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Effect of Product Differentiation Implementation on Marketing Performance on Apparel Industry in Bandung City

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Abstract: *The apparel industry which sub-sector of Textile and Textile Product (TTP) industry and a contributor to national economy growth is experiencing the crisis because of the complexity and tough competition of an apparel import product. The apparel import product take widely the local market share in Bandung City, therefore more the apparel producer stop the production. Several of apparel industry applied the product differentiation to face the compatition. To undestand the influence of product differentiation to marketing performance of apparel industry in Bandung City need to conduct the investigation. Data used are primery and secondary data. The primery data are collected through the questionary and deep interview, meanwhile the secondary data are collected of internal and external literature and documentation of firm. The statistical method used to test the conceptual hypothesis are multiple linear regression and classical asumption test. The results show that generally the apparel industry in Bandung City applied the product differentiation strategy through form design, feature, quality, durability, style and repairability in reaching the competited excellences when maturity phase of product. The applied product differentiation strategy is influenced to marketing performance of apparel industry in Bandung City as follows: 1) Known that partially; form differentiation, feature, quality, durability, style and repairability are influenced significantly to marketing performance of apparel industry in Bandung City. 2) Known that all independent variables of product differentiation strategy as well as the form, feature, quality, durability, style and repairability as total differentiation attribute of supplied apparel product are influenced significantly to marketing performance of apparel industry in Bandung City.*

Keywords: *The Apparel Industry, Competition Strategy, Product Differentiation, Product Life Cycle, Marketing Performance*

I. Introduction

The apparel industry as Textile and Textile Product sub-sector (TTP) and a contributor to the national economic growth, is experiencing thecrisis due to the complexity and tight competition of imported apparel products. This is reflected in the increasing market share of imported products in the country, which is competitive over the design, quality and variations of dynamic modes. Various factors have contributed to the increasing market share of imported clothing, but the most basic is the ability of imported apparel products to attract local consumers through the creation of quality products at competitive prices. Many local clothing merchants prefer imported products as merchandise, as they are considered to be of better quality with more trend-changing models and designs and are always quick in issuing new modes compared to local apparel products, this condition encourages imported apparel to continue to inundates the market and mini market clothing in every city, so disturbing a number of apparel entrepreneurs in Indonesia. According to Heris (2013), local apparel products are unable to compete with imported products due to weaknesses in the competitiveness of local product designs and accessories, affecting the number of apparel producers forced out of business.

Including one of them is Bandung City West Java Province, known as Paris Van Java because as the center of fashion (trend center) national apparel as well as the center of apparel industry with the latest fashion design in Indonesia and the city that has the largest apparel industry potential in the territory of Indonesia. Also in crisis even not a few companies forced to close as a result of the increasing competitiveness of apparel import products. Imported clothing products incessantly scooped up the local market in Bandung, in the end not a few apparel producers in Bandung forced to go out of business (Amzar, 2015). As happened at the center of apparel in Cigondewah Bandung, many producers had to go out of business (Arif, 2012: 2).

The toughest challenge most marketing managers face is when the product is in the maturity phase; Companies have to face many competitors over the same product and aggressively seize market share, accompanied by customer boredom over maturity products. If the company is unable to manage this condition, then the company will enter at the decline stage. The apparel industry that has a product in the maturity phase needs to create a competitive strategy and the right strategy which are strategies in accordance with the stages of

the product life cycle (Hofer, 1973 in Endang, 2008: 2). Product differentiation strategy is an appropriate strategy for companies that have products in the maturity phase (Ricky, 2004: 234), and will achieve competitive advantage through market share achievement and high sales as an indicator of marketing performance success (Handerson, 1983). Research question in this research is: "How is the influence of implementation of product differentiation on improving marketing performance in apparel industry in Bandung City?" With the aim of research is to know the effect of product differentiation to improve marketing performance in apparel industry in Bandung City.

