

THE INFLUENCE OF BRAND AND PROMOTION ON INCREASING SALES IN MEDAN SADIS COFFEE



Febriani Br. Sinaga¹

Institut Bisnis dan Komputer Indonesia, Medan, Indonesia
febriany90908@gmail.com

HD. Melva Sitanggang²

Institut Bisnis dan Komputer Indonesia, Medan, Indonesia
melvaunj@gmail.com

Karina Silaen³

Institut Bisnis dan Komputer Indonesia, Medan, Indonesia
karin.laen@gmail.com

Abstract

This study aims to determine Brand and Promotion on Sales Increase, this research uses quantitative methods with an associative approach. In this study, the population of consumers who come to Medan Sadis Coffee. The sampling method in this study used a probability sampling technique using a random sampling method of 92 respondents. Data analysis techniques used validity test, reliability test, classical assumption test, multiple linear regression analysis, t-test, F test, and coefficient of determination (R²) using SPSS version 16. The results of the t-test for the brand variable are $t \text{ count } -1.665 < t \text{ table is } 1.986$, meaning that the brand variable has no significant effect on increasing sales and the promotion variable $t \text{ count is } 4.220 > t \text{ table is } 1.986$ meaning that the promotion variable has a significant effect on increasing sales. F test of brand and promotion variables $F \text{ count of } 9.189 > F \text{ table } 3.10$ means that brands and promotions simultaneously affect sales increase.

Keywords: Brands, Promotions, Increased Sales

INTRODUCTION

In building a business, of course, you have a goal where the goal is to be able to grow and develop properly and this goal can only be achieved through an effort to seek profit or business profit as much as possible with certain efforts and sacrifices. Due to the increasingly intense competition in the business world, of course, business actors carry out sales strategies to compete with other businesses that can help market their products to consumers, either directly or indirectly. Sadis Coffee is located at Jalan Nusantara No. 5 district Medan Tembung, which was established on April 4th, is a hangout place for various groups, not because of its name Kopi Sadis only provides coffee drinks but provides a variety of food and drinks where this place has a nice and comfortable atmosphere. Sadistic Coffee has a unique business brand, of course, sadistic coffee entrepreneurs already know that brand is very important for business.

According to Buchari Alma (2018: 148), a mark is a sign or symbol that gives the identity of a particular good or service which can be in the form of words, pictures, or a combination of both. It is different, as said by Doni Juni Priansa (2019: 243), states that a brand is something that can distinguish between a company's products and competitors' products, the differentiator includes the name, symbol, sign, and design of each brand. This brand has its unique characteristics and characteristics that differentiate one product from another even though they are of the same type. Because the high level of competition indicates the number of product brands of the same type circulating in the market. This causes competition between brands to be very high. Therefore, the need to create a good brand image in the eyes of consumers is very important.

The marketing strategy used is a promotional marketing strategy where businesses can use promotional strategies so that the products offered can be quickly recognized by the wider community. According to Buchari Alma (2018: 181), promotion is a kind of communication that provides explanations that convince potential consumers about goods and services to get attention, educating, reminding, and convincing potential customers. The definition of promotion according to William J. Stanton in Nana Herdiana Abdurrahman (2018: 155), is one of the marketing mixes used to notify, persuade, and remind about the company's products. Promotion is not only done on social media, but promotion can continue from one person to another where consumers who have come to

Sadis Coffee can recommend Sadis Coffee as a suitable place to visit because these consumers are satisfied with the comfort provided so it is recommended to their friend. Therefore, sadistic coffee must be able to maintain comfort and provide good service to consumers so that consumers are interested in coming back and inviting friends.

Promotion is a communication tool indirectly to inform and remind consumers of the products being marketed, but if business actors rarely promote their business, it will make consumers forget about the products offered so that consumers think that the products being marketed are no longer being produced. Therefore, it makes businesses increasingly unrecognized by customers and starts to be forgotten. In this case, business actors must think that promotion can increase sales.

REVIEW OF LITERATURE

Sale

In carrying out sales activities, of course, business actors offer products that are sold to consumers, as stated by Basu Swastha (2019), states that "sales are interactions between individuals, meeting each other which are shown to create! improve, control, or maintain mutually beneficial exchange relationships with other parties".

