Marketing Channel Strategies of Drug Trafficking Rats in Indonesia

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Abstract

The dark market distribution channels for drug trafficking have become a chronic problem and a promising market in Indonesia. This circulation has reached remote villages and hamlets, regardless of individuals' identities or social statuses, making them potential quick recipients of narcotics. The National Narcotics Agency (BNN) states that preventing its distribution is more challenging than dealing with the culprits who use drugs. This research utilizes a systemic investigation method designed to understand the strategies of the dark market distribution channels for drug trafficking in Indonesia, employing a qualitative approach. For the current study, the researcher will commence the investigation in the Sumenep Regency, focusing on the location of the Sumenep Regency Penitentiary (LAPAS). The informants interviewed for the required data include detainees with drug abuse cases, former drug users and traffickers, the narcotics unit of the Sumenep Police Resort (Polres), the BNN of Sumenep Regency, and other informants believed to have knowledge about the dark market distribution channels for drugs in Indonesia. From the conducted research, it can be explained that the distribution of drug marketing does not use existing e-commerce platforms but relies on direct marketing to consumers or patients. Meanwhile, the marketing distribution extends through Surabaya, Bangkalan, Sampang, Pamekasan, and even from Kalimantan and Malaysia. As for the island regions of Banyuwangi and Bali, the distribution is also part of the marketing channels.

Keywords: Strategies, Distribution, Marketing of Narcotics

Introduction

The threat and danger of drug abuse have become global issues and pose a humanitarian threat to local, regional, national, and even international levels. This is a global phenomenon,
marketing channel strategies of drug trafficking rats in Indonesia

including in Indonesia (Herindarasti 2018). The abuse of Narcotics, Psychotropics, and Addictive Substances (NAPZA) in Indonesia is a highly concerning problem, especially among today's teenagers who are increasingly exposed to drugs. Indonesia is not only a transit and marketing area for narcotics but has also become a producer of narcotics. Narcotic abuse is a chronic problem for Indonesia, evidenced by the capture of international drug dealers in recent years, proving that the world, particularly Indonesia, is facing a drug emergency (Hariyanto 2018).

According to Law No. 22 of 1997 concerning Narcotics, narcotics are substances or drugs derived from plants or non-plants, whether synthetic or non-synthetic, that affect the loss of sensation, changes in consciousness, pain relief, and cause dependence (Darwis 2017). While narcotics have beneficial uses in medicine, scientific research, and more, the critical issue arises when they are misused, leading to fatalities. The danger of drug abuse does not discriminate based on identity, position, or lineage; anyone who uses drugs may experience physical and mental weakness. Although narcotics are legal medicines in the medical field, their misuse for pleasure and addiction can result in impaired mental faculties and decreased immune function (Riadi 2017).

The spread of drugs is nearly uncontrollable, as nearly the entire global population can easily obtain drugs from irresponsible individuals. Drug traffickers, targeting places such as schools, nightclubs, prostitution areas, and gang meeting places, contribute to the widespread distribution of drugs. This raises concerns among parents, organizations, and the government about the rampant spread of drugs. International drug syndicates intensively smuggle drugs into Indonesia, considering it a potential market, leading to a massive influx of narcotics (Simela 2015).

Drug abuse is not only about its distribution but extends to all segments of society. People from all walks of life, whether rich or poor, parents or children, have the potential to fall into drug addiction. In 2020, the National Narcotics Agency (BNN) reported the successful interception of 1.12 million tons of crystal methamphetamine (CNBC Indonesia 2020). The drug circulation in Indonesia is alarming, affecting both urban areas with dense populations and rural villages. The social environment is already susceptible to drug abuse, as evidenced by numerous cases of incarcerated individuals linked to drug abuse. The initial spread of drug abuse begins with dealers offering substances to potential victims, creating a cycle of addiction and further distribution within society (Adam, 2012).

The government acknowledges the existence of the illicit drug market, evident in the strengthened laws and regulations to prevent the extensive spread of drugs. This is reflected in the severe penalties, including the death penalty, for drug traffickers. The government, through the National Narcotics Agency (BNN), aims to eradicate drug circulation through various means such as awareness campaigns, international cooperation, law enforcement, rehabilitation communities, education, and control (Pina, 2015). Collaboration among the executive, legislative, and judicial branches is crucial in developing effective strategies to prevent the widening and intensification of the drug trade.
One downside of technological and informational advancement is that drug abusers exploit these opportunities for widespread dissemination. Handling drug users seems more feasible than preventing their spread. The government has been able to address user issues through physical and social rehabilitation. However, preventing the spread remains challenging despite massive efforts in raising awareness and conducting seminars on drug abuse dangers in educational institutions, government offices, companies, and other social organizations. The BNN emphasizes the difficulty of overcoming the drug trade in Indonesia, urging all layers of society to collaborate in curbing its spread. Lack of public awareness about the dangers of drugs is a significant concern for community well-being (Setyawan, 2019).

