

Marketing Strategy Analysis in Efforts to Increase the Competitiveness of Chatime and D'sruput in Padang City

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ABSTRACT

The beverage industry continues to develop and undergo many changes and is increasingly in demand by all groups, including Chatime and D'sruput. The aim of this research is to analyze the implementation of marketing strategies in an effort to increase the competitiveness of Chatime and D'sruput Indonesia Padang branches. Research techniques for collecting data are carried out through observation and interviews. From the research results, it was found that the marketing strategy carried out by Chatime was online (go-food, grabfood, shopeefood) and offline which was enjoyed by coming directly to the outlet. Meanwhile, D'sruput also has the same marketing strategy but adds the TikTok application. To increase competitiveness did expand marketing areas, maintain product quality, continue to innovate in various flavor variants, and make optimal use of marketing promotion media from various social media. Furthermore, looking at sales, it was found that Chatime averages only 200 cups per day, while D'sruput can reach 500 cups per day.

Keywords: *marketing strategy, competitiveness, sales, product quality*

1. INTRODUCTION

The beverage industry is an industry that continues to develop and experiences significant changes. Innovation in developing new products and brands to meet increasingly diverse market demands to attract consumer attention. The Ministry of Industry noted that during the 2015-2019 period, there was an increase in the performance of the beverage industry in terms of growth with the push for digital transformation. This certainly helps the MSME economy to have confidence in surviving in their respective businesses. In this case, the Ministry of Industry continues to make strategic efforts to encourage the improvement of the beverage industry which will still be able to grow in 2020.

The role of business actors is also important, where they must have good management. The function of management is carried out by a manager to organize, guide and lead the company he runs so that the goals desired by the company he leads can be achieved. The influence of technology and social media has an important role in increasing consumer awareness of beverage brands and products. Beverage manufacturers use technology to improve production efficiency, product quality and distribution. Challenges faced by the beverage industry are faced with challenges such as increasingly fierce competition. Beverage manufacturers must continue to innovate and adapt to remain relevant in an increasingly competitive and changing market.

Competition in the business world is increasingly fierce, both in small towns and in big cities. This can require each company to maximize its company performance in order to be able to compete in the market. Competition in business requires entrepreneurs to be able to behave and act more quickly and precisely in facing competition in a business environment that is very dynamic and full of uncertainty. Therefore, every company or entrepreneur is required to compete competitively in terms of creating and retaining buyers and companies must also be able to understand the needs and desires of their consumers. According to (Alma, 2021) "Competition is getting sharper and sharper, thus encouraging producers to think about how to distribute their goods ahead of their competitors and to take into account current and future consumer tastes." In meeting consumer needs, business actors must be able to compete along with the development of intense competition so you must have a strategy to improve consumer purchasing decisions so that you can attract consumers to make purchases. According to (Teddy Hikmat Fauzi, 2020) "Strategy is a series of decision-making

processes that are long-term and very important because they can influence the direction of the company as a whole."

Consumer decisions in purchasing a product are also influenced by the product itself, both in terms of product quality and price. Consumers really pay attention to the quality of the products they buy, whether the products are safe for consumption or dangerous. Competition for drinks at D'Sruput in Padang is quite tight, making competitors compete to provide promotions so that consumers do not switch their interest to other drinks.

Promotion as one of the components of the marketing mix has an important role in product introduction to create attraction. Promotions must be carried out intensively so that consumers can find out more about what products are available and offered by a company. Having many similar businesses is one of the company's obstacles, therefore if you don't maximize promotions it will hinder the company's growth. Companies need to consider the effectiveness and efficiency of the promotions used. The promotions used by each company are not the same, this depends on the company's conditions.

The boba drink industry in Indonesia has experienced rapid growth in recent years. This was marked by the emergence of various new brands, including Chatime and D'sruput. These two brands have become major players in the industry, with high popularity among young consumers.

Tight competition in this industry encourages Chatime and D'sruput to continue to innovate and develop effective marketing strategies to attract and retain customers. Understanding the marketing strategies and customer satisfaction of these two brands is important to understand the dynamics of the boba drink industry in Indonesia.

