Factors That Effect Sales Volume During The Covid-19 Pandemic At Sub-Sectors Companies Of Cosmetics And Household

Helen Novianti
Accounting, STIE Eka Prasetya, Indonesia
Email : helennovii12@gmail.com

ABSTRACT

This study aims to analyze the factors that affect sales volume during the COVID-19 pandemic in cosmetics and household goods sub-sector companies listed on Indonesia Stock Exchange. This research uses quantitative data method and the source data is secondary data. The population in this study was 7 companies in the cosmetics and household sub-sectors. The sample in this study used purposive sampling with the sample criteria used in this study were companies that reported complete financial statements and used rupiah currency. Data analysis and testing consisted of descriptive statistics, classical assumption test, multiple regression analysis, partial hypothesis testing (t-test) and simultaneously (F test), and coefficient of determination test. The test results from the t-test of the Promotional Cost variable have no and no significant effect on Sales Volume and the Production Cost variable has a significant effect on Sales Volume. The test results from the F test of Promotional Costs and Production Costs variables have a significant and significant effect on Sales Volume.
Keywords: Promotional Costs, Production Costs, Sales Volume

INTRODUCTION

At the beginning of 2020, a new virus emerged called Coronavirus Disease 2019 or commonly referred to as COVID-19. This pandemic poses a threat to all countries in the world, including Indonesia. The risk of transmission raises public concern, thus affecting the social life of the community. The COVID-19 pandemic has had a negative effect on the micro and macro economy. Many industrial activities have been suspended due to the COVID-19 pandemic. Many companies have experienced declines in sales and cost of goods sold during 2020 that are considered "abnormal." In the current era of the covid-19 pandemic, the level of competition in the business world is getting higher and consumers are afraid to shop directly, causing a decline in sales which requires several companies to make adjustments, for that companies must go through struggles supported by good planning. Mature in dealing with various problems that arise due to covid-19, such as financial problems, marketing problems of the products produced.

In addition, the company was also established to increase sales volume. The company can be used as a measuring tool for its success in carrying out activities related to its operations. If the company's goals are achieved then the survival of the company can be maintained and able to compete with other companies. Basically, a company has a goal to be achieved. One of these goals is to get maximum sales by minimizing the costs incurred in the production process. Sales are often used as a measure to assess company performance. Cost is one important source of information in the analysis of corporate strategy. The problem that often arises is planning costs that are not in accordance with what actually happened, therefore to be able to achieve efficient production, it is necessary to control production costs and promotional costs that will be incurred. Production costs are costs for processing raw materials into finished goods. Reducing

production costs is a cost control that is important to do to avoid waste, by paying attention to the quality of the products produced.

In the Indonesian economy, the small business sector plays a very important role, especially when it is associated with the amount of labor that can be absorbed by small businesses. Apart from having a strategic meaning for development, this small business is also an effort to even out the development results that have been achieved. Company policy regarding promotional activities will greatly determine how much sales volume the company can obtain. As one of the elements that form part of the profit, the cost is an important source of information in the analysis of company strategy. The problem that often arises is planning costs that are not in accordance with what actually happened. This requires companies to better understand market conditions before determining the number of costs to be incurred so that the costs incurred can be used effectively and efficiently. The number of costs in promotional activities by companies to market their products to consumers will greatly affect the development of producer movements and the development of consumer markets.

In addition to promotion costs, other costs that are no less important in influencing the size of the sales volume obtained are production costs. Production costs are costs incurred to process raw materials into finished products ready for sale. In order to achieve efficient production, it is necessary to control the production costs incurred. If the promotional and marketing actions are successful, the sales volume in the company will also increase. If the sales volume increases, the production costs will also increase because it takes production costs to produce an item. Based on the explanation above, this research is directed to determine the effect of production costs and promotion costs on sales volume in cosmetics and household goods sub-sector companies listed on the Indonesia Stock Exchange during the Covid-19 pandemic.