II. Research Method

The design of this study is a quantitative method. The statistical method used to test the conceptual hypothesis of this research is multiple linear regression using the computer program of IBM SPSS Statistics version 23. To meet linear regression requirements, it is necessary to test the classical assumption; (i) Normality test, (ii) Multicolinearity test and (iii) Heteroscedasticity test. Regression analysis is a coefficient obtained by predicting the value of the dependent variable with an equation; Influence the design, features, quality, durability, style and easily repaired a product to the marketing performance of apparel industry in Bandung.

Sources and Techniques of Research Data Collection

The data sources used in this study are primary and secondary data. Primary data was obtained through questionnaires and interview to top level management at garment industry company in Bandung as respondent. Secondary data is obtained from various literatures and documentation either from internal company or external company coming from Industry and Trade Office Bandung City, Central Bureau of Statistics (CBS) of Bandung and Ministry of Industry and Trade Republic of Indonesia. In obtaining the necessary data, the data collection techniques used are: interviews and lists of questions or statements personally (Personally Quesitionnaires).

Research Location

This study was conducted in Bandung, West Java Province Indonesia

Focus Research

This study is focused on:

1. Companies in Apparel Industry in Bandung that: (i) have been established for at least tree years, (ii) have products that have reached adult phase, (iii) implement differentiation strategy.
2. Influence of application of product differentiation strategy, when product reach adult phase to marketing performance at apparel industry in Bandung City.

III. Results And Discussion

General Object of Research

This research was conducted in Bandung, which is the capital of West Java Province. Bandung is located in an area of 168.23 km^2 or 0.45% of the total area of West Java Province. Bandung is one of the big cities in Indonesia because of the number of people who reach almost 3,000 million people. Bandung city has the nickname Paris Van Java because it has the potential as a fashion center (trend center) apparel, as well as a fashion industry center that has a variety of shopping facilities both large and small with a variety of latest fashion trends. Based on data of Website Management Team of the Ministry of Industry of the Republic of Indonesia in 2012, it is known that there are 349 apparel companies in Bandung, or 40.3 percent of the total companies in West Java Province. In Table 1, the following can be seen about the data of the number of companies included in the apparel industry in Bandung based on the scale of business

Table 1. Apparel Industry in Bandung based on Business Scale

No	**Business Scale**	**amount**	
		Frequency	**%**
1	Small	279	79.9
2	Medium	66	18.9
3	Large	4	1.1
Total		**349**	**100**

Source: Secondary Data from Bandung Industry and Trade Office 2015

Based on Table 1 above, it is known that most of the companies listed in apparel industry in Bandung are small scale companies that reach up to 279 (79.9%) companies and companies Medium-scale enterprises of 66 (18.9%) companies. While only 4 (1.1%) companies of apparel industry are listed on a large scale. This shows that the apparel industry in Bandung City majority is in small scale business. The following table shows the characteristics of the research object based on business scale.

Table 2. Characteristics of Apparel Industry in Bandung based on Scale of Business

No	Business Scale	amount	
		Frequency	%
1	Small	86	81.9
2	Medium	19	18.1
3	Large	0	0
Total		**105**	**100**

Source: Primary data processed (2015)

In Table 2, it can be seen that as many as 86 (81.9%) companies in the apparel industry in the city of Bandung as the object of research is the company on a small scale and the rest as many as 19 (18.1%) companies on the medium scale and large-scale companies are not present in this study sample. It is known that each apparel company in Bandung produces different types of commodities, can be seen in Table 3.

Tabel 3. Characteristics of Bandung Garment Industry by Commodity Type

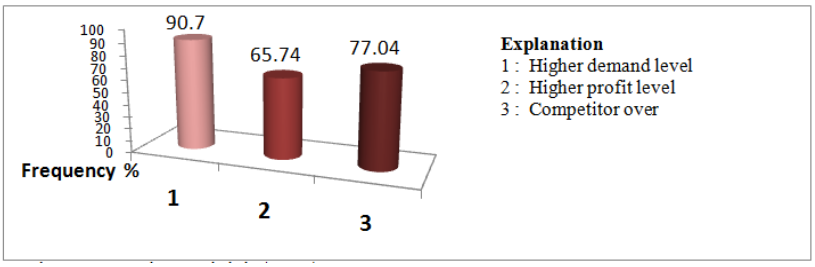
No	Commodity Type	Amount	
		Frequency	%
1	Knitted Clothing	9	8.6
2	Muslim Clothes	36	34.3
3	Children's Clothing	27	25.7
4	Various Apparel	33	31.4
Total		**105**	**100**

