



## **Conference Paper**

# Strategy and Targeting to Sales Kurnia Watch

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#### **Abstract**

This study aims to find out the empirical facts about the effect of the target analysis on the sale of Kurnia watches. This research is based on the current conditions where everyone is so important with time, every day people work tirelessly by always seeing the time they want to achieve. Especially the Clock as one of the items, tools or media that can be used to see time as well as accessories are very important in everyday life. All humans on this earth in their activities are racing at a time, especially in the millennial era, people are not just see the time, but the fashion they use. With unique clocks, watches, walls and so on. Based on research, watches are an icon that is in great demand by everyone. Not limited to age, anyone can use the clock. The number of competitors seems to be a challenge, the brand that must be optimized because currently around 65% of all clock products are produced by China. That way the clock brands that have already been in production such as Japan, Switzerland, Germany must further improve the quality of the product in the marketing strategy, so that the target that has been planned can be achieved.

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# 1. Preliminary

Basically the purpose of establishing a company is to seek profit to the maximum extent possible. The success of a company in achieving that goal is strongly influenced by the company's ability to market its products. Companies can sell their products at favorable prices at the expected level of quality, will be able to overcome challenges from competitors, especially in the field of marketing. A marketing according to Assauri (1999) is basically plans that are comprehensive, integrated and integrated in the field of marketing that provides a blend of activities to be carried out in order to achieve the objectives of a company in other words the marketing strategy is a series of goals and suggestions, policies and give direction to businesses that include promotion, production, distribution and prices. Marketing is an important factor in maintaining the survival of companies that face competition.

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To achieve optimal marketing results, marketers need perform targeting or aiming for *the target market* who have been in the market segmentation analysis. In this case, of course the series of marketing programs carried out must be in accordance with the characteristics of the target market to be addressed. Better targeting strategy could increase sales volume and profit.

Can be seen as the following sales data table Kurnia Clock Shop in 2017:

## 2. Introduction

TABLE 1: Sales data and profit per August - December 2017.

	August	September	October	November	December
Sales Volume	430 items	550 items	685 items	520 items	645 items
Profit	Rp. 13,125,000	Rp. 14,335,000	Rp. 15,785,000	Rp. 14,175,000	Rp. 15,270,000

Based on table It can be seen that the growth of sales and profit volume from August to December 2017 has been fluctuating. Of course this kind of thing is always considered by every large company or existing UMKM. Therefore, a marketer needs to improve the targeting strategy that has been planned. In addition, it is necessary to mature the concept of several items so that they can be sold evenly. It cannot be separated from the desires of consumers themselves, who were different before.

Company has always been the pursuit of profit to the sustainability of production. The benefits obtained are determined in the pricing offered. The price of a product or service is also determined by the amount of sacrifice made to produce the service and the expected profit or profit. Therefore, determining the price of a product from a company is an important issue, because it can affect the death life and profits of the company.

In achieving the desired target, there must also be a mature strategy. According to Kasali (2005: 48) defining targeting is a matter of how to choose, select, and reach the market in a market control strategy. Based on the description above, the researcher wants to describe the marketing strategy using targeting and its effect on the sales volume of Kurnia Watches in finding the right and profitable marketing position in developing its business, especially in marketing the Products sold by Kurnia Watches to be able to expand its business and be able to maintain the existence of Watches. Kurnia, which until now has become one of the needs of many people.

Based on the explanation above, the researcher will examine the problems in the marketing world, especially in targeting targeting, sales and strategies. By analyzing



how long-term opportunities will be faced and various problems that must be solved by the marketer itself.

## 3. Literature Review

## 3.1. Targeting

In determining its target market, each company has a different strategy, this is related to the scope of the market that it wants to touch. There are companies that want to reach consumers from all walks of life, but there are also companies that deliberately separate consumers according to the target market for their products. Besides doing Market segmentation, companies can set market targets to be served (Target Market). The company must evaluate each segment to determine the attractiveness and opportunities of the segment that matches the capabilities and resources of the company. By identifying parts of the market that can be served effectively, the company will be in a better position by serving certain consumers of the market.

