The Influence of Price and Promotion on Sales Volume of BumDes Shelter House Business in Sungai Rebo Village

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Abstract

Marketing is a business function that deals directly with consumers. Some mistakes in pricing strategy will affect the company's sales volume. Some mistakes in pricing strategy will affect the company's sales volume. The company is expected to provide information about the benefits that will be obtained from the products offered to consumers. BumDes Singa Rebo shelter market share is used to analyze the target market for a product. To analyze the level of market share using the level of consumer purchasing decision behavior. The Bumdes has not yet reached the market in all regions in South Sumatra. This is because the company's strategy has not penetrated the market by relying on distribution and promotion channels to remote areas. A good pricing strategy should be based on the marketing strategy that will be carried out by BumDes Singa Rebo so that its sales volume increases. The results of this study show that the price has an influence on sales volume which has a positive sign. Price contributes 47.7%, while the remaining 52.3% is influenced by other factors not examined in this study, such as promotion factors, marketing management and others.

I. Introduction

Marketing is a business function that deals directly with consumers. The success of a company is largely determined by the achievements of the field in marketing. Marketing is the process of studying consumer needs and wants, and satisfying consumers with quality products and services at competitive prices. Pricing strategy is an element of the marketing mix. Some mistakes in pricing strategy will affect the company's sales volume. If the price set is very high, then there is a possibility of a decrease in income. Marketing is a process of planning and execution, starting from the conception stage, pricing, promotion, to the distribution of goods, ideas and services, to make exchanges that satisfy the individual and his institutions (Dianto in Asmuni et al, 2020). According to Tjiptono in Marlizar (2020) marketing performance is a function that has the greatest contact with the external environment, even though the company only has limited control over the company's environment. In the world of marketing, consumers are assets that must be maintained and maintained their existence in order to remain consistent with the products we produce (Romdonny and Rosmadi, 2019).

Promotion is defined as an effort to implement the marketing mix which is a communication tool from the company to consumers. Promotional activities aim to inform and offer products or services with the aim of attracting consumers to consume the products offered. Promotion carried out by the company is an effort made by all companies to provide information on goods or services that will be offered to potential consumers.

The company is expected to provide information about the benefits that will be obtained from the products offered to consumers. In providing product information that is offered to consumers, companies can use promotional strategies such as direct marketing and advertising.

BumDes Sungai Rebo shelter market share is used to analyze the target market for a product. To analyze the level of market share using the level of consumer purchasing decision behavior. Consumer purchasing decisions are influenced by product, price, promotion and distribution is the marketing mix. Place has an important role in the consumer's decision-making process. The distribution channel is the entire process related to the business in order to distribute the products resulting from the business activities of a business from producers to consumers or potential consumers.

A good pricing strategy should be based on a marketing strategy that will be carried out by BumDes Sungai Rebo so that sales volume increases, here of course BumDes must be careful whether the marketing will be carried out with a business to business or business to customer and this will be the basis for pricing that affects the results later, if the price setting is not as expected by the market, the market will easily look for similar products from other brands and of course this will reduce the sales volume.

In addition, the promotion strategy that already exists in BumDes Singa Rebo should be able to measure its effectiveness seen From the ability of each strategy to expand the market and increase sales volume through repeated purchases of the products provided, the promotion strategy is actually very profitable, especially in the process of determining the promo strategy where promos can be carried out effectively and on target considering you The presence of various marketing media that is able to display data for every promotional activity carried out by BumDes.

II. Review of Literature

2.1 Marketing

Creative companies can face increasingly fierce competition like today, productivity has marketing measures that can be used in today's fierce competition. Because the purpose of a company is to increase profits (profits) and ensure the survival of the business it runs. In this regard, companies can think about marketing strategies for their products, long before the product is produced and consumed by consumers. The starting point of marketing is the needs of consumers themselves.

According to Adisaputro (2010: 4), marketing is an organizational function and a set of processes to create, communicate, and deliver value to customers and to cultivate customer relationships in ways that are beneficial to the organization and all stakeholders. Based on this definition, marketing is a social process that involves many activities by individuals as consumers and companies to be able to find what they need.

2.2 Price

Price is the value of money that must be paid by the consumer to the seller for the goods and services to be purchased. In other words, price is the value of an item determined by the seller to the buyer. According to Kotler and Armstrong (2008: 345) price is the amount of money billed for a product or service, or the amount of value that customers exchange for the benefits of owning or using a product or service. Based on the above definition, it can be seen that the price given to consumers is included in the sales service. Most companies approach pricing based on the objectives to be achieved. The

objectives in question are maintaining market share, increasing sales volume, maintaining price stability and retaining existing customers.

