The Influence of Promotional Strategies on Sales of Household Appliances at the Hakasima Company, Lampung Branch 7

Resilia Pradita¹, Ahmad Dzulfikri Budi Kusworo²*

¹Universitas Terbuka
²Politeknik NSC

*Correspondence: Ahmad Dzulfikri Budi Kusworo
Email: ahmaddzulfikri04@gmail.com

Abstract: Hakasima is a cooking equipment and household appliance provider company that distributes products directly from Korea, Europe and China. Hakasima Lampung 7 is a subsidiary of PD Sinar Mas. A decrease in the number of sales in a certain period has an impact on sales targets. The main objective of this study to learn more about the impact of promotional strategies on increasing sales on Hakasima Lampung 7. Using quantitative methods with 20 population sample and using Likert scale as data collection techniques with the scale of 1-5 points. Data processing with the SPSS 27 software and multiple linear regression testing. The findings indicate that \[ Y = 1.093 + 0.191 \times (X1) + 0.563 \times (X2) \] promotional strategies and sales work well, and have positive impact. Particularly, promotional and sales strategies have a significant impact on total sales amount. Consider to the \( f \) test \( = F_{count} 24.258 \geq 0.05\%\), it represents acceptance, which indicating that it has a significant impact. R Square final value shows 0.741 or 74.1\%, indicates that the sales strategy carried out at the Hakasima Lampung 7 can be explained by factors related to promotional and sales strategy variables, with the majority of the remaining 25.9\% being impacted by any factor that is not addressed in this research.

Keywords: Promotional Strategy; Sales; Sales Amount

Introduction

The success and running of a company cannot be separated from the main factors of human resources. In the era of globalization, the business world is developing rapidly. As technology advances, it is easier for the business world to develop a business and also get information quickly. The presence and position of an enterprise in the market is very important to ensure its survival. When different companies enter the market, it becomes a threat to existing companies. Therefore, Hakasima Company needs to formulate a business strategy. One of Hakasima Company’s strategies to stay in business and remain competitive is to attract the attention of buyers through promotions carried out by sales to various regions, providing easy payment options for buyers, with attention to quality for better health.
Table 1 Sales report data

<table>
<thead>
<tr>
<th>Period</th>
<th>Number of Sales Units</th>
<th>Sales Target</th>
<th>Number of Cars</th>
<th>Sales Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>APRIL’23</td>
<td>73</td>
<td>555.000.000</td>
<td>3</td>
<td>141.200.000</td>
</tr>
<tr>
<td>MEI’23</td>
<td>259</td>
<td>555.000.000</td>
<td>3</td>
<td>506.205.000</td>
</tr>
<tr>
<td>JUNI’23</td>
<td>191</td>
<td>370.000.000</td>
<td>2</td>
<td>368.900.000</td>
</tr>
<tr>
<td>JULI’23</td>
<td>180</td>
<td>370.000.000</td>
<td>2</td>
<td>358.120.000</td>
</tr>
<tr>
<td>AGS’23</td>
<td>226</td>
<td>370.000.000</td>
<td>2</td>
<td>423.400.000</td>
</tr>
<tr>
<td>SEP’23</td>
<td>206</td>
<td>370.000.000</td>
<td>2</td>
<td>373.055.000</td>
</tr>
<tr>
<td>OKT’23</td>
<td>242</td>
<td>370.000.000</td>
<td>2</td>
<td>426.840.000</td>
</tr>
<tr>
<td>NOV’23</td>
<td>236</td>
<td>370.000.000</td>
<td>2</td>
<td>396.595.000</td>
</tr>
<tr>
<td>DES’23</td>
<td>265</td>
<td>370.000.000</td>
<td>2</td>
<td>436.550.000</td>
</tr>
<tr>
<td>JAN’24</td>
<td>227</td>
<td>370.000.000</td>
<td>2</td>
<td>388.750.000</td>
</tr>
<tr>
<td>FEB’24</td>
<td>244</td>
<td>370.000.000</td>
<td>2</td>
<td>411.750.000</td>
</tr>
<tr>
<td>MAR’24</td>
<td>185</td>
<td>370.000.000</td>
<td>2</td>
<td>328.000.000</td>
</tr>
</tbody>
</table>

Source: Hakasima Lampung 7 Sales Report, April 2023 – March 2024

Based on the data above, there are five months where the amount of revenue is below the target. April 2023 is one of the months with the smallest amount of revenue, which only gets 25.44% of the target. This will certainly have an impact on total sales revenue at Hakasima. The decline in the number of sales will affect the decline in sales targets and the number of cars to be distributed in the following month.

