

Digital Transformation and Social Media as Sales Drivers at CV.Grand Grafika

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ABSTRACT

The development of information and communication technology has had a significant impact on the business world. Data were gathered using a variety of research tools, such as questionnaires for respondents, literature reviews, and direct observation. The research is quantitative and uses purposive sampling techniques by conducting surveys and distributing questionnaires to a sample of 96 people. To evaluate the data, multiple linear regression analysis was used. This study employed multiple linear regression analysis to develop and evaluate three hypotheses. From the results of this study, it can be concluded that digital transformation and social media influence the increase in sales in CV.Grand Graphics, where digital transformation affected 12.1% and social media affected 13.3%, as well as the influence of digital and social transformation on increased sales in CVs. Grand Graphics is 2.1%, where other variables affect sales in CV.Grand Grafika is Price and Customer Loyalty.

Keywords: Technology Development, Digital Transformation, Social Media, Sales Increase, CV.Grand Grafika

INTRODUCTION

The development of information and communication technology has had a significant impact on the business world. Digital transformation and the use of social media have dominated key factors in business planning and business strategy. To boost their revenues CV.Grand Grafika, a company specializing in graphic design and printing, must harness and harness the potential generated by their digital and social media revolution.

Digital transformation has changed the way operate and interact with their customers. By applying the right technology, can improve the efficiency of their business processes, reduce trade costs, and increase customer satisfaction. Therefore, CV.Grand Grafika must undertake in-depth research to determine how implementing digital transformation can improve results.

In addition, social media has developed into a fairly popular and effective platform for building customer relationships and promoting goods and services. Social media can be used by CV.Grand Grafika as a powerful tool for branding, enhancing positive feelings, and maximizing potential customers. But more research needs to be done to understand specifically how the use of social media can affect sales in CV.Grand Grafika.

On the other hand, sales in the CV.Grand Grafika continued to increase as a result of the high profits of the C.G.Graphics, which indicated that the sales rate of the G.C.Graphics reached its target sales.

As for the phenomenon of this research:

- a. Digital transformation carried out by CV.Grand Grafika resulted in a variety products so that consumers made purchases in CV.Grande Graphica.
- b. Orders that always come in through social media platforms
- c. Sales rate in CV.Grand Grafika is increasing steadily

From the study took the population of consumers in the CV.Grand Grafika of the Year 2018-2022 with the following details:

Table 1. Population

Year	Population
2018	753
2019	657
2020	252
2021	352
2022	438

LITERATURE REVIEW

Sales Theory

Sales is a very important thing in the existence of a business, where sales is the income of a company whose opinions are used to enhance the company, to gain profits, to pay employees' salaries. To the expected level of sales, many processes have to go through such as promotions are carried out so that potential consumers know and want to buy the company's products.

According to Kotler (2006:457) sales is a process in which the needs of the buyer and the need of the seller are met, through the intersection of information and interests, whereas Sales According to Basu Swastha in Irwan Sahaja (2014, 246) is an exchange of goods or services between seller and buyer.

Sales is a process of exchange of goods or services between the seller and the buyer with the aim of meeting the needs of both parties. Both sides interact with each other and exchange information and interests to meet each other's needs. Therefore, sales are an essential part of a business to maintain its existence and meet the needs of customers.

Digital Transformation

Digital transformation has a huge impact on business today because, with technological technologies that have evolved to transform the way operations, the delivery of products and services, as well as the interaction with customers in a business. As digital transformation changes the way operate, interact with customers, and deliver the value of products or services to markets, digital transformations have a profound impact on sales.

According to Thomas M. Siebel (2019), digital transformation is emerging from the intersection of cloud computing, big data, IoT, and AI, and is vital to industry across the market today. Which digital transformation is not a series of generational changes in information technology or just a migration of processes, data, and corporate information to digital platforms. According to Westermen and Bonnet (2011), digital transformation

is a process of organizational change involving people, strategies, structures through the use of digital technology and adaptive business models to improve organizational performance.

Digital transformation is a revolution in the world of technology and business that emerges from a combination of factors such as cloud computing, big data, IoT, and artificial intelligence (AI). Digital transformation is not just a series of generational changes in information technology, nor is it just the migration of processes, data, and corporate information to digital platforms.

