

CHAPTER I

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The business world entering the era of globalization at this time, where the development and the rapid economic competition resulted in the company must be able to face and overcome various problems and challenges that arise. Seeing this condition, it should be every business field required to know and follow the development of every business activity. To know of every business activity, it requires complete and accurate information about the company's goals and policies. With technological advances, especially in the marketing department, is one of the most important functions in addition to production, personnel and finance, where necessary arrangements that will increase the number of sales on the company. The company must determine which parties are the targets of the sale of products offered by the company.

Every company strives to always improve the quality of production and marketing management with the aim of maximizing profits according to the desired target. Where to increase product sales, company use an effective marketing system. Marketing strategy is a strategy of marketing mix of 4P's, where it is Price, Product, Promotion and Places. Marketing is a social and managerial process in which individuals and groups get what they need and want by creating, offering, and exchanging valuable products with others (Kotler, 2004).

Every company has the same opportunities in producing products or services, where strategy is a process that plays an important role to companies that market goods and services to consumers. So that there can be competition between companies and competitors in seizing the market, in addition to marketing strategy role of existing employees also affect the increase in sales volume therefore the company can provide motivation to employees with incentives so that employees can be more active in marketing the company's products.

This research will explain more about how marketing strategy to increase sales of saving and loan service products at PT. Indosurya Medan. PT. Indosurya is a subsidiary of Indosurya Group which has business units in the areas of Financial, Realty, and Resources. Specialized in finance and capital markets, PT. Indosurya has experienced for decades and has a good reputation and is able to get through difficult times when there is a monetary crisis or global crisis.

PT. Indosurya is a group of companies that have a high commitment to economic growth in Indonesia. As a group of companies engaged in financial services, PT. Indosurya follows the development of investment in Indonesia. Indosurya Securities, Indosurya Asset Management, Indosurya Finance, Indosurya Life and Indosurya Bank (BPR) are the business lines of Indosurya Group in the field of financial services.

In conducting its business, PT. Indosurya greatly maintains trust in service, trust in comfort and also trust in long term investment. Equipped with years of experience and professional human resources, there is no doubt that PT. Indosurya has become one of the leading groups of companies in Indonesia. PT. Indosurya has successfully expanded its business in finance with the ultimate goal of giving the best to all our loyal investors.

A brief information of PT. Indosurya that located at Jalan Putri Hijau No. 20, Komplek Graha Niaga, Tower 2, Gedung Indosurya, Medan. The founder of Indosurya Group is Surya Effendy. PT. Indosurya is a subsidiary of Indosurya Group which is engaged in financing in Indonesia. In other words, PT. Indosurya is financial institutions yet non-bank that provide saving and loan service products. PT. Indosurya has more than 30 years in finance, property and mining. PT. Indosurya had expanded into Sumatera, Bali, Jakarta and most of the Indonesia. Today, PT. Indosurya has close to more than 50 branch around the Indonesia. PT. Indosurya has a long-term commitment to run a business financing in Indonesia that

provide products and services which is consumer financing, factoring receivables, leasing, automotive financing, and citizen credit (KPR).

Company PT. Indosurya success is to build trust in a sustainable, professional, flexible, and always strive to meet the needs of the community. Success and customer satisfaction make the company more confident to continue to penetrate the global competition that demands unlimited innovation.

In order to maximize the marketing strategy of PT. Indosurya Medan, company must establish a proper marketing strategy so the company can increase the sales of saving and loan service products. Therefore company should be able determine the right way and strategy so that eventually can compete and seize the existing market. In covering this case, this research will explain **“Marketing Strategy to Increase Sales of Saving and Loan Service Products at PT. Indosurya Medan”**.

1.2. PROBLEM FORMULATION

Regarding the observation of Marketing Strategy in PT. Indosurya Medan, there are several problems that can be identified as the main concerns, as below:

- a. Why customers are attracted with the saving and loan service products that PT. Indosurya provide?
- b. How the marketing strategy used by PT. Indosurya that increase sales of saving and loan service products?

1.3. RESEARCH FOCUS

Regarding this research focus on PT. Indosurya Medan that why lots of customers are attracted with the saving and loan service products that PT. Indosurya provide. Instead of that, research also focus on the marketing strategy used by PT. Indosurya that increase sales of saving and loan service products.

1.4. RESEARCH OBJECTIVE

The objectives of this study do emphasize on as below:

- a. To know the influence of marketing strategy on increase sales of saving and loan service products at PT. Indosurya Medan.
- b. To analyze the saving and loan service products that PT. Indosurya provide for customers.
- c. To know the terms and condition of mode of payment and credit terms in purchase the saving and loan service products at PT. Indosurya Medan.

1.5. BENEFIT OF THE RESEARCH

Through this research will gained benefit for writer him/herself which the benefit of this research is bring more knowlegde about marketing. Moreover, writer him/herself will know further about marketing. The benefit of this research is as one of the requirements in completing the study to obtain a bachelor's degree in economics majoring in Business Management at the faculty of Economics at UPH Medan.

In terms of the company, there is a higher possibility for PT. Indosurya Medan in maintaining the marketing strategy. Further implementation of the marketing strategy strongly increase sales of saving and loan service products at PT. Indosurya Medan.

1.5.1 THEORITICAL BENEFIT

Theoretical benefit simply based on the ideas and abstract principles that relate to a particular subject rather than the practical benefit.

Theoretical benefit that helps understand why one technique works where another fails. It shows the whole forest, builds the context and helps you set strategy. Theoretical befenit is teaches in the ideal of a vacuum that often lead to a deeper understand of a concept through seeing it in context of a greater whole and understanding the why behind it (Steven Bradley, 2012)

1.5.2 PRACTICAL BENEFIT

Practical benefit simply concerned with experience or actual use and also with ordinary affairs that can be taken related to the result of the research.

Practical benefit that helps acquire the specific techniques that become the tools of trade which something can only learn through doing and experiencing. Practical benefit is learned through the reality of life that often lead to a deeper understanding of a concept through the act of doing and personal experience (Steven Bradley, 2012).

1.6 SYSTEMS OF WRITING

This skripsi regarding the marketing strategy to increase sales of saving and loan service products at PT. Indosurya Medan which is structually composed of five main chapters.

Systems of writing is intended to facilitate the understanding of this research that divides this skripsi into three chapters consisting of sub chapters, which are related.

In Chapter I Introduction that outlined major research issues that consist Background of the Study, Problem Formulation, Research Focus, Research Objectives, Benefit of the Research, Theoretical Benefit, Practical Benefit, and Systems of Writing.

In Chapter II Literature Review that will explained in detail summary of the contents of the various references related to subject matter to support theoretical review. In Chapter II Literature Review that consist of Theoretical Background, Previous Research and Framework of Thinking.

In Chapter III Research Methodology that specific research methodology is to be identified. Thus, research methodology consist of Research Design, Research Object, Data Collection Method and Data Analysis Method.

In Chapter IV Data Analysis and Discussion that focuses on general view of “Research Object” and furthermore about data analysis and discussion.

Lastly, in Chapter V Conclusion will focus discuss more about conclusion, implication and recommendation.