The Indonesian government is actively pursuing drug traffickers to prevent an increasing number of victims, which would negatively impact the nation's future. Drug addiction can lead to various health issues, including the poisoning of vital organs such as the heart, lungs, and liver, as well as the spread of diseases like HIV/AIDS. Psychosocially, drug abuse can cause mental disorders, foolish behavior, forgetfulness of religious values, legal concerns, anxiety, paranoia, depression, and contribute to criminal activities such as theft and violence (Adam, 2012). The Central Statistics Agency of the Republic of Indonesia recorded the number of drug abuse cases and harmful alcohol use from 2017 to 2019, as shown in the table below:

### Table 1. Statistical Data on Narcotics and Alcohol Abuse

<table>
<thead>
<tr>
<th>Number of Narcotics Abuse</th>
<th>Number of Adverse Drug Abuse and Alcohol Users Accessing Medical Rehabilitation Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td>9,340</td>
</tr>
</tbody>
</table>

Source: https://www.bps.go.id/

From the above data, there has been a decrease in the number of cases of illegal substance abuse, but it is possible that in the following year, the number of cases of illegal drug abuse may rise again. Therefore, there is a need for early and massive prevention strategies to curb drug abuse cases in Indonesia.

The prevention of drug circulation is a government program aimed at eradicating the illicit drug trade from 2011 until now to control and prevent the spread of the dangers of drugs (Sholihah, 2013). The issue of illicit drug circulation is not only a national problem but also a global one. Hence, the government encourages active participation from the public in combating drug abuse by preventing its spread within the smallest environment, such as the family, and other social environments. The increasing threat of widespread circulation is a shared responsibility that cannot be addressed by a single group but requires the involvement of all segments of society to emphasize the prevention of its circulation (Setiawan, 2013).

Illicit drug circulation in Indonesia contradicts the national development goal of creating a just and prosperous, peaceful, and orderly society based on the 1945 Constitution and the Pancasila Ideology (Salatun, 2019). The issue of illicit drug circulation remains a
serious problem for the government, as evidenced by confessions from correctional institutions that drugs can easily enter without much difficulty. Moreover, in some cases, inmates even become drug dealers upon release. A significant fact from penitentiary institutions (LAPAS) reveals that 50% of detainees are involved in drug abuse cases (Eleanora, 2011).

The above phenomenon is crucial for researchers to contribute to formulating strategies for handling the prevention of drug abuse circulation. Therefore, researchers are interested in analyzing the clandestine distribution, understanding how the system works, and reaching the victims of drug abuse. The expected outcome is to publish the findings in accredited journals and present them at seminars and other scientific forums.

Literature Review

Marketing Channel Strategy

The marketing channel system is a specific group of marketing channels used by a company, and decisions about this system are one of the most crucial decisions faced by management. One of the primary roles of marketing channels is to transform potential buyers into profitable customers. Marketing channels not only serve the market but also shape it. In marketing, sellers or companies often do not directly sell their goods to consumers but rather to several intermediaries first, known as marketing channels, trade channels, or distribution channels (Kotler & Keller, 2016).

The definition of marketing channels by Palmatier et al. (2014) states that channels function as gatekeepers or intermediaries between producers and end-users. Krafft et al. (2015) add that the definition of marketing channels is one of the most important elements in the value chain because almost all production results will go through it, and each intermediary in the marketing channel (distributor, wholesaler, retailer) has different distribution functions such as transportation, storage, sales, finance, and relationship development. Channels to reach this consumer segmentation often consist of two or more channels.

Kotler and Keller (2016) add that channels are also called multichannel marketing, where the company is positioned in the middle of the value network, a cooperation system created by the company to acquire, add, and deliver value from the offered products. Marketing channels play a crucial role for companies because many producers do not have the financial capability and expertise to sell directly enough to consumers.

