

Analysis of Segmentation Targetting and Positioning in Marketing Retail Development Indomaret VS Alfamart

Resdika Anggesa Dwi Setiawan¹, Jiang Chan²

^a resdikaangesads22@gmail.com, ^b 31192053@nju.edu.cn

^aYogyakarta Veterans National Development University, Indonesia ,

^bSchool of Communication and Journalism Nanjing Normal University

INFO ARTIKEL

Keywords

Communication Model
CSR Model
CSR Program
Corporate Social Responsibility

ABSTRAK

The aims to study is to find out how the competition between Indomaret retail and Alfamart is by looking at the analysis of marketing strategies using STP marketing and the application of the marketing mix. The method of writing this article is descriptive analysis with a qualitative type. then use internet searching as an aid in finding data in writing this article. The results in this study will find out the application of STP Marketing and marketing mix in two phenomenal retail businesses, data on competition between Indomaret and Alfamart in their business activities from the marketing side to be offered to consumers throughout the community.

1. Introduction

In Line with the development of retail, nowadays retail is no longer managed traditionally but rather in a modern way. The intense competition in the retail sector cannot be separated from the proliferation of domestic, national, and international shopping centers with various factors being targeted. This competition has encouraged merchants to continue to be the retail business of choice and customer retention. Every business is required to create a good integrated competitive strategy because competition is the key to the success or failure of the business. The increasing intensity of competition for competitors forces companies to always pay attention to the needs and desires of consumers and try to meet consumer expectations by providing services that are more satisfying to competitors.

Retail trade in Indonesia can be divided into two major groups, namely traditional retail and modern retail. Modern retail is an evolution of traditional retail. This form of retail emerged and developed along with the development of the economy, technology and people's lifestyle, making people have a more comfortable shopping needs (Kuraesin & Prasetyowati, 2018).

Retail or Retail is a business of selling products/goods to serve household needs, including daily necessities, with a self-service system (consumers take their own goods/products without others). Products are basic knowledge that anyone who works or studies in a retail business should know. With a good product knowledge, you will be able to develop your retail business and be able to serve a predetermined target market, satisfying the needs and desires of consumers. In the retail industry, companies that offer a wide range of products, locations, prices, purchasing conveniences, advertising, and good staff service can drive consumer awareness. The products offered are men's and women's supplies, youth supplies, children's supplies, footwear supplies and accessories. Home hardware/supplies, cosmetic items, etc.

Minimarket is a type of rapidly growing retail business that sells basic necessities and provides convenience because it can be reached and close to consumers based on location or location,

prioritizing Convenience and speed supported by store size or store size that is not too large. Great for consumers to shop for too long. Another advantage of shopping at convenience stores is that the shopping atmosphere is safe and comfortable, there is no difficulty in choosing the goods needed, product quality is more guaranteed than buying at convenience stores. So there is no need to bargain and can shop for various needs in one place to save time and effort.

Businesses must be able to respond to consumer needs and adjust consumer desires so that they can feel the needs of the market or the desires of consumers and read and interpret any changes in the situation of the situation as opportunities. Business will not develop without consumers. The more consumers a company has, the more able it will be to compete with other companies in this era of globalization. Businesses need to be able to satisfy and retain existing customers. Satisfaction is a person's feeling of pleasure or disappointment that comes from comparing their impressions of the results of the product with their expectations. One of them is Indomaret and Alfamart retail, where these two retails compete with each other and want to compete for the best in the eyes of the public as a needs changer for they, all renewal efforts are always made by these two companies so that they can develop and not lag behind other retail companies that are starting to present and grow, So these two retailers implement several strategies, activities and ways in terms of marketing products in their stores that will make an increase in quality in terms of profits and buying interest to their store.

For this reason, in writing the contents of this paper, you want to discuss retail from Indomaret vs Alfamart which is a large retail and has various branches anywhere, want to discuss and see how segmentation, targeting and positioning are done by the two companies.

2. Methods

The method in this research uses descriptive analysis method with qualitative research type. To help find data in this study, researchers used internet searching as a way for researchers to find data about business competition conducted by Indomaret and Alfamart. when this research was conducted when I as a researcher saw the phenomenon of the growing and expanding of indomaret and alfamart retails everywhere, and saw when there was indomaret there must be alfamart not far away from the existence of the two retailers. data collection techniques in writing this article with the help of several documents from journals and reading books that became reading references in writing the article.