Social Media

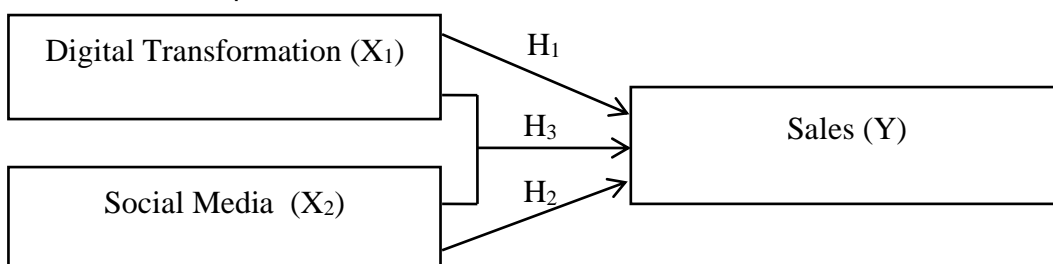
Social media has become a major force in our everyday lives in the growing digital age. In addition to being a platform for interaction and content sharing, social media also has a huge influence on the business world, including sales. Before that, we will look at how social media affects sales and why these platforms are important for business success.

According to Phillip Kotler and Kevin Keller, social media is a means for consumers to share text, image, video and audio information with each other and with companies and vice versa. In Social Media Van Dijk in Nasrullah (2015) states that social media is a media platform that focuses on the existence of users that facilitates them in activism or collaboration.

What it means is that social media is a platform or means in the digital world that allows users to share information in the form of text, images, videos, and audio. It allows interaction between users and also between users with companies or other entities.

Hyphothesis

Picture 1. Conceptual Framework



A conceptual framework is a way of thinking about a relationship between one concept and the other to provide a picture and guide assumptions related to the variable to be studied.

1. There is an influence of Digital Transformation on Sales in CV.Grand Grafika
2. There is a social media influence on sales in CV.Grand Grafika
3. There is an influence of Digital Transformation and social media on sales in CV.Grand Grafika

RESEARCH METHOD

This research was carried out at the location of this research is Grand Graphics which is located at Jl. Veteran RUKO KUNING No.17 H / 31, Gg. Buntu, Kec. Medan Team., Kota Medan, North Sumatra 20231. Subjects in this study are consumers who have used services in Grand Graphics and some online CS in Grand Grafics. According to Sugiyono Opinion (2019:9), quantitative data is data in the form of numbers or qualitative data expected / scoring. Data obtained from this research is the result of the answers to

questionnaires that have been given to consumers and CS online. As well as obtaining secondary data through the study of several sources such as books and journals.

The population present in this study is taken from consumer data period 2018-2022 where there are 2452 who are consumers and CS online. With the Slovin technique then the sample result obtained with the Slovin technique is 96 people. According to Wahyudi (2017:14), a sample is an object of observation selected from a population, so that the sample forms part of a population and reflects its characteristics. Therefore, although research uses sample data rather than population data, the results can be generalized to the population.

From the above variables there are indicators that affect each variable as follows:

Digital Transformation (X1)

According to Westerman and Bonnet (2011), the five indicators of digital transformation are product innovation, service improvement, enhanced customer experience, operational efficiency and adaptability, and partnership and collaboration. These indicators help assess the progress and success of organizations in embracing digital transformation.

Social Media (X2)

According to Novita Ekasari (2014:98), social media indicators can be categorized into three main areas: relationship, communication, and post-purchase interaction. These indicators help measure the effectiveness of social media efforts in building and maintaining relationships with customers, facilitating communication, and engaging in post-purchase interactions.

Sales (Y)

According to Basu Basu Swastha (2005), factors that affect sales rates include the condition and ability of the seller, market conditions, capital availability, organizational condition, and other external factors.

Several data analysis methods will be used in this study. These include tests for validity, which determine whether the data is accurate and relevant; reality tests, which determine whether the findings are consistent and reliable; normality tests, which look at the distribution of the data; heteroscedasticity tests, which identify variations in the error terms; multicollinearity tests, which determine whether there are intercorrelations among independent variables; T-tests, which compare means between two groups; F-tests, which determine the overall significance of regression models; and R² tests, which gauge how well the models fit together. These methods will guarantee the quality and dependability of the study outcomes while offering insightful information.

