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Science, Engineering and Social Science Series
ISSN/e-ISSN: 2541 – 0369/2613 – 988X
Vol. 4, No. 3, 2020, Printed in the Indonesia

Free Delivery Serving and Religious Issue to Enhance Local Retail Competitiveness Facing National Minimarket

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This paper is discussing about the strategy of a retail store business model that uses a delivery and sale of service eat products while a concept aims to efficient, faster, and customer-oriented practices. The development connection of IT solutions in urban logistics operations, supply chain efficiency, and new business model will be delivered as a Service i.e. service-oriented delivery and evolution business processes with adjust the expectations and customers' needs in lifestyle development of urban communities at Indonesia. Thus, in this study also concludes that religious issues related to brand and company names have the power to build a retail store business especially minimarket with STP methods.

Keywords: Delivery Services, Religion, and STP.

1. INTRODUCTION

Today's the urban life communities in Indonesia is increased due to have completeness. The delivery service is an option for urban people who are busy with activities that do not have time to shop outside the home [1, 2]. The large consumption patterns in urban families over Jakarta, Bogor, Tangerang, and Bekasi (*Jabotabek*) Indonesia are caused by environmental factors (both from the level of income, education, experience, social status). Here, environmental factor from the existence of social status have an attitude to prestige the position in the community also can be aligned with the others. The study provides an illustration of the rising consumption of Indonesian people's spending [3, 4]. Growing middle class seeks convenience boom in proximity shopping. In Indonesia, with growing middle class and increasingly busy life, proximity and convenience have become very important to consumers [5, 6]. They want to spend less time to reach stores, especially in key cities where congestion is a major factor. Small format stores continue to grow with Mini-markets +9% (2017 vs 2018), contributing a third of total market sales. Small format stores continue to grow with Mini-markets +9% based on comparison between 2017 and 2018 during contributing a third of total market sales [6, 7]. At present, the competition of national

minimarket networks such as *Indomaret* and *Alfamart* in Indonesia as a residential area throughout Indonesia continues to show massive hegemony. Another indicator that shows the increasing tendency of religious issues in many aspects of life. This shows that the issue of religion can be a force in building business in Indonesian society which is predominantly Muslim. From this research, it can be seen that the contribution of minimarket growth is the highest (see Figure 1).

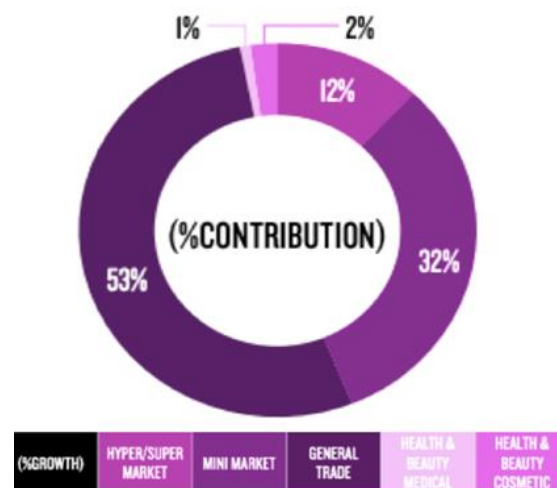


Figure 1. Contribution Store Indonesia

2. METHODOLOGY

Sociology is an important discipline in the family of social sciences. It has emerged as a new subject of study [8]. It is an ever-widening subject on urban Sociology is an important discipline under the general discipline of Sociology.

A. Religious Issue

The data obtained at this time related to the condition of the community from the sociology side of the Indonesian city community shows that the drivers of their consumption factors are based on religious issues [9]. The similarity of religion is the strongest factor in determining the choice of buying a product (see Table I).

Table I. Value and Practice Indicators

Sub-dimension	Indicators	Mean
Value	Religious Value/Principles regarding types of food	4.4
	Religious Value/Principles regarding locations for eating	4.1
	Religious Value/Principles regarding consumption pattern	4.2
	Traditional/culture values regarding types of food	4
	Value of Tradition/customs regarding location for eating	3.6
	Traditional/customary values regarding consumption pattern	3.6
Practice	The practice of buying foods recommended by religious rules	3.9
	The practice of buying recommended types of food according to customary traditions	3.4
	The practice of choosing to buy foods in safe places according religious rules	3.7
	Consumption pattern based on religious rules	3.4
	The practice of consuming certain traditional foods	3.5

B. Delivery Service

Jakarta, Bogor, Tangerang, and Bekasi (*Jabotabek*) area as the business center and pioneer of the smart city in Indonesia has shaped the character of its population especially in their shopping habits, wanting speed, and efficiency [10]. Free delivery services have become a necessity in the face of busy Jakarta city life. Consumers globally show an increasing demand for convenient solutions that can help to simplify their lives, and this greatly affects their consumption and shopping habits, according to a recent Nielsen report. The Nielsen Quest for Convenience Report, which explores changes in global consumer needs, highlights the rapidly growing demand for comfort in various countries around the world. More than a quarter of global consumers say they are looking for products that make their lives easier (27%)

and comfortable to use (26%). The increase in marketplace sales is also an indication of the growing need for delivery services and the purchasing process of goods [11].