2.3 Promotion

Promotion is a company's communication tool to the market using several media such as radio, newspapers, television advertisements and social media promotions. Promotion which is a tool to connect the interests of producers with consumers must be really understood by the company. Traditionally, the promotion mix consists of several important elements, namely: sales promotion, advertising, personal selling and public relations. However, George & Belch (2009: 17) adds two elements to the promotional mix, namely interactive media and direct marketing. These two elements have been used by market managers today to communicate with consumers as well as the four elements described above. Companies should consider many factors before making a promotional mix, such as: the market to be addressed, the product cycle, the type of product produced, the available distribution channels, and how consumers decide to buy.

2.4 Sales

Volume Sales volume can be defined as the level of sales obtained by the company for a certain period in units (units/total/rupiah). Sales is an interaction between individuals face to face with the aim of creating, controlling, improving or maintaining an exchange relationship so that it is profitable for other parties. The term sales volume has changed in recent years. The company aims so that the profit obtained can be as much as possible, the company can survive and develop. If you want to achieve this goal, the company must increase sales volume because it is one of the keys to the company's success. The increase in sales volume is not always followed by the amount of profit earned but also followed by the large sales volume.

III. Research Method

3.1 Measurement of Variables

The requirements to determine the effect between variables using the regression formula at least the data must be interval scale so that the existing ordinal scale data must be converted into interval scale data based on the method of successive interval. Researchers use Microsoft Excel to perform data transformation.

a. Residual Normality

Test The normality test in the regression model is used to test whether the residual value resulting from the regression is normally distributed or not. In this study, to detect the normality of the data using the graph method test. Residual normality test using the graphical method, namely by looking at the spread of data on diagonal sources on the normal PP Plot of regression standardized residual graph. As a basis for making decisions, if the points spread around the line and follow a diagonal line, then the residual value is normal (Sugiyono 2006).

b. Hypothesis Testing

Hypothesis is a temporary statement that is still weak in truth, it is necessary to test the truth or suspicion of the relationship between two or more variables (Siregar, 2013:38). One tool that can be used in predicting future demand based on past data or to determine

the effect of one independent variable on one dependent variable using multiple linear regression.

Multiple linear regression is an equation model that explains the relationship of one dependent variable or response (Y) with two or more independent variables or predictors (X1, X2,Xn). The purpose of the multiple linear regression test is to predict the value of the dependent variable or response (Y) if the values of the independent variable or predictor (X1, X2,, Xn) are known. Besides that, it is also to be able to find out how the direction of the relationship between the dependent variable and the independent variables is. The multiple linear regression equation is mathematically expressed by:

$$Y = a + b1\ X1 + b2\ X2 + \ldots + bn\ Xn$$

Where:

Y = dependent variable (the value of the variable to be predicted)

a = constant b1,b2,…,

bn = coefficient value regression

X1, X2,…, Xn = independent variable

c. F

Test This F test is performed by comparing the calculated F calculated with the F table. If F count > F table then the regression equation and the correlation coefficient are significant so that Ho is rejected and Ha is accepted. Or it can also be seen from the level of significance alpha = 0.05 if the significant value is more than 0.05 then Ho is rejected and Ha is accepted.

d. F

The T-test shows how much influence one independent variable has partially in explaining the variation of the dependent variable (Ghozali, 2006). Ho: $bi = 0$, meaning that an independent variable has no effect on the dependent variable. H1: $bi = 0$, meaning that the independent variable has an effect on the dependent variable.

IV. Result and Discussion

4.1 Research Results

Data obtained from the results of research on the assessment of the effect of promotion and price on sales volume at BUMDES Sungai Rebo Village using a quantitative method, which consists of 3 variables, namely promotion, price and sales volume. The data is used to describe and test the relationship of each variable to the assessment of the relationship of each variable.

a. Normality Test

Table 1. Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual	PROMOTION	PRICE	VSALES
N		22	22	22	22
Normal Parameters[a]	Mean	.0000000	28.6364	23.9545	18.6818
	Std. Deviation	1.07182904	1.52894	.65300	1.21052

		.164	.268	.391	.271
Most Extreme Absolute Differences		.164	.268	.391	.271
Positive		.164	.186	.336	.259
Negative		-.153	-.268	-.391	-.271
Kolmogorov-Smirnov Z		.768	1.259	1.836	1.271
Asymp . Sig. (2-tailed)		.597	.084	.002	.079

a. Test distribution is Normal.

