

## Analysis of the Influence of Price, Promotion Media, and Quality of Product on Sales of MSMEs in Medan City

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### ABSTRACT

The development of MSMEs in the city of Medan is recorded as a significant development when compared to the surrounding infrastructure support areas such as Deli Serdang, Langkat, Binjai and others. In this study using a quantitative method, according to Sugiyono (2018), the quantitative research method is research based on the philosophy of positivism, used to examine certain populations and samples. This study used 100 samples from Medan Sunggal District, using the cluster sampling method. The results of this study indicate that the product price, promotional media, and product quality variables have a positive and significant effect with a coefficient of determination (Adjusted R Square) of 0.319. This means that the selection is influenced by product price, product promotion, and product quality variables of 31.9%. And in the t test, it is known that the Sig value for influencing product prices on product sales is 0.002 < 0.05 and the Tcount value is 3.158 > Ttable 1.985. So it can be stated that product prices have a significant effect on product sales. On the media promotion variable, it is known that the Sig value for influencing media promotion on product sales is 0.035 < 0.05 and the Tcount value is 2.140 > Ttable 1.985. So it can be stated that product promotion has a significant effect on product sales. And on product quality it is known that the Sig value for influencing product quality on product sales is 0.000 < 0.05 and the Tcount value is 4.890 > Ttable 1.985. So it can be stated that product quality has a significant effect on product sales.

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## Introduction

MSMEs believed is Wrong One group business who can endure to shock economy. MSMEs said as Foundation for the economy in Indonesia because it is undeniable, the development of MSMEs in Indonesia is getting fast. The more increase amount MSME group so field work open width, And Finally public resourced various business MSMEs thus reducing number unemployment, Which obtained income area spread evenly, so Indonesia's economy is far away more good and growing as well as the existing market is also growing creative and innovative and collaborative.

According to Bashu Swastha (in Nasution et al, 2020) price is amount Money (plus a number of product if maybe) Which needed For get a number combination from goods along service. Price own perception Which different according to view every person indetermine decision purchase. Influence price can influence sale product MSMEs city terrain. Like (2019:129) "promotion is something communication from originating sellers and buyers from the right information that aim For change attitude And Act in demand buyer, which it was n't know become know so that become buyer And still remember product those". Sales are also heavily influenced by promotions product. Kotler in (Melyani, 2016) says "Quality product is whole characteristic on characteristic goods And service Which influential on ability in fulfil needs and wants consumer, then will try make which product good quality displayed from characteristic features outside (design) of the product as well as core (cores) product That myself". Quality product Also affect significant to sale the product itself.

Mulyadi (2019) sales is activities carried out by the seller in sell goods or service with hope will obtain profit from exist transactions the And sale can interpreted as diversion or transfer ownership rights over

goods or services from party seller to buyer. Sale product MSMEs in city terrain, it turns out influenced by price, media promotion, quality product

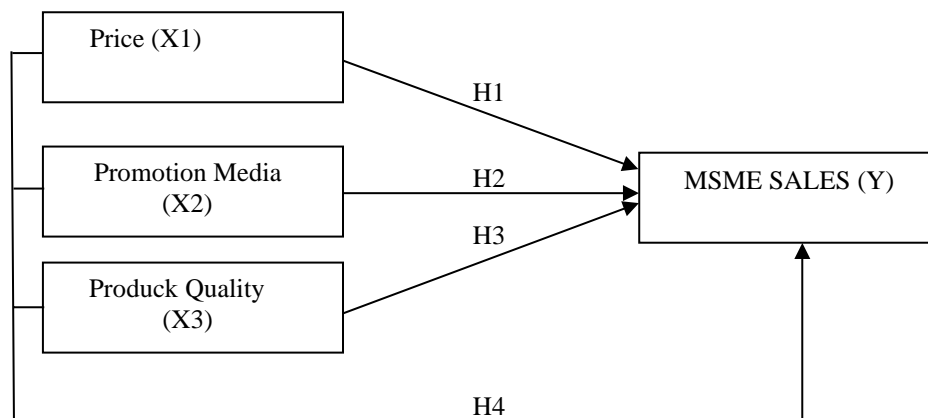
## Literature Review

According to Sanapiah Faisal (2019) which is it here put forward that study that is Wrong One activity To use study something problem with use method scientific in a manner arranged as well as systematically so you can find knowledge new Which Can dependable the truth relax world natural And social.

