

Comparative Analysis of Policy Change Strategies Distribution System in the Improvement of Customer Satisfaction PT. Kao Indonesia Medan Branch

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ABSTRACT

Competition in the business world leads to the era of free trade, so competition is becoming increasingly tight. The company is required to be able to think carefully and quickly in drawing up the strategy in order to meet the target achievement of the company. Similarly with PT. Kao Indonesia in facing the business competition changed the policy strategy of their distribution system. Such changes have been through the stages of planning and consideration from the company. The main target is consumer satisfaction, naturally it is important to conduct thorough research, to changes in the policy. Whether the change was appropriate, able to meet targets and able to meet the satisfaction of consumers. If the policy has not been able to reach the target and not appropriate for consumers. This study uses a qualitative approach. Key informants in this research are 12 people, that is 4 parties the company and 8 consumers coming from several owners of the stores and some of the end consumers. The results showed that until the current policy changes still have not been able to meet the entire target and still have not been able to fulfill the consumer satisfaction. Consumers (store owner) are still experiencing some constraints in the distribution system. There are some other factors affecting customer satisfaction, including quality of product, suitability of the prices and the granting of discounts or promos. The results also showed that 26,7% of informants did not know PT. Kao and 20% of informants stated quite difficult to find the products of PT. Kao

Keywords: PT. Kao, Management, Marketing, Distribution

INTRODUCTION

Competition in the business world this leads to the era of free trade, so competition is becoming increasingly tight. The company is also required to be able to think carefully and quickly in drawing up the strategy in order to meet the target achievement of the company.

The demands to always think quickly and carefully by the company should be done on any fields in the company as needs in the field of production, control, R&D, marketing, to distribution should pay attention to the fulfillment of desires or satisfaction of the consumer. It can be done better with the improved performance of the company, the preparation of the strategy effectively and efficiently and always do the evaluation of each policy that has been running.

Every company should always maintain the harmony of mutual influence between each field. As between the field of marketing and distribution of products to consumers. Enterprise should be strategizing the best and always do the evaluation and innovation tools dengantren or the demand of the market (consumers). With a good strategy, diharapkan perusahaan will be able to survive and even increase the target achievement of the company.

Marketing is generally seen as the task of promotion as well as how the process of handing of goods and services to consumers or other companies. The process of delivery of the goods is certainly through the process of distribusidan sales. The concept of the most basic underlying marketing is human needs. Current developments resulted in many changes in the fulfillment of the needs of consumers, such as the want to consume a product with particular characteristics as well as how to ease-the ease in obtaining the product. The emergence of the desire will create a request specific to a type of product and the variety of ways in obtaining one of the challenges of the company in marketing its products, especially in improving satisfaction of the consumer.

As in the parts of the product or goods, the emergence of variations and specifications of the products in demand by consumers to be one of the reference and the challenges of the company in designing or creating the goods. Similarly, in terms of the distribution of products or goods to consumers today are also increasingly varied following the trend and demand of consumers. Technology played a huge role in the process of distribution of products or goods from the producer to the consumer. Various models of the distribution system have been found in the wider community around the world. This affects the consumer demand is in the process of delivery of the goods according to the wishes, convenience and experience consumers. The ease of the actual buying process, that is, when consumers want to buy products in the quantities that they want using the means of payment and distribution of what they want (Farrel & Hartline, 2011).

Success in distribution system sangatdipengaruhi by the suitability of the use of the strategy delivery against the wishes of the customers. As a comparison, a company that is already known to the public would be more easy to market their products by using models of the distribution of any. While to company still not yet known of

should devise a strategy model of the distribution right quantity and more innovative distribution system that is selected can also help the introduction of these products, as well as provide a positive impact in the satisfaction of its customers.

Type-the type of product to be marketed also affect the model distribution that will be used by the manufacturer. Products light and small-scale can be distributed or sent with a different delivery model such as the use of freight Cargo, Pos, JNE, Website and so forth. But the process can not be done on the delivery of products to large-scale, much like the delivery of flour, rice, soap and so forth.

The challenge for manufacturers with total production and the amount of marketing goods is quite large when this is about strategy and choice of distribution model as a way of marketing its products. Error in the determination of strategy and the selection of the model the distribution of a bit much will affect the various aspects of the company such as financial (budget) for distribution, the cost of workers, the cost of the contract if you choose to use a 3rd party and so forth. But the ultimate goal and it into consideration for companies in the distribution channels is how to give satisfaction to the consumer.

