

# Study Of Increasing Store Image Through The Application Of Differentiation And Marketing Mix Strategies On Sell Buy Gold In The Bondowoso Main Market

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## Abstract:

This research aims to describe the implementation of differentiation strategies and analyze the application of marketing mix to improve store image in buying and selling gold in the Bondowoso main market. This research was conducted with a purposive approach to key informants using a qualitative case study type of research. Data collected using interviews and observation. The results of this research using a SWOT analysis approach state that there is no indication of offering differentiating products and only provides products and facilities that are generally provided by the average gold shop in the Bondowoso main market. There are alternative SO strategies offered by optimizing the provision of products and services to improve store image and strengthening promotions and services to improve store image .

**Keywords :** Store Image , Differentiation Strategy, Marketing Mix

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## I. Introduction

The business of buying and selling gold is a promising business and is widely popular in the Bondowoso main market, and currently there are several gold shops competing with each other with approximately 16 gold shops already operating in gold buying and selling transactions. Bondowoso Market itself is divided into two operational sections with gold shops in it, those are 7 sections inside the market and 9 shops outside the market. All of these jewelry shops are not much different in presenting the products they have, there are several shops that sell gold jewelry of a higher grade, and on average the gold shops in Bondowoso main market only use offline gold buying and selling operational services to promote their products. they have, this requires consumers to come directly to the gold shop to fulfill the needs they want. However, there is an interesting phenomenon in the gold buying and selling business in the Bondowoso main market, such there is no differentiating factor for each gold jewelry shop when viewed in terms of product, price, place and promotions in the marketing system they run. So what factors enable them to remain strong in competing in the gold buying and selling business in the Bondowoso main market. Moreover, there are also several small gold jewelry shops that can still compete with the majority of larger gold jewelry shops in the Bondowoso main market. To retain consumers, increase store image and income from products or services sold in each store, it is necessary to pay attention to other factors besides the products being sold. According to Wahyu et al, (2018): Euliza et al, (2019) that store image is a picture of the soul or personality of the shop owner who wants to convey about their shop to customers, so that customers can develop an impressive memory of the shop, it can also make it easier consumers to create their own way of recognizing and choosing a store image based on the needs, values and expectations of each consumer. Apart from that, there are also other competitive advantages that can be used as a reference for the growth of a gold shop business, such as a differentiation strategy. Each gold jewelry shop can differentiate by creating specific differentiating characteristics of a shop as a form of building consumer loyalty towards the shop and maintaining the shop's position so that it does not experience a decline in Alfiyati (2019): Arsy (2020): Marsela ( 2020 ) . To support the rapid development of a gold shop, business people also need to implement strategic and efficient marketing such as *the Marketing Mix* . *Marketing Mix* is an activity that creates a satisfying exchange relationship for each party. Several series in *the Marketing Mix* such as 7P which include *price, product, promotion, place, people, process, physical evidence* . This series has an optimal mix according to the characteristics of its segments for Yusuf (2019) : Ahmad (2019): Lestari (2018). Based on the background above, this research aims to describe the implementation of the differentiation strategy for the study of improving *store image* in the buying and selling of gold at the Bondowoso main market and to describe and analyze the application of *the marketing mix* for the study of increasing *the store image* for buying and selling gold at the Bondowoso main market.

## **II. Literature review**

### **Differentiation Strategy**

According to Muiz, (2018): Andi (2021) differentiation strategy is a way to differentiate the products or services offered by a company or shop by providing a product or service that is considered unique and involves individual or group creativity. This will provide an approach that provides certain value for buyers. Kotler and Keller (2012) in Adi and Juni (2017) state that differentiation in the process of adding a series of important and valuable differences, this is useful for differentiating a company's offer from competitors' offers. Companies can differentiate their offerings into five dimensions, namely: Product differentiation strategy, service differentiation strategy, personnel differentiation strategy, channel differentiation strategy and image differentiation strategy. A differentiation strategy has the benefit that companies can create competitive advantages that can differentiate their products or services from competitors in the market. By creating unique products or services that provide added value to consumers, companies can attract more consumers and create stronger brand loyalty.