3. Theoretical Framework

1) Indomaret



Fig. 1. Indomaret Store

The increasing population growth and basic needs that occur around the community, made an idea to build and establish a retail that can provide basic daily needs It was for employees and all other communities, so in 1988 a retail was established called Indomaret. In line with the development of store operations, this company finally gave several employees the task of observing people's shopping behavior. The conclusion is that if people will choose to shop at retaila that looks modern based on the completeness of quality products, the price is certain for them and competing and fun for them when shopping. The intention of establishing Indomaret, with the legal entity that supports it, namely PT. Indomarco Prismatama which has a vision of "becoming a superior retail network" and the motto "easy and economical" (Indomaret, 2021).

Initially, Indomaret formed the concept of organizing outlets that will be built around consumers' homes, by providing various basic and daily needs, serving the general public which is compound. Along with the passage of time and increasing human needs, Indomaret continues to add outlets in various areas around housing, offices, tourism, apartments, and currently have reached the corners of the country or have developed their retail in areas far from urban areas. After mastering the knowledge and skills to operate a retail network on a large scale, management began to commit to being able to make indomaret a national set. This can be seen from the fact that the company's operations are handled entirely by the sons and daughters of Indonesia (Ambarwati, Agustina K, & Handoko, 2020).

The vision of this company also developed into "Retail which becomes a national asset in the form of a network of franchise companies that excel in global competition". This business concept became the pioneer in the first minimarket field in Indonesia. In 2003 Indomaret was awarded as a "Superior Franchise Company" and a company that has been recognized by the government. Until now, indomaret company still receives the award. Currently, Indomaret is growing rapidly so that it has reached more than 16,000 outlets, consisting of 40% franchised outlets and 60% company-owned outlets. Most of the merchandise supply for all outlets comes from Indomaret's 33 distribution centers that provide more than 5,000 types of products. The culture in Indomaret itself is upholding the values of honesty, truth, and justice, group cooperation, progress through economical innovation and prioritizing satisfaction to its consumers. To approach Indomaret does the way with a sincere smile to build a better life with its consumers.

2) Alfamart



Fig. 2. Alfamart Store

Alfamart is a well-known daily staple minimarket chain in Indonesia, with high quality but still has a price range that does not burden consumers, alfamart is owned by PT. Alfamart. Source Alfaria Trijaya, tbk. In 1989, alfamart was the beginning of the establishment, with the start of the cigarette and consumer goods trading business by Djoko Susanto and his family, whose majority ownership was sold to PT. HM Sampoerna in December 1989. But in 1994 the ownership structure changed to 70% owned by PT HM Sampoerna Tbk and 30% owned by PT Sigmantara Alfindo (a family of Djoko Susanto). Alfamart's rapid progress today is determined by the right and unique strategy from Alfamart's management such as the implementation of services, the location where retail is located, and also other strategies. Alfamart also has a vision to become a leading retail distribution network in Indonesia owned by the wider community, oriented towards meeting needs society and all consumer expectations, as well as being able to compete globally. While its mission is to provide customer satisfaction by providing the best quality products and providing friendly service, building an organization that trusted, healthy, and useful. Participate in building the country by cultivating the spirit of entrepreneurship (Riki, 2020).

3) STP Marketing

The advantage of Alfamart is that it is convenient, determining the unit price of products based on certain moments so as to attract the attention of consumers, one of which is applying discounts in certain months for goods which they sell. Then not inferior in competition to several retail business companies, Alfamart also provides services through the AKU card (AlfamartKU). For users or consumers who already have an AKU card can take advantage of the benefits, there are also surprises for birthday members of the AKU Card, a surprise program for free shopping for those who are lucky and get a surprise prize money at the time of the transaction, and many others.

Segmentation, targeting, and positioning (STP) is a marketing strategy to be able to determine in which areas of the business the company will run or operate (Zimmerman & Blythe, 2018). As the name implies, this strategy is based on three steps, namely identifying segments, analyzing the target market and determining the right position to be able to run a business said.

