

## STRATEGY DEVELOPMENT OF CV. GAMMA CITRA MANDIRI (KAOSPOLOS) IN ORDER TO INCREASE CUSTOMER AND PROFIT

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**Abstract**—*The study aims to develop business strategy that can support KaosPolos in getting the customer and growing a business is run, so that the profit earned can also be increased, Study conducted in 2013 at KaosPolos that located in South Tangerang city. The authors propose the business strategy using tools as Generic Competitive Strategy, Business Model Canvas, and Business Diamond Strategy. the implementation of business solutions is divided into two programs, which is short-term and long-term program program. so as to implement a given strategy will improve customer and profit.*

**Keywords:** Clothing, Business Model Development, Diamond Strategy, increase performance

### 1. Introduction

The developments of shirt at the moment is increasing, many industries that sell t-shirts with an attractive design. Ranging from T-shirts from children to adults, usually to make a T-shirt production requires significant amounts for each production (mass product). Today the “Distro” business (clothing boutique) in Indonesia is also growing, it can be seen from the many “Distro” that sells t-shirts by using an unique design and only sold in that place itself

The background of the making the company is also based on the needs of customers who require a plain shirt (without design) because it has become a trend in society not only in Indonesia but also in other country like England, USA, and many more, actor and actress in Hollywood used to use a plain shirt for their appearance, it is because a plain shirt show the simplicity and elegant impression for the wearer CV. Gamma Citra Mandiri (KaosPolos) was established in December 2009 had a business focus in the field of clothing. Judging from the market needs a plain shirt that is high enough, Gamma Rinaldi as the owner saw a good opportunity to grow the business in the field of clothing. Trends in the community are also supportive for the market needs for simplicity of appearance every customer. The business has two parts business sector, namely Kaos Polos, and Sablon Kaos.

KaosPolos has some challenge Business development at this age is growing, the number of products and services produced so competition among industries is increasing. Ease of information obtained is also a factor affecting the development of the existing business in Indonesia. Technology is very important in accessing the information, the average people who use the internet to search for information about the business.

The problem of KaosPolos is a small and medium enterprise that has barriers to define its business model, and its strategy. It does not make KaosPolos can not compete with other competitors. But it causes KaosPolos can not grow to enlarge its business towards the next level in accordance with the vision that has been owned by KaosPolos. Business strategy may provide KaosPolos in pursuit of the vision will be achieved in a shorter time

## 2. Business Issue Exploration

Most of company that made an event in the company usually requires an uniform that is used as a medium to unite their employees. KaosPolos has shortcomings in the marketing, marketing media of KaosPolos only found on the Internet, that media is really promising. But it is not just the only Internet media to grow our business. Channel is also needed to support the development of KaosPolos, because by having a lot of channels. So the ability to get the customer will also be higher.

### A. Conceptual Framework

In the competition of the retail business in Indonesia, especially in business shirt, has a high level of competition, because many companies are already established and have a large enough market, it becomes a challenge of KaosPolos business to increase sales volume. The business is established based on the strategy start small, but it has a clear vision, which is to become a leading provider in Indonesia plain shirt. Here is a conceptual framework used to develop the Final Project based problems faced by the company KaosPolos

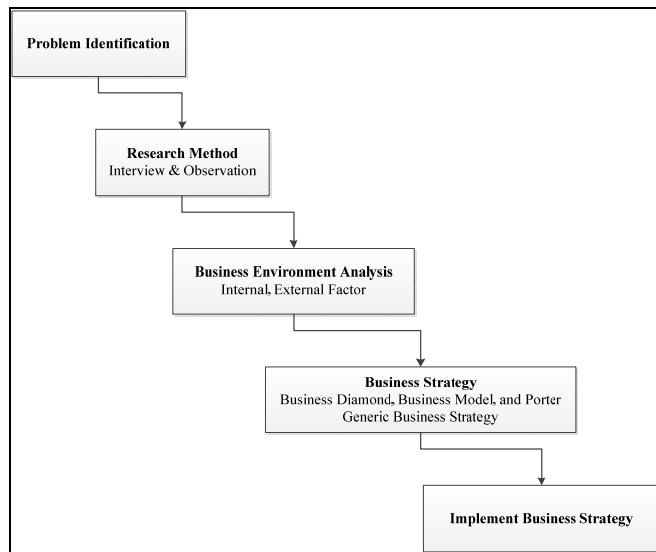


Figure 2.1. Frame work of KaosPolos

### B. Method of Data Collection Analysis

Research methods used in the making of Final Project is using observational methods, it means, direct observation to study business unit located in the South Tangerang, view and analyze the current conditions that exist within the business KaosPolos, paying attention to every operation that occurs in daily business activity were performed. In addition, other research method is using interviews, conducted the first interview done to the owner, to know the vision and mission to be carried out in the development of the business owner