From the results of the research conducted by (Hidajet & Halit, 2015) in their research concluded that “through a strategy of appropriate distribution channels, the company will be able to achieve their goals. Hidajet and Halite also said that for companies that want to progress and develop indifference competitors terhadapstrategi distribution channel is a big opportunity for them. Occasion spur their companies to innovate in developing the distribution as it pentingelemen the company's strategic. However, it should be realized that the ultimate goal of any policy is still focused on customer satisfaction. Consumer satisfaction is a strategic key in the growth and development of a company's products and services.

In preparing and setting the use of distribution strategy, the company is not true if only focusing on budgeting or how the distribution of course, but it should be oriented on satisfaction of the consumer. Therefore, it should be understood that the strategy of careful and precise in setting distribution strategies by each configuration, so oriented on the improvement of consumer satisfaction is a must. As in the PT. Kao Indonesia in develop and establish the strategy in the marketing and distribution of its products to consumers.

PT. Kao This consumer goods company that established in 18 January 1985 with a vision “to be the company that best understands and close in the hearts of consumers.” In producing quality products for consumers, currently PT Kao Indonesia has two production facilities are located in Cikarang and Karawang as well as some locations for the Logistics Center.

In accordance with the company's vision to “become the company most understand and close in the hearts of consumers and consumers” of spur a company to always be innovative, in particular on the strategy of distribution channels of products to consumers. The current PT. KAO Indonesia choose to use the services of distributors sebagai perubahan strategy in distributing its products. Earlier in the year 2016, in distributing the products to the consumer, PT. Kao Indonesia melakukan distribution directly managed by the company through the Sales team.

The company made the policy change the distribution sebelumnya tanpa parties to the 3 menjadi use the services of a 3rd party that is distributor akibat several factors. First, because see banyaknya Man Power Plan as tim salesman, team admin, logistics team as well as the expedition. This then raises a huge cost in terms of employee salaries, health insurance / BPJS, warehouse costs, and inventory of car delivery of goods from the warehouse to the retailer. Second, the factors that become reasons for changes in the policy of distribution system at PT.

Kao Indonesia is a coverage area that is too broad and difficult to reach. This change is also a strategy to optimize the range of coverage on the potential that has yet to reach, as well as a strategy to face competitors such as PT. Wings, PT. Unilever and other companies. Other factors are also taken into consideration in such policy change is the high turnover of employees sales in a span of just a few months. This has an impact back on additional costs for the recruitment of employees sales new.

In 2016, the Management Company is instructed to amend the policy in the marketing strategy product consumers to be system distributor direalisasikan in May 2018. The changes that occur, is expected to shift the cost of distribution should be borne by the Manufacturer of the be a cost borne by the Distributor. With the current situation 80% of the shops have been covered by the distributor with the acquisition of margin to the distributor by 5% of the total sales. The change of this distribution system is already the graph shows the improvement in some ways such as total sales, reduction in operating costs and other. However, there are still things that have not yet become a reason or target of policy changes, namely, satisfaction of the consumer.

From the results of the observations of researchers, the change in policy is still oriented on the coverage area, the effectiveness and efficiency of operations based on budgeting and the possibility is still there beberapa kekurangan or negative impacts. One of the possible negative impact on budgeting, namely adanya klaim return damaged goods from the distributor to the company, complain consumers who are not up on the company, so that could lead to reduced profits. While in terms of increased satisfaction of the consumer, the company still has yet to find the mapping is konsumen satisfied or not. Is there any suggestions and expectations that may be different and can be applied or are there factors yang that be the determinant of consumer satisfaction.

Therefore if the reference of policy changes focuses on the target sales, then there are still other problems and should be used as a new attention after the policy changes done in the process of distribution of production results. Because of the orientation in increasing the sales of also is how to increase consumer satisfaction, especially on how the responses of the consumer with the determination of the change of strategy the new distribution applied by the company.

LITERATURE REVIEW

Marketing

Marketing is the process by which companies create value for customers and build strong relationships with consumers, with the goal of capturing value from consumers in return. Marketing is the spearhead of the company or organization (Kotler & Armstrong, 2014). Marketing is a total system of business activities that is shown to plan, determine the price promote and distribute goods and services that can satisfy the needs of the existing buyers and potential buyers (Swastha , 2010).

Distribution

The distribution is the economic activity that bridges the activities of production and consumption. An outline of the distribution can be interpreted as a marketing activity that seeks to improve and facilitate the delivery of goods and services from producers to consumers (Daughter, 2017).

Consumer Satisfaction

Consumer satisfaction is an acquisition which is obtained by the consumer or made to consumers with good or adequate (Tjiptono, 2014). According to Kontler and Keller in (Tjiptono, 2014), consumer satisfaction is an assessment of the evaluative from the consumer. Consumer satisfaction is one of the things that have an important role in the business. Consumer satisfaction is a major milestone in the success of a company.

