# CHAPTER 4
COMPANY PROFILE

4.1. Research Location

The research was conducted at Mitra Mart in Rantepao, Toraja Utara, South Sulawesi. Going from Makassar City, the capital city, to Rantepao takes about 8 hours. The distance can be reached by bus or private vehicle. The location of Mitra Mart, which can be seen in figure 4.1., is almost in the midst of Rantepao City. The location of Mitra Mart is strategic because it is located in intersection, adjacent to hospitals, churches, town squares, and schools.
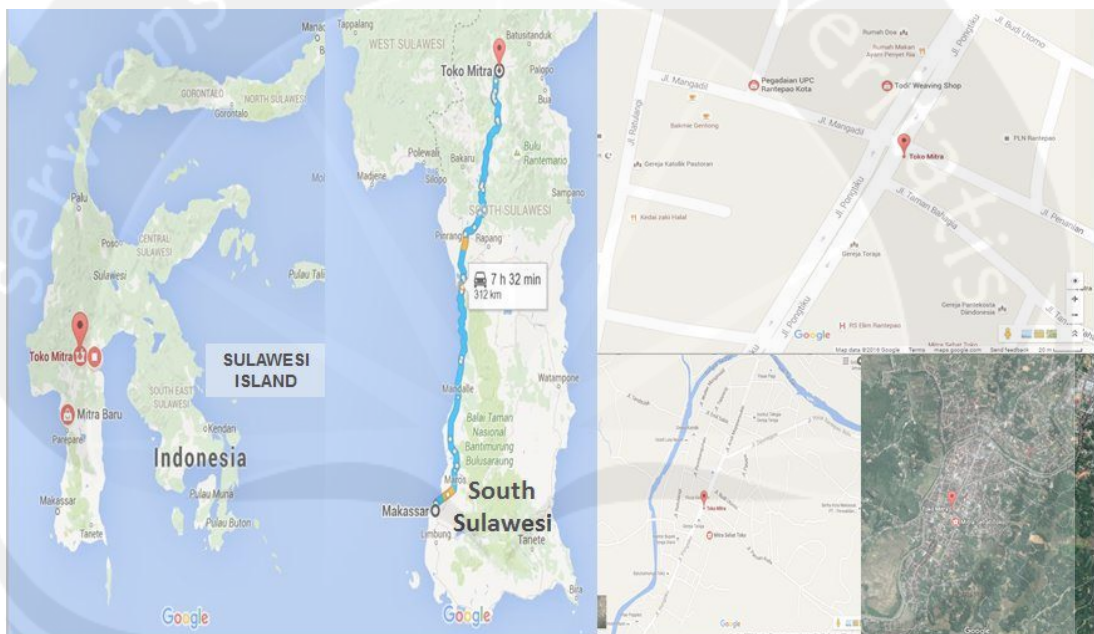
(Source : Toko Mitra @Google Map)

Figure 4.1. Mitra Mart Location

Based on the retail business ownership, Mitra Mart is an independent store. It's because the retail business is owned by an individual and is managed independently by the owners. The owners of Mitra Mart's name are David Wongkar and his wife named Nova Djiwang. Mitra Mart was established in 2002. Mitra Mart is a minimarket whose sales area is 108m^2, with the length of 12-m and width of 9-m, where the standard of sales area for a minimarket is 100m^2 to 400m^2 as stated by (Sugiarta, 2011).

Minimarket is a small shop and practically a kind of "grocery store" that sells all kinds of goods and food, but not as complete and big as a supermarket. In

contrast to the grocery store, the minimarket is implementing self-service system, where the buyers may pick up goods they need from the shelves of merchandise and pay them at the cashier. This system also helps to keep the buyer does not owe (Respatih, 2012).

Another difference is the operation hours of minimarket which is different from a supermarket. Some of minimarkets' opening hours is at 6 a.m. up to 11 p.m. Even, there is a minimarket that opens for 24 hours. Mitra Mart is open at 8 a.m. until 11 p.m., It is open every day except the major holiday. The front view of Mitra Mart can be seen in figure 4.2.:

Figure 4.2. The front View of Mitra Mart

Mitra Mart has three employees, two of which are women, whereas the other one is male. They work a salesclerk and they help the owner to organize the merchandise. Meanwhile, the owner work as the cashier is the owner of the minimarket.