Factors Affecting Sales Activities

In sales, activities are influenced by several factors that need to be considered to launch sales activities, namely:

1. The condition and ability of the seller
2. Market Conditions
3. Capital
4. Conditions of company organization
5. Other factors

Sales Volume Indicator

The indicators of sales volume according to Kotler (Fauzi Dwi Putra, 2017), namely:

1. Price

2. Promotion
3. Quality
4. Distribution channels
5. Products

Brand

Some experts express opinions about brands, namely, Kotler and Armstrong in Doni Juni Priansa (2019), stating "a brand is a name, term, sign, symbol, or design or a combination of them which aims to identify goods or services produced by producers". Meanwhile, according to Wheeler in Doni Juni Priansa (2019), stating a brand is the core of sales and marketing activities, resulting in increased awareness and loyalty when managed strategically. As Aaker in Doni Juni Priansa (2019), states that a brand relates to a distinguishing name or symbol (for example a logo, stamp, or packaging) to identify the goods or services of a seller or a particular group of sellers to differentiate them from other goods and services produced by competitors.

Purpose of Branding

According to Buchari Alma (2018:150), the company's goals for branding are:

1. Entrepreneurs guarantee consumers that the goods purchased come from their company. This is to convince consumers to buy goods from brands and companies that match their tastes, desires, and abilities.
2. The company guarantees the quality of goods. With this mark, the company guarantees the quality that the goods it produces are of good quality so in addition to having a mark, the mark also mentions warnings such as if there is no signature in this type, it is a fake.
3. Entrepreneurs give names to the brands of their goods so that they are easy to remember and call so that consumers can only mention the brand.
4. Increasing brand equity which allows higher margins, making it easier to maintain consumer loyalty.

Brand Indicator

The indicators of the brand according to Aaker in Doni Juni Priansa (2019: 254), namely:

1. Brand awareness
2. Brand associations
3. Perceived quality
4. Brand loyalty

Promotion

As for the opinion of William J Stanton in Nana Herdiana Abdurrahman (2018: 155), using the term marketing communication with the term promotion. He stated that "Promotion is one of the marketing mixes used to persuade and remind about the company's products" Meanwhile, according to Kotler and Keller (Felisa Windy Mamonto, et al, 2021) promotion is an activity that communicates product superiority and persuades target customers to buy it.

Sales Promotion Characteristics

Kotler and Keller in Doni Juni Priansa (2019:125), state that sales promotion has the following characteristics:

1. Communication

Sales promotions aim attract to attention and usually provide information that can direct customers to the product.

2. Incentives

That is, sales promotion provides the customer with incentives or fairs that provide value for the buyer.

3. Invitation

That is, sales promotion invites customers to make a purchase now.

Promotion Indicator

As for the indicators of promotion according to Kotler and Keller in Nana Herdiana Abdurrahman (2018: 156), namely:

1. Advertising (Advertising)
2. Sales Promotion

3. Public Relations
4. Personal Selling (Personal Selling)
5. Direct Marketing

Conceptual Framework

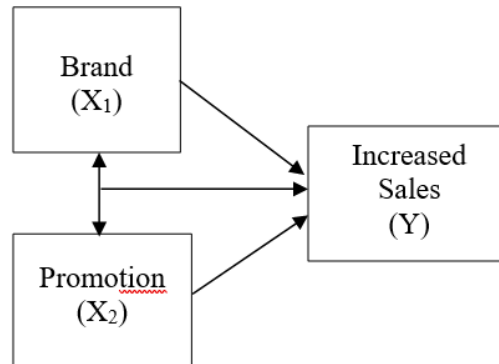


Figure 1.
Conceptual Framework

Hypothesis

- H₁: Brand (X₁) affects increasing sales (Y) at Sadis Coffee Medan.
- H₂: Promotion (X₂) affects increasing sales (Y) at Medan Sadis Coffee.
- H₃: Brand (X₁) and Promotion (X₂) simultaneously affect the increase in sales (Y) at Kopi Sadis Medan.