Strategy

Strategy is the direction and scope of an organization in the long term which achieves advantage for the organization through configuration of resources within a challenging environment, to meet the needs of markets and fulfill stakeholder expectations (Johnson & Scholes, 2016).

Purchase Decision

The purchase decision is a process of integration that combines the knowledge to evaluate the two behavioral alternatives or more and choose one of them (Sangadji, 2013: 332). Purchase decisions are affected by the environment, culture, family and so on that form of attitude in making a purchase. So it is concluded that the purchase decision is a process by which consumers conduct an assessment of various alternative options and selecting one or more alternatives that is required based on considerations specific considerations (Manap, 2016: 247).

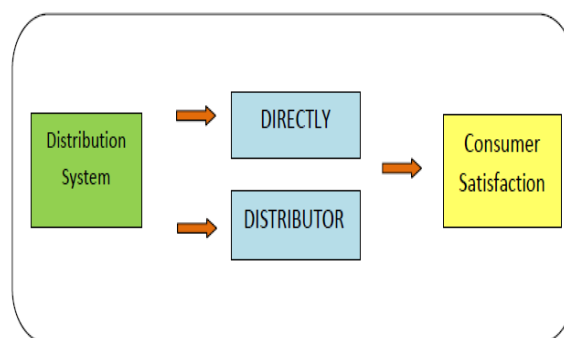


Figure 1. Conceptual Framework

MATERIAL AND METHODS

This research is descriptive comparative, using a qualitative approach. That research describes and membanding kanfenomena-a phenomenon using descriptive data in the form of words written or spoken of the people as the object of study is factual. According to Sinulingga (2018) peneliltian descriptive is a type of research that aims to describe in a systematic, factual and accurate about the facts and properties of an object or a particular population. Descriptive research wants to ask or want to know about the meaning of (specialized concept) and

phenomena behind the story detail from the respondents with backgrounds that were studied (Hamid, 2010).

In this study, the term used for the subject of the study is Key Informant. Key informant is someone who is considered the most know about the object of research to be studied by the researcher. According to (Pradoko, 2017), the Key Informant is an individual who is able to provide clarity of interpretation, evidence, information, story details, conditions or events and keruntan argument in accordance with the research topic. Key informant research is the distributor and the consumer loyal to the PT. Kao Indonesia in Medan. The selection of the sample using snowball sampling. According to (Hamid, 2010), Snowball sampling is a technique to withdraw a sample of the population, namely the interesting data elements of the population gradually so that the sample size becomes increasingly large. Starting from the small sample size, if the number of data not satisfying and can not be represented then the analysis will be performed back from the data already collected.

Based on such understanding, then to determine who the person will be a key informant established indicators or criteria for sample selection such as: knowledge, experience. Key Informants in this study is Informant I the Post of: Branch Manager, Long Work: +/- 20 Years. Informant II Position: Chief Store Advisor, Long Work: +/- 15 Years. Informant III Position: Head of Admin, Long time Work: +/- 3 Years. Informant IV Distributor, Long work: +/- 3 Years. In this research there will be 10 key informant other which is representative of the loyal consumers of PT. Kao Indonesia (outlet or stores). So the total Key Informandalam this study consisted of 14 people.

The type and Source of Data. Data can be obtained from two main sources, namely primary sources (the primary source of data) and secondary source (the secondary source of data). Data obtained from primary sources is called primary data

is the data obtained by way of searching / digging directly from the source by the researchers concerned. Secondary Data is data collected and processed by the other party so that no longer need to dug / sought by the researchers concerned but only quote or pick up (Sinulingga, 2018).Data in qualitative research usually in the form of text, photo, stories, pictures and artifact (Raco, 2010). As for the type of data on the research if seen from the source is primary data, namely the data of the results of the interview to the informant about the satisfaction as well as tanggapan to changes in the distribution system. Secondary Data is data achievement of sales target of PT. Kao Indonesia cabang Medan, North Sumatra. There are few instrument related to the search or collection of data in this study, namely knowing the foundation or the basic principle of policy implementation, a comparison of the policy with the realization of this moment up on the impact of the determination of the policy (customer satisfaction).