4.2. Product Assortment

Product assortment is the collection of goods or services that a business provides to consumers. Based on the type of product in retail, Mitra Mart is a Consumer Goods Retailer who sells daily needs to consumer or is also known as FMCG (Food Moving Consumers Goods) retailer as stated by (Sugiarta, 2011). There are 3.693 SKUs (Stock Keeping Units) that are provided in the Mitra Mart. Most of the product that are sold in Mitra Mart is national products that are supplied by the national or local suppliers. They sell daily needs of consumers such as toiletries, food (e.g. biscuits, snacks, spices, and canned fish), drinks (e.g. soft

drinks, milk, and syrup), medicine, baby clothing, stationeries, stuff (e.g. broom, bucket, and brush), children toys, alcohol, and cigarette. Mitra Mart provides many kinds of cigarette brands that are very saleable. The most sold product of Mitra Mart in 2015 can be seen in figure 4.3. :

Figure 4.3. The Most Sold Product in 2015

Based on the figure 4.3. it can be seen that the number of Sampoerna Mild cigarette which has already been sold in 2015 at Mitra Mart is 11.988 pack. It makes Sampoerna Mild cigarette the most sold product at Mitra Mart in 2015. This high sale of cigarettes is in line with the fact that the majority of Toraja people smokes.

4.3. Service Facility

Service facility that is provided at Mitra Mart are the sales clerk and the shopping facilities. The shopping facilities include the shopping carts and plastic bags. The sales clerk duties in Mitra Mart are to serve the consumers, to help find the item to be purchased, and to pick up the items required if it is need. Meanwhile, the shopping facility such as shopping cart is used to collect the purchased items, and the plastics bags are available for consumers to carry the purchased goods. The consumers can use those service facilities to enable them to shop so they can get the entire required product to purchase more quickly.

4.4. Store Facility

In carrying out the activities, Mitra Mart also provides several store facilities such as fan, CCTV, computer, and parking area. Fan is used to provide cool atmosphere inside the store. Mitra Mart does not use AC (Air Conditioner) because the door of the shop is always open to get fresh air. Closed Circuit Television (CCTV) is installed in Mitra Mart to monitor, and secure all activities in the retailing business operation. In front of the Mitra Mart, a terrace is provided as the parking area for the customers. One of the important facilities to support the business operation in Mitra Mart is a computer that can run the Point of Sale (POS) Software. The description about the Point of Sale that used by Mitra Mart will be explained in the next section.

4.4.1. IT for retail

Point of Sales (POS) in the business refers to the place where a cashier (check-out counter) operates a cash register. As the name, POS is a point of sale (check-out) where the transaction is completed. This is the point where the customer makes a payment in exchange for goods or services they buy. At the Point of Sales, the sellers count all the prices that need to be paid by the consumers. Besides, it provides options for consumers to make payments and it will issue a receipt for the purchase transaction.

On development, POS can be created as a system using a computer network operated by the main computer and connected with some POS checkout terminals. This term is known as the System Point of Sales (POS). Basically, the POS system is the all-in-one way to track the cash flow of a business. Point of Sales (POS) is a required application or software to ensure that the system work perfectly, to execute the transaction quickly and systematically, and to increase market interest and customer services. Advantages of using a POS system:

a. Analyzing sales data and finding out how good all items are sold to adjust the next purchase order.

b. Maintaining the sales summary to help customize decisions purchase orders for seasonal consumer purchasing trends.

c. Improving the accuracy of the cost by integrating barcode scanners and credit card authorization capabilities to the POS system.

