

Hyper-Local Marketing Strategy in Communicating the Benefits of Local Community Products

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Abstract. This research aims to analyze the implementation of hyper-local marketing strategies carried out by local communities in communicating the advantages and added value of their products. In the midst of increasingly massive market competition, marketing approaches based on specific geographic areas are considered capable of building emotional closeness with local consumers. Using qualitative descriptive methods, data collection was carried out through observation, in-depth interviews with community administrators, and analysis of the use of location-based digital platforms. The research results show that optimizing hyper-local marketing does not depend on financial capital or complicated technological algorithms, but rather relies on the synergy of three main pillars which include spatial digital accessibility, narrative authenticity of local wisdom through storytelling techniques, and strengthening communal social ties through instant messaging applications for residents and local events. Limiting the target market to a micro geographic radius has proven effective in triggering an exponential word-of-mouth marketing effect and building regional economic resilience from the grassroots level. This research concludes that strengthening social capital-based connections between local communities and the surrounding community is the key to the success of the micro-scale marketing model.

Keywords: *Hyper-Local Marketing, Local Community, Product Excellence, Digital Marketing, Community Engagement.*

A. INTRODUCTION

The development of information technology and globalization has massively transformed the business landscape, creating a borderless yet highly competitive market. On the one hand, digitalization provides opportunities for producers to easily reach consumers across borders. On the other hand, the influx of mass-produced products flooding domestic markets often stifles the presence of small-scale products produced by local communities (Wibowo, 2024). Facing this aggressive global market penetration, micro-enterprises and local communities are required to go beyond simply following the general flow of marketing. Instead, a new awareness has emerged that the key to winning the competition lies in targeting highly specific, relevant, and geographically close market segments through measured marketing localization strategies (Masbullah & Bahri, 2024).

Local communities play a crucial role as the foundation and primary driver of national economic stability, particularly in developing countries like Indonesia. By utilizing local resources and absorbing labor from their operational areas, these communities are able to create economic independence that is resilient to global crises (Wahib & Susanto, 2024). The presence of community-based products not only represents an economic commodity but also conveys the cultural identity, traditions, and noble values inherent in the region. Therefore, strengthening the economic sustainability of these communities is no longer a sectoral economic issue, but rather a national urgency to maintain economic resilience from the grassroots to the macro scale (Lase et al., 2024).

Despite their high economic potential and cultural value, local community products often face significant barriers in terms of visibility and marketing communications. Many high-quality products produced by local communities fail to survive in the market due to the producers' inability to effectively communicate their product's advantages to potential

consumers (Wahid & Rizki, 2018). Limited capital, a lack of understanding of modern marketing technology, and a reliance on conventional methods create a wide information gap between producers and potential markets. As a result, even communities surrounding production areas are often unaware of the existence, function, or superior value of products produced by their neighbors or communities within their own neighborhoods (Susanti et al., 2018).

To bridge this gap, a contemporary marketing approach known as hyper-local marketing has emerged. This strategy is an evolution of location-based marketing, which focuses all promotional efforts on a very narrow and specific geographic area, such as a residential area, sub-district, or specific community (Baines, 2012). Unlike macromarketing, which uses universal messages, hyper-local marketing utilizes spatial data, local SEO, and social media to present highly contextual and personalized messages to audiences within a certain radius of the production center. This approach assumes that modern consumers have a strong psychological tendency to support and consume products that are close to their homes (De Chabert-Rios & Deale, 2018).

The implementation of hyper-local marketing offers local communities a significant comparative advantage in building strong brand loyalty. By focusing marketing energy and budgets on a limited area, promotional cost efficiency can be drastically improved, while minimizing audience wastage (Singh & Keating, 2018). Beyond mere cost efficiency, this strategy enables more intensive and authentic two-way interactions between local producers and consumers. This physical proximity simplifies distribution and after-sales service, and accelerates the development of a sense of community, a key foundation for long-term customer retention (Jati, 2021).