Methods of Data Collection in this study will be collected through primary data and secondary data. The primary Data in this research is the data obtained to be processed directly and used for analysis and decision-making in the research. The primary Data will be taken for the research was obtained through the research instruments, the researcher will capture something of the information through the story of the informant or another person (story telling) based on their knowledge about the topic under study (Raco, 2010). While the secondary data in the form of data the achievement of the sales and the amount of return that is obtained directly from PT. Kao Indonesia branch Medan. The method of data collection: Interview Method, the interview will be conducted as follows; the Interview free / informal (but still leads to the research topic). The researchers conducted interviews to key informants on an informal basis to obtain preliminary data as responses top of mind about the assessment of the distribution system of PT.

Kao Indonesia. Structured interviews (in the form of interviews which had been prepared as a guide interview guide). This interview following on from the informal interviews, namely in-depth interviews with reference to the questions that have been formulated to determine the research topic. Methods of literature Research, Methods of research literature, namely the collection of data from a variety of literature which deals are sourced from books and thesis-thesis as well as use internet services. Methods the literature was conducted to complement the results of field research and can be used as a reference material for comparing the time of field research.

RESULTS AND DISCUSSION

The Existence of PT. Kao Indonesia and Its Products

Talking about the distribution of and consumer satisfaction should also be attributed to acknowledge of the product and the company that will be assessed. Logically we questioned about the satisfaction must necessarily be to people/consumers who are familiar with and know clearly what will be judged. During the conduct of research about satisfaction of the consumer, the researcher is still on the consumer which indeed is a store or outlet who market their products so that it can be ascertained they all knew clearly about a subject that is questionable, namely the product and the company PT. Kao Indonesia.

In terms of the affirmation of the existence of the product and the company on the consumer, the answer from the PT. Kao still having the pros and cons because some say it steady enough to exist and still not. Here are the results of the interview informants of PT. Kao said that:

“PT. Kao Indonesia with its products can be said to exist because if asked to all consumers (outlet) they are already familiar with the product Kao”

“I PT. Kao still exist in the general public (society) maybe they still know more about the products than the company.

Therefore we still need to work harder in this case”

“Existence, of course is still not. To be honest you also if you ask people whether know or not about the PT. Kao, you most likely don't know. If products are different, odds are they know. But yeah still I can't say its existence is high, it is still in the process lah”.

The results of the interviews provide information that of the three informants, two of them said that PT. Kao still exist, still in the process and need to be improved. While one other said that PT. Kao already exist. Only this statement is directed only to the outlet is not in general. Answers one of the informants is also the same with the answers obtained from the informant party distributors who say that “PT. Kao already exist and more exist compared with the company's distributors”. Therefore penegasaan existence of the company both PT. Kao and the distributor gets 50%-50%. A comparison of the existence of more accentuate products production results followed by PT. Kao and company distributors

Meanwhile, the results of the acquisition of the answers of existence PT. Kao, a distributor of products and production results from the informants are also relatively the same. The results of the acquisition of information from the informants said that they all know clearly PT. Kao and any of its products. Logically this is reasonable because all informants included in the research is the outlet or stores that market the products of PT. Kao. However some of (the outlet/store) who became an informant in the research there is only 1 shop to find out what the name of the company distributors, in other words almost all the shops do not know the company distributor with the reasons which vary as the result of the interview to the informants the owner of the shop here, with the question of “whether the father / mother / brothers know the company distributors who supply the goods PT. Kao to this store?”

Important or not to the knowledge of the distributor? (give reason)”:

“We don't know the distributors, we know just the salesman came to bring the products of PT. Kao only. While for information about our distributors don't know. If important or not just the same, if it was important surely they provide information”

“If I'm not mistaken MJ (stands for & the answers are wrong). Had forgotten also because there is never an introduction or a notice that more, so the info for distributors yes no. When asked the importance, of important one, because it could so handle information. If there is a problem right so it is easier to affairs. But here's the bang, all ignorant of his we. Frankly aja we ga there are also his and of sales-the salesman himself is also ignorant-doesn't bang. Then the severity of the salesman change also bang so yes it principle come buy if ga come take to another place (a large Wholesale) so aja.”

Based on answers informer already confirmed they know about PT. Kao and almost all of its products because the informant is the owner of the store. But the informant (the store owner) is that not many people knew about the distributor for this deliver the products. Kao to the location of their store. It can therefore be concluded that the existence of PT. Kao and its products more known than the company's distributors. Meanwhile, to complement the research and as a source of additional information, the researchers conducted a survey about the existence of PT. Kao and its products to some of the informants through the medium of a Google doc.

Based on the results of the survey obtained information that there are 73,3% of informants (public and shop owners) know or ever heard about PT. Kao Indonesia. While it is still there 25,7% of informants (general) still do not know or never heard about the PT. Kao Indonesia.

