

Innovating Sales Performance: The Impact of Consumer Behavior, Promotion Strategies, and Service Quality at PT Arta Sedana Ngurah Rai

Inovasi Kinerja Penjualan: Pengaruh Perilaku Konsumen, Strategi Promosi, dan Kualitas Layanan di PT Arta Sedana Ngurah Rai

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ABSTRACT

The primary objective of this research is to explore the impact of customer behavior, promotions, and service quality on the sales performance of PT Arta Sedana Ngurah Rai. The study's population consists of all customers of PT Arta Sedana Ngurah Rai, with a sample size of 90 individuals. The research employs a quantitative approach, using data obtained through questionnaires and analyzed using multiple regression analysis. IBM SPSS version 25 was utilized as the statistical tool for data analysis. The findings reveal that customer behavior positively and significantly influences sales performance, as indicated by a t-count of 3.804, which exceeds the t-table value of 1.662, with a significance level of 0.000 (< 0.05). Similarly, promotions have a positive and statistically significant relationship with sales performance, with a t-count of 1.778 > 1.662 and a significance level of 0.003 (< 0.05). Furthermore, service quality also positively and significantly impacts sales performance, with a t-count of 4.620 > 1.662 and a significance level of 0.000 (< 0.05).

Keywords : Consumer Behavior, Promotion, Service Quality, Sales Performance

ABSTRAK

Menemukan dampak dari perilaku konsumen , promosi, dan kualitas layanan terhadap kinerja penjualan PT ArtaSedana Ngurah Rai adalah tujuan utama dari penelitian ini. Populasi penelitian ini terdiri dari seluruh PT Arta Sedana Ngurah Rai, dengan jumlah sampel sebanyak 90 orang. Data yang digunakan berasal dari analisis regresi berganda, dan penelitian ini bersifat kuantitatif. Kuesioner digunakan untuk mendapatkan data. Strategi analisis data menggunakan alat statistik IBM SPSS versi 25. Keberhasilan penjualan dipengaruhi secara positif dan signifikan oleh perilaku konsumen. $3.804 > 1.662$ untuk t-hitung, dan $0.000 < 0.05$ untuk t-tabel, yang menunjukkan signifikansi secara statistik. Terdapat hubungan yang positif dan signifikan secara statistik antara kinerja penjualan dan promosi, yang ditunjukkan dengan t-hitung $>$ t-tabel ($1.778 > 1.662$) dan tingkat signifikansi $0.003 < 0.05$. Selain itu, kinerja penjualan dipengaruhi secara positif dan signifikan oleh kualitas layanan. $4,620 > 1,662$ dengan tingkat signifikansi $0,000 < 0,05$, menunjukkan bahwa t-hitung $>$ t-tabel.

Kata Kunci : Prilaku Konsumen, Promosi, Kualitas Pelayanan, Kinerja Penjualan

1. Introduction

Businesses in today's globally interconnected world must continually innovate to meet customer demands and thrive in competitive markets. Indonesia's retail sector, ranked 12th globally in AT Kearney's 2015 Global Retail Development Index (GRDI), has demonstrated substantial growth, highlighting the importance of adopting customer-centric strategies to maintain competitiveness. However, the rapid pace of competition in the retail market often leads businesses to engage in misleading tactics to attract consumers, which underscores the need for ethical and effective marketing strategies (Chatterjee & Kar, 2020). This research focuses on the interplay between consumer behavior, promotion, and service quality in influencing sales performance, using PT Arta Sedana Ngurah Rai as the case study.

