

ABSTRACT

The general product differentiation strategy is widely used by companies to provide competitive advantages to win the competition in the market. In addition, this strategy has been used by banks. BRI Bank is one example of a bank that applies this strategy for its savings products Simpedes and BritAma with their respective target markets. However, there are many overlapping features so that the actual market needs have been determined for each product. This study was conducted with a qualitative approach to explore the effectiveness of BRI's segmented savings products, namely Simpedes and BritAma. Focus Group Discussions were held with eight sources who were customers and two sources who were BRI customer service officers. This study found that the Simpedes product is no longer a product intended for rural communities, although this target is still relevant. Customers use these two products more because they place their needs for bank transactions. Simpedes is seen as a product with low administration costs, while BritAma is a product with complete features. Based on the findings, it is concluded that this product segmentation strategy is effective if the product orientation is on the differentiation of features offered

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