In the world of marketing in general, there are at least three strategies for determining the target market that are often carried out by business people, these strategies include the following:

### 1. No differentiation marketing strategy (undifferentiated marketing)

This undifferentiated marketing marketing strategy, only offers one type of product and covers the entire market. The company aims to instill a strong image of its products to consumers, without differentiating the target market. Generally, companies see overall market share without differentiating certain target markets. Undifferentiated marketing is chosen by business people considering that the cost of implementing an undifferentiated marketing strategy is smaller than marketing with differentiated marketing. Marketing strategies without differentiating target markets rely more on production, distribution and mass promotion strategies, so they can save costs.

However, the undifferentiated marketing marketing strategy also has shortcomings. Because the majority of businesses do not differentiate consumers, business people will choose the most extensive target market to offer their products. Of course, if many business people choose the marketing method, then business competition is getting tighter.

#### 2. Differentiated marketing strategy



Is a marketing strategy by distinguishing the target market according to consumer needs. Various variations of the needs needed by consumers, become a driving factor for businesses to distinguish their target markets. If marketing without differentiator only produces one type of product, differentiating marketing produces a variety of products that are tailored to the needs and interests of consumers.

Product differentiation can be categorized based on the geographical location of the consumer, style or lifestyle, age, gender, income level, and can even be distinguished based on the level of education of consumers. This target market differentiation effort aims to make consumer loyalty to a product stronger, because the company offers products that are in line with consumer desires. One example of strategy differentiated marketing is from instant noodle products, they develop their business by differentiating product flavors based on consumers' tastes.

When compared with non-differentiating marketing, a differentiating marketing strategy requires greater costs. Because it requires a fee for researching new products, a larger production process, as well as increasing costs for market research. Even so, marketing with differentiation is preferred by business people. Because with differentiated marketing, their products have a stronger appeal than products marketed by competitors.

### 3. Concentrated marketing strategy

Is a concentrated marketing model that only focuses on marketing its products to one or several buyer groups. So that product marketing is only aimed at the most potential buyer groups. Examples are Tropicana Slim products, low-calorie and sugar-free sugar that is more focused on consumers who want to maintain their health, especially for diabetics.

With a focus on certain groups, companies that use this model's marketing strategy try to offer the best products for their target market. So that the specifications of the product image offered can be embedded in consumers who are the target market. In addition, concentrated marketing also saves costs, both production costs, distribution costs and promotional costs. Because everything only focuses on one or two groups of consumers.

However, concentration marketing has weaknesses, even the risk is greater than differentiated marketing and undifferentiated marketing. If the target market that is the focus of marketing suddenly switches to a competing company with the same focus, then you will lose the only consumer field you have. The amount of risk



that exists, makes the company owners prefer to market their products to several target markets.

While According to Ferrell and Hartline (2011, p.181), there are five basic strategy for selecting target markets, namely:

## (a) Single Segment Targeting

Single Segment Concentration means that companies can choose just one segment. Companies can achieve a stronger position in one segment, with good knowledge of the needs of the segment so that profits can be obtained. However, concentration in one segment has a considerable potential risk, so this is the reason that underlies the company to choose more than one segment.

## (b) Selective Specialization Targeting

Selective Specialization means that the company selects several segments. Selected segments may not be interconnected or form synergies, but each segment promises money. This strategy is preferred by companies to avoid losses, even though one segment is unproductive, but the company still earns income from other segments.

## (c) Market Specialization Targeting

Market Specialization means that companies concentrate on serving various needs in certain groups. The company gained a strong reputation and became a channel for all new products needed and used by the group. The risk of loss will arise if the group reduces its purchases or needs.

### (d) Product Specialization Targeting

Product Specialization means that the company concentrates on making specific or specific products. In this way, the company builds a strong reputation on specific products. But the risk is still there, that is if there is a lack of material for the manufacture of its products or delays in making technological changes.