In acquiring the data that supports the creation of Final Project, the author also conducted by giving questionnaire to every customer, The purpose of providing these questionnaires is to understand from customers about their needs in buying a product. So that it can help KaosPolos in determining the proper strategy in developing the business. Author also perform data collection through the study of literature in order to determine the use of literature studies, the authors find that data through related books in clothing industries, as well as the strategies used to support the advancement of KaosPolos.

### C. Analysis of Business Situation

In this phase, it is very important for KaosPolos to know the position of the circumstances surrounding the business environment. So that the necessary internal and external analysis that will affect business performance. factors will affect KaosPolos in running any business activity, the author conclude the analysis, such as:

- Based on value chain analysis conducted, KaosPolos have a good value chain in running any business activity, particularly in primary activities, some components have been fulfilled to get a good margin. So also in secondary activities, KaosPolos have great activities to support the development of business and compete with competitors who are in similar businesses.
- On the Sustainable Competitive Advantage, KaosPolos also has a good value given to the customer, but it takes more effort in developing nonsubtitutable because competitors can make similar products with equivalent quality products owned KaosPolos
- KaosPolos should also pay attention to the Human Resource section, because KaosPolos just have a simple organizational structure, so it requires a good system to support the human resource of KaosPolos.
- KaosPolos have a quite large threat, based on the SWOT analysis many competitors that are developing similar business. so KaosPolos should have the right strategy to increase the number of customers so that they can survive on clothing industry. But opportunity also owned quite good, based on customer lifestyle in buying T-shirts, increased levels of customer creativity with the development of digital world and makes it possible for customers to print design which is owned on a plain shirt.
- By PESTEL analysis, KaosPolos does not have a significant effect in carrying out any business activity, but there are several threats such as the economic downturn, it will affect people's purchasing power. but at this point, PESTEL analysis gives a good signal in the development of KaosPolos
- Based on the Five Forces analysis, the authors conclude that the current state of KaosPolos can still survive in the clothing industry, due KaosPolos have a supplier who is ready to support the needs of KaosPolos in running its business activities, buyer power of customers is also quite strong, because the price given by is cheap. supported also by the number of requests increased by lifestyle customers who like to use a plain shirt and a shirt that has own design.

#### Competitor Analysis

In Competitor analysis, the Authors directly make an observation to any competitor of KaosPolos, gathering some of the information needed to make the final project.

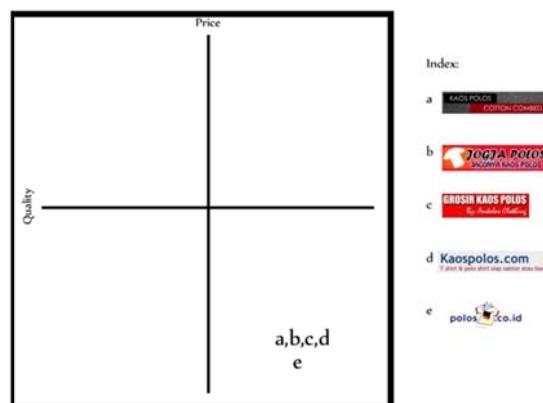


Figure 2.9 Competitive Map

Competitive map above was made by the company in the field of clothing industry and doing marketing through the internet, so the above businesses have a high competitive level in selling the product. As seen above, polos.co.id have a cheaper price than other similar businesses, but

based on the quality of their, this business has seen an equivalent quality based raw material used in making the product. So KaosPolos must determine the right strategy to get more customers

### 3. Business Solution

KaosPolos is a new business in the clothing industry, so as to provide business solutions, authors have to do some analysis to support the strategy to be used in KaosPolos. By identifying and analyzing business issues and business environment of KaosPolos; internal analysis and external analysis, the authors also identified the root of the problem has been found in KaosPolos, so as to provide a business solution, the authors use several methods, using questionnaires, analysis of business canvas model, and diamond business strategy analysis.

