

CHAPTER II

**GENERAL DESCRIPTION OF THE COMPANY AND RESPONDENT
PROFILE**

The following description is explanation about the general description of Sinar Mas gold jewelry store which includes company profile, company logo, products, prices, location, and characteristics of respondents who were sampled in this study.

2.1 Company Profile Sinar Mas Gold Jewelry Store

Sinar Mas gold store is a company engaged in the sale of gold jewelry that has been established since 2000. Located in Demak Regency, Karangawen traditional market. Sinar Mas serves gold buying and selling transactions, and also serves a gold pawn system. Sinar Mas gold store sells a variety of gold jewelry ranging from earrings, bracelets, rings, necklaces, piercings and pendants both white gold and yellow gold. Sinar Mas gold store is a gold store that is quite famous in Karangawen village, Demak until now. But to become the gold store that it has become today was not easy, it took decades to become successful and well-known. With the passage of time Sinar Mas gold store is growing rapidly. Apart from the Sinar Mas gold store, there is also a branch of Sabrina gold store. The growth of Sinar Mas gold store, aside from the employees who are good enough to treat customers, is also inseparable from the hard work of Mr. Hery Hanwari and Mrs. Indrayani Ngizom and their daughter, Salsabila Zharfa, who play a role in the progress of this gold store.

Sinar Mas gold store is the choice of consumers as a place to shop for gold jewelry because of the store facilities provided such as bright store lighting, elegant store interiors, store atmosphere and the availability of drinking water and waiting rooms that make buyers feel comfortable when buying their products and supported by its strategic location, where the location is easily accessible by private vehicles or by public transportation so that it allows people to reach it easily.

But over time, there are many competitors in the gold jewelry business in Karangawen as the dynamics of promising business opportunities. Competitors of Sinar Mas gold jewelry store in Karangawen include Sedy Mulya 1, Sedy Mulya 2, Monggo Mas, Setya Rahayu, Ahmad Gold Store, and Sinar Maju gold store.

2.1.1 Company Logo

Jefkins (1995) defines a logo as a visual appearance as a form of identity of an organization. In a business organization, a logo that is part of a company's identity is described as an organ that functions to describe of a company. In addition, in the business world, a logo has a function as a differentiator between a product and other products. The following is the logo of Sinar Mas gold jewelry store:



Figure 2.1 Sinar Mas Gold Jewelry Store Logo

Source: Sinar Mas Gold Jewelry Store

Sinar Mas is a jewelry brand that emphasizes the best quality for consumers in Indonesia since 2000. The SM logo is a company logo that guarantees the best quality grade and buyback system for gold jewelry and bars. Commonly known as "Toko Emas Sinar Mas", and also launched a new brand "Toko Emas Sabrina" to help customers differentiate our branches from other similar brands.

2.2 Organizational Structure

Every company certainly has an organizational structure that is made in accordance with the directions for the duties and functions of each position to run the company. The organizational structure is clear and able to separate the responsibilities and authorities of its members. According to Robbins (2007) organizational structure is a formal organizational framework that has a framework for how the division of work tasks is grouped and coordinated. Sinar Mas gold jewelry store has a line organizational structure which is a form of organization that has vertical delegation of authority from leaders to subordinates. The following is the organizational structure of the Sinar Mas gold jewelry store:

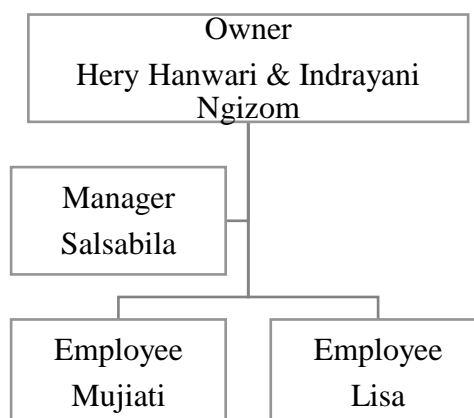


Figure 2.2 Structure Organization of Sinar Mas Gold Jewelry Store

Source: Sinar Mas Gold Jewelry Store (2023)

The organizational structure of the Sinar Mas gold store can be seen in the chart above. The owners Sinar Mas gold store are Hery Hanwari and Indrayani Ngizom. Apart from that the manager is Salsabila, also there are two permanent employees named Mujiati and Lisa who work in Sinar Mas gold jewelry store.

a) Owner

The owner is someone who has and establishes a gold jewelry store. They have full responsibility for the sustainability of their business. The owner has the following roles:

1. Create a business strategy plan for both the short and long term
2. Make and manage decisions that are directly related to the sustainability of the business
3. Controlling, supervising, evaluating the operations of companies
4. Receive reports and accountability from managers
5. Establish good relations with stakeholders

b) Manager

The manager is someone who is trusted to organize and hold the gold store's financial and administrative reports. The manager is appointed by the owner as his right hand with direct involvement in the area to observe and supervise the performance of each employee. The roles and responsibilities of a manager are as follows:

1. Monitoring employee performance and productivity
2. Examined gold jewelry before sale, tagged each piece of jewelry with a

price code, and managed the circulation of jewelry stock

3. Provide financial reports to the owner
4. Create a systematic and well-organized work flow
5. Achieve the sales target that has been determined previously

c) Employee

Employees are people who are in charge of store operations to serve consumers well according to store service standards. The roles and responsibilities of an employee are as follows:

1. Serve and provide goods according to consumer needs
2. Make purchase letters from goods selected by consumers in accordance with predetermined standards
3. Assist consumers in wearing jewelry that has been purchased
4. Maintain the quality of each Sinar Mas Gold Jewelry Store product
5. Maintain cleanliness and convenience at Sinar Mas Gold Jewelry Store

2.3 Operation Time

As a business organization engaged in the sale and purchase of gold jewelry, Sinar Mas gold jewelry store has operational hours of service to its customers who visit Sinar Mas stores. The following is the operational time of the Sinar Mas gold jewelry store :

Monday – Sunday and National holiday

At 08.00 a.m. – 15.00 p.m.

2.4 Products

Sinar Mas gold jewelry store has a unique and up to date designs of jewelry that differentiate their products from a competitor. Sinar Mas sells gold and white gold products ranging from 6 carats to 17 carats. In addition, Sinar Mas gold jewelry store also offers precious metal in various gram sizes with ANTAM and UBS certificates guaranteeing the safety and authenticity of the products. Also provides financial solutions with various gold products based on pawning and financing.

In the gold store business, Sinar Mas always pays attention to the stock of goods so that it is always updated with the latest models on the market. Innovating in gold jewelry product models is certainly an important thing. The shapes and motifs of gold jewelry are usually always changing according to trends. In addition, the quality of gold products is guaranteed, such as: the model of the jewelry, the quality of the product brand is good, the newest and the most advanced, the gold content is according to SNI (Standar Nasional Indonesia).

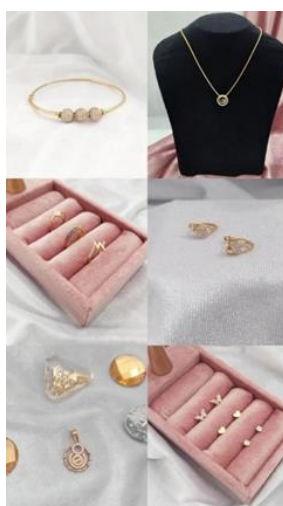


Figure 2.3 Product of Sinar Mas Gold Jewelry Store

Source: Sinar Mas Gold Jewelry Store

2.5 Price

Sinar Mas gold jewelry store offers jewelry prices per gram starting from IDR 350,000.00 to IDR 750,000.00/gram depending on the grade of gold. Sinar Mas gold jewelry store have a policy to buy back the jewellery that was bought from consumer. In returning gold jewelry, a reduced price of 10% if the condition of the goods is not damaged, while for gold jewelry in damaged condition a reduced price up to 25% of the price purchased by Sinar Mas gold jewelry store.

2.6 Place

Sinar Mas Gold Jewelry Store is located on Jalan Raya Semarang-Purwodadi Demak Regency, Central Java, which can be reached from the center of Semarang City in approximately 40 minutes. The choice of Sinar Mas location in Karangawen because the location is strategic and easily accessible by consumers. The location on the side of the highway makes easy road to access so that consumers can easily reach the gold store. In terms of location, it is strat because it is located on a road that is easy for private and public vehicles to pass, and there is adequate parking space along the road. This strategy is implemented with the hope that consumers will decide to buy jewelry at the Sinar Mas gold jewelry store so that sales of Sinar Mas gold jewelry store always increase in sales.

2.7 Promotion

Today, with the development in technology and the increase in rivalry, it is required for businesses to look for the ways to have long-lasting and ever-lasting relations with their customers based on confidence in order to obtain and keep their customers. Businesses, by preserving their present customers and learning more

about them, can have long and ever lasting relationships with their customers, gain new customers through the oral advertisements of their present customers and get the edge over rivalry. At this point, relational marketing has its own place in marketing strategies as one of the top priorities in competitive conditions, it also appears as a strategy aiming at having high income as well as ensuring customer satisfaction through the quality of goods and the service and developing long-lasting and permanent relations by offered values. The most important and long term objectives of businesses replacing the service quality as the focus in marketing are to make customers prefer their businesses again and to increase the customer value by creating customer satisfaction and loyalty.