The primary strength of local community products lies in their authentic narrative and local wisdom, which cannot be replicated by large-scale manufacturing industries. Through hyper-local marketing, product excellence is no longer communicated rigidly through functional attributes or low prices alone, but rather is wrapped in a story about the manufacturing process, local community involvement, and the resulting social impact (Jayanti, 2021). This local narrative-based communication strategy (storytelling) has proven highly effective in raising consumer ethical awareness and encouraging them to engage in "shopping for their neighbors." Thus, marketing communications are no longer perceived as forced advertising, but rather as a collaborative invitation to build shared regional prosperity (Murinska, 2019).

Despite the rapid growth of literature on digital marketing and consumer behavior, comprehensive studies specifically examining the implementation of hyper-local marketing within the context of local community ecosystems remain limited. Most previous research tends to focus on the implementation of location-based strategies by large-scale modern retail companies, multinational franchises, or the luxury hotel industry. There remains an academic gap regarding how local communities, despite their structural and financial limitations, are able to independently adopt hyper-local marketing elements to maintain the existence of their products. This research aims to fill this gap by analyzing the communication mechanisms of product superiority at a micro-geographic level.

B. METHOD

This research uses a qualitative descriptive approach with a case study design to in-depth explore the implementation of hyper-local marketing strategies in local communities. The qualitative approach was chosen based on the need to understand marketing communication phenomena in their natural context and focused on interpreting the meaning behind interactions between local producers and consumers. Research informants were

selected using a purposive sampling technique, with the primary criteria being the community's core management responsible for marketing, micro-business members within the community, and consumers residing within the geographic radius of the target market. The research location was specifically determined within the operational areas of selected communities that have implemented location-based marketing elements to ensure that the data obtained is contextual and relevant to the research objectives.

Data collection was conducted through three main techniques: in-depth interviews, participant observation of digital and physical promotional activities, and documentation studies related to product communication materials. All collected data was then analyzed using the Miles and Huberman interactive model, which includes data reduction, data display, and conclusion drawing or verification. To ensure the validity of the data found in the field, this study employed source and method triangulation techniques, comparing the results of interviews between informants and matching them with the results of direct observations and promotional documents used. Through this series of methodologies, the study is expected to produce a complete, objective, and systematic picture of the effectiveness of communication of product superiority based on region.

C. RESULT AND DISCUSSION

This research focuses on a community of local entrepreneurs operating in the creative industry and food processing sector, based on local wisdom, in Bojongsoang District, Bandung Regency. This community collectively produces commodities utilizing locally sourced raw materials, employing a workforce entirely drawn from the surrounding community. The resulting products possess a strong intrinsic uniqueness, with the production process maintaining traditional methods combined with modern hygienic standards. Through its community-based organizational structure, this community serves as a collective platform to ensure product quality standards, social capital, and joint marketing aggregation. Strong communal ties within the organization are crucial for implementing marketing strategies focused on the immediate geographic area.

Field findings indicate that this community applies very specific geographic boundaries to determine its primary market penetration areas. The target area is no longer defined on a broad administrative scale, such as a province or island, but rather narrowed to a 3- to 5-kilometer radius from the production center, encompassing several densely populated residential areas and local public activity centers. This micro-zoning determination is based on an analysis of logistical accessibility, the demographic characteristics of the surrounding community, and the daily mobility levels of potential consumers. By mapping the target area at a micro level, the community is able to identify pockets of potential consumers with the highest probability of engaging in direct physical interaction. This mapping step provides a crucial initial foundation before all hyper-local marketing tools are deployed in the field.

One of the most prominent findings of this study is the utilization of location-based digital tools, specifically the optimization of Local SEO. The community actively registers and manages the coordinates of each business unit through the Google Maps platform and optimizes their digital business profiles. The information presented includes product names containing local geographic elements, accurate operating hours, complete addresses, and regularly updated product catalogs. When people in the surrounding area conduct digital searches using common keywords, search engine algorithms automatically recommend this community's products on the first page due to proximity. This micro-scale digital tactic has proven highly effective in attracting organic consumers who are in urgent need of these products in their local area.