RESEARCH METHOD

Types of Research

This type of research is causal associative research, namely research that shows the direction of the relationship between the independent and dependent variables. The relationship tested in this study is a partial and simultaneous relationship between the independent variables, namely Brand (X₁) and Promotion (X₂) with the dependent variable, namely Increased Sales (Y).

Location and Time of Research

This research was conducted at Kopi Sadis, whose address is at Jalan Nusantara No. 5 district Tembung Field. The time of this research was conducted in August - November 2022.

Population

The population can be a whole unit of objects or subjects related to research and of course adapted to the root causes of the place where the research is conducted on the problems that occur (HD. Melva Sitanggang and Togu Harlen Lbn. Raja 2011: 143). This study uses an infinite population because the population size is unknown and the population in this study are consumers who come to Sadis Coffee.

Sample

The sampling technique is probability sampling according to Sugiyono (2019: 129), is a sampling technique that provides equal opportunities for each element of the population to be selected as a sample. The definition of simple random sampling according to Sugiyono (2019: 129), namely taking sample members from the population is done randomly without regard to the strata in that population.

Data Type

1. Qualitative Data

Qualitative data is data that is not in the form of numbers or numbers but in the form of information or information as well as skills, activities, characteristics, and so on. In this case, qualitative data includes data regarding the history of company development and respondent data.

2. Quantitative Data

Quantitative data is data that can be measured and is usually in the form of numbers or expressed in numbers. The type of data in this study uses quantitative data.

Data Source

The source of data in a study is the subject of the data obtained. There are two kinds of data sources used in this study. namely:

1. Primary Data

Primary data is data obtained from first-party sources, both from individuals and individuals. In this study, primary data is a data source that directly provides data for data collection (Sugiyono, 2019: 194). Primary data collection was obtained directly through filling out questionnaires by respondents.

2. Secondary Data

Secondary data is research data obtained that is not directly related to providing data to data collectors (Sugiyono, 2019: 194). The data source in question is in the form of historical evidence or reports that have been compiled in archives related to the research to be carried out.

Data Collection Technique

Data collection techniques according to Sugiyono (2019: 296) are "the most important steps in research, because the main goal of research is to obtain data". Data collection techniques used by researchers in the following way:

1. Questionnaire

The questionnaire is a list of questions given to all respondents to answer, which can help in collecting accurate data. The distribution of this questionnaire was carried out in Medan Tembung with consumers who came to Kopi Sadis.

2. Observation

Observation is an observation made directly to the object under study to find out the phenomena that occur.

Data Analysis Technique

Validity Test

A validity test is a measuring tool used to measure the validity of data collected by researchers from the field and to measure whether or not the data obtained is valid. Sugiyono (2019: 175), argues that the validity test is used to obtain (measuring) data that is valid. Valid means that the instrument can be used to measure what should be measured.

Reliability Test

A reliability test is a measuring tool that can be trusted to assess the level of consistency of research instruments Sugiyono (2019:176), says reliable a instrument is an instrument that, when used several times to measure the same object, will produce the same data Validity and reliability are the two test tools that are needed by the researcher to see the truth of the data used. By using valid and reliable instruments in data collection, it is expected that the research results will be valid and reliable.

Classic Assumption Test

Normality Test

The normality test aims to test whether the regression model is normally distributed or not. It is known that the t-test and F-test assume that the residual values follow a normal distribution. If this assumption is violated, the statistical test will have invalid results for small-to-small numbers. Then it was explained that the Kolmogorov-Smirnov (K-S) non-parametric statistical tests.

The K-S test can be seen by carrying out the following hypothesis:

1. H_a : Residual data distributed
2. H_o : Residual data is not normally distributed.

Multicollinearity Test

V Wiratna Sujarweni (2019: 185), says that a multicollinearity test is needed to determine whether there are independent variables that have similarities between independent variables in a model. The similarity between the independent variables will result in a very strong correlation.