Chatime comes from the words cha which means tea and time which means time. So the meaning of chatime is tea time. Chatime is a provider of brewed tea drinks from Taiwan that offers more than 50 flavor variants (Chatime, 2023). This tea-based drink is combined with various toppings such as pearls made from tapioca, pudding, jelly, and others. The company founded by Henry Wang Yao-Hui has been operating since 2005 in Zhubei, Hsinchu district, Taiwan. In Indonesia, Chatime Indonesia is managed by PT. Beverages. Chatime itself has the slogan good tea good time.



Figure 1. Chatime logo and list of chatime drinks

Food Indonesia, where the parent company that since 2011 has overseen the entire portfolio of food & beverage business pillars is the Kawan Lama Group. The number of Chatime outlets in Indonesia in 2019 was 275 outlets, but the total number of Chatime outlets in 2023 will increase to 428 outlets spread from Sabang to Merauke. Business opportunities in the beverage business are quite promising, as can be seen from several large companies that have entered this business line. But it's still not that much when compared to the coffee drink business. The combination of tea drinks is very diverse. Moreover, each country also has its own unique tea.

Therefore, not only big companies are entering this business, but also local stalls with authentic flavors are also enlivening the sales of these drinks. Looking at the existing market, marketers must really understand which segment they want to target, what products they sell, what is unique about their products, and how to create brand loyalty.

Brand Loyalty is one of the parameters of success for a brand. Where this has a meaning that is closely related to repeat purchases or repeated purchases from consumers. The literature review explains that consumer loyalty results from the emotional attachment that consumers feel towards a particular brand, resulting in a preference over other brands that offer the same services and/or products. The term Brand Loyalty indicates customer loyalty to a particular object, such as a brand, product, service or shop.

Meanwhile, D'Sruput is present amidst the rise of contemporary drink trends in Indonesia. Founded in August 2019, D'Sruput offers a wide selection of fresh drinks with distinctive flavors and affordable prices. D'Sruput has a vision to become the leading beverage brand in Indonesia that

is loved by all groups. D'Sruput's mission is to provide fresh drinks with the best quality and affordable prices. Offering a variety of unique and innovative flavors. Providing friendly and best service for consumers.



Figure 2. D'sruput logo and list of D'sruput drinks in Padang city

Several factors that support the establishment of D'Sruput are:

- High consumer demand for contemporary drinks.
- Lack of choices of fresh drinks with unique and innovative flavors on the market.
- Affordable prices so that it can be reached by all groups.
- Effective marketing strategy.

With this vision and mission, D'sruput has developed rapidly and has many branches in Indonesia, one of which is the D'sruput Steba market branch. As time progressed, Seruput opened its branch in Padang in 2019 and until now it has grown to 16 outlet branches. This development shows that d'sruput This development shows that d'sruput is accepted by society because of its unique and distinctive taste.

Competition for drinks at D'Sruput in Padang is quite tight, making competitors compete to provide promotions so that consumers do not switch their interest to other drinks. Promotion as one of the components of the marketing mix has an important role in product introduction to create attraction.

Promotions must be carried out intensively so that consumers can find out more about what products are available and offered by a company. Having many similar businesses is one of the company's obstacles, therefore if you don't maximize promotions it will hinder the company's growth. Companies need to consider the effectiveness and efficiency of the promotions used. The promotions used by each company are not the same, this depends on the conditions of the company. D'Sruput is a brand operating in the Food & Beverage sector which is famous for its characteristic taste which is very suitable for the Indonesian tongue with a variety of appetizing flavors and very affordable prices. The manager of the d'Sruput Area Sumatra trademark is PT. Sumpitmas Berkah Amanah (PT. SBA). D'Sruput was founded in August 2019, has now expanded to various cities and has 170 branches in Indonesia. When establishing D'Sruput the main goal was to serve quality drinks at the right price. D'Sruput Starting from one outlet, it can develop into many branches in several cities in Sumatra. D'sruput products have variants such as: Coffee Variants, Boba Variants, Cheese Variants. Researchers will take questionnaires from consumers and potential consumers of D'Sruput in Padang City.