Despite the significant growth in Indonesia's retail sector, businesses face challenges in understanding and leveraging consumer behavior, promotional activities, and service quality to enhance sales performance. While previous studies have addressed these factors independently, there remains a gap in exploring their integrated impact on retail success (Malthouse et al., 2013; Kim & Kim, 2020). Furthermore, existing research often neglects the context of developing economies like Indonesia, where consumer behavior and promotional strategies may differ significantly from those in developed markets (Nguyen & Malik, 2020). Although extensive studies have examined consumer behavior, promotion, and service quality as individual determinants of sales performance, limited research investigates their combined effects in the retail industry within Indonesia. This study bridges this gap by providing a holistic analysis of these factors in a specific organizational context. The novelty lies in its focus on PT Arta Sedana Ngurah Rai, a prominent player in the retail sector, offering practical insights for businesses operating in similar environments (Ladhari & Michaud, 2015; Pantano & Priporas, 2016).

The primary objective of this research is to examine how consumer behavior, promotional activities, and service quality collectively influence sales performance at PT Arta Sedana Ngurah Rai. By understanding these relationships, the study aims to provide actionable recommendations for businesses to enhance their competitive advantage and customer satisfaction. Given the evolving consumer expectations and intensifying market competition, this research is urgent for businesses seeking to remain relevant and profitable (Alalwan, 2018; Gao & Bai, 2014). The study of consumer behavior involves analyzing decision-making processes related to product and service selection, acquisition, and utilization to fulfill needs and wants (Martínez-Ruiz & Moser, 2019). Understanding these behaviors enables businesses to tailor their offerings effectively. Promotions aim to educate, remind, and persuade target audiences about products and services, facilitating purchase decisions (Shareef et al., 2017). Effective promotional strategies are critical for introducing new offerings and driving sales (Chatterjee & Kar, 2020). Service quality reflects the dynamic interplay of human and material resources in delivering services that meet customer expectations. High-quality service fosters customer satisfaction and loyalty, contributing to overall business success (Nguyen & Malik, 2020; Tjiptono, 2020). The findings of this study are essential for businesses aiming to adapt to rapidly changing market dynamics. By addressing the interplay between consumer behavior, promotion, and service quality, this research contributes to developing robust marketing strategies that align with consumer needs and expectations. It also supports the broader objective of enhancing Indonesia's retail sector's competitiveness on a global scale (Huang & Liao, 2017; Kumar & Pansari, 2016). In conclusion, this research seeks to provide a comprehensive understanding of the factors influencing sales performance in Indonesia's retail sector. It not only fills a significant research gap but also offers practical implications for businesses like PT Arta Sedana Ngurah Rai to optimize their marketing efforts and achieve sustainable growth.

2. Literature Review

Consumer Behavior

Consumer behavior, a critical determinant of sales performance, entails the study of decision-making processes related to the selection, acquisition, and use of products and services to satisfy needs and wants (Martínez-Ruiz & Moser, 2019). Gao and Bai (2014) highlighted the influence of website atmospheric design on online consumer behavior, suggesting that well-curated environments can significantly impact purchasing decisions. Similarly, Huang and Liao (2017) emphasized the role of augmented reality in enhancing e-shopping experiences, illustrating how multisensory flow can shape consumer engagement and behavior.

Promotion

Promotions serve as a vital tool in marketing strategies, aiming to educate, persuade, and remind consumers about a business's offerings. Shareef et al. (2017) demonstrated how effective content design in mobile marketing enhances consumer exposure, fostering positive purchase intentions. Alalwan (2018) further examined social media advertising's features and their significant impact on customer purchase intentions, indicating that targeted promotional strategies can directly boost sales performance. Chatterjee and Kar (2020) investigated social media marketing's role among small and medium enterprises in India, showcasing how it facilitates customer engagement and business growth.

Service Quality

Service quality has been identified as a pivotal factor in driving customer satisfaction and loyalty. Nguyen and Malik (2020) underscored the importance of integrating technology adoption to enhance service quality, thereby improving customer loyalty in the banking sector. Tjiptono (2020) also emphasized that service quality involves a dynamic state that aligns resources and service delivery to meet or exceed customer expectations. Kumar and Pansari (2016) discussed the role of customer engagement in achieving competitive advantage, linking high-quality service to improved customer relationships and business outcomes.