#### (e) Full Market Coverage

Full Market Coverage means that companies try to serve all groups with the products needed. However, only large companies can do it. To create customer satisfaction, marketers can differentiate and generate more sales than do not differentiate, but differentiation can increase company costs . In general, this will still be of particular benefit if it is associated with a profitability



strategy, however the company should be careful to avoid over segmenting. The estimated costs are Product modification costs, manufacturing costs, administrative costs, inventory costs, and promotion costs.

In addition there are additional considerations that need to be considered by the company in evaluating and selecting segments, namely (Kotler, 2003):

## 1. Ethical choices for the target market.

In setting the company's target market should not cause conflict, such as taking advantage of vulnerable groups such as children or promoting dangerous products. Because in the target market the problem is not who is chosen as the target but how and for what. Markets that have social responsibility require segmentation and target markets that serve not only the interests of the industry but also the interests of those targeted.

## 2. Interrelations and super segments.

The super segment is a group of segments that have similarities that can be exploited, so that the company would be wise to choose a super segment rather than a segment in the super segment because the company does not have a competitive advantage over industries that are already in the super segment.

#### 3. Plan for segment attacks per segment.

Competitors may not know which segment the company is aiming for. If it is known, the company must find a way to break through by attacking a closed market with a mega marketing approach, meaning strategic coordination of economic, psychological, political and public relations expertise to enter or operate in certain markets.

### 4. Collaboration between segments.

The best way to manage segments is the collaboration between HR within the company to build a business segment of the company.

### 3.2. Sales

The definition of sales according to Mulyadi (2008: 202), "Sales are activities carried out by sellers in selling goods or services in the hope of obtaining profits from the existence of these transactions and sales can be interpreted as a transfer or transfer of ownership rights on goods or services from parties seller to buyer."



Based on the statement above, it can be concluded that sales, especially sales of goods are activities to sell goods that are self-produced or purchased from other parties for resale to consumers on credit or cash. So in general sales basically consist of two types, namely cash and credit sales. Cash sales occur when the delivery of goods or services is immediately followed by payment from the purchase, while the sale of credit is a period of time between the delivery of goods or services in receipt of the purchase.

The advantage of cash sales is the result of the sale being realized immediately in the form of cash needed by the company to maintain its liquidity. Whereas in order to increase sales volume, generally companies sell their products on credit. Credit sales do not immediately generate cash income, but then generate accounts. The loss from the sale of credit is the emergence of administrative costs of receivables and losses due to uncollectible receivables.

#### 1. Definition of Cash Sales

In general, there are 2 (two) types of sales, namely cash sales and credit sales. According to Narko (2008: 71), "The sale of cash is if the buyer has chosen the item to be purchased, the buyer is required to pay to the gauze section." Meanwhile, according to Yadiati and Wahyu (2006: 129), "Cash sales are direct buyers handing out some cash which is recorded by the seller through the cash register. "So it can be concluded that cash sales are sales that are payment transactions and transfer of rights to the goods directly through cash registers or gauze parts. Thus, there is no need to have procedures for recording accounts receivable at the seller's company.

#### 2. Definition of Credit Sales

In addition to cash sales, other types of sales are credit sales. According Mulyadi (2008: 206) is "Credit sales carried out by companies by sending goods in accordance with orders received from the buyer and for a certain period of time, the company has a bill to the buyer." Meanwhile according to Soemarso (2009: 160) namely "Sales Credit is a transaction between a company and a buyer to deliver goods or services that result in the emergence of receivables, cash assets."

From these two definitions, it can be concluded that credit sales is a transaction between the company and the buyer, sending goods in accordance with the order and the company has a bill according to a certain period of time which results in the emergence of an asset and cash assets.

#### 3. Definition of Sales Returns



According to Soemarso (2009: 41), "Sales returns are merchandise sold which may be returned by the customer or because of damage or other reasons, the customer is given a discount (price reduction or sales allowance)." According to the above definition it can be concluded that Sales returns are cancellations or return of goods carried out by customers because the item has suffered damage, defects or other reasons resulting in the buyer receiving a replacement or reduction in price.