### **Marketing Mix**

Marketing mix is a marketing mix that is a good marketing tool within the company, where the company is able to control and influence the response of the target market. According to (Caroline, Imam and Panji: 2021) marketing mix is also a tactic in integrating offers, logistics and communication of products or services from a company. By using a marketing mix, companies not only need to make attractive offers, but also have to think about the right tactics for distributing and promoting their company's products. According to Maitus P. Angiopora in Zainul (2022) marketing mix is a set of income variables that a company combines to produce the desired response in the target market. Marketing mix is a marketing mix strategy that can be implemented by considering the interesting 7P of each component with the aim of increasing the desirability of each company's sustainability goals. According to Firli (2020), in the marketing mix there are several important factors that need to be considered which are interrelated and interact, such as: Product , Price , Place , Promotion , People , Process and Physical Evidence .

### **Store Image Theory**

Store Image is a combination of individual associations and emotional responses that arise and consumer perceptions of the store and its attributes as well as memories and various things that remind consumers of the store (Cox & Brittain (2004: 184) in (Wahyu, et al: 2018). Also, according to Peter & Olson (2000: 248), Store Image is a picture of consumers' thoughts about a store which includes perceptions and attitudes felt in the sensations in the store received through the five senses . According to Beneke (Teguh & Damayanti: 2022), Store Image is a combination of between physical factors such as the layout of goods, cleanliness of the room, etc. with non-physical factors such as speed of service for complaints, friendliness of employees, accuracy of cashiers and all these elements can be accepted and recommended as a result and benefit as an impression for consumers of a shop. Some The theory above states that store image is an element that creates an image for consumers that makes them impressed and comfortable when carrying out transactions with the store in question.

### **SWOT analysis**

Based on Rangkuti in Mayang (2020), SWOT analysis is the systematic identification of various factors to formulate a company's strategy. This analysis is based on logic that can maximize strengths and opportunities , but at the same time can minimize weaknesses and threats. threats) . The opinion of Fajar, (2016) states that SWOT analysis is an instrument for identifying various factors that are formed systematically which are used to formulate company strategy. The determined factors are then applied in the form of a SWOT matrix, the application of which is:

- a. How strengths are able to take advantage of existing opportunities .
- b. How to overcome weaknesses that prevent advantages from existing opportunities .
- c. How strengths are able to face existing threats .
- d. How to overcome weaknesses that can make threats real or create a new threat.

## **III. Research methods**

This research uses a qualitative design with a case study approach. (Albi & Johan, 2018 : Lutfi , 2017) stated that qualitative research methods are methods that are based on positivist philosophy, because they are used to research the conditions of natural objects, (as opposed to experiments) where the researcher acts as a key instrument. The aim of using qualitative research is to understand in depth the study of increasing store image through the application of differentiation and marketing mix strategies in buying and selling gold in the Bondowoso main market. So it is hoped that we can provide solutions so that the problems revealed can be resolved, as well as being able to find new concepts and strategy formulations that can strengthen existing

theories or revise and add to existing theories, this can contribute to the development of science. A purposive approach is used to determine which informants are selected specifically based on the research objectives, not based on strata, position, guidelines or area, so that the right informants can be determined according to the main problem being studied. So the key informants chosen were the gold shop owner at Bondowoso main market, gold craftsmen and several consumers. This type of research uses primary and secondary data. Several data collection techniques used by researchers include: interviews, observation, documentation and audiovisual. The steps in carrying out data analysis are divided into several stages such as data collection , data reduction , data presentation and conclusion . The triangulation technique used by researchers is source triangulation which compares and rechecks the high and low levels of trustworthiness of an informant obtained through different times and tools, such as: Triangulation with Sources, Triangulation with Methods and Triangulation with Theory.

#### IV. Research Results and Discussion

Testing the validity of the data in the research study increasing store image through the application of differentiation and marketing mix strategies on sell buy gold at the Bondowoso main market aims to maintain the validity of the data obtained during the research and also as a means of proving that this research is scientific research and can be accounted for validity in this research uses triangulation, such as:

**Tab. 4.1. Comparison of research results between 7 key informants and 5 additional informants**

No	Regarding	Conclusion of Interview Results with 7 Informants	Interview Results with Additional Informants (triangulation)
	Differentiation Strategy for buying and selling gold at the Bondowoso main market	Providing various jewelry models and providing friendly service is one of the differentiation strategies that can be implemented by every jewelry shop in improving its store image through differentiation strategies and marketing mix in buying and selling gold at the Bondowoso main market.	According to additional informants, other products and additional service systems are also needed to make it easier for consumers to carry out transactions, such as using online services. This is necessary to save time.
	Marketing Mix Strategy for buying and selling gold at the Bondowoso main market	Business players already feel that they are implementing a marketing mix strategy in buying and selling gold at the Bondowoso main market by providing facilities and services that are sufficient to satisfy consumers.	Informants considered that the presence of these strategies gave a special impression to them when spending their money at the shop in question.