Mitra Mart uses the type of POS software called AlfaPOS4 Software. AlfaPOS4 is an administrative software for a retail business such as supermarkets, shops,

cafe/restaurants, workshops and minimarket. AlfaPOS4's Front Office can handle transactions (sales, payments, service / repair), whereas its Back Office can handle master data, purchasing, inventory, reporting and utility manager. AlfaPOS4 is not an ordinary sales system. AlfaPOS4 has many features for managing the retail business, for example, a promotion system with different patterns of discounts, shopping vouchers, point/reward shopping, service/repair, membership management, and credit system. Unfortunately, Mitra Mart is not using all of the features in AlfaPOS4 Software. AlfaPOS4's interface is presented in Figure 4.4.:
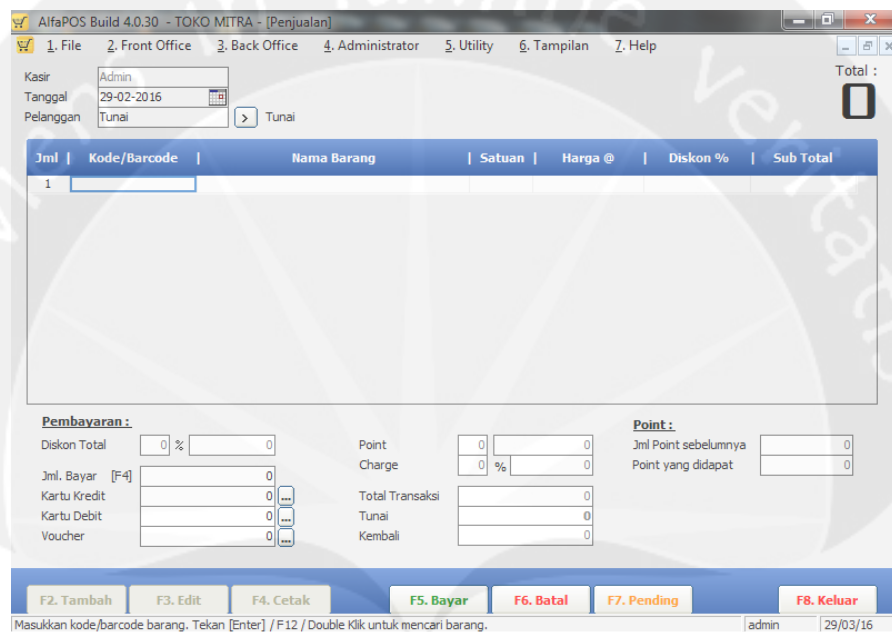

Figure 4.4. AlfaPOS4 Interface

AlfaPOS4 software is certainly beneficial for the owner of the store because all of the process will be done automatically. Here are some advantages of using AlfaPOS4 software that has been experienced by the Mitra Mart's owner:

a. Automatic pricing. It simplifies the cashier's job. The cashier does not have to memorize all products' prices. The price of product will be automatically identified from the barcode of the product.

b. Automatic stock identification. This software will automatically reduce the number of the item stock once a sold item is identified by the computer. Moreover, this software is able to identify the good which are already in limited stock.

c. Automatic Sales Report, Stock Opname Report, and List of Items Report. Therefore, the owner does not need to make manual reports because the system will automatically provide them.

There are still some advantages of using AlfaPOS4 software. However, Mitra Mart does not yet use them. They are 1) Purchase report. Mitra Mart still makes the report manually, 2) Application of discount management, and 3) Customer Loyalty Program.

4.5. Store Layout

The item arrangement in the store is generally segmented by the type of the product, such as groups of drinks, food, and clothing. Then, the groups have subgroups based on the brand, such as AQUA brand and ADES brand. Those products are grouped and they occupy the closet shelves that are already available. The sales area of Mitra Mart is 108m^2, with the length of 12-m and width of 9-m. The store layout of Mitra Mart can be seen in the figure 4.6. The present of how some products sold in Mitra Mart are grouped shown in the figure 4.5.

