Analysis of Differentiation Strategies in Increasing Company Competitiveness in the Retail Industry

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Abstract

Review and analyze impact of differentiation strategy product, differentiation strategy services, and differentiation strategy image of Alfa Retailindo (Carrefour) to Power competitive company on business retail in Makassar City to be objective main study this. People who shop at PT Alfa Retailindo (Carrefour) in 2023 will become subject study this. In study this, questionnaire sent to participant for gather information. There are 100 participants in survey used for compile study this. Analysis done with use regression double using SPSS 25. The results show that third type differentiation product, service and image role positive and significant in a manner statistics in increase Power competitive company industry retail PT. Alfa Retailindo (Carrefour). Findings show that Power competitive company increase along with growth differentiation product, differentiation service, and differentiation image.

Keywords: Product Differentiation, Service Quality, Image Differentiation, Competitiveness Company

Introduction

After the era of autonomy area, modern retail exploded its popularity. Government Regencies and Cities increase income the area Alone through creation capacity modern retail (minimarkets, supermarkets and hypermarkets). Companies in the retail sector engaged in the sale No only notice happening transaction sale but also how sale can done in a manner Keep going continuously (Rahman, 2019). Here, manufacturers must increase trust consumer to product they If they want to maintain or increase sales. As a result, manager prioritize marketing as means for connect objective company with objective customers (Romansyah, 2016).

Basically, the company was founded with the intention of maximizing profits in order to fulfill the continuity of the company's operations and ensure its survival (Sahabuddin, 2019). Marketing is one of the driving forces behind the development of more efficient and successful
business management for non profit companies in the promotion of goods and services (Daga, 2018).

The idea of a strategy of excellence competitive used in investigation. This is according to Tjiptono (2003), differentiation strategy is strategy appropriate marketing chosen by the company. As stated by Mariana (2009), the underlying premise behind the differentiation strategy is that for guard satisfaction customers and order not move to company competitors, business must maintain status as market leader in category the product so it doesn’t decrease. Companies in the sector retail can adopt a differentiation strategy for ensure they maintain superiority competitive in the market.

The first method to stand out from the competition is product differentiation by offering customers something truly unique. This can be a product that is superior to competitors in appearance, functionality, safety, fun, friendliness, craftsmanship or practicality. Second, service differentiation To differentiate yourself from the competition, your service quality must be above and beyond what your customers anticipate through the use of an innovative marketing mix (including product, place, price, promotion, people, packaging, and partnership programming). Third, image differentiation which is a unique or differentiating feature of the appearance of a person or object. Image differentiation refers to the process of selecting the ideal visual component to represent a brand. To ensure sustainable brand success, the imaging process must build, maximize, employ, and exploit both the assets and vulnerabilities of each image component (Zyman, S., 2000: 95).

The Resource-Based View of the Firm (Barney, 1991) is a model of excellence competitive emphasis importance source power and competence unique company in reach success. To stay competitive and profitable in period long, according Resource-Based View (RBV), business must seek and develop competence unique based on various their assets have. The company is struggling for superiority competitive so that they can outperform rival them in the market, increase profit, and in general growing.

Literature Review

1. Resource-Based View (RBV)

Resource-Based View (RBV) is method analysis that emphasizes maximizing superiority competitive origin from resource strategic organization (Teece et al., 1997). Company with superiority competitive capable outperform rival they in period long (Pitts and Lei, 2003:7). RBV is based on ideas that every company different Because He own gathering source power. (Chatterjee et al., 2023)

2. Strategy

Strategy is plan for reach long term goal. Expansion geographic, development product, market penetration, rationalization employees, divestment, liquidation, and business cooperation is example of business strategy corporate strategy can defined as plan thorough and encompassing all that counts opportunities and threats uniquely presented by the environment business and addressed for help company reach objective mainly. (Holubčík et al., 2023)
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3. Differentiation

Differentiation is amount business for differentiate himself from competitor so that can offer superior quality and price to customer for differentiate products and services somebody from competition, differentiation can used. (Calveras & Sákovics, 2023)

According to Kotler (2006), a company own superiority competitive If the offer enough unique for interesting consumer in a manner more effective than its competitors. Differentiate a market offer company can done with ways: 1) Differentiation Product 2) Differentiation Quality service 3) Image Differentiation

4. Company competitiveness

Competitiveness, as defined by Porter (2007), is capacity or advantages used for compete in a particular market. Superiority competitive. This developed with invest massive in development in a manner thoroughly, especially in the production division. Companies can increase its efficiency and effectiveness through effort sustainable development. Competitiveness is ability something company for compete with its competitors. Consequently, to be successful in the market, business requires a competitive strategy and advantage competitive procedure - centered development. Temporary it, “power competitive is ability or toughness in compete for snatch attention and loyalty consumer”, as put forward by Henry Faizal Noor (2004). Based on criteria this, obviously that Power competitive refers to capacity company for attract and retain customer, produce profit period long, and maintain share the market. Unique products, high quality, and affordable prices become factor determinant ability something company for compete (Mohammad Shafiee & Pourghanbary Zadeh, 2023).