Marketing strategy is a continuous strategy used by companies producing goods or services to continuously win market competition. Comprehensive business planning is based on marketing strategies (Mandasari, 2019). The determination of marketing strategies is used to achieve marketing goals. Marketing strategies consist of decision-making about the company's marketing costs, marketing mix, and marketing allocation. Planning marketing strategies are done by developing competitive advantages and marketing programs used to serve target markets.
Armstrong et al. (2017) state that there are two marketing systems that can be applied in an integrated marketing channel: Vertical Marketing System, which consists of producers, wholesalers, and retailers that function as an integrated system, with a sense of mutual ownership among members of the marketing channel. Horizontal Marketing System, where two or more companies operate at the same level to collaborate in pursuing new marketing opportunities.

**Black Market and Underground Marketing Channels**

The issue of drug abuse and illicit drug trafficking in various regions of Indonesia has spread to remote areas and islands, including the islands in the Sumenep Regency. Based on data from numerous drug cases that have occurred, and many that remain undisclosed, there is a growing trend of Escaping Drug Eradication. Additionally, both the quantity and quality of drug-related crimes are increasing. The black market is an economic sector involving transactions that are not usual (illegal), especially the unauthorized buying and selling of goods. The items traded may be illegal, such as weapons or illicit drugs, stolen goods, or seemingly legal goods sold covertly to avoid taxes or licensing requirements, such as untaxed cigarettes or unregistered firearms.

It is called the "black market" because transactions in the "black economy" or "black market" take place outside the law, in secrecy, beyond legal scrutiny. The black market is said to thrive when state restrictions on the production or conditions of goods and services conflict with market demand. These markets flourish during times of stringent state restrictions, such as during prohibitions or rationing. However, the black market is a normal presence in both capitalist and socialist economies. The term "black market" in English is known as illicit trade or illegal trade.

The term "black market" refers to an economic activity sector involving illegal transactions, particularly in the unauthorized buying and selling of goods. The traded items may be illegal, such as weapons or illicit drugs, stolen goods, or goods that are allegedly official but are sold covertly to evade taxes or prevailing licensing requirements in a country, such as untaxed cigarettes or unregistered firearms. From these issues, it can be categorized as a "black market" or "black economy" conducted outside the law, transacted in the "darkness," beyond legal visibility.

The underground marketing channel or "tikus" marketing channel referred to in this study is a marketing channel that is not legitimate, does not require a marketing mix that necessitates significant investment but is highly sought after by addicts and distributors. The marketing channel process is not visibly apparent, but the producers and channels within its network can reach end-users massively and systematically, even in remote villages and islands in the location first studied, Sumenep Regency.

**Research Method**

This research is a qualitative descriptive study aimed at revealing the events or facts, conditions, phenomena, variables, and circumstances that occur during the research by
Marketing Channel Strategies of Drug Trafficking Rats in Indonesia

presenting what actually happens. The sample determination method in this study uses nonprobability sampling, namely purposive sampling. The samples are taken based on certain criteria set by the researcher. The data collected in this study consist of primary and secondary data. Primary data is obtained through guided interviews with Drug Case Detainees, former drug users and dealers who have served prison sentences, along with the National Narcotics Agency (BNN) of Sumenep Regency and the Narcotics Unit of the Sumenep Police, as well as direct field observations in the form of unstructured observations. Secondary data is obtained from textbooks, data on drug users and dealers who have undergone punishment and rehabilitation, and other supporting data. The interview results are transcribed and then reduced or summarized. Observational findings are recorded in the form of researcher's notes. Sales reports for the last three years and notes from the owner are presented in a descriptive manner. Then, the collected data and information are analyzed descriptively with textbooks as a guide for analysis.

This research also employs a systematic investigative method designed to generate knowledge. The research method used by the author belongs to qualitative research, which, according to Bodgan and Taylor (1975;5) in Moleong (2007), defines qualitative methodology as a procedure that produces descriptive data in the form of written or spoken words from people and observable behaviors. Scientific research can help researchers state their findings accurately and confidently. It can assist various other organizations in implementing these solutions when they face similar problems. Scientific investigation and managerial decision-making are integral aspects of effective problem-solving (Sekaran & Bougie, 2017).

The research takes the form of descriptive research, which is conducted only to describe the condition or status of a phenomenon in a specific situation. This study aims to explore aspects related to the state of something, and it falls under the category of research that does not need to formulate hypotheses (Non Hypothesis) beforehand and is not intended to test them. Instead, the study focuses on learning as much as possible about the phenomena of the illegal drug abuse black market.