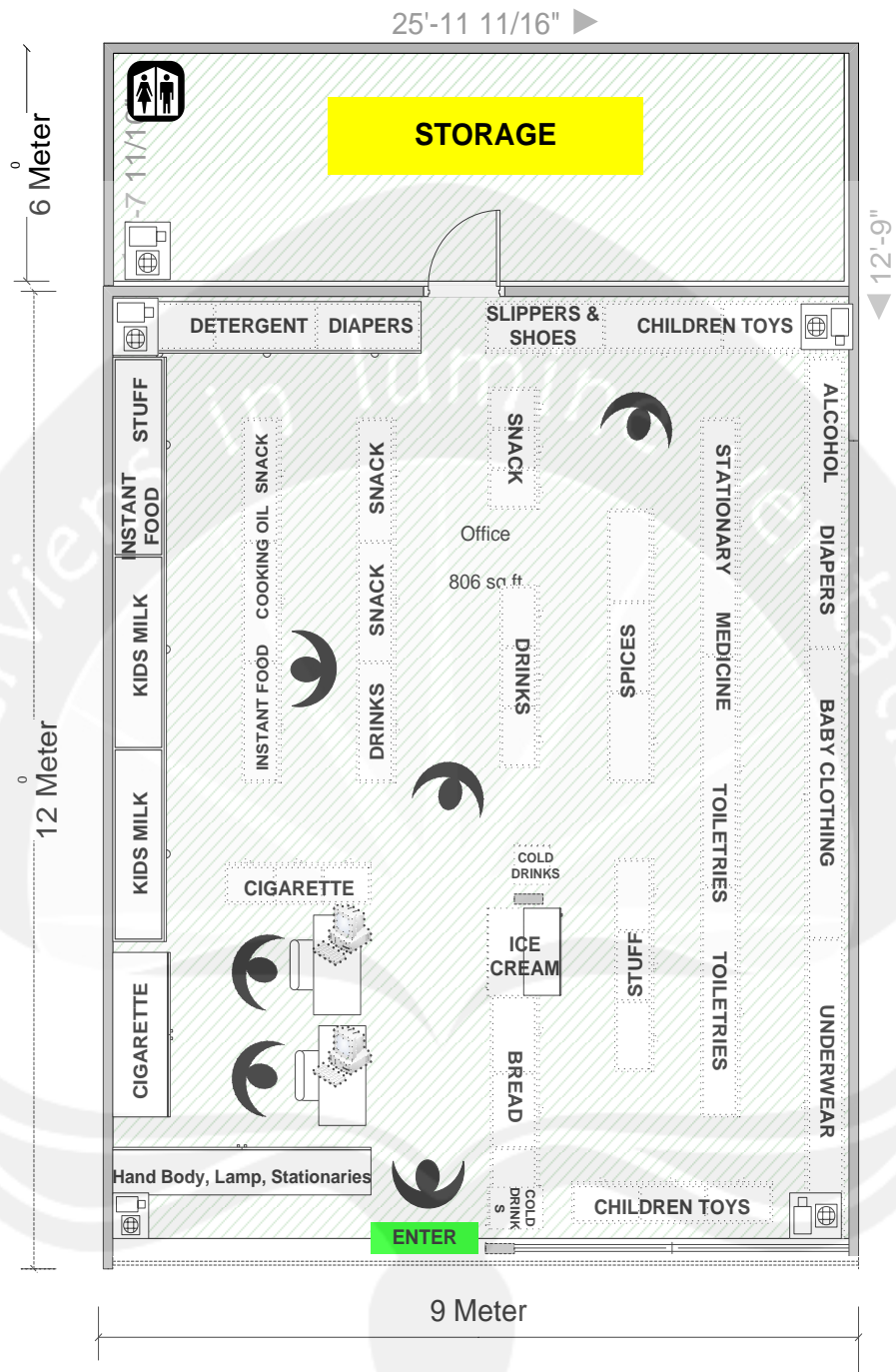**Figure 4.5. The Grouping of Assortment Product**