LITERATURE REVIEW

Promotion Costs
According to Rangkuti (2013: 56) promotion costs are marketing or sales costs which include all costs obtained to ensure customer service and deliver finished products or services to consumers. Thus, every action that will be taken must be carefully thought out and compare the benefits obtained with the sacrifices made. Every decision that can be accounted for is a decision that considers the results obtained with the costs incurred to obtain these results. According to Rangkuti Freddy (2013: 56) the indicator of promotion costs is the total of marketing costs.

Production Costs
According to Mulyadi (2015:16) production costs are costs incurred in processing raw materials into products. Production costs form the cost of production which is used to calculate the cost of finished products and the cost of the product at the end of the accounting period is still in process. According to Mulyadi (2015: 18) the production cost indicator is a costing variable that consists of Raw material costs + Direct labor costs + Factory overhead costs.

Sales Volume
According to Soemohadiwidjojo (2018: 70) sales volume is the total sales of goods sold in a certain period. According to Soemohadiwidjojo (2018:71) the sales volume indicator is sales volume = total product sales.

Framework
Based on the description above and the results of previous research, the variables in this study can be seen in the picture of the research framework, namely:
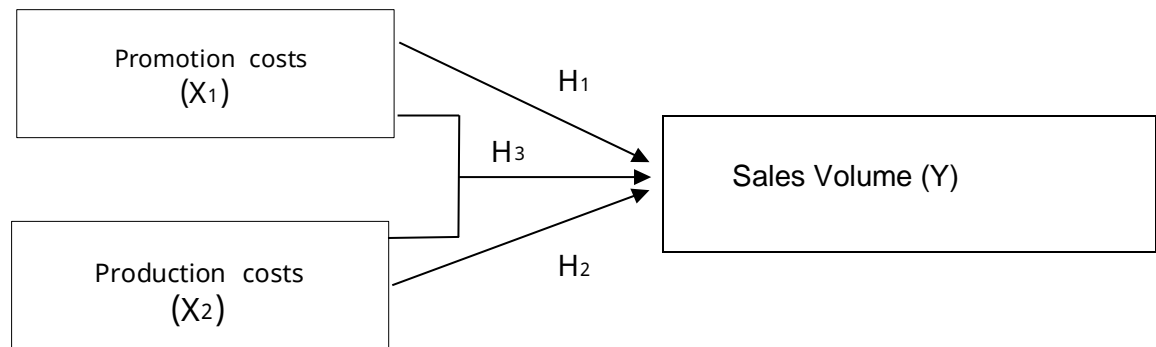
Figure 1. Frame of mind

Hypothesis
Based on the description of the problem formulation, research objectives, and theoretical basis, the authors propose the following hypotheses:
H1: Promotional costs have a significant effect on Sales Volume at Sub-Companies' Cosmetics and Household Necessities Sector listed on Indonesia Stock Exchange
H2: Production Costs have a significant effect on Sales Volume at Sub-Companies' Cosmetics and Household Necessities Sector listed on Indonesia Stock Exchange
H3: Promotional Costs and Production Costs have a significant effect on the Sales Volume of Cosmetics and Household Necessities Sub-Sector Companies' listed on the Indonesia Stock Exchange

RESEARCH METHOD

The research location used by the author is a cosmetics and household goods subsector company listed on the Indonesia Stock Exchange for the 2020-2022 period, namely www.idx.co.id. The time of the research conducted by the author is from September 2, 2022 to September 27, 2022**.** This type of research is quantitative research. According to Romlah (2022:6) quantitative data is data expressed in the form of numbers. The source of data in this study is secondary data. According to Siyoto (2015: 68) secondary data is data obtained or collected by researchers from various existing sources (researchers as secondhand).

The population in this study is the cosmetics and household goods sub-sector companies on Indonesia Stock Exchange totaling 7 companies. The sampling technique in this study is purposive sampling with the sample criteria used in this study being companies that report complete financial statements and use rupiah currency, which is 30 months (January 2020 to June 2022). The test tool used to analyze the hypothesis in this study is to use multiple linear regression. Multiple linear analysis according to Kurniawan (2016: 5) is a continuation of simple linear regression when simply linear regression only provides one independent variable (x) and one dependent variable (y).