RESULTS

Validity Test

Validity test results for variables (X1) Digital transformation shows each value R Calculation > R Table 0.167, validity test result for variable (X2) Social media shows every value R calculation > R table 0.167 and validity testing result for Variable (Y) Sales shows every R calibration value > R table 0,167, so it can be concluded that every statement in the questionnaire can be declared valid

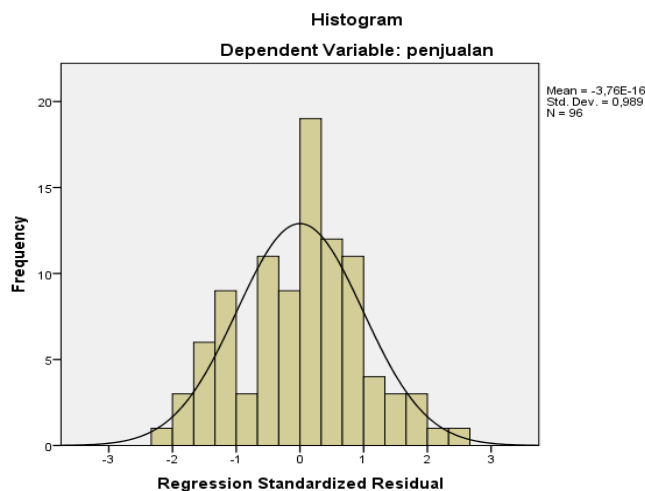
Reliability Test

From the reliability test scores obtained Cronbach's Alpha values for Variable (X1) Digital Transformation $0.605 > 0.600$, for variables (X2) Social Media $0.615 > 0,600$, and variable (Y) Sales $0.606 > 0.600$, so it can be concluded that the research instruments for the variables X1, X2 and Y belong to the accepted reliability category.

Classical Assumption Test

- 1) Normality test
 - a. Histogram

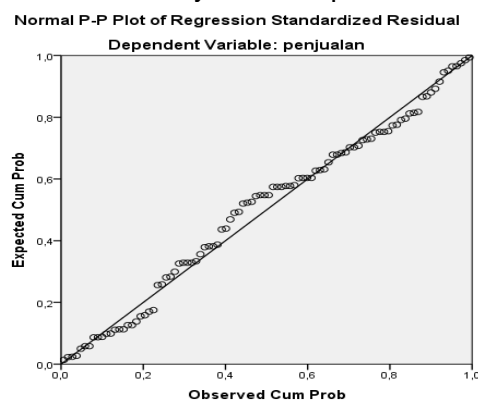
Picture 2. Histogram Normality Test Graph



The histogram graph shows the data spread around a diagonal line and follows the direction of the diagonal lines or the histogram chart that shows a normal distribution pattern, so that the regression model can be considered to meet the normality assumption.

- b. P-P Plot

Picture 3. P-P Plot Normality Test Graph



The Probability Plot of Regression graph shows points (data) approaching and following the direction of a diagonal line indicating a normal distribution pattern, so that the regression model can be considered to meet the normality assumption.

C. One-Sample Kolmogorov-Smirnov Test

Table 5. One-Sample Kolmogorov-Smirnov Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		96
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	1,76343719
Most Extreme Differences	Absolute	,068
	Positive	,061
	Negative	-,068
Test Statistic		,068
Asymp. Sig. (2-tailed)		,200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

From a normality test with a one-sample Kolmogorov-Smirnov obtained a significance value of 0.200 > of 0.05 (Sig > 0.05), so it can be assumed that the residual (data) is distributed normally.