Sales Performance

Sales performance, an indicator of business success, is influenced by consumer behavior, promotion, and service quality. Malthouse et al. (2013) introduced the concept of social CRM, highlighting its relevance in managing customer relationships in the social media era. Ladhari and Michaud (2015) explored the effects of electronic word-of-mouth (eWOM) on booking intentions, attitudes, and trust, demonstrating how trust mediates the relationship between promotions and sales performance. Mero et al. (2020) discussed marketing automation's role in streamlining promotional efforts, indicating its positive impact on sales efficiency.

Hypotheses

H1: Consumer behavior has a positive and significant effect on sales performance at PT Arta Sedana Ngurah Rai.

H2: Promotion has a positive and significant effect on sales performance at PT Arta Sedana Ngurah Rai.

H3: Service quality has a positive and significant effect on sales performance at PT Arta Sedana Ngurah Rai.

3. Methods

This study involved a total of 190 participants, consisting of 90 adults from PT Ngurah Rai and 90 individuals selected based on Malhotra's sampling theory (2006, p. 291). The research employed a quantitative approach, with primary data collected through questionnaires. Statistical analyses were conducted using SPSS, which included tests for reliability, validity, multiple linear regression, t-test, F-test, and determination coefficients.

1. **Quantitative Data:** The research relied on quantitative data, which refers to numerical information that can be analyzed mathematically or statistically. This type of data helps researchers assess the patterns and relationships between variables.

2. **Primary Data:** Primary data refers to information directly gathered from participants, as opposed to secondary data sourced from existing studies or publications. In this research, primary data were collected through questionnaires distributed to participants, as well as direct interviews (Sugiyono, 2016).
3. **Population and Sample:** The population for this study comprises individuals who have purchased products from PT Arta Sedana Ngurah Rai. According to Malhotra's method, the sample size is determined by multiplying the number of variables or indicators by five, which is particularly useful when the population size is unknown (2006, p. 291). Based on this calculation, 90 respondents were selected for the sample.
4. **Sample Size Calculation:** To facilitate data processing and ensure reliable results, the sample size was calculated using the IBM SPSS Statistics software (version 25). This resulted in a final sample of 90 respondents.

4. Results and Discussion

The validity of an instrument's provisions is determined by whether the correlation coefficient is significant at a level of 5% or $\alpha = 5\%$. According to Sugiyono's (2019) table, the corrected item total correlation (r) is greater than $r-2$. The outcomes can be shown in the following way:

Table 1. Validity Test Results

Variable Instrument	Corrected Item Total Correlation	r-Table	Description
Consumer Behaviour			
PK1	0,766	0,207	Valid
PK2	0,908	0,207	Valid
PK3	0,870	0,207	Valid
Promotion			
PR1	0,703	0,207	Valid
PR2	0,800	0,207	Valid
PR3	0,714	0,207	Valid
PR4	0,799	0,207	Valid
PR5	0,812	0,207	Valid
Service Quality			
KUP1	0,713	0,207	Valid
KUP2	0,818	0,207	Valid
KUP3	0,878	0,207	Valid
KUP4	0,795	0,207	Valid
KUP5	0,709	0,207	Valid
Sales Performance			
KIP1	0,770	0,207	Valid
KIP2	0,817	0,207	Valid
KIP3	0,752	0,207	Valid
KIP4	0,681	0,207	Valid
KIP5	0,830	0,207	Valid

Results showing a Corrected Item-Total Correlation value greater than 0.207 indicate that the variable creating instrument is valid for use.

Table 2. Reliability Test Results

Indicator Instrument	<i>Crobach'sAlpha</i>	Reliable Condition	Description
Consumer Behaviour	0,709	0,60	Reliable
Promotion	0,723	0,60	Reliable
Service Kualaity	0,798	0,60	Reliable
Sales Performance	0,791	0,60	Reliable

The following values for the reliability statistics variables are shown in the table: Y for sales performance, X2 for promotion, X3 for service quality, and Cronbach's Alpha for consumer behavior (X1). All variables were deemed reliable because the reliability test in this study yielded Cronbach's Alpha values of 0.60 or above for each variable.