Source: Primary data processed (2015)

In Table 3 shows that, the type of commodity produced by apparel industry in Bandung as the majority research object consists of 36 (34.3%) Of companies producing Muslim clothing and as many as 33 (31.4%) companies produce a variety of apparel, and as many as 27 (25.7%) companies produce various types of children's clothing. Kind of commodity in the form of knitted garment is only 9 (8.6%) of the company.

It is known that as many as 105 companies from a total of 135 companies in apparel industry in Bandung apply product differentiation strategy when product reach mature phase; The level of demand for the product is at the highest limit, when competitors over the same product increase and when the profit rate reaches the peak. It is known that each company in the apparel industry in the city of Bandung has a different perception of the mature phase product life cycle indicators as the basis for applying product differentiation. The Graph 1 presents the characteristics of mature phase products in applying differentiation of apparel industry products in Bandung.

Graph 1. Characteristics of Mature Phase Products in Application of Differentiation of Apparel Industry Products in Bandung.



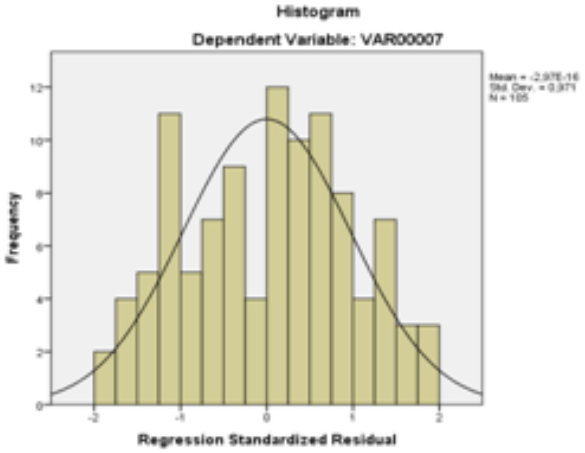
Sumber: Data Primer Diolah (2015)
Source: Primary Data Processed (2015)

In Graph 1 is known industry Apparel in the Bandung City states strongly agree that the company is more focused on conditions when the level of demand for products marketed as a foundation for implementing product differentiation strategy. The apparel industry in Bandung states agree that the company is focusing on the condition when competitors over the same product are increasing as a foundation for implementing product differentiation strategy and expressing hesitation that the implementation of product differentiation strategy is done when the profit level reaches the peak.

Normality

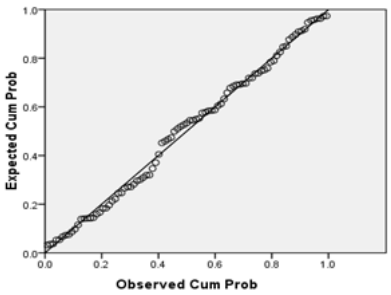
To test whether the residuals in the Regression Model Difference Model Product Differentiation Strategy on Marketing Performance of Apparel Industry in Bandung distributed normally or not. This normality test using SPSS 23.0 program, with the results presented in graph 2 histogram and Graph 3 probability plot.

Graph 2.
Histogram of Normality Test



Graph 2 histogram is known to have normal distributed graph pattern, so it can be concluded that the regression model of Product Differentiation Strategy on Marketing Performance of Apparel Industry In Bandung meet the assumption of normality.

Graph 3
Normal Probability Plot of Regression Standardized Residual
Dependent Variable: Kinerja Pemasaran



In graph 3 probability plot can be seen that the dots or residual data spread around the line and follow the direction of diagonal line, the result show that residual in regression model of product differentiation strategy to marketing performance of garment industry in Bandung normal distribution.