#### Generic Competitive Strategy

Business strategy of the business is cost leadership, because we sell products at very cheap prices, but we sell it in large numbers so that we can benefit greatly from each shirt sale. To suppress the existing cost, we do marketing through the internet, about 80% of the marketing activities of the business is to use internet services, we market our products through Kaskus, Facebook, Twitter and our own website. The cost of marketing is quite low but the results obtained are very satisfactory. Currently KaosPolos marketing strategies using social media networks that are booming in Indonesia, the problem is when KaosPolos want to reach markets in the regions outside Jakarta, KaosPolos must have a functioning distribution channel to reach the customer. With the distribution channel, KaosPolos can expand the market to be obtained.

#### Business Model Canvas

Based on the nine elements of the business model canvas, the following is an explanation KaosPolos business model:

##### 1. Customer Segmentation

KaosPolos a mass market category, so the sale of products KaosPolos spread throughout the area, the following is an explanation of each customer KaosPolos:

- People under 30 years. Who want to increase their appearance with simplicity and their own shirt design. (custom design) based on questionnaires given, customers under 30 use more KaosPolos products. Student is also a customer of KaosPolos, because it is usually more frequent student use shirt in every activity outside of school as well as the prices given KaosPolos also affordable for student.
- Every company that organizes specific events typically use KaosPolos products to supply the needs tshirt for participants-participants, the company typically use their own design printed on t-shirts, as well as an active community make internal events usually require KaosPolos products as their identity in community

##### 2. Value Proposition

- Give the simplicity of clothing product with high quality and low price (KaosPolos). increasingly growing trend in society about how to dress, usually in determining the style of dress many people who want a variety of accessories and a variety of models of clothes for his appearance. But there are many people who want a simple dress, KaosPolos provide products for customers who want a simple impression for his appearance. Not only simple, but also have good quality coupled with low prices for each product KaosPolos
- Provide customized shirt by own design with good quality and low price (Sablon). Based on the technological developments in the world that allows people to

create a design using digital media provides an opportunity for KaosPolos in offering their own design on T-shirt printing is desired

3. Channels

- Retail Store with locations in Pamulang Permai 1 Block CX 1 1, South Tangerang is a strategic place in Pamulang
- Online store: [www.kaospolos.net](http://www.kaospolos.net)
- Social Network: Kaskus, Facebook, Twitter

4. Customer Relationship

KaosPolos providing for special price of a dozen plain shirt more than 6 pcs (discount). The purpose of giving discount is to make the customer repurchase the product of KaosPolos.

5. Revenue Stream

It is earned from sales made by KaosPolos every day through retail stores and through the internet.

6. Key Resources

Fixed assets (equipment), and KaosPolos have employees who have a good capability, although they came from a low education background, KaosPolos employees have good soft skills. Due KaosPolos employees are the strategic position of any sales KaosPolos

7. Key Activities

Operational activities are usually carried out by KaosPolos in selling products are key-activities due to growing KaosPolos business, the daily operation should be monitored and managed.

The marketing activity is also a key activity of KaosPolos, because to get many customer KaosPolos needs good marketing. The marketing activities include to conduct campaign on the internet to keep the website KaosPolos always be at the top position on google search engine

8. Key Partnership

Key partnerships are KaosPolos shirts supplier who always supply KaosPolos need to sell products to customers KaosPolos.

KaosPolos need more partners to get more customers, Event organizer have a job that is always associated with the event. so with more and more of his events were held, hence the need for the shirt to be increasing

9. Cost Structure

Costs incurred to conduct day-to-day operations, such as printing ink costs, the cost of packaging products, etc

Costs incurred to provide salaries to employees KaosPolos, so by providing appropriate salary will increase performance of employees in performing any duties and responsibilities.

Costs incurred to maintain any equipment used to support the performance KaosPolos in providing a good product.

Costs incurred to carry out marketing activities through the medium of the internet, media placement and other uses. KaosPolos cost paid to google to include KaosPolos website is at the top (googlead) thus increasing the possibility of the customer to access the website KaosPolos.

Costs incurred to pay rent for the use of the Internet, and the use of space that is used as a retail store in the city of South Tangerang.

#### Business Diamond Strategy

- Arena

Product category of KaosPolos is the clothing industry, KaosPolos sell a plain shirt with a good quality 20's and 30's. KaosPolos also has several color variants that suit the tastes of the customer in choosing the color.