2. METHODS

Difference test / comparison test

Chatime has 6 workers consisting of 1 manager, 3 staff and 2 part timers. which operates 14 hours starting from 08.00 - 10.00 PM and they have 3 shifts, namely the morning shift from 08.00 - 13.00, the middle shift from 13:00 - 18:00 and the closing shift from 18:00 - 22:00 PM.

Chatime offers 2 prices to its consumers which depend on the cap, namely the regular cap size, the average price of which is 28,000 and for the large size the average price is 32,000 and that

includes toppings and also the service provided by Chatime. itself, the services it provides are free wi-fi in air-conditioned rooms, good service and also novels given to consumers to wait for their orders. Every day approximately 200 people visit Chatime. where the majority of visitors are students and school children, and there are also some employees, parents and other levels of society, where every month Chatime gets 5000 transactions every month. Every day Chatime operates, he spends more or less daily costs of 4,000,000 and every day he can sell 200 cups.

D'sruput has 3 workers, including baristas, cashiers and managers, where these workers are selected workers who are selected and trained for 3 months to prepare themselves to work for D'sruput, with these selected workers who making work more competent and more agile in making drinks and accurate in measuring raw materials. The labor costs offered by D'sruput are around 1,700,000 – 3,700,000 depending on sales turnover and this does not include the bonuses given by D'sruput.

D'sruput starts operating from 09.00 am to 11.00 pm where the workforce has two shifts, namely the night shift and the day shift, and D'sruput is open every day unless there are problems and on certain days and for prices Drinks at Siruput start from 8,000 rupiah and this is what makes the average number of visitors every day reach hundreds of people, which is around 200-400 cups per day because the price is cheap and also the delicious taste makes people interested in buying D'sruput drinks. D'sruput spends capital of 5,000,000/day.

Spearman rank correlation formula:

$$Rho = \frac{1 - 6 \sum D^2}{N(N^2 - 1)}$$

Which one:

N= Number

D = difference between ranks in two ranking distributions.

Table 1. Differences in Chatime and D'Sruput agglomeration rankings using the Spearman Rank correlation method Rank.

Sector	Chatime		D'sruput	
	koofisien	Rangking	koofisien	Rangking
Sale	200	7	500	7
Minimum wage	3.000.000	4	1.700.000	5
Maximum wage	6.000.000	1	3.700.000	3
Other services	3	8	4	8
Price	28.000	6	15.000	6
income	5.600.000	2	7.500.000	1
Capital	4.000.000	3	5.000.000	2
Profit	1.600.000	5	2.500.000	4

3. RESULTS AND DISCUSSION

From the research results it can be concluded that in comparison of facilities, Chatime is superior with various facilities that are attractive and comfortable for customers. Chatime has a modern and stylish interior design, a spacious and comfortable seating area, and provides indoor and outdoor space for men who want to relax while smoking at Chatime, provides other facilities such as providing novels for those who like to read novels, as well as friendly and helpful service. efficient and has a larger building than d'sruput. Additionally, Chatime often provides free wifi for customers who want to relax while enjoying their drinks, creating a pleasant experience for visitors. Meanwhile, d'sruput only provides the facilities provided, namely tables and chairs and a place to hang out and free wi-fi and has a small room or building.



Figure 3. Original documentation of a visit to Chatime Padang branch, which has very good facilities.

On the other hand, D'Sruput is superior in terms of sales thanks to a strong and effective marketing strategy. D'Sruput is known for its innovation in creating unique and diverse drink variants, attracting consumers' interest in trying various drink creations. Apart from that, D'Sruput is also active in various promotions and collaborations with influencers or celebrities, increasing their brand visibility and reaching a wider market. This aggressive and innovative marketing strategy helped D'Sruput to increase their sales significantly and expand their market share.



Figure 4. Original documentation of a visit to D'Sruput, Padang city.