In addition to relying on search engines, this local community also utilizes geotagging features on social media platforms like Instagram and TikTok. Every uploaded visual content, whether it's a production process or a customer testimonial, is always accompanied by a specific location or neighborhood name. Hashtags are also modified to include the name of a local sub-district or town to target local search algorithms. This strategy successfully builds high digital visibility among social media users residing in the same area. By utilizing this location feature, promotional content produced at minimal cost still reaches a relevant audience without having to compete with content from national corporations.

In more personal communication channels, the use of instant messaging apps like WhatsApp Business has become a key pillar in maintaining daily interactions with local consumers. Communities utilize the WhatsApp Status feature to update daily product availability in real-time, which can be responded to immediately by neighbors or local residents. Furthermore, integration into WhatsApp groups within neighborhood associations (RT), community associations (RW), and local hobby communities has become a highly effective information distribution channel. Through these channels, marketing communications blend into casual, communal conversations, reducing consumer resistance to commercial advertising messages. This approach changes the function of instant messaging applications from mere communication tools to highly efficient direct sales channels.

The intrinsic advantages of community products are articulated in depth through storytelling techniques that highlight local wisdom. Marketing messages no longer focus strictly on the functional advantages of the product, but rather on the historical background of the raw materials, the philosophy behind the manufacturing process, and the profiles of the local artisans involved. The narrative consistently emphasizes that every product purchase represents a tangible contribution to preserving the culture and well-being of one's neighbors. This values-based communication strategy successfully engages consumers emotionally, enabling them to see the product beyond mere commodities. Community products are transformed into symbols of regional pride that represent the collective identity of the local community.

Despite a limited marketing budget, the community carefully allocates funds for paid digital advertising by utilizing geo-targeting with a narrow radius (geofencing). Through the Meta Ads platform, ads are configured to appear only on devices belonging to users physically located within a few kilometers of the community outlet. This targeting, combined with interest criteria relevant to the characteristics of the product being offered, minimizes the cost per click because ads are not wasted on audiences who live too far away to make a purchase. This tactical move demonstrates how limited financial capital can be overcome with precise spatial targeting accuracy.

Instead of working with expensive macro-scale content creators (influencers), the community chose to collaborate with respected community leaders and local activists in the area. These figures include youth community leaders, women's activists, and even local information account owners with loyal followers at the sub-district level. Recommendations from these local figures command a high level of trustworthiness in the eyes of the surrounding community due to their social proximity and shared living space. When these local figures consume and praise the quality of the community's products, the message is immediately perceived as a valid social recommendation by residents, which in turn accelerates the purchasing decision-making process.

Offline, the hyper-local marketing strategy is realized through active participation in and organization of local community events. The community regularly opens special stalls at weekend flea markets, village cultural festivals, and charity bazaars held by local schools. This consistent physical presence in public spaces serves as a means of confirming the digital

presence that has been established previously. Through these communal events, consumers are given the opportunity to sample products for free, engage in direct dialogue with producers, and see tangible evidence of product quality. This face-to-face interaction is a crucial complement to building brand intimacy that cannot be fully replaced by digital media.

Geographic proximity provides significant structural advantages for communities in establishing competitive pricing strategies without sacrificing profit margins. Because the target market is within a very close radius, transportation and delivery costs can be reduced to a minimum, often even free through a self-service delivery system operated by community members. This logistical efficiency allows communities to offer very reasonable prices, competing with mass-produced products. Furthermore, the absence of a long distribution chain means that food and beverage products reach consumers in remarkably fresh condition. This logistical advantage is then intensively communicated as one of the main added values of community products compared to large-scale competitors.

The implementation of this series of micro-marketing strategies has had a significant empirical impact on increasing brand awareness at the local level. Based on interviews with local consumers, the majority of respondents stated that they now recognize the product name and production location very well, even though the product was virtually unheard of a few years ago. This recognition is at the top-of-mind level for similar product categories in their area. This success demonstrates that market dominance does not always have to start at a national scale; strengthening brand recognition in the immediate environment has been proven to create a stable market foundation and protect against the onslaught of foreign products.

