

**EFFECT OF PRODUCT QUALITY AND COST OF SALES  
VOLUME ON PROMOTION  
(Case Study In March the company Mira Block LDA)**

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**ABSTRACT**

*Research title: "Product Quality And Cost Of Sales Volume promotion Case Study In Mira-Mar perusahaan Block Building Industry"*

*The company is basically an agent of devolopment in a country with so then in kelansungan effort every company needs to observe perembangan happens either by the internal nor the parties eksteren and observed that the observation is accurate, we can observe in the financial statements produced by the company at a certain period.*

*Conformed to the title of the study described above, which dirumusan on all three variables: two (2) independent variable is the quality of the product (X1) and promotion (X2) and the dependent variable is the volume of sales (Y) by using the model regression test based on hipoteis which has diajukan.*

*Multiple linear regression results  $Y = -40239.700 + 0,223X1 + 0,782X2$  with coefficient of determination R2 sebear 0.999 or 99.9% means that the contribution of kualita product and promotion costs can increase sales volume by 99.9% while the rest is influenced by other factors not examined in this study.*

*Variable quality (X1) has a positive influence on the variable signifikan sales volume (Y). Variable distribution costs (X2) has a positive and significant effect on the volume of sales variable (Y).*

*The variable quality of the product (X1) and promotion (X2) together - together*

*has a positive and significant effect on the volume of sales variable (Y).*

**Keywords:** product quality, cost of promotion and sales volume.

**INTRODUCTION**

In today's era of globalization, technological change moderem menuntut for all fields, one of them in marketing the higher the level of competition in the local business world and global. Kondisi is forcing companies to striking keunggulan competitive in order to compete in today's business world the emergence of many companies various sports establishment which megandakan that effort is advancing, in developing marketing mmanajemen data consisting of: product, price, distribution and promotion.

Marketing generally only be seen as a duty to promote and deliver goods and services to consumers. Marketing is the liaison between the company and consumers. Quality is one of the

overall nature of the goods or services that satisfy the needs of the buyers or consumers. Therefore, the quality needs to be a major concern of the company or the manufacturer for given the quality of the products is closely related to the decision problem, which is the goal of the marketing activities of the company. Every company, manufacturers must select a level that will satisfy the consumer or the customer can that reflects the position of the target market for the product, because the quality is a tool for striking position of the main functions of the products in perusahaan. Pelayanan is an activity that provides benefits that are offered by one party to another in the form is not real and does not cause kepemilikan. Jadi services provided by a company in marketing their products, is one of the main factors that need to be noticed by the company for the sake of the survival of the company and should also memelihara and keeping do not change unpleasant for Drivers who want buy products at the company. Services at konsumen of companies is one of the deciding factors in marketing a product.

Within the company, the seller must cooperate directly with departamen lain. Untuk ensure pelanggan interest boils down to avoid consumer disappointment, therefore, important to establish a good relationship between the buyer and the company's sales in March Mira Block is, for this or the last point on the enterprise itself is about keputusan. Keputusan can be defined as a condition in a person, which has managed to get something perludi have or are on the level of conformity of the goods and services against something that is prevalent in use.

Production costs can not be separated from the production process because the production cost is an input or input multiplied by the price. Companies can improve customer satisfaction in the company memaksimalkan pengalaman fun and minimize or provide a less pleasant experience. Decision subscriber can create customer loyalty or loyalty to companies that provide satisfactory quality for consumers

## **LITERATURE REVIEW**

### Product quality

Kotler and Amstrom (2002: 20) defines quality or as a total properties and characteristics of a product or service related to its ability to satisfy customer needs. Tjipton and Diana (1996: 125) states that: quality is a dynamic condition related to a product, it means quality in an environment that meets or exceeds expectations.

Prawirasentono (2000: 308) quality of a product are: physical condition, nature and use of goods that can be members physically and psychologically decision, in accordance with the value of money Yangdi do. The product is a form of physical properties that can be viewed and can be Rabah as well as a means of satisfying needs. According to Juran (1992: 88) that quality as the ability to use, where the demand for quality and adequacy willingness peyanan field.

Classification of the factors that affect the quality according to Assauri (1996: 206) as follows:

a. The function of an item

A goods produced his will note function for such goods in use, so that the goods produced can meet each function.

b. Outside form

One of the factors that the essential and often in use by consumers in view of a first item to determine the quality of the goods is beyond the form of the goods themselves.

c. Cost of goods.

In essence the cost of the goods can determine the quality of the goods can tersebut. Hal of goods that have an expensive cost or price could indicate that the quality of goods is relatively better.

According to Kotler (1994: 49) states as follows:

a. The quality of the product is whole and the nature of a product or service or an effect on the ability to satisfy the needs.

b. Total quality is the key to value creation and customer satisfaction.

c. Quality management is everyone's jobs, it was also disclosed as above.

Product quality is the totality of a product that supports the ability to satisfy the needs of consumers or customers, and overall product quality as well as the characteristics and the nature of an item that can be used as a product that has been finished and needed by consumers.