Autocorrelation

The value d (Durbin Watson) obtained using SPSS 17 and the critical value d_u of the Durbin Watson Table are presented in the Table 4:

Table 4. Durbin-Watson Test

d_u	*D*	$4-d_u$
1,801	1,921	2.199

Source: The results of the data using the SPSS program

Obtained value Durbin-Watson of 1.921 between the values of d_u (1.801) and 4-d_u (2.199) or in other words $d_u < d < 4 - d_u$, it is concluded that there is no autocorrelation in the data.

Heteroscedasticity

Heteroscedasticity aims to test the homogeneity of residual variance regression model product differentiation strategy on marketing performance of apparel industry in Bandung City. To detect heteroscedasticity in this equation model, used scatterplot graph between the prediction value of marketing performance variable (dependent) that is ZPRED with residual value (SRESID) as can be seen in the Figure 1.

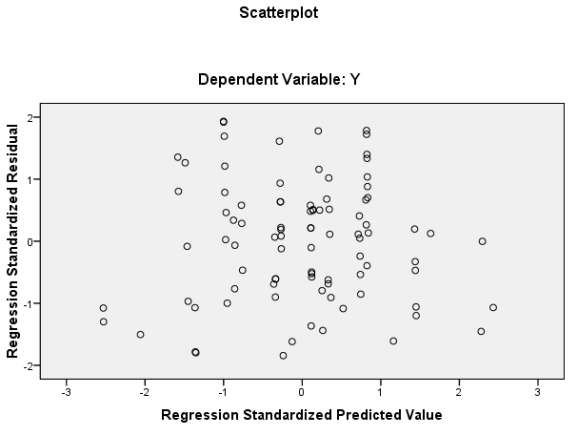


Figure 1 Heteroscedasticity Test

In the Figure 1, shows a random pattern or regression model has been free of symptoms of heteroscedasticity, so the regression model is appropriate to predict the performance of the apparel industry marketing in the Bandung City..

Multicollinearity

Multicollinearity is a condition of a very strong relationship between some or all Designed, Feature, Quality, Durability, Style, Easy corrected (independent variables) variables are included in the regression model. The results of multicollinearity testing with VIF values can be seen in the Table 5.

Table 5 Testing of Results Pengujian Hasil Multicollinieritas

Variable	Tolerance	VIF	Description
$\mathbf{X_1}$	0.180	5.874	There is Multicollinierity
$\mathbf{X_2}$	0.307	3.337	Free Multicollinearity
$\mathbf{X_3}$	0.382	2.641	Free Multicollinearity
$\mathbf{X_4}$	0.371	2.747	Free Multicollinearity
$\mathbf{X_5}$	0.343	2.927	Free Multicollinearity
$\mathbf{X_6}$	0.185	5.535	There is Multicollinierity

Source: The results of the data using SPSS program

Test results in the above table, indicating that there are variables used as predictors of regression models that show VIF values greater than 5 (> 5). This means that there is a problem multicollinearity on the independent variables used in this study or there are correlated variables, namely X_1 and X_6 so that should be handled to the multicollinearity problem. Handling of Multicollinearity problems using Principal Component Analysis (PCA) method aims to simplify the observed variables by reducing dimensions. This is done by eliminating the correlation between the independent variables through the transformation of the free variable of origin to a new variable that is not correlated at all. The advantages of PCA methods are to remove the correlation cleanly without having to reduce the number of origin variables. The KMO and Bartlett's tests were used for the initial test whether the data were feasible to be analyzed or not, the results of the KMO and Bartlett tests with SPSS were as follows::

Table 5. KMO dan Bartlett test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.354
Bartlett's Test of Sphericity	Approx. Chi-Square	295.010
	Df	15
	Sig.	.000

Source: Results of data processing using SPSS program

Based on the above table, obtained chi-square value of 295.010 and p-value (0.00) < alpha (0.05). Thus it can be concluded that there is correlation between variables. While based on KMO test, obtained KMO value

of 0.354 means that the value of KMO in the data is at interval ≤ 0.5, this means data is not feasible for the analysis of the main components, so it is necessary selection of variables to be analyzed with PCA. After the selection of variables to include variables X in the analysis, obtained the best KMO and Bartlett test values, that is by including the variables X_1, X_4, X_5, and X_6 as follows:

Table 6. KMO dan Bartlett test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.620
Bartlett's Test of Sphericity	Approx. Chi-Square	119.600
	Df	6
	Sig.	.000

Source: The results of the data using SPSS program

Based on the above table, obtained chi-square value 119,600 and p-value (0.00) <alpha (0.05). Thus it can be concluded that there is a correlation between variables, whereas based on the KMO test, KMO value of 0.630 means that the value of KMO in the data is at interval 0.6 <KMO ≤0.7, this means more than enough data for the analysis of the main components. By using the Total Variance Explained table as the factor analysis contained in some variable components.

Table 7. Total Variance

Component	**Initial Eigenvalues**			**Extraction Sums of Squared Loadings**		
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**
1	7.730	60.352	60.352	7.730	60.352	60.352
2	2.630	20.532	80.884	2.630	20.532	80.884
3	1.782	13.915	94.799	1.782	13.915	94.799
4	.666	5.201	100.000			

Source: Results of the data using SPSS program

Continue to see Components Matrix as a table that contains the factor loading (correlation value) between the variables analysis with the factors formed. After the factors are obtained through the process of reduction, it is necessary to find the equation so that it can be calculated score of each factor manually. Equations are made similar to multiple linear regression, only in the equation there are no constants.

Table 8. Matrix Components

	Component		
	1	2	3
X_1	2.001	-.398	-.385
X_4	.778	1.495	.294
X_5	.889	-.484	1.196
X_6	1.526	.042	-.342

Source: Results of data processing using SPSS program

Based on cumulative variance, in this research will be used tree components to be analyzed with cumulative variance 96.190%, with the following components:

Component 1: $PC_1 = 2,001X_1 + 0,778X_4 + 0,889X_5 + 1,526X_6$ 1

Component 2: $PC_2 = -0,398X_1 + 1,495X_4 - 0,484X_5 + 0,042X_6$ 2

Component 3: $PC_3 = -0,385X_1 + 0,294X_4 + 1,196X_5 - 0,342X_6$ 3

Based on Multicollinearity test, multiple linear regression analysis is used to know the amount of pangaruh free variable to marketing performance. In Table 9 can be seen the results of multiple linear regression analysis.

Table 9. Multiple Regression Coefficient

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	7.579	1.158		6.547	.000
	X_2	-.285	.091	-.283	-3.122	.002
	X_3	.480	.055	.521	8.664	.000
	PC_1	.906	.114	.556	7.979	.000
	PC_2	-.134	.114	-.082	-1.177	.243
	PC_3	.497	.118	.305	4.205	.000

Source: The results of the data using SPSS program

Based on Table 9 obtained partial test results as follows:

1. Variable X_2, p-value / sig value. Of 0.002 (smaller than alpha value 0.05), then Ho is rejected. That is, there is influence X_2 on marketing performance.
2. Variable X_3, p-value / sig value. Of 0.00 (smaller than alpha value 0.05), then Ho is rejected. That is, terda The effect of X_3 on marketing performance.
3. PC_1 variable, p-value / sig value. For 0.000 (smaller than alpha value 0.05), then Ho is rejected. That is, there is the influence of PC_1 on marketing performance.
4. PC_2 variable, p-value / sig value. Of 0.243 (greater than alpha value 0.05), then Ho is accepted. That is, there is no effect of PC_2 on marketing performance.
5. PC_3 variable, p-value / sig value. For 0.000 (smaller than alpha value 0.05), then Ho is rejected. That is, there is the influence of PC_2 on marketing performance. After PCA components that are free multicollinearity obtained then the components are diregresikan or analyzed its influence on the dependent variable (Y) by using linear regression analysis. Re-analyzed by issuing a variable that is not significant ie PC_2, the results obtained as follows::

Table 10. Multiple Regression Coefficient

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	8.432	.905		9.319	.000
	X2	-.356	.068	-.354	-5.211	.000
	X3	.467	.054	.506	8.592	.000
	PC1	.964	.103	.592	9.376	.000
	PC3	.558	.107	.343	5.226	.000

