

ANALYSIS OF MARKETING STRATEGIES IN MAINTAINING PRODUCT LIFE CYCLE AT PT. SIANTAR TOP, TBK

Ruwina Puspita Sembiring¹, Rahmat Hidayat²

^{1,2} Sekolah Tinggi Ilmu Manajemen Sukma, Medan, Indonesia

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E-mail:

arjuna1214@gmail.com

ABSTRACT

This research was conducted at PT. Siantar Top, Tbk which is on Jalan Pematang Siantar No 13, Ujung Serdang, Tj Morawa, Deli Serdang Regency North Sumatra. The purpose of this study is to determine the application of what marketing strategies are carried out by the company in maintaining the product life cycle. The chosen research method is qualitative descriptive. According to the findings, this company carries out marketing strategies in maintaining products by using product life cycles so that products remain in demand and grow in the market.

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1. INTRODUCTION

Strategy is very important for every company where strategy is a way to achieve the goals of a company. Strategy is a series of grand designs that describe how a company must operate to achieve its goals[1]. Marketing is a social and managerial process in which individuals or groups obtain what they need and want through actions or exchange of products and values with other parties[2]. The purpose of product marketing is to understand the wants and needs of each consumer so that the product or service can be sold by itself. Therefore, marketers are required to be able to understand the main problems in their respective fields.

Marketing Strategy is an effort to market a product, be it goods or services with a higher number of sales. Marketing strategy can also be interpreted as a series of efforts made by a company in order to achieve certain goals because the potential to sell a proposition is limited to the number of people who know about it[3]. Product Life Cycle is a product's life cycle until it dies [4]. The age of the product is very dependent on a strategy carried out by a company. Sometimes the life of the product is very short and not a few also have a relatively long life. The life of a product can usually be measured from the level of sales and profit that can be achieved by the product.

The strategy of a product includes the design of the product, the product life cycle, and the marketing strategy of the product. Competition within a company is getting sharper in marketing a product, both included in consumer goods and industrial goods. This competition is mainly found in buyer market conditions, where the buyer has a dominant role in the market. The concept of marketing emphasizes its orientation to providing satisfaction to consumers through an integrated marketing strategy so that the goal of a company getting long-term profits can be achieved. While the concept of sales emphasizes the orientation of the interests of the seller or producer so that sales targets can be achieved through sales activities and product promotion so that the goals of the company to get short-term profits can be achieved.

In marketing products the role of marketing concepts is very important, so every producer or entrepreneur will look for the right marketing strategy for his product so that the target market and goals in the field of marketing can be achieved. In this order, it should be noted that one of the important factors for the success of the marketing strategy carried out is the stage of business life (Product Life Cycle).

In this regard, PT. Siantar Top Tbk, which is engaged in snacks, must be able to pay attention to strategic steps in evaluating its products, namely by doing study of marketing development by conducting an analysis (Product Life Cycle) because the weak concept of the marketing mix will reduce the company's sales volume in the future. The products that the author will discuss in this study are PT. Siantar Top Tbk which experiences Product Life Cycle in the form of crackers such as Ketagi, Leo Net, Tic-tic, Twistko, French Fries.

Based on the background above, it can be concluded that the formulation of the problem in this study is. How is the Marketing Strategy carried out by PT. Siantar Top, Tbk in Maintaining Products, Especially in Cracker Processing, namely Ketagi, Leo Net, Tic-tic, Twistko and French Fries. The limitations of the problem in this study are as follows: Discussing the Life Cycle of Products in Cracker Processing, namely Ketagi, Leo Net, Tic-tic, Twistko, French Fries at PT. Siantar Top Tbk.

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2. LITERATURE REVIEW

Marketing

Marketing is not only limited to the business world, it turns out that marketing has a broader meaning that includes the meaning of society. To understand it can be deduced the definition of marketing quoted according to [4] :

"Marketing is a human activity directed at efforts to satisfy wants and needs through the process of exchange".

Understanding marketing in book [6] is as follows:

"Marketing is a societal process in which individuals and groups obtain what they need and want by creating, offering and freely exchanging valuable products and services with others."

