

## I. INTRODUCTION

### A. Research Background

Retail stores are one of the important things in everyday single life today. Because retail stores can meet all the needs needed by many people. Even according to ( Hikmawati & Nuryakin, 2018) said that the retail business in Indonesia is growing very rapidly along with the increasing economic progress in Indonesia. Even in the span of eight eight years, from 2005 to 2013 the number of retail outlets in Indonesia grew by 19%. Therefore retail stores have a very important role in many ways. In line with this, Islam also says that the process of trading is important for the people. Like the following Surah An-Nisa '29:

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ

Meaning: O you who believe, do not eat each other's property in a vanity way, except by way of commerce that applies with mutual interest between you ... (An-Nisa ': 29)

After we know the importance of a trading or buying and selling process, of course we also realize that there are many companies in the retail industry around us. In a company there will be many supporting factors to find the success of the company. One of the important things that must exist in a company is how a company manages

its inventory system. Inventory system has a general meaning how to manage an existing inventory of goods and related to logistics activities in a company. The overall benefit of the existing inventory is how a system keeps the inventory of an item in optimal order. A concept of inventory management is one of many aspects of management research. This inventory itself involves optimizing the resources in a company warehouse that stores various products. When a company runs out of inventory, it will certainly cause the production process to stop. And on the other hand, a high amount of inventory can lead to an increase in the amount of expenses due to the high cost of maintaining inventory.

If previously we discussed how an inventory system is in a production business, now we will discuss how an inventory system is in a retail store. A retail store that has a higher variety of a product or inventory level, then that retail store is often associated with a higher number of sales. Because it is often assumed that a retail store that has a large number of products can increase the probability that customers can shop in larger quantities because they find what they want easily. When a company shows a high variety of products and also shows a higher level of inventory it also has a negative impact on the sustainability of a retail store. (Raman, 2010; Raman, 2010; Raman, 2010).

Of course, in an inventory management company also has obstacles or problems that arise in their system. As for some things that often appear are products that will expire, dead stock, and product shrinkage. Even America's largest retail store

named Walmart itself has problems with their inventory system. Walmart itself has a profit of up to 296 billion USD or around 400.8 trillion Rupiah, even the shares of Walmart itself have been listed on the New York stock exchange since 1972. Although this retail store has a very large market, in fact Walmart itself has not been able to avoid problems in the system. their inventory. Walmart had an inventory problem that they experienced in 2014, they lost up to 3 billion dollars because of this inventory problem.

Therefore, it has been explained in Surah Al-Isra verse 27 that every human being should not be wasteful, because wasteful is the attitude of Satan. Likewise, the inventory system can reduce the number of items that have the potential to expire and will be redundant. The quote from the verse is as follows:

إِنَّ الْمُبَذِّرِينَ كَانُوا إِخْوَانَ الشَّيَاطِينِ ۗ وَكَانَ الشَّيْطَانُ لِرَبِّهِ كَفُورًا

Meaning: "Indeed, those who are wasteful are brothers and sisters of Satan, and Satan is a very disbeliever in his Lord" (QS. AL-ISRAA ': 27)

Therefore, here the author chooses to find out more about how the inventory system is carried out by retail stores in Indonesia. While in Indonesia itself there are many leading retail stores spread throughout the archipelago. Some examples of retail stores that are often found in Indonesia are Alfamart, Indomart, Circle K, DM BARU , Carrefour, Hypermart, etc. And these retail stores have different store size scales. For retail stores that have relatively small store sizes, such as Alfamart and Indomart.

However, on the other hand, there are several retail stores that have relatively larger or wider store sizes, for example Carrefour and DM BARU. And of course because of the difference in store size, these retail stores have different scales in inventory systems.

Based on the explanation described above, the author wants to know more about how the inventory system of two retail stores that have different store sizes, by conducting direct observations and analysis conducted at the location concerned. And here the author chooses Alfamart as the observation location for stores that have a relatively smaller size, the reason the author chooses Alfamart is because it has a location closer to the author's location and is intended to facilitate the observation process. As for retail stores that have relatively larger stores, the author prefers DM BARU, still for the same reason because of the ease of writing access to reach these locations.

## **B. Research Question**

Look for the title that the author conveys, the author tries to identify the problem as follows:

1. How is the implementation of inventory management at Alfamart?
2. How is the implementation of inventory management at DM BARU?
3. What are the strength, Weakness, Opportunities, And Threats of the inventory management system used by Alfamart?
4. What are the strength, Weakness, Opportunities, And Threats of the inventory management system used by DM BARU?

5. What are the problems that have been and are being faced by Alfamart?
6. What are the problems that have been and are being faced by DM BARU?
7. What are the recommended solution for the problems faced by Alfamart?
8. What are the recommended solution for the problems faced by DM BARU?
9. What are the differences between the inventory management strategies used in Alfamart and DM BARU ?
10. What are the differences between the problems faced by used in Alfamart and DM BARU ?
11. What are the differences between the recommended solutions for Alfamart and DM BARU ?

### **C. Research Objective**

As for doing this writing with the following aims and objectives:

1. To find out how the implementation of inventory management at Alfamart
2. To find out how the implementation of inventory management at DM BARU
3. To find out the strengths and weaknesses of the inventory management system at Alfamart
4. To find out the strengths and weaknesses of the inventory management system at DM BARU
5. To find out the problems that have been and are being faced by Alfamart
6. To find out the problems that have been and are being faced by DM BARU
7. To find out the recommended solution for the problems faced by Alfamart

8. To find out the recommended solution for the problems faced by DM BARU
9. To find out the differences between the problems faced by used in Alfamart and DM BARU
10. To find out the differences between the problems faced by used in Alfamart and DM BARU
11. To find out the differences between the recommended solutions for Alfamart and DM BARU

#### **D. Benefit of Research**

Researchers really hope that this research can provide many benefits of science for those who need it. The benefits that are expected to be achieved in this research are as follows:

##### **1. Theoretical Benefits**

- a. This study provides an overview of how the inventory management system is implemented in retail stores. Using any factors that affect the inventory system in retail stores
- b. As a writing reference for further research

##### **2. Practical Benefits**

- a. It is hoped that this research can provide new knowledge about inventory management systems
- b. With this research, it is hoped that it will reduce losses which are the impact of inventory management errors

- c. It can take the best method of two inventory management systems from different retail stores