Result/Findings

Indonesia is currently facing a Narcotics Emergency, signifying that the country has a high vulnerability to drug abuse and illicit drug trafficking, requiring serious and intensive intervention. Drug abuse and the illicit drug trade are humanitarian issues causing damage across various dimensions. Moreover, this alarming emergency situation continues to escalate over time, with almost no area being free from cases of drug abuse and illegal drug trade.

This is emphasized by the Head of the National Narcotics Agency (BNN) of Sumenep Regency in an interview statement as follows:

"The narcotics emergency condition is due to narcotics in Indonesia being considered a faceless colonization, reaching our sons and daughters anytime and anywhere. This is because its target is not only parents; even small children become victims of narcotics."

465
As a result, the country incurs substantial losses, including economic and social losses, and numerous fatalities occur annually. The most significant loss from the issues of drug abuse and illicit drug trafficking is the weakening of individual character, leading to the deterioration of societal resilience, which serves as the starting point for the nation's downfall. In response to this complex situation, the Indonesian government continues to enhance and develop a comprehensive and sustainable system to address drug abuse and illicit drug trafficking by optimizing all available resources.

Drug abuse in Sumenep is even said to be approaching the red zone, as conveyed by the Head of BNN Sumenep:

"Because narcotics in Indonesia constitute the largest market in Asia for drug supply, one of them, narcotics in Sumenep Regency, is almost in the red zone, especially in the islands."

From the above interview results, it can be explained that Sumenep Regency is almost entering the red zone in the drug trade. This is due to the fact that Sumenep consists of both mainland and island regions. The island areas are considered highly strategic and safer in the drug trade in Sumenep.

This is further supported by an interview with the Head of BNN Sumenep:

"In the islands, goods from Bali and Banyuwangi use sea routes, and detection is difficult."

From what the Head of BNN Sumenep has stated regarding the drug distribution in the island areas of Sumenep, it is revealed that the distribution and trafficking of drugs not only come from Sumenep itself but also from outside Madura, such as Banyuwangi and Bali, making detection challenging due to the lack of facilities in port areas.

As for the distribution of drugs in Sumenep Regency, it often takes the form of methamphetamine. As mentioned in interviews with FWD, SWR, and IKS, the type of drug commonly consumed is methamphetamine. They describe:

"The type of drug consumed is methamphetamine, in the form of crystals like salt. The consumption method requires special tools such as glass or bottles, tubes that are then burned and inhaled. For Sumenep, the majority of the consumed drugs are methamphetamine."

Drug distribution is challenging to uncover clearly by the BNN Sumenep. This poses a challenge for law enforcement, as stated by the Head of BNN Sumenep in the following interview:

"The obstacle is when making arrests; it's challenging to get confessions from drug users who are suspects to break one part of the network. Besides, BNN faces challenges in transportation, especially in the island areas where transportation to the islands is very difficult."

From the above interview, it can be interpreted that when arrests are made, the perpetrators do not confess, making it difficult to eradicate and break the drug trafficking
network. Additionally, there are challenges in the availability of transportation owned by BNN to reach the various islands in Sumenep.

This is also confirmed by an interview with the Head of the Narcotics Unit of the Sumenep Police, who said:

"Lack of IT for investigating through android phones of users/couriers/dealers/traffickers."

Meanwhile, for the drug trade distribution in the mainland areas, it comes from Sumenep Regency and several other regencies, as stated by the Head of BNN Sumenep as follows:

"They obtain drugs from the Sokobanah network in Sampang, Pamekasan, Bangkalan, and Surabaya, and some are from Kalimantan and Malaysia."

This is also stated by FWD and IKS:

"We buy from drug dealers in Pamekasan, Sampang, and Sumenep. The largest dealer is in Sampang, so they sell drugs at the cheapest prices compared to other areas."

From the explanations of the interview results, it can be concluded that the distribution of drug marketing in Sumenep Regency does not only come from Sumenep itself but also from several other regions, even across countries. This distribution creates an international market that requires intervention not only at the district level but also internationally.

The drug trade in Sumenep, especially in the islands, occurs in several islands, including Sapeken Island, Kangean Island, and Raas Island. These islands become targets in the drug market because they are considered safer.

From the research results on drug marketing channel strategies, it can be explained that drug marketing uses conventional marketing. This is because conventional marketing, despite competing with technological advancements and digital trends, remains a strong foundation in business strategies. Conventional marketing channels combine various traditional approaches to reach the target audience, build brand awareness, and increase sales.