Definition of the (American Society for Quality) Quality is the overall characteristics and properties of a product, apabila buyers will be satisfied after the purchase tergantung on the quality of its products. Related to the definition mentioned above, W.Edwar, (1992: 2) needs of consumers. Meanwhile, according to R.Hansen (1999: 793) is a quality, degree or superior quality in terms ukuran effective.

Furthermore, according to the president GE.DKK, (1999: 68) kualitas customer loyalty is the best guarantee of the best defense in overcoming the competitors and the only way menunjuk langgan.nMenurut revenue growth and Kotler (1995: 194) low quality in the eyes of consumers because consumers not always able to understand the product as a whole, which is important in trying the company is quality in the eyes of consumers.

According to some experts on the quality of the authors can conclude that the quality is the quality of the product in the form of goods and services, in order to meet the desire or need in the consumer.

According Fandy Tjiptono and Anastasia Diana (2002: 27) there are 8 (eight) dimension of quality: (1) performance, (2) features, (3) Reability, (4) aesthetic, and (5) perceived quality.

### **Promotion costs**

Purnama (2004, p. 156) defines promotion as persuasive communication, invite and urge, persuade and meyakinkan. The characteristics of persuasive communication is the communicator in a planned set of news and how to deliver to obtain a certain result and the attitude and behavior.

Machfoedz (2010, p. 35) that the promotion is one of the marketing communications mix done by marketing. Enis and Stanton in Machfoedz (2010, p. 179) says that the campaign is a kind of communication that gives a convincing explanation of prospective consumers of goods and services.

Based on the above definition can be concluded that in marketing there is a communication between the seller and the buyer. With attitude and good behavior in the communication will be directed both to defend the parties to be more satisfactory manner manyadarkan to do better, for example, the seller gave a convincing explanation of prospective consumers of goods and services owned and buyers can determine to be able to consume the goods prepared The.

According Swastha (2007) that the terms of the promotion can be interpreted as follows: (a) promotion is the flow of information or persuasion one made for direct seseorang or organization to act that created the exchange in marketing, and (b) the promotion are all kinds of activities marketing shown to stimulate demand.

Kotler and Armstrong (2001: 600) clarified that the promotion mix consists of direct marketing tools used by companies to achieve marketing goals.

Cranes (1996) that the promotion strategy is the planning, implementation and communication of an organization pengendalian to the konsumen and other targets. And the function of the promotional mix in the marketing mix is to achieve a variety of communication with each consumer. And Machfoedz, (2007), the promotion as an effort made by the company or marketer to influence the other party in order to participate in the changes they make.

### **Campaign Goals**

1. Spread the product information to potential target market
2. To mendapatkan increase in sales and profit

3. Get new customers and maintaining customer loyalty
4. Maintaining the stability of sales during a sluggish market
5. Differentiate and favor the competitor's product in the product appeal
6. Establish a product image in the eyes komsumen according to the desired.

### **Sales volume**

The volume of sales has a very important role in the company, the effectiveness of the sales volume in the company's management did their best sales for our product, here companies are trying their best to attract potential buyers to their products. Welsch, Hilton, Gordon (1996: 18) states that control the sale must be compared as a function of the overall activities that include sales volume, sales revenue, cost of promotion, and distribution costs. Effective control menharuskan that the volume of sales and distribution as one of the problems rather than as two separate issues and different problems. RJ (1991: 291) states that the volume of sales is the amount or the amount of sales that occur where penhasilan thereof (revenue) exactly the same way menpuinai costs. Kotler (1997: 117) says that the sales volume is the total number of products or services purchased by the customer within a specific area and time.

Basu and Irawan (2008: 141) menyatakan that the volume of sales is net sales of the consolidated statements of net perusahaan. penjualan obtained through the sale of products (other products) for a certain period, and sales results achieved from market share (market share), which is potential sales, which can consist of the territorial group buying group for a certain time.

Mulyadi (2001: 27) if the cost of production in the sort likely to happen is the sales volume will rise. If sales volume rose, the budget in the future will go up anyway. Experts from the definition above, it can be concluded that the volume penjualan the overall results of penjualan an item from the company within a specified period.

Swastha (2003 : 141 ) defines the volume of sales is net sales of the company's profit . Net sales obtained through penjualan entire product over a certain period , and sales results achieved from market share ( market share ), which is a potential sale , which may consist of a territorial group will be a group purchase for a certain time .

From the above definition can merangkulkan that sales volume merupakann improving the quality of products sold within a certain time to supplement income or assets of the company's profit to cover costs operasional perusahaan dikeluarkan in activity during the period tertentu. faktor Affecting sales Penjualan Aktivitas much influenced by factors that can increase the activity companies , therefore penjualan perlu managers pay attention to the factors that influence sales

## **RESEARCH METHODS**

### **Population**

Arikunto (2006: 130) states that the population of the whole object of research. So in this study, the population is all financial data about the quality of the product and, the cost of the promotion of the Company's sales volume in Mira mar block

### **Samples**

Samples are part of the population studied, Hasan (2005: 90) the sample is a form of random sampling of the population into groups using certain rules, by taking a sample is taken from a chosen group. Of the population over which researchers take samples to represent the population that the financial data regarding the quality of products, promotion and sales volume in the company Mira mar block for 2011-2013.