**Table 1 Research Previously**

No	Name And Year Study	Title Study	Variable Study	Results Study
1	Mirna Sulistyawati, Friday Mufarihin (2020)	Analysis Influence Price, Medium Promotion and Diversity Product Against Decisions Purchasing via Online (Study Cashier On Party consumers Online Partners	Variable Independent is Price, Promotion Media, Diversity Products and Variable dependent is Decision Purchase	Price, Medium Promotion and diversity product influential
2	Ana Miftahul Jannah (2019)	Influence Promotion, Quality Product And Quality Service To decision save Customer Bank Sharia	Variable Independent is Promotion, Quality Product And Quality Service whereas variable dependent is Decision Save	Promotion, quality product, quality service own influence positive And significant to decision save.
3	Rini Astuti, Ihsan Abdullah (2019)	Influence Quality Product And Promotion to Decision Purchase attire Business Micro Small Intermediate	Variable Independent is Quality Product And Promotion whereas Variable dependent is Decision Purchase	Quality product, Promotion influence significant to decision purchase
4	Fifi Elijah Devi (2021)	analysis Promotion On line Marketing At Sale Product Musae Chips In Jember	Variable Independent is Promotion And Variable the dependent is Sale	Promotion very significant to sale product

### Framework Conceptual



**Figure 1 Framework Conceptual**

### Hypothesis

- H1 : Price influential to sale MSMEs in the city Medan  
 H2 : Media Promotion influential to MSME sales in the city of Medan  
 H3 : Quality Product influential to MSME sales in the city Medan  
 H4 : Price, Media Promotion, And Quality Product influential to MSME sales in the city Medan.

### Method

This research uses approach quantitative, where research data form the numbers and in the analysis use statistics research. This research was conducted in the city of Medan, which will be examined are MSMEs located in each district. Research Time Started from month September 2022. Data analysis techniques used is Analysis multiple linear regression ie something analysis association used in a manner together to research influence two or more variables free to One variables depends with scale intervals with equations as following:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_nX_n$$

### Research Results

#### Description General Company

The development of MSMEs in the city of Medan is recorded as a sufficient development significant If compared to area buffer infrastructure surrounding such as Deli Serdang, Langkat, Binjai and others. In Medan City, Medan Sunggal District is one district that has the total number of MSMEs in 2015 amounted to 33,655, with the Culinary MSME Sector totaling 10,598, sector trade 13,787, sector industry 789. sector agriculture 2098, sector 1766 services, and sectors others 4,617.

#### Results Test validity And Reliability

**Table 2 Test validity Variable**

Variable	Mark Test validity	Mark Significance	Results
Price	0.640	0.195	Valid
	0.611	0.195	Valid
	0.615	0.195	Valid
	0.610	0.195	Valid
	0.635	0.195	Valid
	0.624	0.195	Valid
	0.640	0.195	Valid
	0.642	0.195	Valid

Promotion Media	0.629	0.195	Valid
	0.661	0.195	Valid
	0.706	0.195	Valid
	0.660	0.195	Valid
	0.713	0.195	Valid
	0.646	0.195	Valid
	0.651	0.195	Valid
	0.651	0.195	Valid
Quality Product	0.618	0.195	Valid
	0.624	0.195	Valid
	0.713	0.195	Valid
	0.594	0.195	Valid
	0.734	0.195	Valid
	0.598	0.195	Valid
	0.582	0.195	Valid
	0.589	0.195	Valid
Sale Product	0.611	0.195	Valid
	0.512	0.195	Valid
	0.592	0.195	Valid
	0.537	0.195	Valid
	0.564	0.195	Valid
	0.550	0.195	Valid
	0.595	0.195	Valid
	0.604	0.195	Valid

Source: Research Results (2023)

On the validity of the test performed own mark bigger from equation r table (0.195) with *alpha* significance below 0.05. So can given conclusion that mark from tested validity fully valid. The following are reliability test results that is as following:

**Table 3 Test Reliability Variable**

Variable	Reliability Test Value	Results
Price	0.776	Reliable
Promotion Media	0.814	Reliable
Quality Product	0.779	Reliable
Sale Product	0.703	Reliable

Source: Research Results (2023)

On value *Cronbach's Alpha* with more from 0.60, own understanding that all variables which tested Already fulfill criteria reliability.