In running the drug business, drug dealers and traffickers have several strategies, as stated by FWD, as follows:

"The strategy used is to personally deliver it to customers or instruct trusted individuals to deliver it to customers. Additionally, sometimes customers pick up the drugs themselves at their homes."

This is also stated by SWR in the interview results:

"Direct delivery, done as a precaution because not just anyone can be trusted. Sometimes they use special tricks to deceive, such as not reusing anything worn, like clothes, bicycles, etc., used when buying/delivering drugs, which is not reused when they return home."
From the interview results, it can be concluded that drug marketing in Sumenep only uses direct marketing, which may be safer and prioritizes the principle of caution in the transaction process.

Moreover, this is strengthened by an interview with the Head of BNN Sumenep as follows:

"The distribution of drugs via direct telephone is a form of caution by traffickers to avoid easy tracking."

This is also supported by an interview with the Head of the Narcotics Unit of the Sumenep Police:

"On average, they use androids, but for communications, sometimes when captured, they have their phones secured, and when there is a password, it needs to be opened and the password released first to facilitate communication with anyone. Some also use mobile phones (non-android), and this is difficult to trace."

From the above interviews, it can be interpreted that drug transactions do not use a platform and only use direct marketing. The transaction tools used are Android phones and even regular mobile phones.

In contrast, FWD states:

"The transaction is done directly when the goods (drugs) have arrived. Even if the transaction is done by transfer, it usually uses a special ATM as a precaution."

Another perspective is provided by AL, who says:

"Taking it from the boss and delivering it to customers, delivering it to customers up to Java (Lumajang) and the largest delivering 50 grams and getting a salary of around 15,000,000 (1 gram is priced at 300,000)."

NS says:

"Directly transacting with drug dealers and picking up the goods himself from the dealer's house and on the street, directly meeting with customers, and not going through anyone to buy and sell. Directly wrapped in plastic. Usually in the Kalianget area."

YT says:

"Buying from person to person, such as from dealers to their couriers, and given to the trusted person of the dealer until using his personal truck to buy methamphetamine. Yes, with the dealers by directly taking it from their hands and putting it in cigarette packs."

DN says:

"Getting a task from a trafficker to deliver drugs, giving it wrapped in tissue and plastic bags."

SWR says:
Marketing Channel Strategies of Drug Trafficking Rats in Indonesia

"Knowing the drug marketing channel through drug dealers, who then make drug couriers a tool to market the drugs to patients/users for drug use. Essentially, from dealer to dealer, friend to friend."

From the explanations of the sources above, it can be explained that the distribution of drug marketing uses direct marketing to consumers. The use of direct marketing distribution is done as a precautionary measure, providing security for consumers and customers in their transactions. This distribution process is also carried out in various ways and efforts to avoid detection by security authorities and the general public.

Direct drug marketing is conducted because it has several important advantages. First, it provides greater control over the messages conveyed and ensures that the desired information can be clearly received. Second, personalization is crucial for building emotional relationships with customers and creating an unforgettable experience. Third, using direct marketing allows obtaining firsthand knowledge of how customers behave and adjusting their marketing strategies based on responses and prevailing circumstances.

Direct drug marketing builds a direct relationship between dealers, couriers, and consumers or customers; it is more than just a marketing strategy. Direct drug marketing remains an irreplaceable tool in an increasingly digital world to provide meaningful experiences and win customers. This is because it is considered safer and avoids suspicion from security authorities and the general public during transactions.

Conclusion

The dark market distribution channels for drug trafficking have become a chronic problem and a promising market in Indonesia. This research employs a systemic investigation method to understand the strategies of the dark market distribution channels for drug trafficking in Indonesia. The distribution of drug marketing is done directly to consumers, through Surabaya, Bangkalan, Sampang, Pamekasan, Kalimantan, and Malaysia. The island regions of Banyuwangi and Bali also serve as marketing channels. Drug abuse is a chronic problem for Indonesia and is challenging to overcome. The government, through the National Narcotics Agency (BNN), strives to eradicate the illicit drug trade by involving all layers of society. Handling the issue is more difficult than prevention, despite efforts such as public awareness campaigns and seminars on the dangers of drug abuse. This research aims to disrupt the circulation of drug abuse by revealing the strategies of the dark market distribution channels for drug trafficking in Indonesia.

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