2) Multicollinearity test

Table 6. Multicollinearity test results

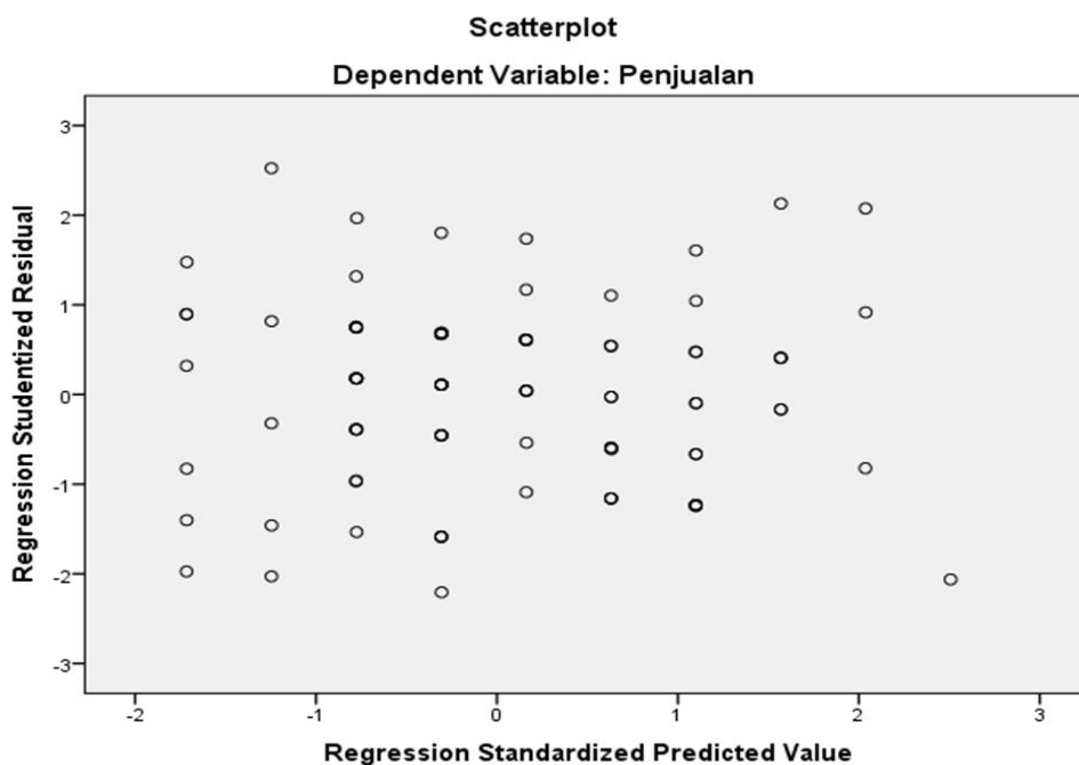
Coefficients ^a			
		Collinearity Statistics	
Model		Tolerance	VIF
1	MediaSosial	,979	1,021
	TransformasiDigital	,979	1,021

a. Dependent Variable: Penjualan

The multicollinearity test obtained VIF values for the Digital Transformation (X1) and Social Media (X2) variables of 1,021 < 10, so it could be concluded that the variables X1 and X2 did not occur multicollinearity.

3) Heteroscedasticity Test

Picture 4. Scatterplot Heteroscaterness Test Graph



Scatterplot is used to test heterocadastisity. This graph shows that the data does not form a clear pattern and that the dots are scattered above and below the number 0 on the Y axis. This shows that there is no heterocadastisity in the regression model.

Multiple linear analysis

Table 7. Double Linear Regression Analysis Test

Coefficients ^a			
Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std.Error	Beta
(constant)	15,892	2,571	
Transformasi Digital	0,121	0,085	0,145
Media Sosial	0,133	0,16	0,085

Test results seen on the unstandardized coefficient section in column B. Results are obtained using rumus following:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + e$$

$$\text{Sales Increase} = 17,510 + 0.121 \text{ Digital Transformation} + 0.874 \text{ Social Media} + e$$

Here's an explanation of the equation above.:

- 1) The constant (α) = 15,892, which means: if the free variable value of Digital Transformation and Social Media is 0 then Sales is fixed to 15,892.
- 2) The coefficient $X_1(b_1)$ = 0.121 means: each increase in the aspect of Digital Transformation (X_1) by 1 unit, then the success of the enterprise will increase by 12.1%.
- 3) The coefficient $X_2(b_2)$ = 0.874 means: each increase in the social media aspect (X_2) by 1 unit, then the success of the enterprise will increase by 13.3%.

Hypothesis Test

1) Statistical test t (t test)

Tabel 4.9. Statistical test t

Coefficients ^a		
Model	t	sig
(constant)	6,182	0
Transformasi Digital	1,414	0,161
Media Sosial	0,834	0,407

- The t value of the count of the Digital Transformation variable (X1) is 1,414 < table t value 1.986 with a significance rate of 0,000 < 0.05. So it can be concluded that T has a positive but not significant influence partially on CV.Grand Grafika Transition. Thus, H1 is rejected.
- Social Media(X2) t count variable value 0.834 < table t value 1.986 with a significance rate of 0,000 < from 0.05. So it can be concluded that Social Media has a positive but not significant influence partially on Sales CV.Grand Grafika . Thus, H2 is rejected.