Besides being a tool to determine the direction of business marketing, this STP strategy can be the right step to build a brand image, business credibility, and determine the marketing plan to be carried out the company. Market segmentation is the first step to creating an STP strategy. In this segmenting step, companies need to divide the target of the market to be achieved into potential consumer groups. By looking at the benchmarks, namely: (1) Demographic, (2) Geographical, (3) Psychographic, and (4) Behavioral.

Then there is targeting, where the target placement analysis requires you to be able to determine the direction of one of the segmenting results with the most suitable quality, there are several targeting factors, namely: (1) Profitability, (2) Growth, (3) Ease of Access. Furthermore, there is Positioning, where this is a way to place advertisements or promotions for products that have been selected with the target that has been compiled and desired, this will help the company to be able to determine how the company will present the product in its target market. There are three tips that need to be considered in positioning, namely; (1) Provide solution offers, (2) Find Unique Selling Points (USP), (3) Arrange Campaigns that are liked by the target market.

4. Result and Discussion

a) Indomaret vs Alfamart Retail Competition marketing



Fig. 3. Indomaret vs Alfamart

The competition between these two well-known minimarket brands, namely Indomaret and Alfamart, is very tough, it can be said that it is like el classico competition in fighting for who is the best minimarket retail available this moment. Indomaret and Alfamart have retail locations that are always within a distance that is not far apart, the segmentation and layout are not much different, for the sake of the type of the goods offered are not much different, the competition between the two triggers the emergence of strategies and services to be able to win the hearts of consumers. Then from the two retailers, of course, they both try hard to make strategies that can attract the interest of their consumers. However, there are still complaints received by Indomaret or Alfamart, all efforts are made by the two retailers in the competition to win. The best is the existence of retail in various regions and easy to reach, a clean and comfortable place, setting such an attractive price strategy consumers, by providing discounts in both retails, setting high prices, providing brochures or coupons of certain products, the opening of outlets carried out by Indomaret is 24 hours, the ease of cashless payments and others carried out by the two retailers (Riki, 2020).

Then Indomaret from PT Indomarco Prismaatama itself developed several of its retails which were named, namely Indomaret Plus, Indomaret Plus carries a new concept that has become a trend in society, the target market is the community because it is not just shopping, but the community can also meet their needs every week or month, Indomaret Fresh Indomaret is the same like Indomaret Plus, it's just that indomaret also sells fresh goods such as fruits, and meat. Kamudian ada Indomaret Point indomaret carries the concept of a convenience store, here

indomaret sells a variety of fast food and drinks besides that there are table and chair facilities and wifi provided to support customer comfort.

Then for Alfamart itself from PT Sumber Alfaria Trijaya developed several retails that were named, namely Alfamidi, the size is larger than the usual minimarket, alfamidi is also dual items such as fruit and vegetables and frozen food, and Alfa Express, became a convenience store that sold more than just a minimarket, in it also sold drinks and fast food, but as a result of there was an overlap of Lawson's main brands, eventually many retailers closed and ceased to operate.

b) Indomaret vs Alfamart Retail Segmentation Targetting and Positioning



Fig. 4. Indomaret Logo and Figure Card



Fig. 5. Alfamart logo and Card

The segmentation carried out by Indomaret Retail, namely by placing their business position according to the right target, the target at Indomaret Retail is to Provide basic needs that are easy and economical who are around the community and set up retail that can provide basic daily needs for employees and the rest of the community with easy coverage of places and comfortable and more economical prices, for market segmentation carried out by indomaret company is to use a psychographic (lifestyle) approach, by looking at the completeness of the product quality, a definite price but still competitive, as well as a comfortable atmosphere". Then Indomaret also has a service through the Indomaret card to make it easier for people to shop with the card, then the segmentation carried out by Indomaret is also developed their retail business into several names, namely Indomaret Fresh, Indomaret Point and Indomaret Plus.