Source: The result of the data using SPSS program

Based on Table 10 is known p-value / sig value. 0.000 (smaller than alpha value 0.05) for all variables (X_2, X_3, PC_1, and PC_3), it can be concluded that there is influence from X_2, X_3, PC_1, and PC_3 to marketing performance. So Multiple linear regression model for performance Marketing based on Table 10 above can be formulated as follows

$Y = 8.432 - 0.356X_2 + 0.467\ X_3 + 0.964PC_1 + 0.558PC_3$ or

$$Y = 8.432 - 0.356X_2 + 0.467X_3$$
$$+0.964(2,001X_1 + 0,778X_4 + 0,889X_5 + 1,526X_6)$$
$$+0.558(-0,385X_1 + 0,294X_4 + 1,196X_5 - 0,342X_6)$$

Where:

$$PC_1 = 2,001X_1 + 0,778X_4 + 0,889X_5 + 1,526X_6$$
$$PC_3 = -0,385X_1 + 0,294X_4 + 1,196X_5 - 0,342X_6$$

and then

$$\mathbf{y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6} \quad \text{4.5}$$

$$Y = 8.432 + 1.714X_1 - 0.356X_2 + 0.467X_3 + 0.914X_4 + 1.524X_5 + 1,280X_6$$

where:

y	: Marketing Performance		
X_1	: Product design		
X_2	: Product features		
X_3	: Product quality		
X_4	: Product durability		
X_5	: Product style		
X_6	: Repairability		
β_0	: constant	$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$	: parameters
Ɛ	: *error – term*		

From equation 4.5 can be explained as follow :

1. The constant value of 8.432 means that if all the variables are considered zero, then the marketing performance of the value is 8.432.2.

2. X_1 coefficient value of 1.714, meaning that for each increase of X_1 for one unit, it will increase the marketing performance of 1.714.3.
3. X_2 coefficient value of -0.356, meaning that for each increase X_2 by one unit, it will decrease the marketing performance of -0.356.4.
4. X_3 coefficient value of 0.467, meaning that for each increase of X_3 by one unit, it will raise the marketing performance of 0.467.5.
5. X_4 coefficient value of 0.914, meaning that for each X_4 increase of one unit, it will increase the marketing performance of 0914.6.
6. X_5 coefficient value of 1.524, meaning that for each increase X_5 for one unit, it will increase the marketing performance of 1.524.
7. X_6 coefficient value of 1.280, meaning that for each X_6 increase of one unit, it will raise the marketing performance of 1.280.

The results of partial regression test has shown that the application of differentiation strategy through the design of the product form has a positive and significant impact on growth Marketing performance of apparel industry in Bandung. In the concept of marketing, this can be explained by understanding that to achieve organizational goals depends on the ability of firms to see the needs and wants of the market and customer satisfaction more effectively than competitors (Kotler and Armstrong, 2001). The company must be able to create apparel products of diverse designs of choice to meet the tastes of every buyer. Because basically, apparel products are shopping products that during the selection and purchase process, customers usually make comparisons based on various criteria, one of which is product design (Kotler, et al., 2000), as an impediment to the product and as a competitive power with the growth of profit (Reinhardt, 1998 in Dwi, 2000) as well as a tool for differentiating products from competitors (Nixon, 1999 in Dwi, 2000).

The result of regression test shows that the strategy of differentiation through the addition of product feature that has been done by apparel industry in Bandung City, is a strategy that has the opportunity to improve the competitiveness of the company. The company's efforts to become a successful company offering unique and valuable product features to consumers are one of the most effective ways to achieve competitive advantage (Kotler and Armstrong, 2003).