2) Statistical test F (F test)

Tabel 4.10. Statistical Test F

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	8,508	2	4,254	1,349	,264 ^b
Residual	293,231	93	3,153		
Total	301,740	95			

a. Dependent Variable: penjualan

Thus, it can be concluded that Digital Transformation and social media as a whole did not have a significant impact on sales in Grand Graphics, as the value of F calculated by 1,349 is smaller than the table's F value by 3.09. As a result, the H3 hypothesis must be rejected.

Determination Coefficient Test (R^2)

Tabel 4.11. Determination Coefficient Test

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,145 ^a	,021	,000	1,782

a. Predictors: (Constant), MediaSosial, TransformasiDigital

The determination value of R Square in measuring the dependent variable is 0.021. The results of this trial showed that 2.1 percent increase in sales was influenced by the Digital Transformation and Social Media variables, while the remaining 97.1 percent was affected by other variables that were not studied in this study. Other factors that influence sales of CV.Grand Graphics are price, customer loyalty, and quality of customer service. Many customers are more likely to use CV.Grand Graphic printing services because they are relatively cheap and their customer service is remarkable.

DISCUSSION

The Digital Transformation variable has a regression coefficient value of 0.121 and the counting t value of the digital transformation variables (X1) is $0.384 > \text{table } t \text{ value } 1.986$ with a significance rate of $0,000 < 0.05$. So it can be understood that the Digital Transformation variable has a positive but not significant influence partially on the Sales Increase in CV.Grand Grafika . The value of 0.121 also concludes that each increase in the aspects of digital transformation (X1) by 1 unit, then the Business Success will increase by 12.1%.

The social media variable has a regression coefficient value of 0.133 and the t count value of the digital transformation variable (X1) $1,414 > \text{the } t \text{ value of table } 1.986$ with a significance rate of $0,000 < 0.05$. So it can be understood that the social media variant has a positive but not significant influence partially on the Sales Increase in CV.Grand. The value 0.133 also concludes that each increase in the Digital Transformation aspect (x1) by 1 unit, then the Enterprise Success will increase by 13.3%.

The results of the analysis show that the Digital Transformation and Social Media variables have no significant influence on the overall Grand Graphics sales; this variable has a value of F count of 1,349, which is lower than the Table F value of 3.09. From these results, it can be concluded that this combination of variables has no significant influence on Grand Graphics sales.

Next, the R square value for the sales dependent variable is 0.021 based on the determination coefficient test (R^2). These results show that the digital transformation variables and social media that have been studied are responsible for about 2.1% of the sales variation. About 97.9% of the remaining are affected by additional components not discussed in this study. These results show that, although digital transformation and social media contributed to increased sales, it's only small compared to the total variable that affects sales performance in Grand Graphics. The Other factors that influence sales of CV.Grand Graphics are price, customer loyalty, and quality of customer service. Many customers are more likely to use CV.Grand Graphic printing services because they are relatively cheap and their customer service is remarkable.

CONCLUSION

The data reveals that the rise in sales at CV.Grand Grafika, which is a 12.1% gain, is mostly attributable to Digital Transformation. This suggests that their sales performance has been positively impacted by the use of digital technology in many areas of their firm. According to the survey, Social Media has also been instrumental in propelling CV.Grand Grafika's sales growth, which has increased by 13.3%. The employment of social media platforms has demonstrated efficacy in connecting with and involving customers, resulting in enhanced sales results. Moreover, it is clear that Social Media and Digital Transformation worked in concert to boost sales by 2.1% when looking at their combined impact. This emphasizes how crucial it is to use social media platforms and digital transformation activities to increase CV.Grand Grafika's sales potential.

Several important recommendations for CV.Grand Grafika may be made in light of the findings. First and foremost, the business must make investments in digital transformation. This means using digital marketing techniques, e-commerce capabilities, and website upgrades to improve consumer experience and reach more people. Second, CV.Grand Grafika ought to give top priority to bolstering their online presence on social media platforms by consistently sharing interesting material, answering questions from

users, and making use of social media advertising. Developing trusting connections with consumers on social media may raise brand recognition and boost revenue. Thirdly, it's critical to support the integration of social media and digital transformation initiatives. CV.Grand Grafika may maximize effect by utilizing the combined advantages of these techniques by coordinating message, marketing, and consumer interaction across digital media. Finally, it is critical to continuously monitor and analyze data on sales, customer behavior, and digital marketing initiatives. This will enable modifications depending on new trends and consumer preferences and offer insightful information for decision-making. CV.Grand Grafika may leverage social media and digital technology to boost sales and improve their market position by putting these suggestions into practice.

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