

CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

This chapter will elaborate the conclusion of this final paper that combine all analysis made over the Furnimart retail strategy development. In addition to the conclusion, some recommendations are also suggested to Furnimart to strengthen its strategy development plan.

5.1 Conclusion

Answering the objective of the study, in which Furnimart needs to improve its core business and needs direction to which adjacencies to increase sales revenue, this paper ended with conclusion:

1. With decreasing average sale revenue per store will affect negative to the company profit. Furnimart requires a new strategy in managing marketing concept and efficiency store operational strategy for example promotion activity and stock management through distribution centre.
2. Unheard of Furnimart name as furniture factory outlet that give solution to home furnishing will affect to the low level of convention rate consumer visit to store and also consumer buying average in every store Furnimart.
3. Arrangement of product management is not manage properly yet, number of SKU's is not match with space available at the store. It's affects to inefficient of stock arrangement and high expense of stock management.
4. True live display product in store have not can improve productivity per meter square because there is no standardize display arrangement and have not evaluated properly yet, and slow moving product display still majority rather than fast moving product display.
5. Especially in big cities, a longer time that required reaching store Furnimart, will effect to consumer readiness come to store. The journey goes shopping will generate traveling expense both financial and non financial. Consumer will be more choose the closest retail store. That's way, a store location and amenity access to reach location is an importance matter to be more attention.

On the other side, Furnimart can use order by phone or call service center to reduce consumer time.

6. By totalize 102 stores in 2008; it's needed operational strategy to make expense effectively. The Utilization of Information Technology in managing stock allocation, sales achievement monitoring, accounting process, inventory turn over and monitoring from head office to each store is very important in retail business because so many store locations and the media to monitor that process above is the usage of Information Technology.

5.2. Recommendation

Based on the result of the study, the following are the recommendation for Furnimart in order to see opportunities and threats that exist in retail business:

1. In order to improve sale performance and arrangement store operational strategy is requires 6 steps store strategy mix as follows: product management, stock management, store traffic, one price policy, supplier member, and also store awareness.
2. Show uniqueness elementary point of store Furnimart by assure commitment to focus at customer satisfaction by giving better service and innovative product to the needs of and affordable price it's can improve quality of customer life if shops at Furnimart.
3. Furnimart has to apply IMC (Integrated Marketing Communication) strategy, because as a new player in retail business must do heavy campaign in order to increase store awareness and can become WOM (word of mouth), so the Furnimart name can more knowledgeable as one stop shopping of home furniture through home modern retail chain store concept.
4. Retail business is usually related to price war and heavy promotion activity. Furnimart must brooding in seeing opportunity and exit from price war trap, giving special offer in term of payment amenity, assembling service and free delivery maybe more better than price war. But be considering making killer product that needed to influence

consumer and inculcate positive image that buy furniture with quality and affordable there's only in Furnimart not others.

5. It must be developed a transaction pattern online through website because of growing cheap in technology utilization expense, Furnimart has to create and assure consumer to conduct shopping online. Socialization process of shopping culture through online transaction by offering trust and reliability must be bundled with marketing strategy in order to take consumer growing aware and willing to try.
6. Furnimart can exploit strength of distribution support from Olympic Group in order to strengthen competition position in the future.
7. Improving front liner service with good communication and informative and also can give service of product consultancy so it can push the happening of purchasing product bundling.
8. Be consider to publish membership card with warranty and special discount for every purchasing furniture product in store Furnimart