Therefore, multiple linear regression is present to cover the weakness of linear regression simple when there is more than one independent variable (x) and one dependent variable (y). Multiple linear regression analysis was used to test the independent variable Promotional Costs (X1) and Production Costs (X2) to the dependent variable Sales Volume (Y). The techniques used to analyze the data are Descriptive Statistics, Normality Test, Heteroscedasticity Test, Multicollinearity Test, Autocorrelation Test, Partial Significance Test (t-test), and Simultaneous Significance Test (F test).

RESULTS

This study discusses the effect of promotion costs and production costs on sales volume which is processed using the SPSS version 22 program. The results of this study consist of descriptive statistics, classical assumption tests consisting of normality, heteroscedasticity, and multicollinearity tests, multiple regression analysis, hypothesis testing by partial (t-test) and simultaneously (F test), and the coefficient of determination test.

Descriptive statistics
According to Ananda (2018:4) descriptive statistics are statistics that study the procedures for collecting, compiling, presenting, and analyzing research data in the form of numbers in order to provide an orderly, concise and clear picture of a symptom, situation, and event so that certain meanings can be drawn. The following are the results of descriptive statistical tests:

Table 1. Descriptive Statistics Example (N=30)

	N	Minimum	Maximum	Mean	Std. Deviation
Promotion Fee	30	1,051,424,000	751,823,807,200	14,481,907,110,000	230,735,112,000,000
Production cost	30	4,533,193,000	2,079,613,167,000	44,743,631,060,000	626,412,882,600,000
Sales Volume	30	10,282,521,000	4,024,971,042,000	94,388,035,480,000	1,207,814,304,000,000

Source: Data Processing Results, 2022

Classic assumption test
According to Duli (2019:114) the classical assumption test is a statistical requirement that must be met in multiple linear regression analysis based on ordinary least squares (OLS). So regression analysis that is not based on OLS does not require the requirements of classical assumptions, such as logistic regression and ordinal regression.

Normality test
According to Misbahuddin (2013: 278) the normality test is a prerequisite test of the feasibility of data to be analyzed using parametric statistics or non-parametric statistics. Here are the results of normality testing:
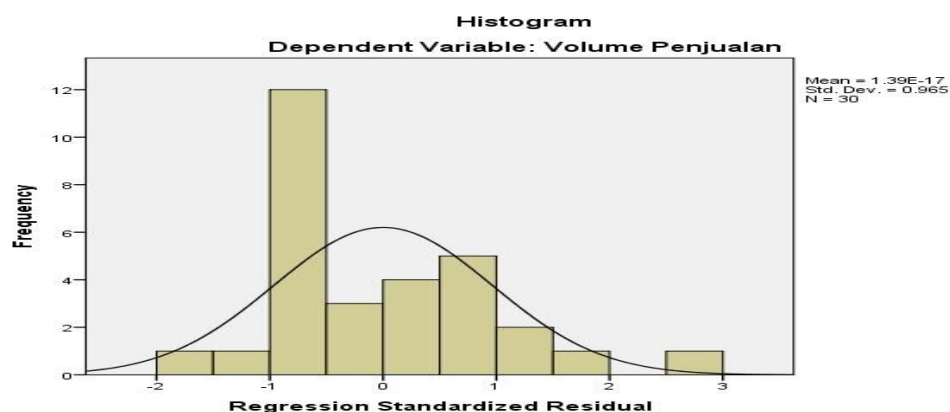

Figure 2. Histogram
Source: Data Processing Results, 2022

Based on the picture above, it can be explained that the data forms a symmetrical curve line with respect to the mean (U). The results of this test show that the data is normally distributed.
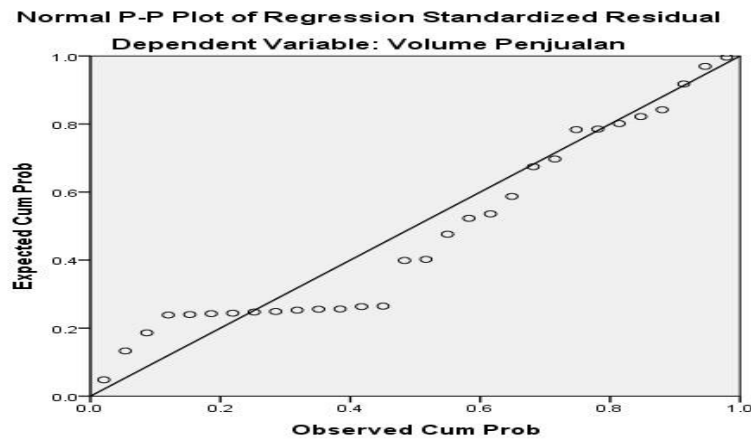

