

Distribution Strategy Analysis to Increase Sales Excellence at PT Bintang Sidoraya

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ABSTRACT

This study aims to conduct an analysis related to distribution strategies to increase sales excellence at PT Bintang Sidoraya. This study uses a qualitative approach in the form of interviews, observations, and documentation as the primary data collection. The analysis used in research is in the form of case studies that aim to explore real life, contemporary limited systems, or various limited systems. The results of the analysis show that the application of STP by utilizing various advantages and can also reduce existing weaknesses produces competitive advantages, as well as the application of 4P (product, price, promotion, and place) through providing good product quality, providing affordable prices, promoting through pamphlets, banners, and WOM (word-of-mouth marketing), and placing supermarkets as points of sale to customers connected by salesperson, administration manager, and warehouse manager.

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1. INTRODUCTION

Marketing is a social and managerial process that enables individuals and groups to obtain what they need and want through the creation and reciprocal exchange of products and value with others. The world of marketing is dynamic and covers a very wide area. Marketing is considered more of an art than a science [1]. According to [2], Marketing is a process by which companies build value for customers and create strong relationships with customers for the purpose of getting value from customers in return. From this definition it can be concluded that marketing includes the company's efforts to gain customer trust in choosing its products by identifying the products that consumers need, determining the price of the product, determining how to promote the product to be sold and where to sell the product. In various business ventures that are currently developing, whether producing goods or services, the role of marketing is very important because it is one of the key factors determining business success [3]. Marketing is an interconnected activity as a system to generate profits for the company being run. Developing the right marketing strategy over time requires discipline, flexibility, and persistence. Marketing also needs to continually improve strategies for different products and services within a company organization. Marketing that meets consumer needs and desires is the essence of marketing [4]. The goal of all businesses is to provide value to their customers to make a profit [5].

PT. Bintang Sidoraya is a closed company, founded on September 1 1981, PT. Bintang Sidoraya was founded in 1981 by Bambang Rahmadi who was the founder and first owner. The inconvenience of selling Bintang Beer as an alcoholic beer and the main product of PT. Bintang Sidoraya, made Bambang Rahmadi own PT. Sidoraya's star was not around for long. The ups and downs in sales also influence PT ownership. This Sidoraya star has undergone several changes. Starting in 1991, the owner shifted to H. Rachmat Badruddin (a tea plantation entrepreneur in Bandung) and Tantri Abeng, with each sharing a 50%

ownership share. However, from 2001 until now, the ownership of PT. Bintang Sidoraya was changed again with 90% by Tantri Abeng and 10% by PT. Matahari Putra Tbk.

The management function has an important role as the controller and manager of a company. The management function is divided into five functions, namely planning, organizing, staffing, coordinating and supervising. Management functions are carried out to achieve company goals effectively and efficiently. Marketing management is one type of management that a company needs to achieve its goals. According to [6], marketing management is a process or effort of an organization or company to achieve an exchange that ends in a purchasing decision by building close relationships between the company and consumers so as to get good feedback from consumers which ultimately benefits both parties including my own company.

The marketing carried out by the company will give rise to the company's competitive advantage which will also influence increasing product purchases. The influence between promotional tools and a company's competitive advantage is a uniqueness or difference that a company has that is different from other companies. Marketing strategies using promotional strategies have developed into a very important communication system not only for producers of goods and services but also for consumers [7]. This competitive advantage is the main attraction for the company. The development of the times and advances in technology are increasingly making the lifestyle, mindset, attitudes and behavior of Indonesian people change and become more advanced, especially in the field of marketing. Technological sophistication, especially communication technology, also makes business competition very sharp, both in the domestic and international markets, to be able to win customers. Nowadays people are getting smarter and more selective in buying products. Various products are offered to the public ranging from primary, secondary and tertiary needs. With the progress of society, especially in terms of the economy, their incomes are increasing so that their needs are definitely different, all of this is proven by the increasing number of products circulating on the market.

Marketing management is something that is very necessary in organizations because whether a company is good or bad depends on people carrying out their respective duties. As time goes by, business is getting busier because nowadays many people want to become business people. On the other hand, the global economy is also experiencing an increase compared to the previous year, which means there are more and more competitors here. One way to face this increasingly tight business world by being able to compete to create excellence is one of the right steps that companies can take.

Marketing management is one of the important things in the business world, such as being able to adjust and divide appropriate target markets because of the different needs of society. Companies must be able to create good value in providing services to consumers so that consumers will provide reciprocity in the form of loyalty to the product and be able to excel compared to competitors. Companies can create competitive advantages through the distribution process carried out. The world of marketing is dynamic and covers a very wide area. Marketing is considered more of an art than a science. Marketing is a very important part of running a business [8]. In various business ventures that are currently developing, whether producing goods or services, the role of marketing is very important because it is one of the key factors determining business success. According to [9], Marketing is a process by which companies build value for customers and create strong relationships with customers for the purpose of getting value from customers in return. Developing the right marketing strategy over time requires discipline, flexibility, and persistence. Marketing also needs to continually improve strategies for different products and services within an organization. Marketing that meets consumer needs and desires is the essence of marketing. The goal of all businesses is to provide value to their customers in order to make a profit.