**Table 4.2. Comparison of research results between the interview method and the observation method**

No	Regarding	Interview Method	Observation Method
	Differentiation Strategy for buying and selling gold at the Bondowoso main market	The results of interviews with informants stated that the differences between each shop were in the number of models and jewelry each shop had.	Based on observations in the field, this condition is true, this indication can be seen when consumers want to carry out gold buying and selling transactions, when the goods they want are not available, and their budget does not fit, they will turn to other shops.
	Marketing Mix Strategy for buying and selling gold at the Bondowoso main market	The most prominent strategy lies in providing fixed sales prices and loss deductions in each store, as well as different service durations when providing jewelry orders according to consumer wishes.	Based on observations, consumers are more interested in shops that provide small discounts. This is done because the aim of purchasing gold jewelry for the average consumer is to invest so that it can be sold at any time to meet other needs.

**Table 4.3. Comparison of research results between theory and research**

No	Theory	Research Findings
1.	According to Beneke (in Teguh & Damayanti: 2022), Store Image is a combination of physical factors such as the layout of goods, cleanliness of the room, etc. with non-physical factors such as speed of service for complaints, friendliness of employees, accuracy of cashiers and all elements that can accepted by consumers to give a good impression to consumers	Research findings state that it is necessary to make changes and optimize in the context of implementing differentiation and marketing mix strategies. The reason is that business people do not understand how to interpret the differentiation strategy and marketing mix implemented in each store. This can influence the improvement of store image through differentiation strategies and marketing mix in buying and selling gold at the Bondowoso main market.

Analysis of Strengths, Weaknesses, Opportunities and Threats. The Study of Improving Store Image Through the Implementation of Differentiation and Marketing Mix Strategies in Gold Buying and Selling at the Bondowoso Main Market produces several conditions, namely:

- a. Strengths for implementing a differentiation strategy in buying and selling gold in the Bondowoso main market
- b. Weaknesses in implementing a differentiation strategy in buying and selling gold in the Bondowoso main market
- c. Opportunities for implementing the marketing mix in buying and selling gold at the Bondowoso main market
- d. Threats to implementing the marketing mix in buying and selling gold at the Bondowoso main market

analysis of strengths, weaknesses, opportunities and threats for implementing differentiation and marketing mix strategies in buying and selling gold in the Bondowoso main market can mean that efforts to implement differentiation strategies and marketing mix can improve the store image in buying and selling gold in the Bondowoso main market, because the store image cannot be created like a good or service, but through a process of maintaining and also improving products and services to customers at gold shops in buying and selling at the Bondowoso main market.

This condition becomes interesting if it is related to the opinion of Kotler and Keller (2012) in Adi Juni (2017). The application of a differentiation strategy as the application of a store image in the buying and selling of gold in the Bondowoso main market is in contrast to the opinion of Kottler and Keller who state that differentiation is a useful process for differentiating the offers of one company from those of other companies. However, in reality, every gold shop in Bondowoso main market does not provide differentiating products that will later become the hallmark of the gold shop. This criticism occurred due to several factors that occurred in the Bondowoso main market. One of them is that the main focus of gold shop products is to only provide gold jewelry products with various models. As well as the optimism of business actors with what they have to offer. This is also related to demand from consumers who want various jewelry models that follow the latest trends. Apart from that, there is the application of a marketing mix which is considered to be a good marketing tool for a company which is also able to control and influence the response of the target market according to the opinion (Coroline, et al: 2021 ). This is in contrast to the facts in the field, that the gold shops in the Bondowoso main market only provide services and products and facilities which are normally found in the gold buying and selling business, in other words the gold shops in the Bondowoso main market are still reluctant to do this. new by implementing new innovations through the implementation of the marketing mix. The SWOT matrix related to the application of differentiation and marketing mix strategies in buying and selling gold at the Bondowoso main market is data for formulating strategies that will be implemented to improve the store image of gold shops in the Bondowoso main market, as follows:

<p><b>Strengths:</b></p> <ol style="list-style-type: none"> <li>1. The availability of various models of gold jewelry makes this a strength for gold buying and selling businesses in the Bondowoso main market, because this is of interest and demand for consumers.</li> <li>2. Implementation of effective service performance (friendly, patient, polite, smiling), because consumers tend to be more comfortable when they receive service that provides comfort when they carry out gold buying and selling transactions.</li> </ol>	<p><b>Weaknesses:</b></p> <ol style="list-style-type: none"> <li>1. There is no differentiated product that is unique to gold shops, because on average those related to buying and selling gold in the Bondowoso main market have the same application in gold shops both in terms of products and services.</li> <li>2. Does not involve online services for consumers, whether for buying and selling services or just consultations about gold jewelry</li> </ol>
<p><b>Opportunities:</b></p> <ol style="list-style-type: none"> <li>1. There are differences in the application of selling prices and loss deductions for buying and selling gold. This cannot be separated from the number of carats of gold owned.</li> <li>2. There is provision for gold maintenance and repair.</li> <li>3. Having adequate space and facilities for consumers, as well as providing physical proof of purchase when buying and selling gold jewelry. Also implement promotions using word of mouth information.</li> <li>4. Availability of adequate human resources to support the implementation of gold buying and selling.</li> </ol>	<p><b>Threats:</b></p> <ol style="list-style-type: none"> <li>1. There were no changes made by the gold shops in the Bondowoso main market</li> <li>2. The emergence of products that resemble gold could harm the buying and selling of gold at the Bondowoso main market</li> <li>3. Lack of building continuous communication with customers to maintain customer loyalty to the store.</li> </ol>

Based on the table regarding the SWOT matrix for implementing differentiation and marketing mix strategies in buying and selling gold in the Bondowoso main market, of course there are normative differences that should be made for improvements by every player in the gold buying and selling business in improving their store image. The opinion expressed by Beneke (in Teguh & Damayanti : 2022 ) is relevant to what has been implemented in the field, namely that business people have designed as much as possible regarding the

layout regarding cleanliness, neatness, atmosphere and conditions in the gold shop they own so that it can produce impression on consumers. However, there are shortcomings in the products and services provided, which are deemed unsatisfactory and require improvements in improving the store image through implementing differentiation strategies and marketing mix in buying and selling gold at the Bondowoso main market. The reason is that the average business person is not optimal in providing unique products or services to consumers, for reasons of lack of readiness and feeling that they are sufficient in carrying out the business that has been implemented. Therefore, several alternative strategies that researchers offer in order to improve store image through the application of differentiation and marketing mix strategies in buying and selling gold in the Bondowoso main market are as follows:

<p><b>SO Strategy:</b></p> <ol style="list-style-type: none"> <li>1. Optimizing the provision of products and services to improve <i>store image</i> (S1, S2, O2 and O4)</li> <li>2. Strengthen promotions and services to improve <i>store image</i> (S2, O2, O3 and O4)</li> </ol>	<p><b>WO Strategy:</b></p> <ol style="list-style-type: none"> <li>1. Increase product innovation, services and facilities to improve <i>store image</i> (W1, W2, O2 and O3)</li> <li>2. Strengthening prices for products and services to improve <i>store image</i> (W1, W2, O1 and O2)</li> </ol>
<p><b>ST Strategy:</b></p> <ol style="list-style-type: none"> <li>1. Arranging the provision of products and services to improve <i>store image</i> (S1, S2, T2 and T3)</li> <li>2. Strengthening store governance to improve <i>store image</i> (S1, S2, T1, T2 and T3)</li> </ol>	<p><b>WT Strategy:</b></p> <ol style="list-style-type: none"> <li>1. Communication and service improvements in <i>store image enhancement</i> (W2, T1 and T3)</li> <li>2. Strengthening products managed by the store to improve store image (W1, T1 and T2)</li> </ol>

Based on the alternative strategy for improving store image through the application of differentiation and marketing mix strategies in buying and selling gold in the Bondowoso main market, a clear point can be drawn that the SO strategy consists of strengths and opportunities, namely: First, optimizing the provision of products and services in store improvements. image. Second, strengthening promotions and services to improve store image.

## V. Conclusion

Based on findings in the field, analysis and theoretical elaboration, it can be concluded that: *First*, the implementation of the differentiation strategy for the study of improving differentiating products and additional service systems that can be used as a characteristic of a store. concerned in order to attract consumer interest in providing loyalty store image in buying and selling gold at the Bondowoso main market has no indication of offering. *Second*, the application of the marketing mix for the study of improving store image in buying and selling gold in the Bondowoso main market only provides services, products and facilities that are generally found in gold jewelry shops. There are alternative strategies offered to improve store image through differentiation and marketing mix strategies in buying and selling gold in the Bondowoso main market using alternative SO strategies consisting of strengths and opportunities, such: *First*, optimizing the supply of products and services to increase store image. *Second*, strengthening promotions and services to improve store image.

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