Table 3. Multiple Linear Regression Analysis Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.635	1.515		1.740	.085
	PK	.457	.120	.447	4.620	.000
	PR	.146	.099	.138	1.778	.003
	KUP	.463	.100	.325	3.804	.000

The previous discussion of the multiple linear regression equation allows one to get a constant value of 2.635. The metrics for customer behavior, advertising, and service quality all point to a positive 2.635.

Table 4. Normality Test Results

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	
N			90
Normal Parameters ^{a,b}	Mean		.0000000
	Std. Deviation		2.05278631
Most Extreme Differences	Absolute		.078
	Positive		.040
	Negative		-.078
Test Statistic			.078
Asymp. Sig. (2-tailed)			.200 ^{c,d}

The aforementioned normalcy test displays the asymp result, which can be seen in table 4. A significance level of 0.200 is higher than the accepted threshold of 0.05. Therefore, it can be concluded that the research data follows a normal distribution. Consequently, normalcy is satisfied.

Table 5. Multicollinearity Test Results

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	PK	.566	1.767
	PR	.477	2.096
	KUP	.442	2.263

Table 5 displays the results, which indicate that the VIF value is less than 10 and the tolerance value is greater than 0.10. That the independent variables in the regression model do not suffer from multicollinearity.

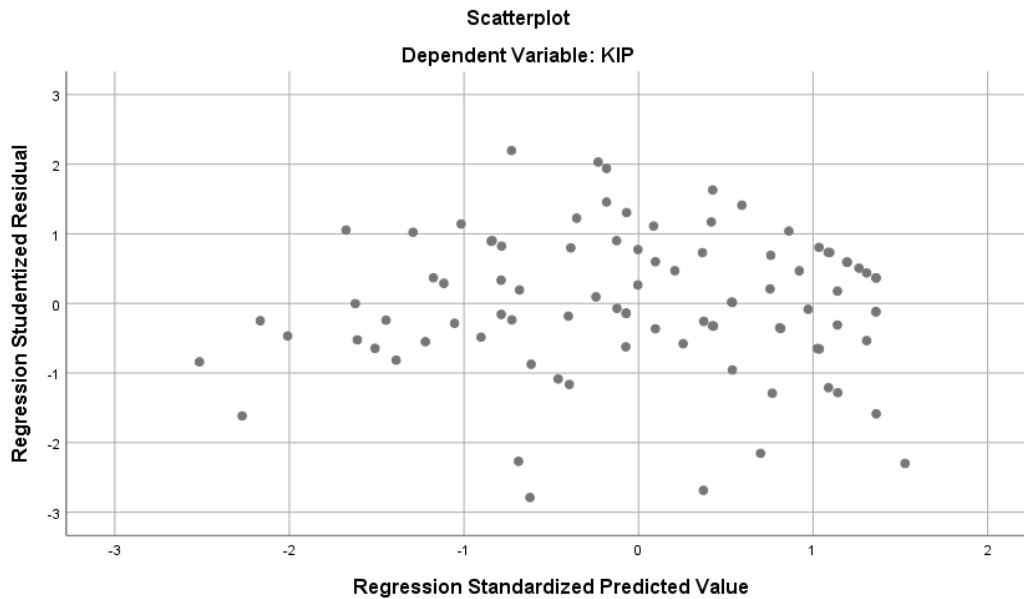


Figure 1. Heteroscedasticity Test Results

According to the scatterplot graph in Figure 1, which shows data that is spread out on the Y axis, does not form a clear pattern, and is greater than zero, there is no heteroscedasticity in this case. This means that the regression model can be used to predict sales performance with variables that impact customer behavior, promotion, and service quality.