3. RESULT AND DISCUSSION

Almost any marketing textbook will tell you that the key to successful marketing can be summed up by the STP strategy—that is, segmentation, targeting, and positioning. This approach suggests that the mass market consists of some number of relatively homogeneous groups, each with distinct needs and desires. STP marketers attempt to identify those market segments, direct marketing activities at the segments in which the managements believe that their company can satisfy better than their competitors, and position their product offering so as to appeal to the targeted segments.

A. Segmenting

Segmenting method makes firms can better understand their customers and target their marketing efforts efficiently and effectively. Segmenting is the first stage in the formulation of a marketing strategy. Segmenting is the process of categorizing, classifying, classifying all potential product targets to be marketed. Then divide the market into parts based on buyers and needs, characteristics or behavior, and so forth. Based on this understanding, it can be concluded that this process has a significant role in business especially in Jakarta and the satellite cities around Jakarta. The satellite cities of Jakarta such as Bekasi, Bogor, and Tangerang also have a uniformity with the demographics of Jakarta. Bogor, Bekasi, and Tangerang are a unit that is often termed the megacity (See Table II).

Table II. Population of Megacity in 2010 at *Jabodetabek*, Indonesia

Sub District	Male	Female	Total	Ratio By Gender	Population Growth (%)
DKI Jakarta	4.859.272	4.728.926	9.588.198	103	1,39
Kabupaten Bogor	2.446.251	2.316.958	4.763.209	106	3,13
Kotamadya Bogor	484.648	464.418	949.066	104	2,39
Kabupaten Bekasi	1.345.500	1.284.051	2.629.551	105	4,69
Kotamadya Bekasi	1.182.496	1.153.993	2.336.489	102	3,48
Kabupaten Tangerang	1.454.886	1.383.706	2.838.592	105	4,24
Kotamadya Tangerang	919.638	878.077	1.797.715	105	3,12
Tangerang Selatan	658.701	644.868	1.303.569	102	4,24

Based on the 2010 Indonesian population census the number of Muslims is 207.176.162, Christian 16.528.513, Catholics 6.907.873, Hindus 4.012.116, Buddhists 1.703.254, and Khong Hu Chu 117.091. This figure shows that the total Muslim population is 87% of the total population of Indonesia.

B. Targeting

The firm identifies market segmentation opportunities, the next step is to evaluate the various segments to decide which segments will be the target market. In evaluating different market segments, companies must look at several factors, namely goals, overall market attractiveness, and company resources. The Islamic

population is the majority in Indonesia and is also depicted from the results of the 2019 presidential election where although the presidential election of the Islamic party votes was 46.85%. This indicates that the potential of the Muslim market is very large and has an increasing tendency. The community of Islam that dominates the Jakarta area and its surroundings has become a target market for local minimarkets which currently cannot be established by the national minimarket. The national minimarket network can work on this segment more because there are no Islamic minimarket companies that have the same advantages as them. This amount will be the target of local minimarket (see Table III)

Table III. Muslim population

Province	Religion								Not Answered	Not asked	Total
	Islam	Christian	Catholic	Hindu	Buddhist	Khong Hu Chu	Others				
DKI Jakarta	8.200.796	724.232	303.295	20.364	317.527	5.334	2.410	3.133	30.696	9.607.787	
Jawa Barat	41.763.592	779.272	250.875	19.481	93.551	14.723	5.657	66.868	59.713	43.053.732	
Banten	10.065.783	268.890	115.865	8.189	131.222	3.232	11.722	16	27.247	10.632.166	
	60.030.171	1.772.394	670.035	48.034	542.300	23.289	19.789	70.017	117.656	63.293.685	

C. Positioning

Positioning is the process of developing a marketing strategy that aims to influence how a particular market segment views an item or service compared to competition or competitors. The determination of market position shows how a product can be distinguished from competitors' products. There is several positioning that can be done by the company such as Positioning based on product differences, Positioning based on product attributes or benefits of the product, positioning based on product users, Positioning based on product usage, Positioning based on competitors, Positioning by product category, Positioning based on association, Positioning based on problems. Thus, we describe the positioning of local minimarket in this chapter (see Table IV).

Table V. Positioning Local Minimarket

Position	Identifications
Product differences	The Halal Minimarket
Product attributes	Halal, Quality, and Muslim Ownership
Product users	Muslim in Jakarta, Bogor, Tangerang, Bekasi
Competitors	Indomaret, Alfamart
Product Category	Consumer Goods, Stationary,
Association	Muhammadiyah and NU
Problems	Delivery Service

4. CONCLUSION

Understanding market conditions, internal and external factors are important before designing a retail store business strategy. Using SWOT as a tool to analyze strengths and weaknesses and see opportunities and threats that exist, the goal is that the strategy has a clear direction. STP for market classification is an important thing to get the target market share and product positioning. The marketing mix is also needed to discuss in detail the 7 factors involved in it. In this case, local minimarket has utilized the tools mentioned above to operate a modern minimarket business concept that has capability advantages, competitive and profitable. Thus, the local minimarket business model is expected to be a solution for local retail stores to be able to utilize the tools so that their business can grow.

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Received: 23 June 2020, Accepted: 25 July 2020