Figure 3. PP Plot

Source: Data Processing Results, 2022

Based on the picture above, it can be explained that the data spread does not follow the diagonal line. The results of this test indicate that the distribution data is not normal.

Table 2. Smirnov Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		30
Normal Parameters[a,b]	Mean	. 0000001
	Std. Deviation	12,151,145,420,000,000,000
Most Extreme Differences	Absolute	. 209
	Positive	. 209
	Negative	- . 131
Test Statistics		. 209
asymp. Sig. (2-tailed)		. 002c

a. Test distribution is Normal.

b. Calculated from data.

Source: Data Processing Results, 2022

Based on the table above, it can be seen that the Kolmogorov-Smirnov statistical test value is 0.209 with a significant value of less than 0.05, which is 0.002. The results of this test indicate that the data is not normally distributed.

Heteroscedasticity Test

According to Kurniawan (2019:59-60) the heteroscedasticity test is to see whether there is an inequality of variance from one residual to another observation. A regression model that meets the requirements is where there is a similarity in variance from the residuals of one observation to another, which is fixed or is called homoscedasticity. The test results using a scatterplot graph can be seen in the image below:
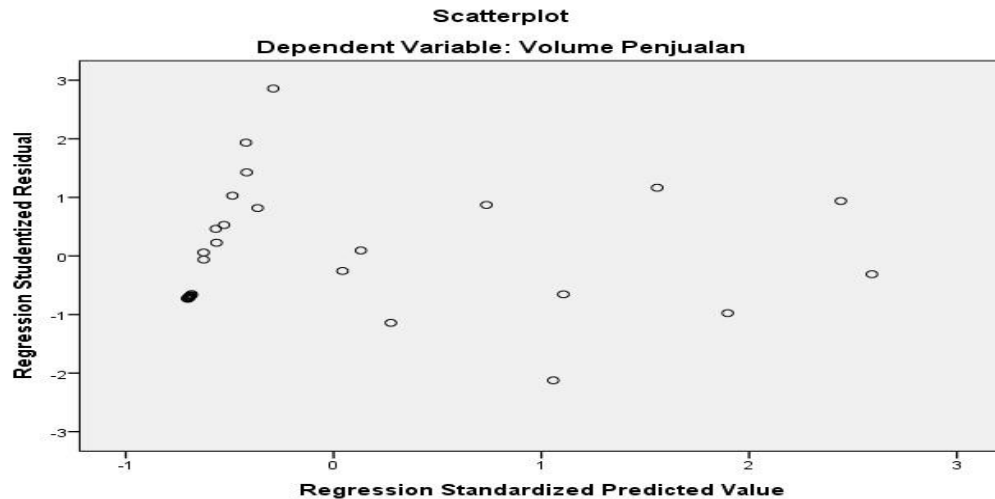
Figure 4. Scatterplot
Source: Data Processing Results, 2022

Based on the picture above, it can be explained that the points resulting from data processing spread below and above the origin point (number 0) on the Y-axis and do not have a regular pattern. The results of this test indicate that there is no heteroscedasticity or homoscedasticity.

Multicollinearity Test
According to Ansofino, et al (2016: 94) the multicollinearity test is to see whether or not there is a high correlation between the independent variables in a multiple linear regression model. If there is a high correlation between the independent variables, the relationship between the independent variables and the related variables will be disturbed.

