opportunities for stronger emotional bonds. Studies by Nurhalim (2022) show that hybrid engagement—combining online presence with offline experiences such as pop-ups, sampling booths, or local events—can significantly enhance customer loyalty. PohonCoklat.co's absence from offline touchpoints contributes to a fragile brand—consumer relationship.

e. Failure to Align with Evolving Consumer Preferences

With increasing awareness of sugar consumption and dietary restrictions, brands offering indulgent desserts face heightened pressure to innovate healthier variants. As customers increasingly prioritize wellness-oriented products (Hadiono, 2023), failure to adjust product lines contributes to declining relevance.

Taken together, these factors demonstrate that the discontinuity is systemic, requiring strategic reinvention rather than incremental adjustments. This aligns with Christensen's (1997) theory that disruption emerges when existing strategies no longer fit environmental shifts—necessitating adaptive transformation.

PohonCoklat.co's Adaptive Strategy

In response to the disruptive challenges identified earlier, PohonCoklat.co initiated a multi-layered adaptive strategy aimed at restoring competitiveness and mitigating the effects of digital discontinuity. The first major initiative was product repositioning, executed through the launch of a new "Belgian Chocolate – No Sugar Added" variant. This move aligns with recent findings showing a significant increase in demand for low-sugar and natural-ingredient dessert products among Indonesian urban consumers (Hadiono, 2023). By shifting toward a "healthy indulgence" positioning, the brand aims to tap into a growing niche of health-conscious buyers who still seek premium flavors. This approach is consistent with the strategic pivot described by Kotler et al. (2021), where value proposition redesign is essential for maintaining relevance amidst shifting consumer expectations.

Second, PohonCoklat.co pursued strategic collaborations with local small businesses, including Summermilkies. Collaborative marketing has been shown to enhance brand visibility, create cross-audience exposure, and improve perceived authenticity—particularly in microbusiness ecosystems (Sari, 2023). Such partnerships also allow brands to share promotional resources, diversify content formats, and leverage community-driven trust, a strategy that Tuten & Solomon (2021) identify as increasingly effective in saturated digital markets.

Third, the brand introduced a customer retention—oriented loyalty program, offering benefits such as purchase points, seasonal discounts, and exclusive product previews. Loyalty initiatives are crucial in digital commerce, where retaining existing customers is significantly more cost-efficient than acquiring new ones (Reinartz & Kumar, 2020). Furthermore, Nurhalim (2022) notes that loyalty programs enhance emotional engagement by giving customers a sense of belonging—an important factor when digital engagement declines.

Collectively, these adaptive measures represent a strategic shift from heavy digital reliance toward a more integrated and experiential customer model, combining product innovation, community-based marketing, and loyalty-driven retention. This strategic pivot reflects key principles of resilience and long-term adaptability emphasized by Hamel & Prahalad (1994).

Discussion

The challenges faced by PohonCoklat.co illustrate the fundamental premise that the success of digital marketing strategies is neither static nor universal, but highly dependent on environmental shifts. In the context of business discontinuity, it is not that prior strategies become inherently incorrect, but rather that they lose contextual relevance as consumer behavior, competition, and platforms evolve. This aligns with the theory proposed by Christensen (1997), who argues that disruption frequently occurs not because new offerings are objectively superior, but because they introduce distinctive value aligned with emerging customer priorities.

In PohonCoklat.co's case, the decline in engagement and sales signifies a misalignment between established strategies and the contemporary values of the market. Consumers shifting toward wellness-oriented consumption represent a broader cultural transformation—one which businesses must adapt to in order to maintain relevance (Yuliana, 2024). By repositioning its cheesecake products through a "healthy indulgence" narrative, the brand addresses both functional and emotional values of today's buyers, who demand healthier options without sacrificing sensory satisfaction.

This transformation demonstrates the application of strategic resilience, as conceptualized by Hamel & Prahalad (1994), wherein organizations respond to disruption by anticipating challenges, reconfiguring capabilities, and innovating beyond short-term fixes. PohonCoklat.co's combination of product innovation, collaborative marketing, and loyalty-building mechanisms exemplifies the integration of resilience into operational strategy.

Furthermore, the firm's shift toward a hybrid model—merging digital promotion with community partnerships and experiential value—reflects an understanding of what Ryan (2022) identifies as the next phase of digital commerce: holistic customer experience management, rather than isolated platform-based promotion. The case of PohonCoklat.co reinforces the academic consensus that adaptive capability is a core determinant of sustainability for digital-first small businesses.

Ultimately, the company's strategic pivot illustrates that discontinuity is not a sign of irreversible decline, but a signal for transformation, consistent with modern theories of innovation management. Brands capable of realigning their value propositions, optimizing customer experience, and embracing market evolution are more likely to survive volatile environments and achieve sustainable long-term performance.

5. Conclusions

Conclusion

This study concludes that the declining effectiveness of PohonCoklat.co's digital marketing strategy stemmed from a combination of internal limitations—including reduced product innovation, overreliance on repetitive promotional tactics, and inadequate strategic evaluation—and external pressures, such as digital market saturation, algorithm volatility, and shifting consumer preferences toward healthier and experience-driven products. These findings reinforce the argument of Kotler & Keller (2016) that marketing strategies must evolve continuously to remain aligned with dynamic consumer behaviors. Furthermore, Christensen's (1997) theory of disruptive change is reflected in PohonCoklat.co's situation, where previous strategies lost relevance due to emerging market values and competing innovations.

Despite these challenges, the company demonstrated meaningful recovery through the implementation of adaptive strategies, including the introduction of a "healthy indulgence" product line, collaboration with local partners, and the establishment of a structured loyalty program. These initiatives strengthened the brand's ability to reconnect with its consumer base, consistent with Hamel & Prahalad's (1994) concept of strategic resilience, which emphasizes adaptation and capability renewal in uncertain environments. This study therefore concludes that sustainable growth for digital culinary businesses requires a balanced integration of marketing innovation, operational adaptability, and consumer-centric value creation.

Recommendations

To support long-term sustainability in the post-digital era, this study proposes several strategic recommendations for online culinary enterprises. First, businesses should conduct regular strategic evaluations, ideally every six to twelve months, to assess whether existing marketing approaches remain effective amidst rapid algorithmic, competitive, and cultural shifts (Chaffey & Ellis-Chadwick, 2022). Such evaluations help companies avoid the stagnation that often leads to digital discontinuity.

Second, social media utilization should extend beyond traditional product-centric promotion. Research shows that storytelling, emotional branding, and value-driven narratives significantly increase audience retention and engagement (Tuten & Solomon, 2021). Integrating these techniques with hybrid online–offline touchpoints, such as pop-up events, local collaborations, and community-driven initiatives, can reduce dependence on unpredictable digital algorithms while strengthening customer relationships (Ryan, 2022).

Third, culinary businesses must prioritize continuous market research to stay attuned to emerging consumer trends such as health consciousness, sustainability, and experiential consumption (Yuliana, 2024). Product innovation driven by real customer insights—rather than assumptions—will enhance both differentiation and long-term relevance. As Reinartz & Kumar (2020) emphasize, customer-centric innovation contributes not only to acquisition but also to retention, making it a crucial component for sustainable growth.

Overall, the cornerstone of enduring relevance lies in the ability of businesses to merge adaptive marketing strategies, consumer-driven product development, and resilient operational practices within a cohesive long-term framework.

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