As for Alfamart retail, it is not much different from Indomaret retail, the segmentation carried out is by providing a sense of comfort, determining the unit price of products based on certain moments So as to attract the attention of consumers, one of which is applying discounts in certain months for the goods they sell. Then not inferior to the competition with Indomart retail, Alfamart also provides services through the Alfamart AKU card, then Alfamart Retail uses the first merchandise technique, belt to eye level where the products placed on the display are in accordance with its target market, because Alfamart sells daily goods does not rule out the possibility for families to buy daily products at Alfamart including mothers who bring their children to ikut shopping, then the segmentation of Alfamart also develops its business retail which are named Alfamidi and Alfa Express.

For Targetting from Indomaret and Alfamart retail itself, namely focusing on choosing locations that reach the public, price and product promos, opening some Indomaret and Alfamart outlets within time 24 hours, then there is the ease of non-cash payments, there is a member card facility that can be used to shop more easily at Indomaret and alfamart retails. In terms of Geogrfis: Indomaret retail and also Alfamart retail have locations that are close to each other and not so far from both, those locations are in residential areas, public facilities, office buildings, bustling city areas, until now it has reached remote villages throughout Indonesia, This is done to be able to provide the best service to the entire community not only for the economy class and above, but also class-oriented middle and lower economy.

In terms of demographics, the targets to be achieved are housewives, employees who work in companies, children, middle and lower economic classes and to the entire community who need basic daily necessities. Then for other targets, namely Indomaret and Alfamart targeting to be able to open their shops / retail more widely, to reach a turnover of billions or even trillions every last year, there was a form of cooperation with Pos Indonesia and other service companies with Indomaret and Alfamart in the retail business.



Fig. 6. One of Alfamart Promo Figure

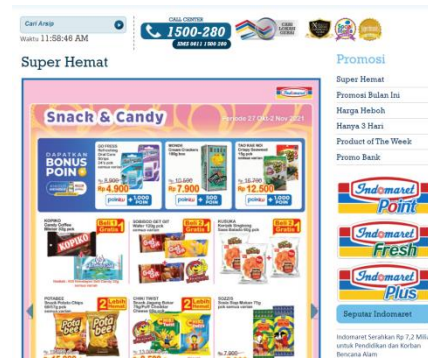


Fig. 7. One of Indomaret's Promo

Finally, the positioning of Indomaret retail with Alfamart is not much different, then Alfamart itself has a slogan, namely Shopping Satisfied, Fitting Price. While from Indomaret the slogan is Easy and Save. Then for the prices offered from Alfamart have promotions that are always made, namely there are Hot Promos, JSM, Member Only, and there are still many forms of promos that retail does, For JSM Promos itself, alfamart always does promos on Fridays, Saturdays and Sundays, then for products that are promos, alfamart usually gives a yellow sign below Products that are sold, Alfamart also provides special promos in the form of Points for those who become their members. As for Indomaret Retail, there are different ways of packaging promotions that are carried out, namely there are super saving promos, promotions this month, Yammer Prices, and many more other types of promotions. Usually, people are very familiar with the name of the heboh price promo because this is for people's daily needs such as basic needs, children's needs, kitchen utensils, and their prices can be seen in the catalog in the article.

Then currently in some Indomaret can serve a drive thru for customers who want to buy snacks such as bread, snacks, heavy food to drinks and staples everyday can also be served with a drive thru, after Indomaret made it, alfamart did not miss by also making a drive thru strategy to its customers with the application of the same is done n as in Indomaret, and also recently Indomaret and Alfamart do services through their applications, then consumers can place orders online in the Indomaret or Alfamart applications, then later the order can be delivered directly to the homes of consumers or their customers.

c) Marketing Mix

The Product: everything that can be offered in the market to satisfy the needs and desires of consumers. The products offered by Indomaret and Alfamart are in the form of goods. Because Indomaret and Alfamart are two of the franchises engaged in satisfying the basic needs of customers. Such as rice, sugar, the, milk, etc.

Price: the most important element in the marketing mix of a product set and is an element in the marketing mix that generates sales revenue. In this case, the price offered by Indomaret is quite considered by the public. Compared to other minimarkets, Indomaret is a minimarket that offers the cheapest prices compared to several other mini markets such as AlfaMart and Circle K. From that Indomaret is quite ramai visited by customers, but sometimes the prices in Alfamart's retail are cheaper compared to the prices in Indomaret, the comparison of the price of goods in these two retails has a difference in numbers that is not far away.