Based on the results of the survey obtained information that the 100% (absolute) of the entire informant know or

never heard about the products of PT. Kao Indonesia. While from figure 4.6 diperoleh that information from 100% of informants only 93.3% of which is the users of the products of PT. Kao Indonesia. Therefore, researchers concluded that until now the existence of the products of PT. Kao is still more superior than his company as well as company distributors that helps to sell that product.

Comparative Analysis of the Distribution System

Policy change system distribution performed by PT. Kao Indonesia is a step in adjusting the target and the realization. Such policy change is a strategy that has been designed by the company with quite a long time, with an in-depth analysis and a variety of adjustments to persayataan other before deciding to take the policy and change their distribution system. Basically what is done by PT. Kao Indonesia has been in accordance with the theory of strategy, namely strategy as perencanaan (Strategy as a Plan). In the strategy as the planning, there are two characteristics of the strategy are very important, namely, (1) a strategy planned in advance consciously and deliberately precede a variety of actions to be performed (2) the strategy is then developed and applied in order to achieve a goal that has been set.

As preliminary data about the comparison of distribution system old system and a new distribution using the services of a 3rd party that is a distributor of researchers has been to obtain the initial motivation of policy changes is to reduce the burden of cost on man power, warehouse inventory, inventory of the vehicle as well as to increase the area market and mengatari competition with competitors. Based on preliminary data, the researchers analyze the information by comparing the initial data with the situation of the company at this time. So the results of the analysis will provide an overview of whether the policy changes already relevant with the situation expected. Here are the

results of interviews with informants from the PT. Kao and the distributor about handling the distribution of post-policy change.

“Whether a company already successful in the handling of distribution system for covering seluruh area market the company?”

The fourth informant to give answers:

Informant I: “Still in the process of”

The informant II: “Still trying to meet the area market”

The informant III: “is Still not optimal and needs some improvements policy for the better”

The informant IV: “Still in the process of”

Based on the answers to the four informants from the PT. Kao and distributor obtained the information that until recently hasn't happened significant changes on the fulfillment of requirements in cover the entire area of the market company. The results of the analysis based on the answers the informants and field observations during the research, it can be concluded that the company is still not able to cover the entire area of the market (market potential) in the City of Medan and Medan (Deli Serdang). The results of the analysis are also based on the answers to some of the research informants in the field that still have never got access to the company there are also a few shops informants no longer supplied the products of PT. Kao.

Comparison of distribution system old system with a new distribution (the distributor) based on the responses the company experienced several positive impacts, including;

1. The reduction in operating costs in man power
2. Cost reduction in pengadaan warehouse
3. Cost reduction in the procurement of car (transportation)
4. Cost reduction in turn over , recruitment and training of human resources
5. The increase in the number of outlets (stores)
6. Increased revenue sales by about 15-20%

7. Time savings and operational 1x24 hours

From some points the positive impact of perusahaan policy distribution system, there are still some points that are still not yet certain of his success, including; an increase in the number of stores and saving operational time of delivery. However, the company with the firm will immediately make improvements, innovations in order to improve the target as well as cover the points that are still not optimal. The following informant answers about the strategy of the distribution system of the future:

“The company is still not maximum in the distribution system, still have much to learn from the process of running. For the future, the company will focus more on the distribution that the target market can be met evenly, focus to the consumer. Because the distribution has been uneven can be categorized maximum, then the consumer will be more close to the products of PT. Kao”.

“Changes in the distribution system has been implemented as best as possible, but his name is also all cultivated sometimes there are not appropriate. In this case I think only less than the maximum in execution in the field. The bottom line of the company still remains in the distribution of the focus to the consumer.”

Based on both the results of the interview to the informant obtained the information that until today the company is still not maximized in the execution of these policies, as well as there are some constraints. Basically the company focus to the consumer, so that if all products has been up to the entire area of the target market, then the final consumer will be more easy to acquire and of course will have an impact on consumer satisfaction. However, some of the constraints after the change and still not be lost because of any achievement definitely requires a process, whether the process is short and the process long. Similarly, the situation which is currently experienced by the PT. Kao

Indonesia after the policy change. The following informant answers about some of the constraints experienced by the company and the distributor:

“Certainly there are obstacles, its name also changes. As I said that all need to process. To date, the obstacles that have been dievaluasi associated with small things but can have a major impact such as the use of technology and human error. Because the company is working to deliver breakthrough ease-of greetings build a better system so that in the future will be easy and can increase consumer satisfaction”

“Constraint after change fixed distribution system continues to be analyzed, is still there and in the process of repair. Associated with the system, tbsp also. For this issue-this issue remains to be analyzed every time in order to remain maximum and away from the obstacle again in the future”.