The following are the results of the multicollinearity test which can be seen in the following table:

Table 3. Multicollinearity Test

Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Promotion Fee	. 040	24,649
	Production cost	. 040	24,649

a. Dependent Variable: Sales Volume
Source: Data Processing Results, 2022

In the table above, it can be seen that:
1. Tolerance value (a) for the variables of Promotional Costs and Production Costs has a value less than 0.1, which is 0.040
2. The value of the Variance Inflation Factor (VIF) for the variables of Promotional Costs and Production Costs has a value greater than 10, namely 24,649.

The results of testing the data above show that the independent variables (Promotional Costs and Production Costs) experience symptoms of multicollinearity.

Autocorrelation Test
According to Purnomo (2019: 65) the autocorrelation test is a condition where there is a correlation between the residuals for one observation with other observations arranged according to a time series. A good regression model requires no auto-correlation problems. Here are the results of the auto-correlation test:

Table 4. Durbin-Watson Test

Model Summary^b

Model	Durbin-Watson
1	. 859

a. Predictors: (Constant), Production Cost, Promotion Cost
b. Dependent Variable: Sales Volume
Source: Data Processing Results, 2022

Based on the table above, it can be seen that the Durbin-Watson (d) value is 0.859. This value will be compared with the value of the Durbin-Watson table which uses a significance of 5% for the number of samples (n) as many as 30 and the number of independent variables (k) as many as 2. Based on the Durbin-Watson table, it can be seen that the dL value is 1.2837 and the dU value is 1.5666. Therefore, the values of d, dL, dU meet the first criteria with the condition $0 < d < dl$ ($0 < 0.859 < 1.2837$).
The results of this test indicate that there is no positive correlation.

Multiple Linear Regression Analysis
According to Kurniawan (2016: 5) multiple linear regression analysis is a continuation of regression simple linear regression, when simple linear regression provides only one independent variable (x) and one dependent variable (y). Therefore, multiple linear regression is present to cover the weakness of simple linear regression when there is more than one independent variable (x) and one dependent variable (y).

The results of testing multiple regression analysis can be seen in the following table: Multiple linear regression analysis aims to see the effect of the independent variable (Promotional Costs and Production Costs) and the dependent variable (Sales Volume).

The following are the results of multiple linear regression analysis:

Table 5. Multiple Linear Regression Analysis Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	90,420,328,280,000	29,625,824,770,000	
	Promotion Fee	. 291	. 504	. 056
	Production cost	1,813	. 186	. 940

a. Dependent Variable: Sales Volume
Source: Data Processing Results, 2022

In the table above, it can be seen that the multiple linear regression equation in this study is:

Sales Volume = 0.000 + 0.291 Promotion Cost + 1.813 Production Cost + e

The above equation can be explained as follows:
1. Constant (α) of 0.000 indicates that if the variable value of Promotional Costs and Production Costs is 0 (zero) or does not exist, then the value of Sales Volume has increased by 0.000 units.
2. Regression coefficient (β) Promotional Cost variable of 0.291 indicates that if the value of other independent variables is 0 (zero) or fixed and Promotional Costs have increased by 1 unit, then the Sales Volume value will increase by 0.291 units.

3. Regression coefficient (β) Production Cost variable of 1.813 indicates that if the value of the other independent variables is 0 (zero) or fixed and Production Costs have increased by 1 unit, then the value of Sales Volume will increase by 1.813 units.

Partial Significance Test (t-Test)
According to Susanti, et al (2021:83) the t-test is a parametric testing procedure for the average if the variance of the population is unknown. The classification of the t-test is a one-sample t-test, two-sample t-test free of homogeneous variance assumption, two-sample t-test free of heterogeneous variance assumption and two sample paired t-test.

Table 6. Partial Test

Coefficients^a

	Model	T	Sig.
1	(Constant)	3.052	. 005
	Promotion Fee	. 577	. 569
	Production cost	9,775	. 000