In table 1 it can be seen that the significant value is 0.597. If 0.597 > 0.05, it can be stated that the regression model in this study meets the assumption of normality.

b. Test

Table 2. Multicollinearity Test Results

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1 (Constant)	2,350	9,303		,	253,803		
PROMOTION	,036	,167	,045	,213	,834	,928	1,078
PRICE	,835	,391	,451	2,137	,046	,928	1,078

a. Dependent Variable: VSALES

From table 13 above, it can be seen that the VIF *(Variance Inflation Factor)* <10 means that there is no multicollinearity or non-multicollinearity

c. Multiple Linear Regression Analysis

Table 3. Results of Multiple Regression Analysis

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	2,350	9,303			,	253,803
PROMOTION	,036	,167	,045		,213	,834
PRICE	,835	,391	,451		2,137	,046

a. Dependent Variable: SALES

From the results of table 14 the multiple regression above shows the regression equation for promotion and price on sales volume. The following is an explanation of the multiple linear regression equation above is as follows:

Y = Sales Volume   a = Constant
X1 = Promotion   b = Regression Coefficient
X2 = Price

From the regression equation above it can be said that:

1. From the above equation it can be said that if the constant a = 2,350 that is, if the promotion (X1) and the price (X2) are 0 then the sales volume (Y) is 2,350.
2. And if the promotion (X1) there is an increase of one unit score, then the sales volume (Y) will increase by 0.036.
3. If the price (X2) there is an increase of one unit score, then the sales volume (Y) value will increase by 0.835.

Promotion of sales volume has a significant effect because to produce increased sales volume requires a good product price.

d. Correlation Coefficient Analysis

Table 4.
Model Correlation Coefficient Analysis Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.465[a]	.216 .133	1.12683	a

. Predictors: (Constant), PRICE, PROMOTION
b. Dependent Variable: VPENSALES

From the table above shows that the correlation value R of 0.465 shows that the independent variable means that promotion and price have a fairly strong relationship with the dependent variable, namely sales volume.

e. Analysis of the Coefficient of Determination R^2

Table 5. Coefficient of Determination (R^2)
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.465[a]	.216 .133	1.12683	a

. Predictors: (Constant), PRICE, PROMOTION
b. Dependent Variable: VPENSALES

The table above shows that the R square value of 0.216 can be used to see the magnitude of the promotion and price variables in explaining the sales volume variable. From this figure with a coefficient of determination of 21% while the rest is explained by other factors such as those not included in this study.

4.2 Hypothesis Testing
a. T Test Results

Table 6. T Test Results
Coefficients[a]

Model	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1 (Constant)	2.350	9.303		.253	.803
PROMOTION	.036	.167	.045	.213	.834
PRICE	.835	.391 .451	.046	2137	a

. Dependent Variable: VSA SALES

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Based on the number ttable with the provisions of a = 0.05 and df = (nk) or (22-2) = 20 so that the ttable is 0.444. So based on table 17 above, it can be seen that each influence is as follows:

1. The Effect of Promotion on Sales Volume:

   From table 4.17, the tcount value is 0.213 and the ttable is 0.444, meaning tcount < ttable (0.213> 0.444). A significant value of 0.834 > 0.05 means that Ho is accepted and Ha is rejected. That means there is no significant effect between promotions on sales volume.

2. The Effect of Price on Sales Volume:

   From table 4.15 it is obtained that the tcount is 2.137 and the t-table is 0.444, meaning t-count > ttable (2.137 > 0.444). The significant value is 0.046 <0.05, meaning that Ho is rejected and Ha is accepted. That means that there is a significant effect of price on sales volume

b. F Test

Table 7. F Results

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6,648	2	3,324	2,618	,099[a]
	Residual	24,125	19	1,270		
	Total	30,773	21			

a. Predictors: (Constant), PRICE, PROMOTION

b. Dependent Variable: VSALES

Based on table 18, it can be seen that the calculated is 30,773 which is greater than ftable (4,30), this is also reinforced by the significant level value of 0.099 or the significant obtained is greater than a = 0, 05 means Ho is accepted and Ha is rejected. So, it can be concluded that there is no significant effect of promotion and price on sales volume.