Studies previously has shown that differentiation strategy product is a strategy in which the customer accept more value big compared to with other products, so can help make customer return again. Successful differentiation, according to Aaker as quoted in Ferdinand (2003: 87), requires three thing: ability for produce mark consumers; ability for create perception different and good value, and abilities for come on stage as difficult different forms for imitated. According to Rina (2009), ability company for differentiate the offer in matter packaging, price, brand, image, and service can impact significant on satisfaction customer and so ability for still competitive in period long. ability in develop product capable do winning persain bro in the market. (Golmohammadi et al., 2023)

H 1: differentiation product influential positive and significant to company competitiveness

Quality is tips in a manner consistent and effective fulfil needs and expectations customers (Shelton, 1997). Pleasure customer related direct with quality their service accept (Loasby, 2010). Change servant support continuity Power very dynamic competition in address every change desired by consumers so that continuity company can walk with good (Zhou & Li, 2010)
H 2: Differentiation service quality influential positive and significant to does competitive company

Differentiation image, research from Delmas et al. (2000) stated that differentiation image can from method different marketing. Image is important in business. Important image for a customer is perceived image own difference from image competitors. In matter this, the image in question in the form of an image of products and companies as well as customer feel exists difference from product used according to (Ambarwati, 2003).

H 3: Image differentiation has an effect positive and significant to company competitiveness

Framework conceptual study this consists from:

Figure 1. Research Conceptual Framework

Research Method

a. Location and Research Design

Study This carried out at the location of PT. Alfa Retailindo (Carrefour) shelter, Makassar. Study this adopt methodology quantitative.

b. Population or Sample

Whole ever customer shopping at PT. Alfa Retailindo (Carrefour) in Makassar City is more than twice is population research. One hundred ever consumer do purchase from PT. Alfa Retailindo (Carrefour) in Makassar City was made as sample in study this.

Sugiyono (2011: 87) suggests for use method Slovin in determine size sample, as that of the author do. Because of size representative sample needed for extrapolation from results research, formula Slovin adopted for study this because its use No need table size sample or complicated calculations. for make it easy data collection and analysis as well for ensure
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possible findings reliable, research This only will focuses on 100 customers of PT Alfa Retailindo (Carrefour).

c. Method of collecting data

The method used to collect information in this study are:

1) Questionnaire namely a set of questions designed by the researcher and addressed to the respondents who were sampled.
2) Documentation is the process of collecting and recording information about a research topic from various sources.
3) Researchers conducted interviews with private question and answer sessions with respondents / interviews to collect information in this study.

The Likert scale is used as the unit of analysis for study this. Attitude, opinion, or impression somebody or group to something phenomenon social can be measured with help Likert scale. Researcher give 5 (five) possibilities answer to respondent; hence, the scale used is 1–5; weight mapping is as following: (1) SS = strongly agree given score 5. (2) S = Agree given score 4. (3) C = Enough Agree given score 3. (4) TS = No agree given score 2. (5) STS = Very not agree given score 1

d. Data analysis method

Validity Test and Reliability Test

Analysis validity help determine is There is question or answer in necessary survey changed or deleted because lack of relevance with research. Analysis statistics can done manually or with help device SPSS software. Correlation positive between each of these parameters with magnitude 0.3 or more required for a factor to be declared valid (Sugiyono, 2012).

Reliability test is method for measure how much often respondent give same answer. Consistent response show that questionnaire (or tool study others) can trusted. In study this, we use Cronbach's Alpha function in SPSS 25 for conducted a reliability test in this study. If Cronbach's Alpha is more of 0.60 then can considered reliable (Suyoto, 2011).

F test

The F test was used for determine is variable independent models have significant influence to variable dependent when all other factors considered constant (Ghozali, 2006).