According to [10], Image is the public's perception of a company or its products. A positive perception at all times will form a positive brand image. Consumers can use the brand image as a reference before making a purchase. Companies must be able to create an attractive brand while depicting benefits and qualities that suit consumers' desires and needs so that consumers have a positive image of the brand. A good brand image is one of the company's assets, because the brand can influence consumer perceptions and this will also give a positive impression of the company.

Distribution channels are an important part of marketing for distribution to consumers. Distribution channels will be as expected if an appropriate distribution strategy is used. The distribution strategy is the initial stage towards reaching consumers. If distribution channels are not hampered, consumer desires will also be quickly fulfilled. The aim of this distribution channel is to make it easier for companies to distribute these goods, so that the goods produced will not pile up in the warehouse and cause them to expire or be damaged. There are several types of strategies in carrying out distribution, including multiple distribution channel strategies, distribution channel control strategies, distribution coverage strategies.

2. RESEARCH METHOD

This research uses a qualitative method, according to Creswell (2018) who states that the definition of a qualitative research method is a process of inquiry (questioning/investigation) regarding the understanding of something to obtain data, information, text, respondents' views using various methodologies on a problem or social or humanitarian phenomena. The data collection methods used in this research are

interviews, observation and documentation. The type of research carried out is a case study. According to [11], case study research is a qualitative approach in which researchers explore real life, contemporary limited systems (cases) or various limited systems (various cases), through detailed and in-depth data collection involving various sources of information or multiple sources of information (e.g. observations, interviews, audiovisual materials, and documents and various reports), and reporting case descriptions and case themes.

This type of research produces descriptive data which must then be interpreted by the author using rigorous and systematic methods of transcribing, coding and analyzing trends and themes. In this research, researchers obtain information related to objects or companies by collecting data through interviews with sources directly related to the company. The data collection methods used in this research are interviews, documentation and observation.

3. RESULTS AND ANALYSIS

3.1. Application of Segmentation, Targeting, Positioning PT Bintang Sidoraya

According to [12] Market segmentation is divided into well-defined market segments. Market segments consist of groups of customers with similar needs and wants. The goal is to identify the right number and type of market segments and determine target segments. PT Bintang Sidoraya is generally targeted at the people of the Yogyakarta area, There are several variables that underlie the market itself.

3.1.1. Geographic and Psychographic Segmentation

PT. Bintang Sidoraya has comprehensive market segmentation or no grouping, because PT Bintang Sidoraya is a distributor company where the products sold are daily consumption goods. However, with the quality, consumers do not mind the price that has been set. Community needs regarding beverage products provided by PT. Bintang Sidoraya itself is comparable to what consumers spend, so that neither the consumer nor the company suffers any harm.

3.1.2. Lifestyle Segmentation

Lifestyle segmentation at PT Bintang Sidoraya is based on work, activity, place of residence, etc. PT Bintang Sidoraya itself certainly has a market segment for all groups. PT Bintang Sidoraya offers products in a very wide range of segments in any class. Products that have different qualities mean that consumers do not mind the prices that have been set. Especially with the implementation of the free shipping promo in all local distributor agent areas. The public's needs regarding beverage consumption are proportional to what consumers spend, so that neither the consumer nor the company suffers a loss.

3.1.3. Targeting

According to [12], targets are groups designated by the company to become customers as a result of segmentation and targeting. PT. Bintang Sidoraya in facing the competition that occurs in the target market, there are several things that must be implemented in the company. PT Bintang Sidoraya creates something different from other beverage distributor companies, such as holding promotions with a minimum purchase and then getting one of the products for free to beverage agents. The products sold are selected products that have been selected before being distributed to agents. Even though the selection has been made, it cannot be denied that there are still products that are not suitable for distribution even though they are very difficult to find. The company will replace new products and products that are not suitable for circulation will later be destroyed by the company.

The social changes that occur also cause the target market to always develop, because companies always comply with market desires which change all the time. The ever-changing market demand means companies now have many targets and of course companies develop new innovations to make customers satisfied. PT Bintang Sidoraya uses an undifferentiated targeting strategy where the company targets large markets with similar needs.

3.1.4. Positioning

According to [12] a brand can be positioned using associations such as product attributes, product benefits, usage opportunities, users, activities, personality, product class, competitors, and logo. PT Bintang Sidoraya can create brand equity to create a product or service identity. The large number of resellers and market demand from consumers proves that PT. Bintang Sidoraya has its own assessment in the eyes of the public. PT Bintang Sidoraya differentiates itself with more complete products than its competitors. Then PT Bintang Sidoraya not only wants to be a market leader, but besides that there are consumer needs and desires that they must fulfill as a form of responsibility as a market leader. These needs and desires are the benefits or benefits received by consumers through using the product.