Facing the complex and dynamic competition amid the high number of competitors over the life cycle conditions of adult phase products, apparel industry in Bandung City has been trying to achieve competitive advantage through product quality differentiation. Described by Lupiyoadi and Hamdani, 2006 (in Ong and Sugiono, 2013) That the tight competition, the role of product quality in the development of the company because consumers like products that offer quality, performance, and the best innovative complement. It can be interpreted that the decision of competitive strategy applied by apparel industry in Bandung City in winning the competition is a right decision and has been proven to achieve higher performance growth. Kotler and Armstrong (1995) also explain that product quality is a powerful strategic weapon the company uses, it involves trying to gain excellence from competitors by consistently offering products and services that meet consumer needs and preferences.

There is a significant influence and positively related to the implementation of product durability differentiation strategy on marketing performance in apparel industry in Bandung. Can happen because the endurance product differentiator of apparel product has succeeded to become more value for consumer. Basically creating the age gauge of apparel products expected for product operation (product durability) under normal conditions is a valuable attribute of differentiation to consumers, even consumers will be willing to pay more that have a high reputation for being durable.

There is a significant influence and positively related to the implementation of product style differentiation strategy on marketing performance in apparel industry in Bandung. Essentially, style is an important product differentiator for consumers, so it can be used to acquire and retain consumers (Kotler and Armstrong, 2001). Kotler et al., (2000) also explained that the style illustrates how well the product looks for the buyer and even the consumer is willing to pay a price for a remarkable display of products from the buyer's point of view, so the style has the advantage of creating uniqueness. It can be interpreted that the effort of applying product differentiation strategy achieved by garment industry in Bandung City through the creation of unique and valuable product styles, resulting in the improvement of marketing performance can occur due to differentiation of product style is valued based on customer perception.

It is also known that the apparel industry in Bandung City, the company seeks to make it easier to improve upon the use of products as a value to lower consumer costs, has given the company increased marketing performance, both in terms of sales growth, customers and profits, as consumers are willing to pay the value these additions. Companies that can decrease the total consumer cost or buyer's cost of using the product is a basic potential for differentiation in achieving competitive advantage; If the firm is able to lower

buyer costs or enhance buyer performance, then buyers will be willing to pay a premium price for the differentiation created by the company (Porter, 1985). Companies that are able to create a product that consumers can easily fix for damaged goods are a tangible form of the company's ability to lower the cost of buyers and buyers will usually be willing to buy on the value of this convenience, even willing to pay at a premium price that eventually the company will Achieve profit maximization or competitive advantage.

Table 11. ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	183.302	5	36.660	56.255	.000[a]
	Residual	55.393	85	.652		
	Total	238.695	90			

Based on the results of ANOVA in Table 11, we can see the sig value. For 0.000 (smaller than alpha value 0.05), then Ho is rejected. Meaning that there is influence of X_2, X_3, PC_1, PC_2 and PC_3 simultaneously (together) on marketing performance. The results of this test can be interpreted that the apparel industry in Bandung has succeeded in creating and offering products differentiated on the overall attributes of products both on the dimensions of shape, features, quality, durability, style and easy to improve which affects the growth of marketing performance significantly In terms of sales growth, customers and profits. Product differentiation strategy is the right strategy in achieving marketing performance or competitive advantage when product of apparel industry in Bandung City is in mature phase. The success of the apparel industry applying differentiation strategy in achieving marketing performance can be explained by Porter (1985) mentioned that competitive strategy in achieving competitive superiority can be done through product differentiation strategy which implies marketing performance, or effective company performance is the configuration of management practice and become the basis of competitive advantage (Narver and Slater, 1995) measured through customer growth (Droge et al., 1995) and strategy product differentiation is an appropriate strategy in managing the mature product life cycle (Ricky, 2004). Apparel industry in Bandung has been able to achieve competitive advantages that implicate on the growth of marketing performance is the result of industry ability in creating value for consumers.

IV. Conclution

The strategy of product differentiation applied has an effect on the performance of marketing of apparel industry in Bandung, as follows: 1) It is known that partially; Differentiation of shape, features, quality, durability, style and product easily to be repaired significantly to improve the performance of marketing in apparel industry in the Bandung City. 2) It is known that all the independent variables of product differentiation strategy are: shape, feature, quality, durability, style and easy to repair as the totality of differentiation of attribute of apparel product offered significant influence on marketing performance in apparel industry in Bandung City.

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