a. Dependent Variable: Sales Volume
Source: Data Processing Results, 2022

Based on the table above, it can be seen that:
1. Promotional Cost Variable has a value of t_{count} of 0.577 with a significant value of 0.569. t value count will be compared with the value of t table distribution of t which has a significance of 0.05. From the t distribution table, the value of t is obtained table of 2,04841. Therefore, the value of $t_{count} < t_{table}$ namely with a value of 0.577 < 2.04841 and a significant value > 0.05, namely with a value of 0.569 > 0.05. The test results show that H1 is rejected, which means that the variable of Promotional Costs has no effect and is not significant on Sales Volume in Cosmetics and Household Necessities Sub-sector Companies listed on Indonesia Stock Exchange.
2. Variable Cost of Production has a value of t_{count} of 9.755 with a significant value of 0.000. t value count will be compared with the value of t table distribution of t which has a significance of 0.05. From the t distribution table, the value of t is obtained table of 2,04841. Therefore, the value of $t_{count} > t_{table}$ that is, with a value of 9.755 > 2.04841 and a significance value of < 0.05, namely with a value of 0.000 < 0.05. The test results show that H2 is accepted, which means that the Production Cost variable has a significant effect on Sales Volume in Cosmetics and Household Necessities Sub-Sector Companies listed on Indonesia Stock Exchange.

Simultaneous Significance Test (F Test)
According to Panjawa (2021:28) the F test is an analysis of variance (ANOVA).
Technically, the F test is used to test the combined hypothesis that all regression
coefficients are simultaneously zero.

Table 7. Simultaneous Test

ANOVA[a]

Model		F	Sig.
1	Regression	4.052	.000[b]
	Residual		
	Total		

a. Dependent Variable: Sales Volume
b. Predictors: (Constant), production costs, promotion costs
Source: Data Processing Results, 2022

Based on the table above, it can be seen the value of F_{counts} 4.052 with a significant value
of 0.000. F value count will be compared with the value of the distribution table F which
uses a significance of 0.05. From the F distribution table, the F value is obtained table
3.35. Therefore, the value of $F_{count} > F_{table}$ with a value of 4.052 > 3.35 and a significant
value < 0.05, namely with a value of 0.000 < 0.05. The test results show that H3 is
accepted, which means that Promotional Costs and Production Costs have a significant
effect on Sales Volume in Cosmetics and Household Necessities Sub-Sector Companies
listed on Indonesia Stock Exchange.

Coefficient of Determination Test (Test R^2)
According to Rahayu (2020:41) the coefficient of determination is to find out how much
the independent variable (X_1 and X_2) has an impact on the dependent variable (Y). the
magnitude of the coefficient of determination is zero to one. The closer to zero, the smaller
the influence of all independent variables (X) on the value of the dependent variable (Y).
If the coefficient of determination is close to one, then vice versa.

Table 8. R^2 Test

Model Summary[b]

Model	R	R Square	Adjusted R Square
1	.995[a]	.990	.989

a. Predictors: (Constant), Production Cost, Promotion Cost
b. Dependent Variable: Sales Volume
Source : Data Processing Results, 2022

Based on the table above, it can be seen that the R Square value is 0.990 or 99% of the
Sales Volume variable can be explained by the Promotional Costs and Production Costs
variables. While the remaining 1% of Sales Volume variables can be explained by other
variables not examined in this study such as Product Price, Distribution, and Product
Type.

DISCUSSION

Based on the partial test results regarding Promotional Costs to Sales Volume,
Promotional Costs have no significant effect on Sales Volume in Cosmetics and
Household Necessities Sub-Sector Companies listed on Indonesia Stock Exchange with

$t_{count} < t_{table}$ namely with a value of 0.577 < 2.04841 and a significant value > 0.05, namely with a value of 0.569 > 0.05. The test results show that H1 was rejected. The results of this study are not in line with those of Dewi Ni Putu Sukmantari (2017), Hartini Indra (2020), Idriani Lena (2022), Maryana Diana, et al. (2018), and Novera Ade (2014).

Based on the partial test results regarding Production Costs to Sales Volume, Production Costs have a significant effect on Sales Volume in Cosmetics and Household Necessities Sub-Sector Companies listed on Indonesia Stock Exchange with $t_{count} > t_{table}$ that is, with a value of 9.755 > 2.04841 and a significance value of < 0.05, namely with a value of 0.000 < 0.05. The test results show that H2 was received. The results of this study are in line with those of Dewi Ni Putu Sukmantari (2017), Hartini Indra (2020), Idriani Lena (2022), Maryana Diana, et al. (2018), and Novera Ade (2014).