Heteroscedasticity Test

Heteroscedasticity is to find out whether in the regression model, there is an inequality of variance from the residuals of one observation to another. If the variance from the residual of one observation to another observation remains, then it is called homoscedasticity. A good regression model is homoscedasticity or there is no heteroscedasticity.

Multiple Linear Regression Analysis Multiple linear is used to determine

Multiple Linear is used to determine the relationship between two variables. Linear regression analysis can be used to find out how the influence of the independent variables, namely brand (X_1) promotion (X_2) on increased sales (Y) at Kopi Sadis Medan. In this study, a multiple linear regression model was used. The formula is as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + e$$

Information:

Y = Increased Sales

a = Constant

b_1 = Regression coefficient of the brand variable

b_2 = Promotion variable regression coefficient

X_1 = Brand

X_2 = Promotion

e = error (error rate)

Partial Test (t test)

Partial test (t test) is used to test the significance of the constants of each independent variable, whether the brand (X_1) and promotion (X_2) variables have a partial (separate) effect on the independent variable, namely increased sales (Y). Decision making with a significance level (α) =5% (0.05). The basis for decision making is determined in the following manner:

- a. If the significance level of t count 0.05 or t count < t table, then H_0 is accepted.
- b. If the significance level of t count <0.05 or t count > t table, then H_0 is rejected

Simultaneous Test (Test F)

Simultaneous Test (F Test) is used to determine the effect of the independent variables jointly (simultaneously) on the dependent variable. Significant means that the relationship that occurs applies to the population. Determine F table and F count with a confidence of 95% or a significant level of 5% (0.05). This study shows whether the

independent variables consisting of brand and promotion variables explain the dependent variable, namely increased sales.

This proof is done by observing F count at alpha (α) 5%:

- a. If the calculated F value $>$ F table, then H_0 is rejected and H_1 is accepted.
- b. If the calculated F value $<$ F table, then H_0 is accepted and H_1 is rejected.

Determination Coefficient Test (R^2)

The coefficient of determination is used to measure the influence of the independent variables studied, namely brands (X_1) and promotions (X_2), while the dependent variable is increased sales (Y). The coefficient of determination (R^2) ranges from zero to one ($0 < R^2 < 1$). This means that if $R^2 = 0$ indicates that there is no effect of the independent variable on the dependent variable and if R^2 is close to 1 it indicates the stronger the effect of the independent variable on the dependent variable.

RESULTS AND DISCUSSION

Respondent Descriptive

Gender

The descriptive characteristics in this study were 57.6% male and 42.4% female.

Age

Descriptive characteristics in this study were 72.8% aged 17-30 years and 27.2% aged 31-40 years.

Validity Test

Whereas the validity test, the Pearson correlation value of brand, promotion and sales increase variables is greater than the product moment r table whose value is 0.205, where the brand validity test results are $0.567 > 0.205$ r product moment tables, promotion validity test results are $0.501 > 0.205$ r table product moment, the results of the validity test of increased sales of $0.673 > 0.205$ r product moment table, it can be concluded that each of these statements is valid.

Reliability

The value obtained from the results of Cronbach's brand alpha is 0.708, Cronbach's promotion alpha is 0.692 and Cronbach's alpha is an increase in sales of 0.745, which means that each variable is greater than 0.6. So that it can be concluded that each variable is declared reliable

Classical Assumption Test Results from Normality test

Based on the output of the SPSS 16 program on the normal p-p-plot of regression standardized residuals, it can be seen that the data spreads around the diagonal line and follows the direction of the diagonal line which shows the normal distribution so that the normality test is fulfilled.

Multicollinearity Test

The multicollinearity test is used to determine whether there are independent variables that have similarities between the independent variables in a regression model. Based on the results of the SPSS 16 output program on coefficients, it can be seen that the coefficient < 10 means that there is no multicollinearity, so it can be concluded that the data used passed the classical assumption test because there was no multicollinearity.

Heteroscedasticity Test

The heteroscedasticity test is used to see whether the confounding variables have the same variance or not. Based on the results of the SPSS 16 program in the scatterplot image, it can be seen that the distribution of points in the plot does not indicate a particular pattern, so it can be said that the model is free from the heteroscedasticity test.