As a conclusion of the phenomena described and explained above, there are several problem formulations as follows: (1) Does the promotional activities have a significant effect on the number of sales in Hakasima? (2) Does the product quality have a significant effect on the number of sales at Hakasima Company (3) Does the product quality and promotional activities have a significant effect on the number of sales?

Promotion strategy is very important and is the cornerstone of a company’s continuous sales activities. After implementing a promotional strategy, the company only needs to wait for feedback from customers, but not only that, if the company has done a promotion, the company needs to check how well its business is performing. Companies that run in the household appliance provider industry, especially cooking utensils, must also have knowledge of today’s growing business world to be able to identify existing opportunities and understand customer interests. Hakasima must develop its promotional strategy to survive in the competitive market of the industry.

Promotion is an activity to introduce products and services from companies and individuals to the community. Promotion aims to make products or services from companies and individuals known by the public so as to cause interest in buying or trying the products or services they offer (Sinaga, B. &; et al., 2021). Promotional activities aim to satisfy all parties involved, both for consumers and producers. Promotional activities should continue to run and not only stop at introducing products to potential customers, but also needed to influence consumers so as to make consumers feel happy to have their
products. Promotion has four elements, namely, *Advertising* or commonly called advertising, *Personal Selling* or commonly called personal selling, *Publicity Relations* or commonly called public relations, and *Sales Promotion* or commonly called sales promotion (Sianturi, C. & Simanjuntak, J.M., 2021). Advertising includes all forms of percentages and non-personal promotion of an idea, service, or item financed by one particular sponsor. Personal selling includes all forms of personal percentages by a salesperson or company representative who has the aim of carrying out all sales activities and building and establishing relationships with customers (Sianturi, C. & Simanjuntak, J.M., 2021). According to Alma, 2021 public relations is "A program given to every employee of a company both internally and externally to every relationship established between companies, consumers, government, and the media, which aims to image the company and promote products". According to Alma (2021), sales promotion is defined as "Providing incentives for a limited period of time with the aim of encouraging the interest of consumers, producers, sellers, and intermediaries. The goal is to attract new buyers, provide gifts, increase purchasing power, divert consumers from other brands, and increase consumer loyalty." According to this explanation, the meaning of promotion can be interpreted as a way or activity with the aim of informing products and services to potential customers, by providing a little *reward* as one way to generate the purchasing power of potential customers.

There is a language and theory in promotion or marketing, commonly known as the marketing mix. The marketing mix includes four main factors commonly referred to as the *4Ps*, namely: *Product* or product, *Price* or price, *Promotion* or promotion or place or place. Products are everything that can be traded in the market to attract interest, meet interests, be used, or consumed to meet the expectations of every buyer. Price can be interpreted as the medium of exchange needed to obtain goods or to use services. Therefore producers must set prices appropriately, because prices in the marketing mix are the main factors that can provide profits or income. Promotion is an aspect used by companies in providing information, introducing products and proving customer confidence in products from the company. Place is an effort to ensure the availability of stock of goods or services that make it easier for consumers to transact anywhere and anytime. Place is closely related to the distribution system, and distribution is one goal that must be achieved in marketing. (Irdha, Y.M & Desi, I., 2022). Based on the definition above, every company must have a marketing mix strategy, in order to get sales that can support the sustainability of the company, of course with different strategies.

Sales is one of the marketing objectives that involves between producers and consumers with the aim of influencing each other and exchanging a good, product or service that can be exchanged for money or funds. Through its salespeople, companies try to sell and distribute their production in the form of products or services to consumers. (Irdha, Y.M & Desi, I., 2022). From the definition above, sales are buying and selling activities in order to market products and services to potential customers in order to get sales targets and maintain company operations and get a large profit.
Research Method

Research is carried out for the sake of obtaining scientific facts. In order to obtain these facts, a method is needed in research (Sianturi, C. & Simanjuntak, J.M., 2021). In research, there are at least two methods that are most often used in research are qualitative and quantitative methods. Quantitative approaches and Likert scales will be used as methods and techniques in this study. Quantitative methods refer to a unit, number, number and measure (Firmansyah, Masrun & Dewa, 2021). The quantitative method uses sampling of several populations. This study used as many as 20 population samples, who were also staff and employees from Hakasima Lampung 7 branch. Quantitative research methods try to explain and explore the extent to which study results can be parsed and generalized as a truth or fact based on empirical experience (Firmansyah, Masrun, & Dewa, 2021). The quantitative approach is used to obtain a result of several variables based on a particular phenomenon. Quantitative methods are used with the aim of obtaining a relationship between how a promotional strategy will have a major impact on sales and the number of sales. Rensis Likert is the creator of a measurement scale known as the Likert scale. First published in his work entitled "A Technique for Measurement of Attitudes". Likert scale is often used in questions to get a statement from someone (Suasapha, 2020). Based on this explanation, it can be concluded that, whether or not the respondent’s statement agrees can be measured by the use of the Likert scale. The scale starts with a Strongly Disagree point with a value of 1 and progresses to a Strongly Agree point with a value of 5. These values can be broken down into 5 points, namely: 1. Strongly Disagree, 2. Disagree, 3. Neutral, 4. Agree, and 5. Strongly Agree.