Based on the results of the interview to the company obtained information that there are some constraints faced by the company post-transition policy distribution system that the old system with a distributor. Problems or obstacles that are associated with the system, technology and human error (HR). It can therefore be concluded that the policy changes undertaken by the company is still not in position yet optimal, so it still required the analysis of more in-depth as well as a variety of handling-the handling might be done for the optimal and satisfactory results.

Based on the opinion of the informants from the company, with the situation experienced by the company today, the company is still in good enough category. The company is still able to achieve target sales, is still able to obtain the addition of the number of outlets and still able to do analysis as well as some repair program for repairs to things that affects the productivity of the company as well as consumer satisfaction.

Comparative Analysis of the Level of Customer Satisfaction

In marketing management, there are several factors that need to be considered. Distribution and service is a thing that need to be considered by the company to be able to give the satisfaction of consumers. On PT. Kao, the service is very closely related to the interaction that exists between the company and the customers. In this case, the service is intended is a system of distribution of products the results of production to the consumer. The current policy of distribution system in PT. Kao is no longer done directly by the company, but rather by the distributor. This is the reason it does penleitian to obtain information about the comparison of services provided in the distribution up to the level of satisfaction of the consumer.

As guidance material to be tested is that the responses of the company and the distributor which stated that the level of consumer satisfaction was at good level. The responses were tested with direct research by doing interviews with some key informants who is the owner of the outlet (stores) and consumers of the end products of PT. Kao Indonesia. Here are the results of the interview to the informant the owner of the outlet about the distribution services undertaken by the company, whether ever experienced problems and constraints against the distribution of;

“Store B: I think it is pretty good, because we used to it no sign in the salesman. Has never been an obstacle. The problems of late delivery, late of incoming goods. To time there are approximately 2 weeks. The delay was after the order of goods is empty. So because the blank customers are also disappointed. Ga have the stuff, we lose. Can the customer go to another place and will continue to be so. Then the difficult it the salesman change, the fitting is no good, fit was the same we change anyway. Gatau lah what it is because it was told to the office or out him. But right acquaintance again rather how yes, good

don't change. It was except the guy's no good”.

“Store G: Almost the same with that before the distributor. To ensure a still less anyway, the reason for the distribution of goods if you can not empty. We'll pay her cash. For sale may be in the product X that you can more or less 2-3 million per month. What if the item is empty, reduced also is our income. The obstacle was that, there aren't goods. The salesman said next week but didn't get into. Examples of goods mens biore, diapers size L, it's often empty. If for salensya it was the same ga we are too influential in income. Want to anyone is ok as long as the good, the main yes incoming goods. That's it. If dibandingkn bang the same product from another one, his rival's entry once a week, the price is cheap compare to the promotion of yes is good, don't it. That's his response. If you want to judged almost balancing the value 8 and a value of 8.5”.

“Store A: my Assessment was quite good today. compared to the first. I'm 20 years old so the wear distributors such as abang convey and that does not use a distributor, it's better now. The problem never existed. It does upset times the same salesman. So they come in the store again there are buyers, it's typical not crowded as this way but must still be served the name of the buyer. So I said wait a minute, it was clear as soon as he said. Then say a minute we are down (meaning to store) later back. Until the afternoon I wait for because promised, I'm also actually there is the promise of going out. But kutunggulah so that the incoming goods. Apparently insolent times they don't come back until the afternoon. Of the incident was somewhat annoyed me. If the empty item I get to a big wholesale place of mr. X. shipping also sometimes it is late. I or right loss and dizziness again lah bang. Empty if the fitting I to the wholesale pack of X I just take it there”.

“Store MJ: Distributor dang a distributor just the same. For me that's important the goods smoothly if you can a

lot of but love loan so bang. We never have no problem. If you rather not like to ever be the salesman. You know, jokes-jokes, but rather not good. It also lah can pass brother that salenya don't often change-change constantly polite and peguli language here ker is the same to us. Here in 2 weeks, never too empty. Long they do not come”.

Based on the results of interviews with informants (shopkeepers) obtained information that almost all informants said services distribution of current is good enough. However, from some of the informants still found the presence of some constraints and their complaints against the service system of distribution of products to their store locations. From the results of the interviews obtained information about some of the obstacles still experienced by the informant (the owner of the store) up to this time, including; (1) Delay (time), (2) Services (Human resources) and (3) Access to information and communication.