Coefficient Test Determination (R)

Coefficient determination (R2) is used for explain proportion variable independent (bound) that can explained by variables dependent (free). mark coefficient still is 0>2>1. Low R2 value show that almost all required information for predict variable dependent provided by variables independent. Weakness fundamental in use coefficient determination is there is a bias against amount variable included dependencies to in models. Here it is why Why a number of researcher has propose using customized R2 for regression models best (Ghozali, 2006).
Analysis Multiple Linear Regression

Three or more variable independent (X1, X2, X 3... Xn) are used for predict variable dependent (Y) in analysis regression double. Differentiation product, differentiation quality service, and image differentiation to Power competitive company is modeled assumptions with equation used _ in analysis this.

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 \]

T test

The t test was used for determine is connection between X and Y respectively statistics significant or no, and whether X1, X2, and X3 each have influence significant independent against Y.

Variable Operational Definitions

1. Product Differentiation
   Product differentiation refers to the process of creating differences between a company's products and its competitors (Kotler, 2013:52). Product differentiation indicators include form, features, performance, suitability, durability, repair, and aesthetics (Kotler & Keller, 2016).

2. Service Quality Differentiation
   Give consumer various level mark in offer the service is example differentiation services (Klother & AB Susanto, 2010). convenience ordering, delivery, installation, training customer, consulting customers, maintenance, and service repair is service quality differentiation indicator (Kotler & Keller, 2015).

3. Image Differentiation
   As defined by Mumunha and Sutrisna (2018), " differentiation image " is the process of discriminating something product or brand from its competitors through planting perception and attitude unique consumer. Difference reputation brand, legitimacy institutions, and quality product or service is indicator differentiation image (Tampi, 2015).

4. Company Competitiveness
   According to Porter (2013), a company's competitiveness is measured by its capacity to outperform competitors in the same industry in terms of economic advantage. Unique products, high quality, and affordable prices are indicators of a company's competitiveness (Setiawan, 2013).

Research Result

Characteristics Respondents

Characteristics of respondents explained in matter age, type gender, and education with a sample of 100 respondents.
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Table 1. Overview Description _ Respond n

<table>
<thead>
<tr>
<th>Demografi</th>
<th>Kategori</th>
<th>frekuensi</th>
<th>Presentase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Usia</td>
<td>16-25</td>
<td>49</td>
<td>49%</td>
</tr>
<tr>
<td></td>
<td>26-35</td>
<td>33</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>36-45</td>
<td>11</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>Diatas 45</td>
<td>7</td>
<td>7%</td>
</tr>
<tr>
<td>Jenis Kelamin</td>
<td>Laki laki</td>
<td>46</td>
<td>46%</td>
</tr>
<tr>
<td></td>
<td>Perempuan</td>
<td>54</td>
<td>54%</td>
</tr>
<tr>
<td>Pendidikan</td>
<td>SMA/SMK</td>
<td>57</td>
<td>57%</td>
</tr>
<tr>
<td></td>
<td>S1</td>
<td>31</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>S2</td>
<td>12</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Processed Data, 2023

Based on age, 49% were in the 16-25 year age group. According to the gender, 54% of the respondent identifies as female. In terms of educational background, 57% of Alfa Retailindo (Carrefour) consumers belong to the SMA/SMK group.

Validity Test Results

With to test the validity, researchers can see is There is question or necessary answer changed or thrown away the same once.

Table 2. Validity Test

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Pertanyaan</th>
<th>R. Hitung</th>
<th>Nilai Kritis</th>
<th>Valid/Tidak Valid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diferensiasi Produk (X1)</td>
<td>X1.1</td>
<td>0.757</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.2</td>
<td>0.698</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.3</td>
<td>0.759</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.4</td>
<td>0.672</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.5</td>
<td>0.709</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.6</td>
<td>0.769</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.7</td>
<td>0.834</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.8</td>
<td>0.736</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X1.9</td>
<td>0.377</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td>Diferensiasi Pelayanan (X2)</td>
<td>X2.1</td>
<td>0.929</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.2</td>
<td>0.900</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.3</td>
<td>0.883</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.4</td>
<td>0.879</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.5</td>
<td>0.830</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.6</td>
<td>0.864</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td>Diferensiasi Citra (X3)</td>
<td>X3.1</td>
<td>0.945</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X3.2</td>
<td>0.918</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X3.3</td>
<td>0.925</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X3.4</td>
<td>0.934</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td>Daya Saing Perusahaan (Y1)</td>
<td>Y1.1</td>
<td>0.683</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Y1.2</td>
<td>0.553</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Y1.3</td>
<td>0.741</td>
<td>0.300</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>Y1.4</td>
<td>0.756</td>
<td>0.300</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Processed Data 2023
Reliability Test Results