4.3 Discussion of Research Results

Following is a summary of the results of hypothesis testing:

Table 8. Hypothesis Results

No.	Ha	Hypothesis	Decision
1.	$H_{(a1)}$	Promotion affects sales volume	Rejected
2.	$H_{(a2)}$	Price affects sales volume	Accepted

If the relationship between promotion variables and price variables on sales volume is described, it can be seen in the following figure:
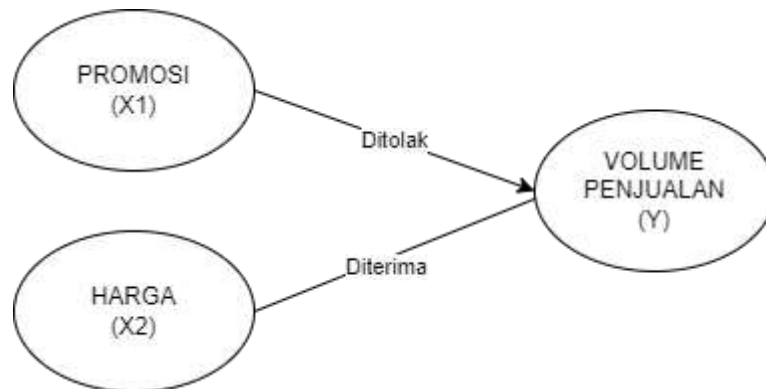
Figure 1. *Relationship Between Research Variables*

a. Effect of Promotion on Sales Volume

The purpose of sales volume analysis is so that companies can determine the effectiveness of the use of promotional costs so that companies can continue to increase promotional activities and control promotional costs incurred for these promotional activities. So, it can be concluded that the costs incurred by the company for promotional activities are useful for selling or introducing their products to consumers. Because it has something to do with the amount of sales the company will get from these promotional activities.

Sales volume is the number of sales of certain goods during a sales period. Based on this definition, it can be stated that what is meant by sales turnover is the total number of goods and services calculated based on the amount of money received during a selling period. The role of marketing in achieving company goals can be seen from the company's profits in this case is determined by the level of sales. If the company is not able to achieve the targeted sales volume, it means that sales turnover will be lower than planned and in the end the targeted profit will not be achieved.

Sales is the activity or business of selling products or services. Based on some of the definitions above, the researcher concludes that sales is one of the activities in marketing, in other words, the main goal of marketing is to obtain increased sales from time to time within a certain period. The results showed that promotion had a significant effect on sales volume at BUMDES Sungai Rebo Village.

The results of this study are relevant to the research conducted by Susanti (2015) with the title The Effect of Promotional Costs on sales volume at PT. MNC BMY Visien Bengkulu. The results show that there is a significant effect between Promotional Costs on sales volume at PT. MNC BMY Visien Bengkulu. Based on the value obtained, the contribution of the promotion variable to the sales variable is 77.44% This is in line with the theory described by Swastha (2012), one of the factors that affect sales volume is another factor, namely promotion which consists of from advertising and gift giving often affect sales because it is hoped that with these factors buyers will buy the same item again.

b. Effect of Price on Sales Volume

Results of this study price has an influence on sales volume which has a positive sign. The results of this study are also in accordance with the theory put forward by Augusty Ferdinand (2016), "Price is an important variable in marketing where price can influence consumers in making decisions to buy a product. And supported by previous research conducted by Christian Almendo Benaino the Effect of Price on Efforts to Increase Xenia Car Sales Volume at Pt. Astra Daihatsu Tbk Malala Branch Manado with research results showing that the results of simple regression analysis show that between

price and sales volume has a relationship and influence that is contributive and very real or significant, but has a negative linear pattern. This means that if the price is raised to a certain level, it will result in a decrease in the sales volume of Xenia Mobil. Price contributes 47.7%, while the remaining 52.3% is influenced by other factors not examined in this study, such as promotion factors, marketing management and others.

V. Conclusion

Based on the results and discussion of the previous chapter, the following conclusions can be drawn:
1. Promotion and price have no significant effect on sales volume at BUMDES Desa Sungai Rebo.
2. The value of R square 0.216 can be used to see the magnitude of the influence of the promotion variable and the price variable on the sales volume variable. The magnitude of the influence of the promotion variable and the price variable on the sales volume variable is seen from the coefficient of determination of 21.6%, while the rest is explained by the influence of other factors such as those not included in this study

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