Some of the constraints or problems experienced by the consumer/informant are an indication of the dissatisfaction the consumer and this is in conformity with points 1, 3 and 6 on the theory of measurement of consumer satisfaction (Tjiptono, 2014) by the way:

1. Consumer satisfaction overall (overall customer satisfaction)
2. The dimensions of satisfaction konsusmen
3. Confirmation of expectations (confirmation of expectation)
4. Intention to buy again (repurchase intention)
5. Willingness to recommend (willing to recommend)
6. The dissatisfaction of the consumer (customer dissatisfaction)

It can therefore be concluded that until now PT. Kao Indonesia is still not able to achieve the level of satisfaction of the consumer in accordance with consumer expectations. It is based on the adjustment results of the interview against the informant party company, distributor and direct research done with the better. This

conclusion is also in accordance with theory of measurement of consumer satisfaction based on Directly reported satisfaction is the measurement of consumer satisfaction directly with the ask on the level of satisfaction of the consumer products/services companies and the Problem analysis, namely by conducting interviews or asking consumers to write down the problems faced by consumers as well as give hope or suggestions / improvements to the products/services of the company.

In addition to conducting interviews with informants (shopkeepers) as a reference in the comparison of the level of customer satisfaction towards PT. Kao in distributing its products, the researchers also conducted survey research as enhancer information about the distribution system of PT. Kao Indonesia, its products until the relation of satisfaction of the informant.

Based on the results of the survey obtained information that 90% of the total informants said that the distribution system affects their satisfaction towards the products they use. While the other 10% stated that their satisfaction will not be affected by the distribution system. Steeped in height percentage of the researchers questioned some of the informants about the reason they give the answers that the distribution system affects customer satisfaction. The informant said that the:

“it certainly made my distribution affect my satisfaction, how I could be satisfied if to find the items I want just hard? If the goods can be easily obtained I don't need the extra power, especially if you can only with a little power (very easy)”.

Therefore it is clear that the availability of products that are managed based on a system of distribution of the product will affect customer satisfaction. Some of the reasons that price given by the informant so it should be given the optional to be more focused. Nevertheless all of the answers the informants is logical and can be accepted. Reinforce some of the answers the informants, the researcher give some choice

about the location of the informant in obtaining products that are questionable order to conclude whether the statement of the informant in accordance or with other words can be accepted or not.

Based on the results of the survey obtained information that 60% of informants (final consumer) find/buy the products of PT. Kao Indonesia Indomart / Alfamart / Alfamidi. By 23.3% informants find / buy at the Mall, 13.3% in find / buy in wholesale (large store) and the rest in the shop (a small stall).

Based on the results of the survey obtained information that amounted to 46.7% of the informants stated it is easy to find the/to obtain the products of PT. Kao Indonesia. Amounted to 33.3% of informants expressed quite easy to find/obtain the products of PT. Kao Indonesia. However, there are still 20% of the informants stated that it is quite difficult to secure such products but there is no informant who mengatakana very difficult.

Before giving a conclusion concerning the information about the location and the ease in obtaining the products of PT. Kao by the informant, peneliti do penelusuran and checking the suitability of the data the informant with the location of the place gives them. Here are the results wawsancara to the informants located in an area far enough from the City of Medan:

“I buy mens biore in Indomart if ga wholesale near the intersection of tuntungan, indeed if all the shopping or coming home from the city stopped first to buy the purposes. Not biore course, all empty such as soap, rice, oil and others. If in (Kutalimbaru) hard (special product of Kao) should still be somewhat to the intersection of major roads first”.

“The usual buy at indomaret if ga alfamaret. It's the closest from home. If there not there then don't have to purchased, find the other, it is still a lot, almost the same but price is different, the suitability is also sometimes different. If soap disposable

..... (product competitors) are in stalls near the house”.

Of adjustment by location of residence of the informants found the information that the informants who stated it is easy to acquire these products about and is still a category close to the city of Medan with the location of purchase in Mall and Market. While giving the statement is quite difficult is the informant who resides within the city of Medan, precisely in the district of deli serdang with the location of purchase in the market, wholesale and small stalls. It can therefore be concluded that until today, although the distribution system is already using the services of distributors but still have not been able to cover up to some areas that are quite far from the center city of Medan.

In the process of research to consumer satisfaction, the researchers conducted a comparison test against the factors as well as consumer expectations of PT. Kao Indonesia related to the distribution system. Based on the results of waswanca, the dominance of the informants said that the ease in finding the product is faktro ultimate in consumer satisfaction, followed by competitive prices and in accordance with the power of able to buy consumers as well as good quality. Here are the results of interviews with informants about the factors that affect customer satisfaction:

“The final consumer: I Think the most major that there are products. If there are products could certainly rated more. If its products no (hard to find) what assessed? Of course nil. If I was asked now, how is your feedback about product x, but gapernah seen any product what it is. Can I say my or ugly, bad, etc. After that go into the price. If here the price is still affected times whether buying or not the product was. His name is also in the area including the periphery. Don't his people rich here. So still see, oh expensive, ga so it was a buy. Uh cheap no discount, maul ah take (although gatau lah quality).”