### **Test Validity**

Validity test used to measure whether or not a legitimate or valid questionnaires. The questionnaire is said to be valid if pertanyaan on the questionnaire were able to reveal something that will be measured by the questionnaire. ((Arikunto, 2002: 154). The validity of this research used product moment correlation by means of correlation between the scores of the questions with a total score of the items in a variable concept.

### **Test Reliability**

Reliability is something quite reliable instrument to be used as a means of collecting data because the instrument is good (Arikunto, 2002: 154). In this study, to seek the reliability of the instrument using Cronbach's alpha coefficient  $\alpha$  because the instrument in this study in the form of a questionnaire or a list of questions that the score is a range between 1-5 and test the validity of using the items in total, which for mencar instrument reliability scores instead of 1 and 0, for example, questionnaire or about the form of the description using alpha formula  $\alpha$  in (Syarifuddin Anwar, 2000: 3).

## **RESULT AND DISCUSSION**

### **Multiple Linear Regression**

Multiple linear regression analysis is a tool to determine the effect of the variable quality of the products and Promotion Costs Sales Volume. A common form of multiple linear regression equation can be written as follows:

$$Y = -40239.700 + 0,223X1 + 0,782X2$$

- Constant Value -40239,700 indicates that the product quality, the company mira mar block before it is affected by the variable cost of promotion and sales volume has a constant value of -40239,700.
- $\beta_1 = 0.223$  correlation coefficient of the quality of the product (X1). It means that there is a change concerning one percent of the company mira mar block can increase sales volume (Y) of 0.223 on the assumption that the costs of promotion (X2) are constants.
- $\beta_2 = 0.782$  correlation coefficient of the Campaign Costs (X2), meaning that any change regarding one percent in the company mira mar block can increase sales volume (Y) amounted to 0,782 on the assumption that the quality of the product (X1) is a constant.

### **Coefficient of Determination**

From the results of SPSS output that R<sup>2</sup> values of 0.999%, this means that 99.9% of the variation in sales volume can be explained by variations in two independent variables, namely the variable quality of the product and promotion costs while the rest (100% -99.9%) = 0, 01% is influenced by other variables outside the model. standard error of the estimate (SEE) of 18693,066 the smaller the value of the standard error of the estimate (SEE) will membuat regression models more precise in predicting independent variables (Ghozali, 2001).

### **Partial test (t test)**

The t-test is used to determine the significance of the regression coefficients obtained test t value obtained will be compared with the value t table on the degree of confidence  $\alpha = 5\%$ , or 0.25%. If  $t_{test} \geq t_{table}$ , then  $H_0$   $H_a$  accepted and rejected, and vice versa.

So from the above picture seems clear that if tcount of 7.839 compared with the value ttable 2,776 thitung greater than ttable. This means that the cost of promotion (X2) has an effect that is positive and significant impact on sales volume (Y) Simultaneous Test (Test F)

Basically, the test statistic F indicates whether all independent variables in the model which are intended to have influence together on the dependent variable.

From the calculation of the F test proved that all the independent variables is the variable quality of the product and the variable cost of sale has a positive influence and significant impact on the volume of sales with  $F = 784\ 708$ , meaning there is a positive influence and significant correlation between the quality of products and promotion costs to sales volume together -Same or simultaneously.

## **CONCLUSION**

### **Conclusion**

1. Quality Products (X1) as measured by sales volume (Y) has a high influence on the promotion of the company's low cost mira mar block. thus the high and low sales volume can be explained by the quality of the product. the effect of promotion costs amounted volumenpenjualan of 0.223 or 22.3% based on the findings of this study concluded that onshore research hypothesis states that the product kualita effect on sales volume.
2. The cost of the promotion (X2) as measured by sales volume (Y), has a positive and significant effect on the level of sales volume in the company mira mar block. thus the level of product quality can be explained by sales volume.  
The amount of influence the cost of the promotion of the sales volume of 7.839 or 78.4%.
3. Simultaneously two independent variables, namely the quality of products and promotional costs together positive and significant impact on sales volume in the company mira mar block. the effect of both variables independent of the volume of sales by 0.999atau 99.9% while the rest (100 to 99.9%) = 0.01% influenced by other factors.

### **Suggestion**

Based on the results of the above conclusions variable product quality and promotion costs, the authors can provide following suggestions outlined in the exposure implications, which include the theoretical implications, the implications of applied and advanced research implications. Theoretical implications associated with the effect of research to science. Implications barkaitan applied to research the influence of the product quality and promotion costs to sales volume, while the implications of continued research useful for the development of subsequent research in order to obtain more extensive information.

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