The focus area of this business is in Jakarta, where Jakarta is a business center with a variety of activities, but it is an Internet-based business

The technology used is the machine prints on T-shirts desing, KaosPolos using modern technology to print the design with a shorter time. So the customer will get the product you want quickly and good quality.

Market segmentation of KaosPolos is a customer who has aged below 30 years, who have a wide range of social activities, like simplicity, and have high creativity in determining the design for his appearance.

- Vehicles

Developing Internal Development is quite important in developing KaosPolos business, by providing training to each employee to improve performance given. Additionally do a Join Venture with the event organizer is also a right step in getting the customer, because the Event Organizer always make an event that requires a uniform shirt from the event held. So the sale of products from KaosPolos will increasingly.

- Differentiator

Image provided to the customer is the simplicity and creativity, simplicity means customers who use KaosPolos will have a simple image, because in his appearance only use plain shirt which has become a trend in appearance.

Price given to the customer is a cheap price, based on customer KaosPolos is under 30 years allowed them to reach the price offered by KaosPolos.

Style of KaosPolos business is internet-based, thus showing the progress of technology, and the ease of customer to get the product from KaosPolos.

KaosPolos always use a good quality product in any sales, KaosPolos material will not change color, and size of the shirt is also not easily stretched.

Speed in delivering products to customers from KaosPolos very fast, for its own plain shirt products customers can choose the right stock contained KaosPolos, this business also always keep a stock that will be given to the customer, so the purpose of product availability KaosPolos always maintained. For screen printing products have a very fast speed, supported by modern technology so that customers will get the desired products in a short time.

- Staging

Currently KaosPolos has a low expansion speed, based on the authors perspective, KaosPolos owner is not ready to open a new retail store. But now KaosPolos have started to expand from the product that sells jackets and polo-shirts as another option for customers.

Initiatives undertaken to accelerate expansion KaosPolos KaosPolos is to do research area to open a retail branch store in a particular area. Goal is Depok area, where there are many universities. Students are KaosPolos customer segmentation, so as to expand the customer KaosPolos

- Economic Logic

Lower costs through scale advantages, KaosPolos provide low prices, thereby affecting the profit earned, based on this, to get a big profit, KaosPolos to sell products with a large amount. For now, things are done is to use the Internet, so that the process also becomes more efficient marketing.

#### **4. Implementation Plan**

Based on the analysis that has been done in the previous chapter, and based on the solution given to use tools that help to determine the right strategy for KaosPolos, the author will provide an implementation plan will be applied to any activity undertaken by KaosPolos, the author divides the implementation of the program into two parts, the first Short term program to be conducted within one year, and Long term program within 5 years. Expected based on the distribution of the given solution can be implemented according to the needs KaosPolos to hang on clothing industry.

The following are the activities carried out within a period of 1 year to implement the solution given to KaosPolos:

1. Survey  
This survey was conducted to gather information about the current state of the KaosPolos, so it takes a survey on customer side and also on the employee side, the goal of the customer is to know the feedback given to the customer about the products sold by KaosPolos
2. Evaluate SOP  
Currently KaosPolos already have SOPs used by employees in carrying out any trading activities. However, it should be evaluated based on a survey conducted to determine the SOP used have been effective or not, if still not effective, needs to be revised in accordance with the requirements of the SOP KaosPolos to maintain the quality of services provided
3. Evaluate the potential of Retail store location  
Based on the results of a survey on potential location for a retail store, KaosPolos evaluate the information obtained to obtain clear data in selecting the location for the retail store
4. Improve Technology
  - Printing Technology
  - Website Technology
5. Improve Media Marketing
6. Improve quality of Human Resource
  - Training and Development
  - Bonus based on performance evaluation
7. Financial short-term arrangement

Long-term program has a goal to survive in the clothing industry and extend the customer KaosPolos to increase the profit obtained

1. Open new retail store  
Based on the analysis conducted through questionnaire method, there are 32% who find it difficult to reach the area retail stores, based on interviews with customers that are difficult to reach retail stores KaosPolos, the reason they are difficult to reach because the customer has a great distance to come to a retail store that is KaosPolos south tangerang district, Depok city is chosen as the possibility of a new retail store due to have a strategic regional location of the customer
2. Join venture with Event Organizer  
Event organizer is a business that makes a few events, so usually every event requires a uniform supply as the identity of the event organized.  
By working with the event organizers will expand the customer who uses the product KaosPolos.

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