Based on the results of simultaneous tests on Promotional Costs and Production Costs on Sales Volume, Promotional Costs and Production Costs have a significant effect on Sales Volume in Cosmetics and Household Necessities Sub-sector Companies listed on Indonesia Stock Exchange with $F_{count} > F_{table}$ with a value of 4.052 > 3.35 and a significant value < 0.05, namely with a value of 0.000 < 0.05. The test results show that H3 was received. The results of this study are in line with those of Dewi Ni Putu Sukmantari (2017), Hartini Indra (2020), Idriani Lena (2022), Maryana Diana, et al. (2018), and Novera Ade (2014).

CONCLUSION

Based on the results of the analysis and discussion that have been described in previous chapters, the conclusions in this study are: The results of this study indicate that the effect of Promotional Costs and Production Costs on Sales Volume is shown from the results of multiple linear regression analysis. This means that the Joint Promotional Cost variable has no effect on Sales Volume. Partially, the variable of Promotional Costs has no and no significant effect on Sales Volume in Cosmetics and Household Necessities Sub-Sector Companies listed on Indonesia Stock Exchange. This shows that H1 was rejected. Partially, the Production Cost variable has a significant effect on Sales Volume in Cosmetics and Household Necessities Sub-Sector Companies listed on Indonesia Stock Exchange. This shows H2 received.

Simultaneously, the variables of Promotional Costs and Production Costs can explain the relationship with Sales Volume in Cosmetics and Household Necessities Sub-Sector Companies listed on Indonesia Stock Exchange. In addition to the variables of Promotional Costs and Production Costs, Sales Volume can also be influenced by other variables not examined in this study.

REFERENCES

Cui, B., Yang, K., & Chou, T. (2016). Analyzing the Impact of Price Promotion Strategies on Manufacturer Sales Performance.Journal of Service Science and Management,09(02), 182–187. https://doi.org/10.4236/jssm.2016.92022

Dewi, NPS (2017). Effect of Selling Price and Promotional Costs on Sales Volume Im3 Card At Pt. Meliana Perkasa Prosperous in Karangasem Regency in 2013-2016. Journal of Education Economics Undiksha,9(1),25. https://doi.org/10.23887/jjpe.v9i1.19985

Hartini, I. (2020). The Effect of Promotional Costs and Selling Prices on Motorcycle Sales Volume Yamaha Mio Soul At PT. Thamrin Brathers Lahat.Media Journal of Wahana Ekonomika, 17(4), 321. https://doi.org/10.31851/jmwe.v17i4.5095

Indriani, L., & Mulyadi, E. (2022). Effect Of Cost Of Production On Sales Volume In Banjar Cafe And Restaurant Tungku Company Introduction. 3(1), 191–200.

Listiawati, Karta Negara Salam, Retno Wulansari, & Pramudi Harsono. (2021). Promotion Costs Analysis To Increased Sales Volume In The Convection Companies.International Journal of Science, Technology & Management,2(5), 1542–1551. https://doi.org/10.46729/ijstm.v2i5.300

Novera, A. (2014). The Effect of Promotional Costs on Sales of Honda Motorcycles at CV. Mitra Makmur Samarinda.EJournal of Business Administration Ilmu,2(4), 899–913. Of, E., & Materials, R. (2020).of Accounting, Faculty of Economics and Business, Tadulako University, Palu, Indonesia Corresponding author: 2283, 114–123.

Reinati, S., & Selan, DRE (2022).The Impact of Promotional Costs on The Sales Unit of Honda Beat Motorcycles : Case In Kupang- Indonesia.4(1), 46–52.

Rohmah, M., & Suselo, D. (2019). THE EFFECT OF PRODUCTION COSTS , OPERATIONAL COSTS , MARKETING COSTS AND PROMOTIONAL COSTS ON NET PROFIT WITH SALES VOLUME AS INTERVENING VARIABLES IN PT GUDANG GARAM TBK 2015-2019,80–101. https://doi.org/10.21274/balance.v1i01.5376 Sumarsan. (2017). Accounting journal,51(1), 1–15