Marketing Strategy

In book [6] definition of marketing strategy:

"Marketing strategy is an effort to market a product, be it goods or services using certain patterns of plans and tactics so that the number of sales becomes higher".

In determining marketing strategies, we must be able to determine which consumers we can serve and meet their needs well and how companies can inform their value to these consumers. This process can be described in relation to determining market segmentation, determining target markets, determining market positioning, and company differentiation [5].

Life Cycle Product

Product Life Cycle is an important concept in marketing that can provide an overview of the competitive dynamics of a product, namely different stages in its sales history. Each stage of the product has different challenges and can contribute different profits so that a reliable marketing strategy is needed [6].

Product stages can be divided into four, namely introduction, growth, maturity, and decline.

- a. Introduction: an initial period of introduction of the product to the market so that consumers are aware of its existence. This stage is characterized by a slow growth rate. Promotion and production costs are so high that they exceed the level of income so there is no receipt of profit. Products are determined at high prices if in the market there are no other competitors.
- b. Growth: a period of rapid increase in sales growth and significant increase in profits. Competitors try to market products that are almost the same or even with better quality because they realize the success of the product. Growth: a period of rapid increase in sales growth and significant increase in profits. Competitors try to market products that are almost the same or even with better quality because they realize the success of the product.
- c. Maturity: a period of decline in market growth because the product has been accepted by a portion of the potential market. Profits do not experience a significant or stable increase and may even decline because the company makes efforts to fight competitors in the market. Some marketing strategies will offer special discounts and differentiations on existing product designs to maintain market share.
- d. Decline: A period in which sales and profits decline dramatically. This is because consumer demand is greatly reduced and competitors are growing in the market.

The concept of product life cycle has an important role in determining marketing strategies, namely:

1. Introductory Stage : At the introduction stage, the producer offers a new product (good or service) to the market. Because the product is still unknown to consumers, sales growth is still slow. At the introduction stage, the producer offers a new product (good or service) to the market. Because the product is still unknown to consumers, sales growth is still slow.
2. Growth Phase: Once the new product is accepted by the market or consumers, sales will increase and the product life cycle is in the growth phase. This stage is marked by the presence of new competitors in the market, which forces manufacturers to increase their production activities although not as vigorously as when the product was first launched. Prices did not change but decreased slightly to cope with competition and sales increased rapidly. At this stage, marketing strategies that can be carried out by the company include improving product quality and adding new product privileges, looking for new segments, looking for new distribution channels, and promoting through advertising to convince buyers of the quality of the product.
3. Maturity Stage: The maturity stage is divided into three, namely the stage of maturity that increases, stabilizes, and the stage of maturity that decreases. Marketing strategies carried out by companies to

maintain market share are market modifications, product modifications, and marketing mix modifications.

4. Decline Stage: At this stage, product sales begin to decline until they disappear from the market. The decline in sales can be slow or fast. Sales can fall to zero or stay at low levels. The decline in sales was caused by, among others, technological developments, shifts in consumer tastes, and increasing domestic and foreign competition.

3. METHOD

In this study the types of data used are as follows: Primary Data is the first information or referred to as respondents This data or information is obtained by means of written questions either using questionnaires or oral using interview methods. And secondary data is a research method that involves using existing data. The existing data are summarized and compiled to improve the overall effectiveness of the study. Secondary data are such as data published in research, documents, public libraries, websites and so on.

This research was conducted at PT. Siantar Top, Tbk which is addressed at JL. Pematang Siantar No.13, Ujung Serdang, Tj.Morawa District, Deli Serdang Regency, North Sumatra. This research will be conducted from February 2023 to April 2023.

The data collection used in this study uses field research methods by collecting data about objects at the research location. Observation, direct observation at the research location at PT. Siantar Top, Tbk. Interview, research conducted by giving several questions to each department concerned with the research. Documentation, data collection and information available at PT. Siantar Top, Tbk is by collecting sales data stored at PT. Siantar Top, Tbk.

This research was conducted at PT. Siantar Top, Tbk by using qualitative descriptive methods, where this study analyzes the data that has been obtained and then explained in such a way. The data analysis process carried out in this study is as follows: Collecting data related to marketing strategy analysis in maintaining product life cycle at PT. Siantar Top, Tbk. Reviewing natural marketing strategies to maintain the product life cycle in the company concerned. Determine the results of this study based on the data that has been obtained, then make a conclusion decision. As well as providing advice or opinions related to marketing strategy analysis in maintaining the product life cycle.