Even though Chatime excels in the facilities they offer, D'Sruput is able to differentiate itself in terms of sales thanks to effective marketing strategies. These two brands have their own advantages that make them remain competitive in the competitive beverage market as well as different approaches but are equally successful in attracting consumer attention. In choosing a drink that suits their preferences and needs, customers can consider these factors to determine the best choice according to their personal preferences.

However, according to data, D'Sruput has been able to dominate the market with its presence and strong marketing strategy. D'Sruput, with its innovation and creativity in creating unique and diverse drink variants, has succeeded in attracting the interest of consumers from various groups. D'Sruput's various unique and interesting drink creations are the main attraction that makes customers curious and want to try.

Apart from that, D'Sruput also continues to focus on product and service innovation. They always present new variants that suit consumer trends and tastes, and continue to improve the quality of their products and services. Consistency in providing a satisfying experience for customers is also one of the factors that makes D'Sruput superior in maintaining its dominance in the market. Thus, the market dominance achieved by D'Sruput shows that innovation, effective marketing strategies,

and a focus on consumer satisfaction are the main keys to success in the beverage industry. By continuing to innovate, listening to market needs, and strengthening their brand image, D'Sruput continues to lead the beverage market in Indonesia and is the main choice for beverage lovers.

4. CONCLUSION

From the research results, it can be concluded that the beverage industry is an industry that continues to develop and experiences significant changes. Innovation in developing new products and brands to meet increasingly diverse market demands to attract consumer attention, for example Chatime and D'Sruput. The Ministry of Industry noted that during the 2015-2019 period, there was an increase in the performance of the beverage industry in terms of growth with the push for digital transformation. This certainly helps the MSME economy to have confidence in surviving in their respective businesses. In this case, the Ministry of Industry continues to make strategic efforts to encourage the improvement of the beverage industry which will still be able to grow in 2020.

A comparison between Chatime and D'Sruput shows two different but equally successful approaches in attracting consumer attention. Chatime excels in attractive and comfortable facilities for customers, while D'Sruput dominates the market with product innovation, effective marketing strategies, and focus on consumer satisfaction.

Chatime is known for its modern interior design, spacious seating areas, and friendly service, creating a pleasant experience for visitors. On the other hand, D'Sruput has succeeded in dominating the market with innovation in creating unique and diverse drink variants, as well as aggressive and innovative marketing strategies. D'Sruput is active in attractive promotions, collaboration with influencers, and participating in various events to expand market reach and increase consumer loyalty.

These two brands show that in order to win competition in the market, it is important to have the right combination of product quality, service, innovation and effective marketing strategies. Chatime focuses on superior facilities and service quality, while D'Sruput focuses on product innovation and aggressive marketing strategies. Both approaches provide valuable lessons for the beverage industry and demonstrate that success in a competitive industry requires a balanced combination of factors.

By continuing to innovate, listening to market needs, and strengthening the brand image, both Chatime and D'Sruput remain the main choice for drink lovers in Indonesia. The success of both in maintaining their position in the market shows that adaptation to market trends, focus on consumer satisfaction, and consistency in providing a satisfying experience are the main keys to success in this ever-evolving industry.

Suggestions for Chatime, Continue to improve the quality of facilities and services to provide a more unique and engaging experience for customers. For example, adding creative seating areas or interactive space concepts. Collaborate with leading brands or influencers to increase the visibility and appeal of the Chatime brand. This can help reach a wider market. Implement a loyalty or reward program for loyal customers as a form of appreciation and incentive to maintain consumer loyalty.

Suggestions for D'Sruput, continue innovation in creating unique and interesting drink variants to maintain consumer interest. Always monitor market trends and consumer needs. Increase marketing and promotional efforts to expand market reach and strengthen brand awareness. Leverage social media and collaborate with influencers to increase brand exposure. Maintain product and service quality to remain consistent and satisfy customers. Provide training to employees to improve the quality of service and customer experience as well as improving existing facilities so that buyers feel at home when visiting.

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