This method for measure how much often respondent give same answer. Consistent response show that questionnaire can trusted (reliable). Table 3 displays results analysis reliability:

Table 3. Reliability Test Results

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Nilai Cronbach’s Alpha</th>
<th>Nilai Kritis</th>
<th>Reliabel/Tidak Reliabel</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diferensiasi Produk (X1)</td>
<td>0,865</td>
<td>0,60</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Diferensiasi Pelayanan (X2)</td>
<td>0,942</td>
<td>0,60</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Diferensiasi Citra (X3)</td>
<td>0,948</td>
<td>0,60</td>
<td>Reliabel</td>
</tr>
<tr>
<td>Y</td>
<td>Daya Saing Perusahaan (Y1)</td>
<td>0,620</td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed Data 20 23

Significance Test Simultaneous (Test F)

Purpose F test for now is factor differentiation product, service quality differentiation, and image differentiation influential significant to company competitiveness at PT. Alfa Retailindo (Carrefour). so use the F test for do a simultaneous test.

Table 4. Simultaneous Significance Test (F Test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Source of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>3</td>
<td>29,838</td>
<td>27,811</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>96</td>
<td>1,073</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>99</td>
<td>192,510</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Y
b. Predictors: (Constant), X3, X2, X1

Source: Processed Data 20 23

F of 27,811 was calculated from the data in the table. Count F number (27,811≥ 2.699) more big from mark F table (1.984 at level significance 5%). Findings This show that differentiation product, quality differentiation services, and image differentiation own influence to Power competitive company.
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Coefficient Test Determination (R^2)

The extent to which a model can take into account observed variations in variable dependent quantified by the coefficients determination (R2). Table following displays findings detail from the coefficient test determination:

Table 5. Determination Coefficient Test (R^2)

<table>
<thead>
<tr>
<th>Model Summary^b</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.682^a</td>
<td>.465</td>
<td>.448</td>
<td>1.036</td>
</tr>
<tr>
<td>a. Predictors: (Constant), X3, X2, X1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Dependent Variable: Y</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Processed Data 20 23

differentiation product, differentiation service quality, and differentiation each image on the variable Power competitive company of 0.448, can Look in the table above that displays mark coefficient determination (Adjusted R Square). This show that in differentiation product, differentiation service, and differentiation image influence enhancement Power competitive company by 44.8%, meanwhile the rest of 55.2% driven by variables other.

Analyzing Data through a Linear Model of Influence differentiation product, differentiation service, and differentiation image to Power competitive company checked with using regression models double. Table following displays results analysis Multiple Linear Regression:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>5.587</td>
<td>1.433</td>
<td>3.898</td>
</tr>
<tr>
<td>X1</td>
<td>.134</td>
<td>.034</td>
<td>.318</td>
<td>3.930</td>
</tr>
<tr>
<td>X2</td>
<td>.136</td>
<td>.034</td>
<td>.313</td>
<td>4.046</td>
</tr>
<tr>
<td>X3</td>
<td>.197</td>
<td>.049</td>
<td>.326</td>
<td>4.045</td>
</tr>
</tbody>
</table>

Source: Processed Data 20 23

Equality regression double following this can lowered from results analysis regression:

\[ Y = 5.587 + 0.134(X1) + 0.136(X2) + 0.197(X3) \]

The equations presented above can explained with as following:
a. Constant value (a) of 5.587 indicates that when variable differentiation product, differentiation service, and differentiation image still or No changed so level Power competitive company seen increase of 5.587.

b. Corresponding coefficient value (β1), with variable differentiation product show positive relationship with magnitude 0.134. This implicated that 1% increase in variables differentiation product will produce appropriate increase of 0.134 at power competitive company, with assumption that variable differentiation service and differentiation image still constant.

c. Corresponding coefficient value (β2), with variable differentiation service worth positive that is of 0.136. This show that 1% increase in variables differentiation service will produce appropriate increase of 0.136 at power competitive company, with assumption that differentiation product and differentiation image still or No change.

Coefficient value (β3) related with variable differentiation image show positive relationship that is of 0.197. It means every variable 1% increase differentiation image, then Power competitive company projected increase of 0.197, with assumption variable differentiation product and differentiation service still or No change.

**Partial Test (t test) Model I**

Test is the statistical test used for evaluate significance influence Partial variable independent to variable dependent in certain models. Objective from study this is for know how much influence variable independent to variable dependent. Furthermore, the influence can be seen through presentation of data in tables following.