To be able to reach the wider community, Sinar Mas gold jewelry store carries out promotional activities to introduce their products which are both online through social media and offline through various activities. Sinar Mas gold jewelry store has attractive promotional such as gold savings. With only Rp. 10.000 - customers can already have gold savings at Sinar Mas gold jewelry store for long-term needs. Financing facilities with the principle of buying and selling goods in the form of gold, where Sinar Mas Store provide financing facilities to customers to purchase goods in the form of jewelry or gold bars, the payment of which is made in the same instalment every month. Sinar Mas gold store also offers and serves gold jewelry online. The following are promotional activities carried out by Sinar Mas gold jewelry store using Instagram, Facebook and WA Business media.



Figure 2.4 Promotion Through Instagram

Source : [instagram.com/sinarmas.store/](https://www.instagram.com/sinarmas.store/), 2023

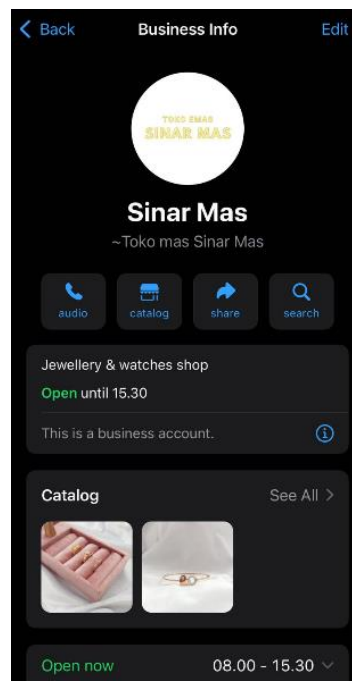


Figure 2.5 Promotion Through WaBusiness

Source : WABusiness Sinar Mas, 2023



Figure 2.6 Promotion Through Facebook

Source : facebook.com/sinarmas.store/, 2023

Social media marketing (SMM) enables marketers to create brand awareness, exchange knowledge and information, acquire and maintain customers and promote low-cost products, as well as interactively communicate with customers (Tarsakoo & Charoensukmongkol, 2019). For this reason, Sinar Mas gold jewelry stores require marketing digitalization to increase gold sales and company performance. One of the main goals of digital marketing is to reach target customers more efficiently and effectively through existing digital media. That way, digital marketing is expected to reach consumers more quickly, precisely and widely.

Then Sinar Mas gold jewelry store also carried out promotional activities by offering attractive prizes when making transactions with certain purchases and giving gifts in the form of bags or wallets for every purchase of gold jewelry. In addition, Sinar Mas gold jewelry store also has a target area for promotion in other

areas such as Mranggen and Grobogan which are not too far away and can still be reached to become customers of the Sinar Mas gold jewelry store.

2.8 Respondent of Characteristics

The characteristic of the respondent is a general description of the description of the information from the respondent. The characteristic of the respondents is described based on the grouping of gender, age, last education, occupation, monthly income, source of information about Sinar Mas gold jewelry store, and how many times customer have made purchases at Sinar Mas gold jewelry store. In this study, there were 100 respondents who were customers who were buying/selling gold jewelry and had previously made purchases at Sinar Mas gold jewelry store.

Completion of the research questionnaire was carried out directly when meeting with respondents to ask respondents to provide opinions in the form of an assessment of each question item asked and asked the reasons for answering the question item. After all the respondents with a total of 100 customers of the Sinar Mas gold jewelry store filled out the data in the questionnaire, data were obtained regarding the classification of the respondents regarding gender, age, last education, occupation, monthly income, and intensity of visits to the Sinar Mas gold jewelry store which will be explained as follows:

2.8.1 Characteristics of Respondents by Age

A person's age can be used as a measuring tool or indicator to determine the level of a person's thinking, so that in this case it is possible for research respondents

to have variations in age. In this study, the age of the respondents was classified from 17 to 55 years old. This target selection based on observation researcher the majority of customer who make the purchase on Sinar Mas gold jewelry store. Because, the target market for buyers of the Sinar Mas gold store in this study is the people from Karangawen. With the assumption that rural people in the Karangawen area prefer to buy gold jewelry to invest, compared to saving money in the bank. Data on the number of respondents by age are as follows:

Table 2.1 Respondents by Age

No.	Age	Frequency	Percentage
1.	17-25 years	37	37%
2.	26-35 years	36	36%
3.	36-45 years	19	19%
4.	46-55 years	6	6%
5.	>55 years	2	2%
Total		100 respondents	100%

Source : Processed data by author, 2023

In accordance with the data in Table 2.1, it can be seen that Sinar Mas gold jewelry store customers are dominated by the age group of 17-25 years, which is 37%. With the interval formula of 9 it shown the age group of 17-25 years is an early-adult age group, several of them are already working or continuing their education to college, so they mostly set aside their money to buy gold jewelry for investment rather than for other shopping such as buying clothes, shoes, etc.