Multiple Linear Regression Results Regression Equation Model

Based on the results of the output of the SPSS 16 program on the coefficients, it describes the regression equation, namely:

$$Y = 19,085 + (-0,144X_1) + 0,272X_2$$

Information:

a = constant value of 19.085 indicates a constant value.

b_1 = brand variable has a negative sign on sales with a regression coefficient of -0.144

b_2 = promotion variable with a positive sign on sales with a regression coefficient of 0.272

Hypothesis Test Results

Brand Correlation (X_1) to Increased Sales (Y)

Based on the results of the output of the SPSS 16 program on the first coefficient of the brand variable, it shows that the t count value is $-1.665 < t$ table is 1.986 so H_0 is accepted and H_1 is rejected. This means that the brand variable does not significantly influence the increase in sales.

Promotion Correlation (X_2) to Increased Sales (Y)

Based on the results of the output of the SPSS 16 program, the coefficients of the two promotion variables show a t count value of $4.220 > t$ -table of 1.986 so H_0 is rejected and H_1 is accepted. This means that the promotion variable has a significant effect on increasing sales.

The Effect of Brand (X_1) and Promotion (X_2) on Increased Sales (Y)

Based on the results of the SPSS 16 program, in the ANOVA table, the calculated F value is $9.189 > F$ table 3.10, so H_0 is rejected and H_1 is accepted. This means that the independent variables brand and promotion simultaneously affect the dependent variable increase in sales.

Coefficient of Determination (R^2)

Based on the output results of the SPSS 16 model summary program, it shows an adjusted R^2 value of 0.153 or 15.3%. This means that the independent variables brand and promotion affect the dependent variable sales increase of 15.3% and the rest is influenced by other factors.

Discussion

Effect of Brand (X_1) on Increased Sales (Y)

The results of the partial test show that the brand variable has no significant effect on increasing sales, with the test results t count $< t$ table so it can be concluded that the brand

has little effect on increasing sales. This means that business actors must be able to build a strong brand in the minds of customers by using the right strategy so that the brand offered can provide added value to the product.

Effect of Promotion (X₂) on Increased Sales (Y)

The results of the partial test show that the promotion variable has a significant effect on increasing sales, with the test results $t_{count} > t_{table}$ so it can be concluded that the second hypothesis is accepted. This means that better promotions will result in increased sales. So, businesses must continue to promote their products.

The Influence of Brand (X₁) and Promotion (X₂) Simultaneously Affects Sales Increase (Y)

The results of this study indicate that there is a simultaneous influence of brand and promotion on increasing sales, so it can be concluded that the third hypothesis is accepted. Brands and promotions are important for business continuity because having a brand makes it easier for consumers to remember where the product came from and also makes it easier for business owners to promote the business product brand itself so that it is better recognized by potential consumers.

CONCLUSION

1. Based on the results of the hypothesis on the t-test on the brand variable, it is obtained that the t value is $-1.665 > t_{table}$ is 1.986 so H₀ is accepted and H₁ is rejected. This means that the brand variable does not significantly influence the increase in sales.
2. Based on the results of the hypothesis on the t-test on the Promotion variable, the t count value is $4.220 > t_{table}$ is 1.986 so H₀ is rejected and H₁ is accepted. This means that the promotion variable has a significant effect on increasing sales.
3. Based on the results of the hypothesis on the F test, the calculated F value is 9.189 F table 3.10, so H₀ is rejected and H₁ is accepted. This means that the independent variables brand and promotion simultaneously affect the dependent variable increase in sales

4. Based on the test results of the coefficient of determination (R^2) an adjusted R^2 is obtained of 0.153 or 15.3% This means that the independent variables brand and promotion affect the dependent variable sales increase of 15.3% and the rest is influenced by other factors.

Based on the discussion and conclusions above, the suggestions in this study are as follows:

1. For Medan Sadis Coffee owners who are in Tembung to pay more attention to business brands because business brands are important for business continuity, the more people who know sadistic coffee, the more consumers will come.
2. Further research is expected and suggested to use other variables that can affect increased sales such as location variables, product quality, service quality, and so on.

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