Figure 4.6. Mitra Mart's Store Layout

4.6. Business Process of Mitra Mart

The business process activity of Mitra Mart data were obtained through direct observation and interviews with the owners. Figure 4.7 shows the business process selling activity in Mitra Mart based on the observation done between customer, salesclerk, and cashier.
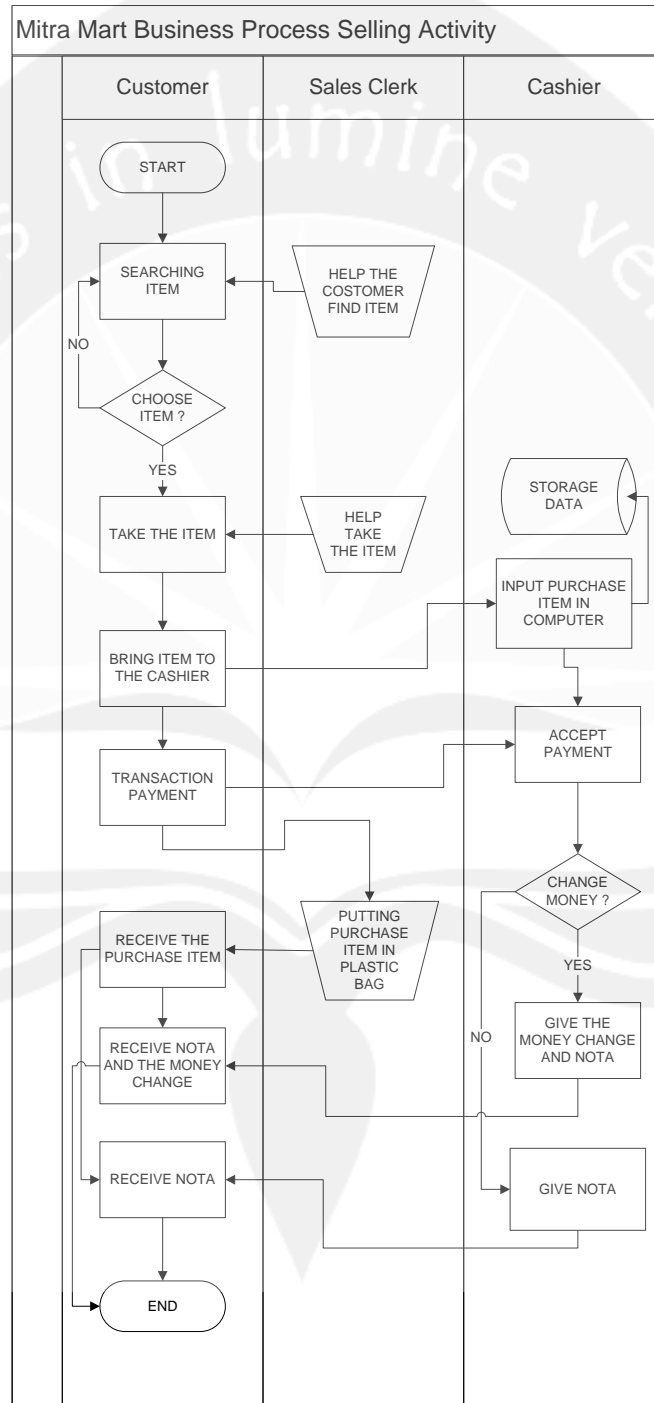

Figure 4.7. Mitra Mart's Business Process Selling Activity

The process activities in Mitra Mart begin when there is a customer come to the store who wants to find an item to be bought. The salesclerk then helps the customer to find the item, to show the location of item and to give the item to the customer. Then, the customer will choose the item to buy. After choosing the item, the customer will take the item, and the salesclerk will help the customer to take the item and bring the item to the cashier if needed.

At the cashier, the item that is already taken will be inputted in the computer system. After that, the customer will do the payment transaction with the cashier. The cashier will accept the payment. Then, the cashier gives the receipt to the customer and the change if there is any. During the transaction process, the salesclerk will put the item into the plastic bag and give it to the customer. Next, the customer will receive the receipt and the change if any. Eventually, the process of the selling and buying activities in Mitra Mart among the customer, the salesclerk, and the cashier are done.