![Table 6. Partial Test (t test)](image)

Source: Processed Data 20 23

a. Effect of product differentiation on company competitiveness

The results of partial calculations regarding the effect of product differentiation on company competitiveness obtained a t value of 3.930 which exceeds the critical value of t table of 1.984 at a significance level of 0.000. Based on statistical analysis, it can be concluded that the product differentiation variable has a positive and significant effect on company competitiveness. This conclusion is obtained from the observation that the calculated t value exceeds the critical value of t table and the significance level is less than 0.05.

b. Effect of service differentiation on company competitiveness

Based on the results of partial calculations, it reveals that service differentiation has a positive and significant effect on company competitiveness, as evidenced by the t-count value of 4.046 exceeding the t-table value of 1.984 at a significance level of 0.000. Based on the statistical analysis performed, it can be concluded that the service differentiation variable has a positive and significant effect on company competitiveness. This conclusion is drawn from the observation that the calculated t value exceeds the critical value of t table, and the significance level is set at 0.05 lower than the value obtained.
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c. Effect of product differentiation on company competitiveness
   Based on results calculation in a manner Partial disclose that there is significant relationship between differentiation image and power competitive company. t value count of 4.045 exceeded mark t\_table 1.984 at level significance 0.000. Based on analysis statistics done, can concluded that variable differentiation image influential positive and significant in a manner statistics to Power competitive company. this conclusion taken from observation that mark t\_table exceed mark critical t\_table, and level significance more small from 0.05.

Discussion

Effect of product differentiation on company competitiveness
   Descriptive studies show that offering differentiated products helps businesses stay competitive. Evidence of statistical significance of the product differentiation variable does not only come from the results of the regression analysis, but also from the results of the partial test (t-test). This shows that the competitiveness of PT. Alfa Retailindo (Carrefour) is heavily influenced by product differentiation factors. It can be said that the product differentiation variable has a significant role in making the business more competitive. Product differentiation has a direct impact on PT. Alfa Retailindo when product differentiation increases, the company's competitiveness increases, but when product differentiation decreases, the company's competitiveness will decrease.

Tampi's research (2015), which is corroborated by this study, found that product differentiation is a key factor in building company competitiveness. Similar results were found by research by Lestari (2005), which showed a beneficial and statistically significant relationship between product differentiation and competitive advantage of 0.427.

Effect of service differentiation on company competitiveness
   The results of the descriptive analysis show that service differentiation is a beneficial factor for increasing company competitiveness. In addition to the findings obtained from the regression analysis and partial test (t-test) on the service differentiation variable, it is proven that the service differentiation factor has a statistically significant effect on increasing the competitiveness of PT. Alfa Retailindo (Carrefour). It can be said that the service differentiation variable has an important impact on increasing the competitiveness of companies. PT. Alfa Retailindo has a positive correlation with the level of differentiation it achieves. Improved service differentiation, company competitiveness is also expected to increase. On the other hand, the decrease in service differentiation of PT. Alfa Retailindo is likely to result in a decrease in the company's competitiveness.

   The findings of this study are in line with the results of previous research conducted by Mohammad Arief (2010) which stated that the implementation of a service quality differentiation strategy has a significant effect on company competitiveness.

Effect of image differentiation on company competitiveness
   Descriptive analysis shows that image differentiation is a positive contributor to the competitiveness of PT Alfa Retailindo (Carrefour). In addition, the competitiveness of PT Alfa Retailindo (Carrefour) was found to increase significantly after controlling for other factors through regression analysis and partial test (t test), this indicates that the image differentiation variable has a significant value. Characteristics of image differentiation are significantly associated with increased corporate competitiveness. When the image differentiation is high,
the company's competitiveness increases, and when the image differentiation is bad, the company's competitiveness decreases.

This finding differs from that of Tampi (2015), who found that "image differentiation" has little effect on a company's ability to compete successfully. Furthermore, Chi-Chuan Wu et al. (2011) found no evidence of a positive and substantial effect of brand image on customer loyalty in their study of customer satisfaction and loyalty.

**Conclusion**

The research findings allow us to conclude the following conclusions:

1. There is a positive and statistically significant relationship between product differentiation and company competitiveness. That is, the competitiveness of PT. Alfa Retailindo (Carrefour) responds strongly whether product differentiation is high or low.
2. There is a positive and statistically significant relationship between service differentiation and company competitiveness. In other words, the competitiveness of PT. Alfa Retailindo (Carrefour) increases or decreases significantly depending on the extent of the company's service differentiation.
3. Image differentiation has a positive impact on company competitiveness. In other words, the competitiveness of PT. Alfa Retailindo (Carrefour) increases or decreases significantly depending on how far the company's image is differentiated.

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