Table 6. T- Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.635	1.515		1.740	.085
	PK	.457	.120	.325	3.804	.000
	PR	.146	.099	.138	1.778	.003
	KUP	.463	.100	.447	4.620	.000

The t-count value of the consumer behavior variable is higher than the t-table value (3.804 > 1.662) or sig $\alpha = 0.000 < 0.05$, indicating that it has a positive and significant impact on sales performance (acceptable). Similarly, the t-count value of the promotion variable is higher than the t-table value (1.778 > 1.662) or sig $\alpha = 0.003 < 0, 05$, indicating that the promotion variable also has a positive and significant effect on sales performance (acceptable). Lastly, the t-count value of the service quality variable is higher than the t-table value (4.620 > 1.662) or sig $\alpha = 0.000 < 0.05$, indicating that the service quality variable has a positive and significant effect on sales performance (acceptable).

Table 7. F Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	679.449	3	226.483	51.935	.000 ^b
	Residual	375.040	86	4.361		
	Total	1054.489	89			

The preceding computations lead to the conclusion that H_a is accepted and H_o is refused because $F_{count} > F_{table}$ ($51.935 > 3.10$). Statistically, this is significant at the 0.05 level. With a significance level of $0.000 < 0.05$, this suggests that sales success is influenced by consumer behavior, promotion, and service quality.

5. Discussion

This study aimed to identify the factors influencing PT Arta Sedana Ngurah Rai's sales performance, with a focus on consumer behavior, promotions, and service quality. The findings indicate that consumer behavior has a significant impact on the company's sales performance. This aligns with the research by Alalwan (2018), which highlights the significant role of consumer behavior in influencing purchase intentions, especially in the context of social media advertising. Additionally, the study supports the findings of Chatterjee and Kar (2020), who emphasize that understanding consumer behavior enhances the effectiveness of marketing strategies, leading to improved sales performance.

Promotions also proved to have a positive impact on sales performance. Well-designed promotional activities are crucial in attracting consumers and encouraging purchases, a point also emphasized by Kumar and Pansari (2016), who argue that customer engagement through effective promotional tactics creates a competitive advantage. Furthermore, Shareef et al. (2017) stress the importance of content design in mobile advertising to maximize consumer exposure. Hence, appropriate promotional strategies can significantly boost sales, which is consistent with the results of this study.

Service quality, the third factor examined, was found to positively affect sales performance. High service quality contributes to customer satisfaction and loyalty, which in turn enhances sales. Nguyen and Malik (2020) highlight that service quality in the banking sector positively impacts customer satisfaction and loyalty, a finding that is applicable across other industries as well. Additionally, Ladhari and Michaud (2015) underscore the importance of service quality in shaping consumer perceptions of a company, ultimately influencing their purchasing decisions. The results also support Gao and Bai (2014), who state that positive consumer experiences through service quality strengthen the relationship between a company and its customers, leading to improved sales.

In conclusion, the findings of this study suggest that consumer behavior, promotions, and service quality are interconnected factors that play a crucial role in enhancing sales performance at PT Arta Sedana Ngurah Rai. These results are in line with existing theories, which emphasize the importance of understanding consumer dynamics and optimizing marketing and service strategies to improve performance. Future research could explore additional variables, such as technology adoption or external factors, to provide a more comprehensive understanding of the influences on sales performance.

6. Conclusions

The purpose of this research was to identify the key factors influencing the sales performance of PT Arta Sedana Ngurah Rai, focusing on customer behavior, promotions, and service quality. The findings indicate that customer behavior, promotions, and service quality all have a significant and positive impact on the company's sales performance. The analysis supports the notion that understanding consumer behavior and preferences is crucial for enhancing sales, as well as the importance of effective promotional strategies and delivering high-quality services to maintain customer satisfaction and loyalty. These results align with existing research in the field, reinforcing the significance of these factors in achieving improved sales outcomes. For future research, it would be valuable to explore additional variables such as technology adoption, customer trust, and external market factors, as these may provide further insights into the drivers of sales performance. Moreover, examining the long-term effects of these factors and their interrelationships could contribute to a more comprehensive understanding of how businesses can sustain growth and competitive advantage.

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