Place (Place or Distribution): Before the manufacturer markets its products, there is already a plan about the distribution pattern that will be carried out. Here is very important intermediary and selection of distribution channels. Perantara is important because in everything they are the ones who are in direct contact with the customer.

For the distribution system, the distribution system is designed to be as efficient as possible with a reliable supplier network in providing well-known and quality products and competent human resources, making Indomaret and Alfamart provide the best service to consumers. Currently Indomaret and Alfamart also have thousands of outlets as distribution retail, by establishing more than 500 suppliers, Indomaret has a good position in determining the products it will sell, as well as Alfamart which has a location strategic is also not far from the existence of Indomaret.

Promotion : a form of marketing communication. Promotion includes all the activities that the company carries out in order to communicate its products to the target market. The promotional strategies carried out by Indomaret and Alfamart to attract customers are Publicity and Advertising, namely: (1) Such as distributing brochures to customers, (2) Presenting price promotions through electronic media such as Television and Radio, (3) Presenting price promotions through non-electronic media such as newspapers, and online media (4) Promotions/Sales by providing sales discounts, the presence of discount price tags or discounts on certain items which is written on the bawah position of the goods sold, usually if in alfamart the piece is yellow writing paper. (5) Provide promotions and discounts for service card users from Indomart and Alfamart.

5. Conclusion

There are many developments of Retail businesses or Minimarket businesses in the current era that sell daily necessities and offer convenience for location, easy location and comfort in can from consumers make practicality and speed supported from the area of the store that is not too large so that consumers shop in a not too long time. Indomaret and Alfamart are two retails that are so developed in satisfying the daily needs of their consumers, according to the segmentation they have made, namely meeting the needs of staples. everyday, both for mothers, children, the community, employees to all elements that are the center of attention for Indomaret and Alfamart Retail. Indomaret and Alfamart also always provide innovations, creations and new things by following the modern era, such as improvements in terms of services that can be done online to order daily necessities with applications from both companies, presenting drive thru services in several locations, making it easy in shopping using one of them is Alfamart aku and Indomart Card cards, distributing brochures directly to customers, doing advertisements on various platforms, both in print, electronic to online media to inform information from services at Indomaret and Alfamart.

Advice for both Indomaret and Alfamart Retail to continue to be able to innovate and create subsequently so that the marketing activities of the products in their retail can continue to survive. Along with the development of globalization and current technology, as well as improving direct services in several retails to make consumers more comfortable in shopping, such as Assisting consumers in finding goods if they do not know the location of the goods, maintaining hospitality to consumers. Improve service optimization through online or applications by providing understanding to consumers in using these services.

References

- Alfamart, W. (2020). Passionate! Users can JD.ID pick up groceries at the nearest Alfamart. Retrieved from alfamart.co.id website: <https://alfamart.co.id/tentang-perusahaan/csr/perlindungan-pelanggan>
- Ambarwati, E., Agustina K, T., & Handoko, Y. (2020). The Effect of Price, Product Quality, and Brand Love on Customer Loyalty at Indomaret Minimarket. *RELATIONS : JOURNAL ECONOMICS*, 16(1). <https://doi.org/10.31967/relasi.v16i1.340>

-
- Ibn, A. F. S. (2021). This is the difference between Alfamart and Indomaret. Retrieved from Bisnis.Tempo.co website: <https://bisnis.tempo.co/read/1505238/ini-bedanya-alfamart-dan-indomaret>
- Indomaret. (2021). Indomaret Company Profile. Retrieved from Indomaret.co.id website: <https://indomaret.co.id/>
- Kuraesin, E., & Prasetyowati, R. A. (2018). Comparative Analysis Of Continuity Of Modern Retail Minimarket And Traditional Retail Businesses In Indonesia. *INNOVATOR*, 7(1). <https://doi.org/10.32832/inovator.v7i1.1459>
- Riki. (2020). Analysis of retail business competition between alfamart and indomaret in the perspective of marketing mix (case study in Batam city). *The Treasures of Berazam Science*, 3(2).
- Zimmerman, A., & Blythe, J. (2018). Segmentation, targeting, and positioning. In *Business to Business Marketing Management*. <https://doi.org/10.4324/9781315564098-7>