## 4. Definition of Consignment Sales

According to Drebin, translated by Sinaga (2008: 158) states, "Consignment sales are physical delivery of goods by the owner to another party acting as a selling agent, legally it can be stated that the right to the goods remains in the possession of the owner until it can sold by the selling agent. "The party who owns the item is called a consignor, while the party that seeks the sale of goods is called consignee, factor (factor), or merchant commissioner.

Thus it can be concluded that consignment sales are the process of transferring or delivering goods from safety to other parties when they have sold the goods.

# 4. Methodology

# 4.1. Research design

This study uses qualitative methods, namely descriptive research, using words or images not in the form of numbers. According to Sugiyono (2010), qualitative research is a research method used to examine the condition of natural objects in which researchers as key instruments.

# 4.2. Data collection procedure

The data in this study were obtained from the observation method which is direct observation of buying and selling activities in the shop Jam Kurnia and an interview about the sales data of the Kurnia Jam Shop for the past 5 months. By doing so, the authors settle a VING appropriate and accurate data regarding the sale of the Shop Hours Kurnia using targeting strategies.



## 4.3. Object research

The object of this research is the Kurnia Jam Store located on Jl. Jend. Ahmad Yani Blok D Kosambi Market, Bandung City.

## 5. Result

The Kurnia Jam Shop uses a target market determination strategy to determine who its customers are. In this case the strategy is adjusted to the product sold. Basically, the Kurnia Jam Shop sells various types of hours ranging from cheap prices to expensive prices. This shows that the target hour market target strategy uses an undifferentiated marketing strategy that only offers one type of product and covers the entire market or can be called the Product Specialization strategy, which means the company concentrates on making specific or specific products.

Based on the observations of the author, most consumers who come to service or buy hours are consumers from the middle to lower class. Although there are also consumers who buy branded hours, but not as many consumers who buy regular hours.

According to the owner of the Kurnia Jam Store, Gandi, said that in a month the profits were dominated by services such as changing batteries and purchasing cheap (cheap) watches. According to him, the purchase of a watch and battery will often be done by customers compared to buying expensive hours. The reason is buying a branded clock whose price is quite expensive, it can be said that "snacks are durable" because the intensity of the resistance is longer than the hour.

In this way it can be said that the clock shop minimizes risk by providing products for all people. Shops that only provide products for certain groups have a greater risk and less customer intensity in a month. Meanwhile, by providing similar products for all people, it is more effective to increase sales volume and profits.

It is proven that until now the Kurnia Jam Store has many regular customers, ranging from the lower to upper classes. Of course this cannot be separated from the targeting strategy that he uses. The owner of the Kurnia Jam Store, Gandi, carried the concept of "to be a little, as long as it often" meant that even though the sale of the clock was not as big as a branded hour, as long as it was always crowded with buyers it was not a problem because if the sales volume and profits were calculated, the Kurnia store was no less competitive with the store bigger hours.

Although the products sold by the Kurnia Jam Store are not products that are selfmade and exclusive, the Kurnia Jam Shop has proven that even though there are many



competitors selling similar products, but with a good marketing strategy especially targeting plus good attitude and service, Kurnia Store become the most crowded watch shop in Bandung Kosambi market.

## 6. Conclusion

Kurnia Jam Shop in its activities always prioritizes good attitude and service. Besides that, one of the keys to the success of the Kurnia Jam Shop is that it can read opportunities by using marketing strategies, especially targeting strategies. Toko Kurnia has succeeded in choosing a target market that fits the product and place. Sales volume also increases with time. Even though sometimes sales decline, but does not significantly affect the activity of the clock shop. Now the Kurnia store has many regular customers, and is often the most crowded hour shop in the Kosambi market.

# 7. Suggestion

For this journal, it is hoped that future researchers can refine this journal with other strategies that are relevant with increasing sales volume.

For Kurnia Jam Stores, it is expected that they will not feel satisfied with their current achievements but always innovate and always maintain and improve their achievements in the future.

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