3.2. 4P Strategy at PT. Sidoraya Star

According to [9], the marketing mix is a collection of variables controlled by the company to pursue the desired level of sales. In the marketing mix there are 4p, namely product, price, promotion and place. The marketing mix is important in building a company. PT Bintang Sidoraya itself has a marketing mix component which is an internal factor formed by the company.

3.2.1. Products

According to [9], product is the first important marketing mix element for a company. Products can be goods or services produced by a company that will be offered for market segmentation purposes. Product strategy requires coordinated decision making of the product mix such as product line, branding, packaging, and labeling. The quality of the products at PT. Bintang Sidoraya is very well looked after by the PT warehouse manager. Bintang Sidoraya who directly monitors the goods in the warehouse, this was proven that during the observation, the employees on duty always maintained the quality of each product that would be distributed to avoid damaged products, however, if there was damage to the product, action was taken to destroy it so that consumers would be satisfied and no loss in making a purchase.

3.2.2. Place

According to [9] place or distribution is selecting and managing trade channels used to distribute products or services and also to serve target markets, as well as developing distribution systems for physical senders and commerce. Determining a strategic location can support effective and efficient operations so that goals can be achieved. This variable has means such as location, transportation, distributor and retailer inventory.

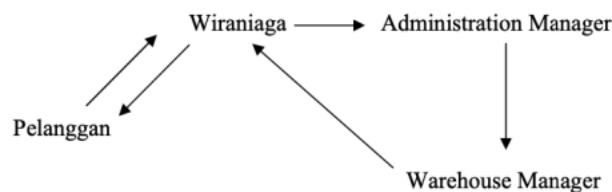


Figure 1. PT Bintang Sidoraya Order Flow

In serving its customers, PT. Bintang Sidoraya provides salespeople to help make it easier to communicate with customers. When visiting customers, the salesperson records the order on the purchase order sheet. Then the salesperson will hand over the sheet to the administration manager. After submission, the administration manager will check whether the price stated on the sheet is correct or not. Next, the administration manager will submit the purchase order sheet to the warehouse manager. This section will check whether the goods ordered by the consumer are available or not in the warehouse. After going through this process, the ordered goods will be transported and handed over to the salesman for immediate delivery to the customer.

The distribution channel strategy is with level 2 channels, starting with producers, wholesalers, retailers and final consumers. Distribution has been implemented well by PT. Bintang Sidoraya, so that goods can reach their destination properly and precisely, resulting in consumers feeling satisfied with the goods they have received. Direct purchases in strategic places also make it easier for consumers to find the location of PT. Sidoraya Star.

3.2.3. Price

According to [13], price is something that is sacrificed in an exchange between two or more parties to obtain a good or service. Price will play two roles in evaluating product alternatives, namely as a measure of sacrifice and as an influence on price information. The prices offered at PT Bintang Sidoraya are quite varied, depending on the desires of consumer demand.

PT Bintang Sidoraya has implemented its own customized product which makes consumers free to choose the goods or products that consumers want and the price will adjust to the consumer's wishes. PT Bintang Sidoraya's strategy regarding price is with the aim of maximum market share, seen from PT Bintang Sidoraya's high sales level and increasingly wider market share, making PT Bintang Sidoraya increasingly well known in its region and Indonesia. PT Bintang Sidoraya also makes a lot of profit because profits are still divided into several lines in the company.

3.2.4. Promotions

According to [6], promotions are activities used to convince consumers to buy company products by communicating the product's advantages. Based on the results of observations that researchers have made, the form of promotion carried out by PT. Bintang Sidoraya is by distributing or attaching pamphlets and banners. Apart from promotions, service quality is also no less important. If the company provides good

service to consumers, it is likely that consumers will be satisfied. Promotion is a weakness of PT Bintang Sidoraya. The company should overcome this weakness by promoting it with attractive images about the products that will be marketed. Promotions can be carried out by strengthening relationships between new and old customers. Customer relationships in a company are usually managed by several people who are members of a division, especially the marketing division. The weak promotion at PT Bintang Sidoraya is due to the lack of workers in the marketing division, especially the content creator section, this is because the workers at PT Bintang Sidoraya are not able to maximize the use of social media. Using social media to promote a product doesn't cost too much.

4. CONCLUSION

PT. Bintang Sidoaraya uses STP to find out all the situations around it. The implementation of STP (segmentation, targeting, positioning) at PT Bintang Sidoraya for positioning a product to consumers is done so that the product has a competitive advantage. Efforts are made to take advantage of various strengths and also reduce weaknesses. This marketing strategy is a way to run in a specified direction.

PT. Bintang Sidoraya uses 4Ps (product, price, promotion and place). The research analyzed by the author uses qualitative theory using field observations, interviews and documentation. PT market segmentation. Sidoraya stars are all activities circles. PT Bintang Sidoraya offers products in a very wide range of segments in any class. Products that have different qualities mean that consumers do not mind the prices that have been set. The reason for choosing this market segment is PT. Bintang Sidoraya offers cheap prices so that all groups can more easily reach them. The approach taken to reach this segment is to go directly to the field to make it easier to communicate directly.

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