Therefore, the Hakasima company located on Jl. Pulau Sari Raya No.207 Perumnas Way Kandis Bandar Lampung City 35131 will be the object of this research. Multiple linear regression analysis techniques will be applied in this study by utilizing SPSS 27. The use of these analytical techniques aims to analyze and process data, so that it can be concluded that independent variables (promotion and sales strategies) affect the dependent variable (number of sales). The equation for multiple linear regression is as follows:

\[ Y = a + b_1X_1 + b_2X_2 + e \]

With explanation:
\[ Y \]  = Sales Amount
\[ X_1 \]  = Promotion Strategy
\[ X_2 \]  = Sales
\[ a \]  = constant
\[ b \]  = regression coefficient
\[ e \]  = error

According to Sianturi (2021), this t test is applied as an evaluation of how each independent variable, namely between promotion strategy (X1) and sales (X2), affects the
dependent variable, namely the number of sales (Y) at a confidence level of 5% (0.05). Therefore, the criteria for decision making can be described as follows:
1. \( H_0 \) is rejected if \( t_{\text{count}} \) value \( \geq t_{\text{table}} \) at \( \alpha = 0.05 \)
2. \( H_0 \) is accepted if \( t_{\text{count}} \) value \( < t_{\text{table}} \) at \( \alpha = 0.05 \)

With test criteria:
1. \( H_0 \) is rejected and \( H_1 \) is accepted if \( t_{\text{count}} \geq t_{\text{table}} \).
2. \( H_0 \) is accepted and \( H_1 \) is rejected if \( t_{\text{count}} < t_{\text{table}} \).

Promotion Strategy (X1)
1. \( H_0 \) is rejected and \( H_1 \) is accepted if \( t_{\text{count}} \geq t_{\text{table}} \).
   Meaning: The promotion strategy to increase the number of household appliances sales at Hakasima Company has no effect.
2. \( H_0 \) is accepted and \( H_1 \) is rejected if \( t_{\text{count}} < t_{\text{table}} \).
   Meaning: The promotion strategy on increasing the number of household appliances sales at Hakasima Company is influential.

Sales (X2)
1. \( H_0 \) is accepted and \( H_1 \) is rejected: if \( t_{\text{count}} \) value \( \leq t_{\text{table}} \) at \( \alpha = 0.05 \), significant = 95%.
   This means that the promotion strategy does not have a significant effect on increasing the number of household appliance sales at Hakasima Company.
2. \( H_0 \) is rejected and \( H_1 \) is accepted: if \( t_{\text{count}} \) value \( \geq t_{\text{table}} \) at \( \alpha = 0.05 \), significant = 95%.
   This means that the promotion strategy has a significant effect on increasing the number of household appliance sales at Hakasima Company.

Between independent or independent variables (X1 and X2) and dependent or bound variables (Y), the F test is used to determine whether there is a significant positive or negative impact. The hypothesis can be formulated as follows:
1. \( H_0 \) : There is no influence between promotion and sales strategies on increasing the number of household appliance sales in Hakasima Company.
2. \( H_1 \) : There is an influence between promotion and sales strategies on increasing the number of household appliance sales in Hakasima Company.

A probability of 5% (\( \alpha = 0.05 \)) is applied as a way of determining whether or not there is a significant influence between the independent variable and the dependent variable.

By test criteria:
1. \( H_0 \) accepted and \( H_1 \) rejected = if \( F_{\text{count}} < F_{\text{table}} \) at \( \alpha = 5\% \), significant = 95%. This means that promotion and sales strategies simultaneously do not have a significant effect on the number of sales.
2. $H_1$ is accepted and $H_0$ is rejected if $F_{count} \geq F_{table}$ at $\alpha = 5\%$, significant $= 95\%$. This means that promotion and sales strategies simultaneously have a significant effect on the number of sales.

The $r^2 = r$ square test is applied with the aim of knowing the contribution made by the combination of an independent variable (X) to its bound variable (Y) (Apriyanti, & M, 2021).

