PROPOSED IMPROVEMENTS FOR LOW SALES
IN A RETAIL MSME AT X SHOP

THESIS

Submitted in Partial Fulfillment of the Requirement for the Degree of

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DECLARATION OF ORIGINALITY

I, the undersigned below:

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I declare that my thesis entitled **Proposed Improvements for Low Sales in a Retail MSME at X Shop** is the result of my research in the 2023/2024 Academic Year which is original and does not contain plagiarism from any work.

If any discrepancy with this statement is discovered in the future, I am willing to be prosecuted and processed by applicable regulations.

Thus this statement is made truly and truthfully.

Magelang, May 13, 2024

Author,

Jan Shani Santoso

PREFACE

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Hopefully, this thesis can be useful for readers.

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ABSTRACT

X Shop is a small MSME retail shop located in Magelang City. It is an old-fashioned shop that was established in 1950. Its product categories are Muslim clothes, Javanese traditional clothes, general clothes, civil servant uniforms, and additional equipment. According to the monthly sales data in the past three months before the initial survey, the sales in July 2023 are decreasing about 7.87% compared to June 2023 and the sales in August 2023 are decreasing about 12.17% than July 2023. In addition, it is known that the sales are very low outside the fasting month before Eid al-Fitr day. Based on the preliminary questionnaire, it is known that the low sales problem is mostly caused by the lack of promotion, poor arrangement, and the shop's old looks. After the analysis using the interrelationship diagram, the possible root cause that can be solved is poor promotion. Based on several considerations, the selected solution alternative is the promotion mix.

The selected method used to implement the promotion mix is effective marketing communication. Meanwhile, the chosen tools of the promotion mix are advertising, personal selling, public relations, and sales promotion. To identify the target audience, market research using a continuance questionnaire is conducted to know the customers' preferences. After that, the communication objectives are determined using SWOT analysis, SMART goals, and Five As. Afterward, the message is designed according to the content, structure, and format. In choosing communication channels and media, the promotion mix tools are integrated. Meanwhile, the message source of promotions is obtained by analyzing competitors, observing the buyer personas, and adjusting the message with the related survey results. Before the implementation, the schedule and design of the promotion mix are created.

The implementation was conducted in 1 month from D-13 until D+18 of Eid al-Fitr 2024. During that period, the monthly sales amount increased from IDR 429,014,500 in 2023 to IDR 448,171,000 in 2024. Therefore, the implementation of the promotion mix can be said to be successful by achieving surplus sales of IDR 19,156,500 (+4.47%) in 2024 compared to the previous comparable month in 2023. Besides, the number of followers on Instagram also increased by 54.55% from 66 to 102 followers. In addition, the number of people who visited the shop's profile in Google Review also increased by 38.9% in April 2024 compared to April 2023. Therefore, it can be concluded that the promotion mix conducted also successfully increased the engagement of the shop.

Keywords: old-fashioned shop, low sales, promotion mix, effective marketing communication