4. RESULT AND DISCUSSION

A. SWOT Analysis

There are several SWOT analyses applied to PT. Siantar Top, Tbk in marketing its products as follows[7] :

- a. Strength) : Prices for food sold are very affordable according to quality. Cleanliness, taste, quality in each food is guaranteed good. serve online, so customers can easily place orders remotely.
- b. Weakness : There are no outlets or stands to sell directly (offline) Products that are easy to imitate.
- c. Opportunities : Food that is marketed is a new innovation, namely making snacks that have various flavors that can attract consumers. The condition of the community is increasingly consumptive making it easier to market products.
- d. Threat : The number of competitors who sell the same type of product. The release of new products that are superior and of good quality in terms of innovation and other aspects. Many competitors sell products at lower prices.

B. Product Analysis

- a. Product life cycle analysis of product quality: In the implementation of cracker product strategy at PT. Siantar Top, Tbk uses good and quality ingredients so that product quality is maintained, there are no elements of a mixture of bad ingredients into the dough so that consumers feel satisfied with the quality. Cracker products at PT. Siantar Top provides products in accordance with the specifications of each product without any element of product change, and all cracker products at PT. Siantar Top, Tbk already has a business license and halal certificate. With the completeness of these documents, consumers feel more secure and more trusting because they feel protected by the permission owned by the company.
- b. Product life cycle analysis of prices: In determining prices does not provide much price variation, only. Discounts are also not made to consumers even though they buy in large quantities, so the profit obtained from each sale does not change.
- c. Life cycle analysis of packaging: In maintaining the cracker product strategy, PT. Siantar Top, Tbk made several changes to the packaging of its products as follows:

- Tic-Tic Products :



Old Packaging



New Packaging

Figure 1. Tic-Tic Packaging

As seen in the picture above, PT. Siantar Top, Tbk changed its product packaging to be more attractive and the packaging is larger than the old packaging.

- Twistko Products



Old Packaging



New Packaging

Figure 2. Twistko packaging

As seen in the picture above, PT. Siantar Top, Tbk changed its product packaging to be more attractive by replacing the black packaging.

- Leo Net Products



Old Packaging



New Packaging

Figure 3. Leo Net product packaging

As seen in the picture above, PT. Siantar Top, Tbk changed the text on Leo Net product packaging.

- Ketagi Products



Old Packaging



New Packaging

Figure 4. Ketagi packaging

As seen in the picture above, PT. Siantar Top, Tbk changed its product packaging to be larger.

- French Fries Products



Figure 5. French Friespackaging

As seen in the picture above, PT. Siantar Top, Tbk changed the writing on its product packaging.

Discussion

The strategy carried out by PT. Siantar Top, Tbk in accordance with its position in the product life cycle is as follows: Establish cooperation with other companies so that PT. Siantar Top, Tbk can be sold to foreign countries. Products of PT. Siantar Top, Tbk is also available on social media such as e-commerce. STP Analysis (Segmentation, Target, and Market Position) Market segmentation: Segmentation conducted by PT. Siantar Top, Tbk is a demographic segmentation that includes age, gender and social class. Target Market : Target Market PT. Siantar Top, Tbk is children to teenagers because as children and teenagers know they love snacks such as products sold by PT. Siantar Top, Tbk. Market Position : From SWOT analysis it can be seen that PT. Siantar Top, Tbk can be purchased by nearby places such as supermarkets, e-commerce to nearby stores.

5. CONCLUSION

Based on the results of research that the author has conducted on PT. Siantar Top, Tbk. The author can conclude its marketing strategy as follows: PT. Siantar Top, Tbk prioritizes the implementation of strategies on product quality so that consumers feel satisfied and safe when consuming their products, PT. Siantar Top, Tbk also implements strategies on the prices of the products they sell in accordance with quality and PT. Siantar Top, Tbk also implements a strategy on product packaging (Product Life Cycle) in order to maintain the existence of a product.

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