**Results and Discussion**

Hakasima is a company that sells cooking utensil products with varied price ranges. As an industry engaged in the provision of cooking utensils, Hakasima actively promotes directly through sales people to potential customers. The sales strategy implemented by Hakasima is very personal, focusing on building public relations and direct sales promotion. The company’s sales personnel are deployed to take a *door-to-door* approach, introducing products by demonstrating the use of cooking utensils directly in front of potential customers.

Hakasima is currently under the auspices of PD Sinar Mas, and the company continues to grow over time. Hakasima has consistently opened new branches, which are now spread in almost every major city throughout Indonesia, allowing wider access for consumers in various regions. One of the branches that is quite significant is Hakasima Lampung 7 Branch, which was established on July 18, 2018. This branch is located on Jl. Pulau Sari Raya No.207, Perumnas Way Kandis, Bandar Lampung City 35131.

Hakasima Lampung 7 branch not only serves the sale of cooking utensils, but also plays an important role in strengthening Hakasima’s presence in the Sumatra region. With a personal approach and dedication to giving live demonstrations, this branch has managed to attract the attention of many local customers. The existence of this branch helps ensure that Hakasima’s products are widely known and accessible to the people of Lampung and its surroundings. By continuing to innovate and expand its reach, Hakasima shows its commitment to become a leading provider of cooking utensils in Indonesia.

<table>
<thead>
<tr>
<th>Table 2 Multiple Linear Regression Tests</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Promotion</td>
</tr>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

Source: SPSS 27 Processed Data Results
Y = 1,093 + 0,191 + 0,563

Information:
Y = Number of sales X1 = Promotion strategy X2 = Sales

From the table above, it can be concluded that the results of the t test of each linear regression coefficient are as follows:

1. A positive constant value of 1.093 indicates the positive influence of the independent variable. When the independent variable increases by one unit, the dependent variable will increase or be influenced.

2. The regression coefficient X1 (promotion strategy) of multiple linear regression calculations is 0.191, which means that if the promotion strategy increases by one unit, then the number of sales will increase by 0.191% or 19.1%. A positive coefficient means that the performance of the promotional strategy and the number of sales are positively related.

3. The regression coefficient X2 (sales) of multiple linear regression calculations is 0.563, which means that if sales increase by one unit, the number of sales will increase by 0.563% or 56.3%. A positive coefficient means that sales performance and sales amount are positively related.

Table 3 Test F

<table>
<thead>
<tr>
<th>ANOVA*</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Regression</td>
<td>7.907</td>
<td>2</td>
<td>3.954</td>
<td>24.258</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>2.771</td>
<td>17</td>
<td>.163</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10.678</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sales Amount
1. Predictors: (Constant), Sales, Promotion Strategy
Source: SPSS 27 Processed Data Results

If \( F_{\text{count}} = 24.258 \geq 0.05\% \) indicates acceptable, which means it has a significant effect.
If \( F_{\text{count}} = 24.258 < 0.05\% \) indicates rejected, which means it has no significant effect.

Researchers concluded from the above hypothesis testing criteria, this study shows that promotion and sales strategies used together have a significant impact on the number of sales.

The number that shows the contribution or contribution of variable X to variable Y is called the coefficient of determination (Apriyanti &; M, 2021). The results of the coefficient of determination (R2) in this study can be seen in the table below:
Table 4 Results Coefficient

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adj. R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.861a</td>
<td>.741</td>
<td>.710</td>
<td>.40371</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Sales, Promotion Strategy

Source: SPSS 27 Processed Data Results

The value of the coefficient of determination (R2) obtained is 0.741, as shown in Table 4. This shows that promotion and sales strategies affect 74.1% of Hakasima’s sales, while most of the remaining 25.9% are influenced by additional variables not discussed in this study.

Conclusion

Based on the multiple linear regression analysis conducted in this study, the following regression equation was derived: \[ Y = 1.093 + 0.191(X1) + 0.563(X2) \]

The analysis indicates that both promotion and sales strategies have a significant effect on the number of sales, as evidenced by the F-test result of \[ F_{\text{count}} = 24.258 \] which surpasses the 0.05 significance threshold, demonstrating a substantial impact. The coefficient of determination test reveals that 74.1% (\( r^2 = 0.741 \)) of the variation in sales at Hakasima Company can be explained by promotion and sales strategies, with the remaining 25.9% influenced by other variables not covered in this study. From these findings, several recommendations can be made. Firstly, given the significant impact of promotion and sales strategies on sales, Hakasima should enhance and diversify its promotional activities, including leveraging social media to increase market reach and attract potential customers. Secondly, future research should consider expanding the range of variables beyond promotional strategies to include factors such as product quality, consumer confidence, and employee performance. This would provide a more comprehensive understanding of the determinants of sales and yield more diverse and extensive research outcomes.

References