“Store E: If compared still losing sales (the same rival) bang, the price is

expensive these products are. If for the distribution too. Which (rival) entry once a week. This two times a week. Reasonable because the goods are quickly exhausted. You know abang mamak-mamak village, ditengoknya not the main quality, the price is bang. The Missal of soap, the same foaming her. The price difference times the bang. Tau lah abang comparison price. Never mind the cheap (rival) can discount more bang. Dikemasan extra 10% more. Directly purchased the same lah mamak-mamak here”.

Based on the results of these interviews can be concluded that the distribution is one of the main factors that affect the kepuasaan consumer and followed by conformity the price of a given company against the products. The community, in particular based on the area of the market the company still put a relatively cheap price compared to the quality offered. To complement the information of the study, researchers also do research in general about the comparison between distribution, prices, quality and discount in the fulfillment of customer satisfaction. With the addition of dara the diperoelh information that the quality still be the main factor determining consumer satisfaction, followed by a relatively cheap price, then the distribution and procurement of discount.

Based on the results of the research can be concluded that marketing management is needed in the process to analyze, plan, coordinate and control program-a program that includes pengkonsepan, pricing, promotion and distribution of products, services and ideas designed to create and maintain beneficial exchange with target markets to achieve company goals.

Marketing management is also a business to plan, implement (which consists of activities to coordinate) as well as to supervise or control the activities of marketing in an organization to achieve organizational goals efficiently and effectively (Daughter, 2017).

Limitations of the research

Limitations of the research during researchers do the research first, company location research is one of the company customer goods the largest in Indonesia, so there is little difficulty in obtaining the data direct (official) of the company. Limitations in the determination of the key informants as well as the limitations of time owned resulted in the possibility of research results is less than the maximum, but still remains on the scientific principles.

Another limitation is to conduct the meeting or set the time in obtaining information from the informant is also a little longer than expected. It is understandable since the informants are workers with level / grade / position reletif high, so that the informant has limitations mengetur spare time to be utilized in this study because of their busy work. Another difficulty is the time to do interviews with several informants (customers/stores) because of their busy in serving the buyers as well as the limitations of time owned during the research in the field.

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Based on the results of the research can be summed up as follows:

1. PT. KAO do change the policy distribution system as a factor of high cost in a system of direct distribution and lack of effective fulfillment of the need (cover) the entire area of the market in the City of Medan and surrounding areas.
2. PT. KAO managed to trim operational costs of the distribution by changing the distribution system involves the distributors.
3. PT. KAO is still not able to cover the entire area of the market in the City of Medan and surrounding areas. However the number of outlets PT. Kao has increased.
4. Still there are some consumer complaints (store) and end consumers

(users) about the problem of distribution.

5. Consumers want ease in finding the products of PT. Kao around the location of their place of residence.
6. The existence of the name of the brand/products of PT. KAO is high compared with the name of the company PT. KAO also company distributors.
7. Some other factors that affect the satisfaction is of a good Quality and the Price is relatively cheap.

RECOMMENDATIONS

The advice of researchers from the research that has been done is as follows:

1. **For the Company:** Required additional promotion of company name and products, market research in varying prices as well as build access to information and communication to stores/consumers (system, group, or application-based IT to facilitate the distribution system such as ordering goods online).
2. **For Distributors:** Required consistency in the development and training of Human resources in order to provide service and convenience to consumers, helping the company in providing the promotion of the products of PT. Kao Indonesia, as well as provide education creative to the owner of the store in improving eksistensi product, company and company distributor.
3. **For Store Owners:** Establishing communication between a store that is relatively close (one area) to share information or to cooperate in establishing the existence, promotion, barter goods according to their needs and interests-other interests that can increase the sales of the products of PT. Kao Indonesia.
4. **Further research:** Conduct a comparative analysis of the market (price) and its influence on the purchase intention and its relation to the quality of the product.

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How to cite this article: William, Rini ES, Sembiring BKF. Comparative Analysis of Policy Change Strategies Distribution System in the Improvement of Customer Satisfaction PT. Kao Indonesia Medan Branch. *International Journal of Research and Review*. 2021; 8(1): 425-438.