More than just brand awareness, this hyper-local marketing strategy has successfully transformed ordinary consumers into loyal customers (brand loyalists) by optimizing social capital. The relationship between producers from the local community and local consumers has evolved beyond conventional economic transactions to become a familial one. Consumers feel a moral responsibility to ensure their neighbors' businesses continue to operate and thrive. This loyalty, based on a sense of communal solidarity, has a much higher retention rate and is less easily swayed by price wars or aggressive promotional campaigns from large corporate products that lack an emotional connection to the region.

The close proximity of local social spaces triggers the phenomenon of word-of-mouth marketing, which grows exponentially among residents. When a consumer is satisfied with a community product, word of mouth spreads rapidly as they interact in social spaces, such as community gatherings, places of worship, and casual conversations at coffee shops. This horizontal information dissemination pattern is highly credible because it is based on the direct experiences of fellow residents. This phenomenon frees the community from dependence on large advertising budgets, as the community itself voluntarily acts as an active marketing agent, disseminating the product's advantages to their social networks.

Despite its numerous successes, the implementation of hyper-local marketing by this community is not without complex technical obstacles. Limited digital infrastructure and varying levels of technological literacy among community members are major obstacles to maintaining consistent management of the marketing platform. Some micro-businesses within the community still struggle to respond quickly to digital orders due to limited devices or internet network constraints. As a result, there is a gap in several cases between intensive promotions on social media and service readiness in the real world. These internal obstacles demonstrate that micro-marketing transformation requires ongoing technological capacity building for all community members.

Another strategic challenge identified in this study is the risk of market saturation due to overly narrow target areas. With a limited population at the micro-geographic level, community sales volume tends to reach saturation once all local market niches are satisfied. If

communities do not regularly innovate or diversify their offerings, local consumers will begin to experience boredom, potentially reducing repeat purchases. This finding indicates that while hyper-local strategies are highly effective in the initial stages of market penetration and base building, communities still require a long-term plan to gradually expand their geographic boundaries.

Theoretically, the success of marketing communications conducted by these local communities can be explained through the lens of contextual communication theory and proximity theory. Communication is far more effective when the message conveyed has a high degree of contextual relevance to the audience's spatial and cultural background. In this case, the hyper-local marketing strategy successfully blurs the boundaries between commercial and social messages. Consumers respond to marketing messages not as a stimulus to consumer behavior, but as a fulfillment of a social role within their local ecosystem. Geographic proximity constructs the meaning that supporting local products is part of maintaining a shared living space.

Trust in this micro-geographic marketing ecosystem is built not through rigid institutional certifications or expensive quality assurance campaigns, but through social transparency. Because production sites are located within the same neighborhood, consumers can easily verify the veracity of marketing claims made by the community, from the cleanliness of the manufacturing process to the authenticity of the raw materials. This inherent transparency fosters a level of absolute trust. In marketing communications theory, a high level of trust is the most crucial variable that can shorten the product adoption path and minimize the risk of negative perceptions that often plague new products in the wider market.

The research findings map a unique synergy model between the use of modern digital media and community-based conventional media. The community does not abandon physical promotional methods such as prominent store signs, leaflets distributed in nearby shops, or verbal announcements at community meetings. Instead, digital media is used to expand reach and expedite information updates, while conventional physical media serves as an anchor to strengthen its on-the-ground presence. This balanced combination of online and offline (O2O) on a micro scale creates an inclusive marketing communications ecosystem capable of reaching all segments of consumer generations in the region.

The successful communication of product excellence through hyper-local marketing ultimately triggers a significant multiplier effect on the local economy. Increased sales volume of community products directly increases the income of local artisans and laborers involved in the production process. Money spent by local consumers does not flow out to large corporations in the capital or abroad, but remains within the region to finance living expenses, education, and other local business sectors. This phenomenon demonstrates that region-based marketing strategies are not merely business tactics but a highly effective instrument for community economic empowerment.

