

CHAPTER I

INTRODUCTION

A. Background of the Study

The world of business has been growing rapidly lately. Business is very important because it involves risking a big amount of money for better profit. There are many types of business, such as: export-import, franchise, investment, and many others. Yet, I am particularly interested in import-export business, Diana Bocco stated that "Import export businesses, also known as international trading, are one of the hottest commercial trends of this decade" (1). Many people choose this kind of business because they want to have a connection with the foreign market. It is very beneficial for both sides. Making a relationship with people from other countries will also help both parties to understand the foreign business and have a chance to compete in international business.

Export business is growing well recently. It is stated in Yarn and Fibers Exchange that "The country's textile export rose by 6.1 percent to 10.03 billion dollars in 2007 from 9.45 billion a year earlier, Industry Minister Fahmi Idris said during a visit to Bandung" (par. 2), therefore people have to keep the pace to develop their business in order to keep

up with strong business competition these days. In the export business that is full of competition, it is really important to create and maintain customers' satisfaction. In Encyclopedia Wikipedia, it is mentioned that "Customer satisfaction, is a measure of how products and services supplied by a company meet or surpass customer expectation" (par. 1). In order to get the customers' trust, it is necessary to pay attention to the customers' comments and suggestions. It is also stated in Encyclopedia Wikipedia that "In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy" (par. 2). Therefore, customer satisfaction is of great importance in a company and has to be maintained continually to give the best service to customers. As a result, a company will be able to have a lot of loyal customers. Thus, there will be an increase of demand, new customers, and good reputation of the company.

During my apprenticeship program at P.T. Garuda Jaya Kencana, an export textile company, I worked as a Marketing Assistant. I found that there were many customers who wanted to order products with the best quality so the company had to fulfill customers' order and provide satisfactory service. Besides, the customers also expected the company to deliver the product on time.

Based on my observation and experience at P.T. Garuda Jaya Kencana, I found that the main problem is the late delivery of the stock to the customers. Usually the delivery is about one month but it turned out

that late deliveries take six weeks. Considering that assuring customer's satisfaction and maximizing the profit is important, I have decided to discuss how to deliver the stock on time to the customers of P.T. Garuda Jaya Kencana as the topic of my term paper.

B. Identification of the Problem

The problem that I propose to analyze is clearly stated in these questions:

1. What are the causes and effects of the stock's late deliveries at P.T. Garuda Jaya Kencana?
2. What are the potential solutions to deal with the late deliveries of the stock?
3. What is the best solution to solve the problem, based on the relevant context at P.T. Garuda Jaya Kencana?

C. Objectives and Benefits of the Study

The objectives of the study are defined as follows:

1. To find out the causes and effects of late deliveries at P.T. Garuda Jaya Kencana.
2. To find potential solutions of late deliveries of the stock at P.T. Garuda Jaya Kencana.
3. To know the best solution of late deliveries of the stock at P.T. Garuda Jaya Kencana.

The benefit of the study for the company is that the company can get more insight about the causes and effects of late deliveries and the

solution so that in the future the problem of late deliveries can be solved well.

As for the readers, it is expected that they can get some insight about the garment company, how to handle late deliveries of the stock, and how to provide customer satisfaction, especially regarding prompt delivery.

The benefit of the study for me is getting knowledge about how to gain customer satisfaction in a textile business. Besides, I am able to find the solutions to solve the problem.

D. Limitation of the Study

In this term-paper I will discuss how to deal with late delivery of orders in the marketing department of P.T. Garuda Jaya Kencana. In order to find the best solution, I will analyze the situation in the related department such as warehouse department, production department, or garment department, and notice the whole process of production at this company. I take all the data for supporting my term paper from library research, online publications and my apprenticeship journal.

E. Description of the Institution

P.T. Garuda Jaya Kencana is a garment company that started its business in 1960. It is located on Rajawali Timur Street, Halteu Selatan no. 318 Bandung. This garment company has been growing rapidly since early 1965 because the products have a high quality and the price is affordable, so this company has many loyal customers who always order their products. The company offers various range of ladies' dresses (maxi

slip, midi, skirt, panties) in the colors of blue, cream, brown, green, black and red. In 2001, P.T. Garuda Jaya Kencana had a chance to expand its export business. This was supported by the hard work of the owner and the staff so that the company could become one of the biggest garment companies in Indonesia.

After running its business for about 40 years, P.T. Garuda Jaya Kencana showed a good progress and has grown to become a well-known company, so that it can compete with other garment companies. The ability of the owner and the staff to manage and solve important problems will lead to the company's success.

For export business, P.T. Garuda Jaya Kencana markets their products to foreign countries such as: Dubai, Riyadh, Sudan, Jeddah and Marokko. The regular customers come from those countries and they have built a good relationship with this company. Nowadays, P.T. Garuda Jaya Kencana also plans to expand the business to other countries such as, Kuwait, Malaysia, and Laos, because the development of export market is growing well recently. Furthermore, the owner wants to develop the export activity and continue to grow in the global competition.

F. Organization of the Term Paper

This term paper starts with the Abstract, a concise summary of the entire paper in Indonesian. This Abstract is followed by Acknowledgements, which contains the list of people who have a role in making this paper. After that, there is a Table of Contents, followed by its four chapters:

Chapter I is the Introduction

Chapter II deals with Problem Analysis

Chapter III contains of Potential Solutions

Chapter IV is the Conclusion

In the final part, I present the Bibliography.