2.8.2 Characteristics of Respondents by Gender

The gender of visitors to the Sinar Mas gold jewelry store is either male or female, so that in this sample, male and female samples were selected in order to measure appropriate respondents and represent the population.

Based on Table 2.2, it can be seen that the majority of respondents are female with a total of 98%. While the male respondents were 2%. Based on this data, it can be seen that there are more female respondents than male, this is because women are more likely to prefer gold jewelry as accessories or can be used as a means of long-term or short-term investment than men.

Table 2.2 Respondents by Gender

No.	Gender	Frequency	Percentage
1.	Male	2	2%
2.	Female	98	98%
	Total	100 respondents	100%

Source : Processed data by author, 2023

2.8.3 Characteristics of Respondents by Attainment Education

The latest educational background of Sinar Mas gold jewelry store customers range from high school to university level. Data on the number of respondents based on latest education are as follows:

Table 2.3 Respondents by Attainment Education

No.	Last Education	Frequency	Percentage
1.	Elementary School	5	5%
2.	Junior High School	12	12%
3.	Senior High School	62	62%
4.	Diploma/Bachelor Degree	21	21%
5.	Postgraduate (S2/S3)	0	0%
	Total	100 respondents	100%

Source : Processed data by author, 2023

In accordance with the data in Table 2.3, it can be seen that Sinar Mas gold jewelry store customers are dominated by people who have a high school education, namely 62%. This is because some respondents are currently pursuing further education in college as students, besides that some respondents chose to work immediately after graduating from high school.

2.8.4 Characteristics of Respondents by Occupation

Sinar Mas gold jewelry store customers have a variety of work backgrounds. This can affect the buying pattern of each customer. Data on the number of respondents based on occupation are as follows:

Table 2.4 Respondents by Occupation

No.	Occupation	Frequency	Percentage
1.	Student	23	23%
2.	Employee	32	32%
3.	Entrepreneur	12	12%
4.	Civil Servant	1	1%
5.	Other	32	32%
Total		100 respondents	100%

Source : Processed data by author, 2023

In accordance with the data in Table 2.4, it can be seen that Sinar Mas gold jewelry store customers are dominated by people who work as employees, which are 32%. This is because customers who work as employees have income set aside to purchase gold jewelry for investment.

2.8.5 Characteristics of Respondents by Income

Sinar Mas gold jewelry store customers have various monthly incomes. The amount of customer income per month can affect customer buying patterns. Data on the number of respondents based on income levels per month are as follows:

Table 2.5 Respondents by Income

No.	Income	Frequency	Percentage
1.	0 - IDR 1.000.000	18	18%
2.	>IDR 1.000.000 - 3.000.000	71	71%
3.	>IDR 3.000.000 - 5.000.000	7	7%
4.	> IDR 5.000.000	4	4%
Total		100 respondents	100%

Source : Processed data by author, 2023

In accordance with data in Table 2.5, it can be seen that Sinar Mas gold jewelry store customers are dominated by their income of >IDR 1,000,000 - 3,000,000, which is 71%. The majority of Sinar Mas gold jewelry store customers are students who are not working or as employees so that their income is in the average regional minimum wage.

2.8.6 Characteristics of Respondents Based on Customer who make the purchase twice or more on Sinar Mas gold jewelry store

Data regarding the intensity of respondents who make purchases in order to find out how often respondents make purchases two or more times at Sinar Mas gold jewelry store. Customers of Sinar Mas gold jewelry store have various intensities in their purchases.

In accordance with the data in Table 2.6 shows that all respondents (100%) have purchased jewelry products twice or more at the Sinar Mas gold store. It means that all respondents have qualified to be selected as research samples. Data shows the number of respondents based on the intensity of visits as follows:

Table 2.6 Respondents by Customer Who Make the Purchase Twice or More on Sinar Mas gold jewelry store

No.	Purchase Twice or More	Frequency	Percentage
1.	Yes	100	100%
2.	No	0	0%
Total		100 respondents	100%

Source : Processed data by author, 2023