Through their intimate control of the local market, these communities demonstrate a high level of resilience against economic turmoil and the pressure of low-priced imports. When macromarkets experience uncertainty due to fluctuations in global supply chains, local communities can remain stable because their raw material supply and market absorption are domestic and closely related. The loyal consumer base built through hyper-local ties serves as a protective shield, safeguarding the community's revenue from the aggressive promotion of large-scale substitute products attempting to enter their region.

This research highlights the fundamental differences between the implementation of hyper-local marketing by local communities and that of multinational retail corporations. Large corporations employ hyper-local strategies artificially, relying on the power of big data algorithms and technological automation to map residents' preferences. In contrast, local

communities implement it organically and authentically, mastering spatial and social data naturally through their daily experiences in the area. This authenticity of interaction is the community's absolute advantage, something that large corporations, no matter how sophisticated their algorithmic technology, cannot replicate.

Table 1 Synthesis Comparison

Dimensions Analysis	<i>Hyper-Local Marketing</i> Large Corporations (Previous Study)	<i>Hyper-Local Marketing</i> Local Community (Novelty of Research)
Spatial Database	Depend on <i>Big Data</i> , algorithms intelligence artificial intelligence (AI), and artificial GPS tracking.	Relying on Social Capital, closeness emotional organic, and experience life together in the area.
Communication Narrative	Focus on convenience, discounts based location, and attributes functional product.	Elevating the Narrative of Authenticity, wisdom local, <i>storytelling</i> craftsmen, and movements ethical shopping product neighbor."
Digital Channels	Specialized retail applications, advertising paid scale macro, and <i>KOL/Influencer</i> national.	Optimizing WhatsApp Business for residents, RT/RW groups, <i>Local SEO</i> , and accounts information community micro .
Offline Interaction	Standardization outlet rigid and formal transactional franchise.	Participation active in communal events (surprise markets, village festivals, residents' bazaars) which are characterized by family.
Final destination	Extraction profit for streamed return to office center (capitalization macro).	Independent Economic Circulation (<i>Multiplier Effect</i>) for welfare together at the level root grass.

Source: Processed researchers 2025

D. CONCLUSION

Based on the results of data analysis and in-depth discussion, this study concludes that the implementation of hyper-local marketing strategies by local communities has characteristics that are fundamentally different from the practices carried out by large corporations. The success of this micro-geographic marketing strategy is proven not to depend on compliance with capital-intensive technology or complex big data algorithms, but rather on the optimization of social capital, organic emotional closeness, and the utilization of shared living spaces among residents at the grassroots level. Communication of product excellence can run optimally because it is driven by the synergy of three main, integrated pillars: digital spatial accessibility through Local SEO and location tagging (geotagging), a narrative of local authenticity that touches the ethical side of consumers through storytelling of local wisdom, and strengthening communal social ties by utilizing casual communication channels such as residents' WhatsApp Business and active involvement in various village festivals. Limiting the target market to a very tight geographic radius of between 3 and 5 kilometers has proven not to weaken the business's existence, but rather to build a highly loyal and protective consumer

base against the onslaught of foreign products. This micro-communication strategy successfully generated exponential word-of-mouth marketing within the surrounding community, which in turn triggered a significant multiplier effect on the region's internal economic cycle and circulation.

Based on the findings regarding technical barriers and limited market reach encountered in the field, this study formulated several strategic recommendations, both practical and academic. For local community administrators, it is strongly recommended to conduct regular and structured digital literacy training for all members to overcome daily operational challenges. Furthermore, to anticipate the risk of market saturation due to population limitations at the micro level, communities need to plan a strategy for gradually expanding their geographic boundaries to a broader scale while maintaining the same core narrative of local wisdom. The role of local government and policymakers at the village or sub-district level is also highly anticipated in facilitating physical infrastructure, such as providing permanent exhibition spaces or holding regular communal bazaars, to strengthen the offline promotional anchor of the digital ecosystem that the community has independently built. Finally, for future researchers interested in similar studies, it is recommended to test the effectiveness of this three-pillar hyper-local marketing model using a quantitative approach such as a causal survey method or experiment, so that the sales conversion rate and the magnitude of its economic impact can be measured and verified more precisely across a wider area.

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