### Statistics Descriptive

**Table 4 Statistics Descriptive**

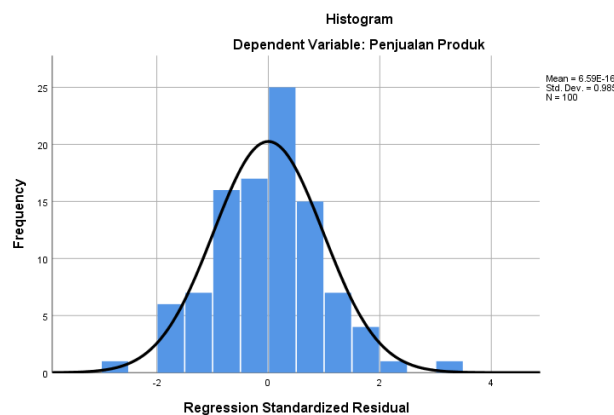
Descriptive Statistics					
	N	Minimum	Maximum	Means	std. Deviation
Product Price	100	16	39	28.45	4,217
Promotion Media	100	19	40	31.05	4,120
Quality Product	100	18	37	27.51	4,366
Sale Product	100	21	40	30.64	3,915
Valid N (listwise)	100				

on the table shown above there are 4 statistical data variables from sample data research on MSMEs in Medan Sunggal District, following exposure to statistical data with price variables product, promotion product, quality products, and sales product:

1. Of the 100 samples collected price data product showing the minimum value is 16 and the maximum value is 39 while the mean is 28.45 with the standard deviation 4,217.
2. From 100 samples of promotional media data showing the minimum value is 19 and the maximum value is 40 while the mean is 31.05 with standards deviation 4120.
3. From 100 samples of quality data product showing the minimum value is 18 and the maximum value is 37 while the mean is 27.51 with the standard deviation 4,366.
4. Out of 100 samples sales data product showing the minimum value is 21 and the maximum value is 40 while the mean is 30.64 with standards deviation 3,915.

## Normality Test

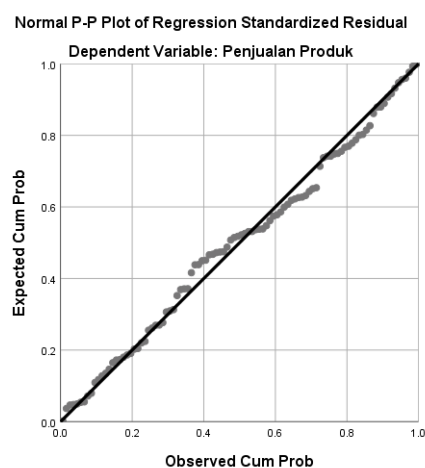
Graphics histogram



**Figure 1 Analysis Graph for Normality Test**

In the histogram image above the data shows shaped real curve tend symmetry And spread, this can can We Look that the data shows distributed according to circumstances normal, and models regression has fulfil assumption normality.

B. Normal Probability Plot Graph



**Figure 2 Analysis Normality P.Plot graph**

In the Normality P.Plot image on We can see the data spread around the diagonal line, then Can stated that the data is distributed the Can stated normal.

Table 5 Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residuals
N		100
Normal Parameters <sup>a,b</sup>	Means	.0000000
	std. Deviation	3.18028086
Most Extreme Differences	absolute	.067
	Positive	.064
	Negative	-.067
Test Statistics		.067
Asymp. Sig. (2-tailed)		.200 <sup>c,d</sup>
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Based on the results of the Kolmogorov-Smirnov test that has been carried out show mark Asymp. Sig who has value  $0.200 > 0.05$ . It can show that the data is distributed normal and regression can used to predict the dependent variable sale product according to independent variable input that is price product, promotional media, quality product.

### Multicollinearity Test

Table 6 Multicollinearity Test  
Coefficients <sup>a</sup>

Model		Unstandardized Coefficients		Collinearity Statistics	
		B	std. Error	tolerance	VIF
1	(Constant)	6,428	4,065		
	Product Price	.247	.078	.966	1035
	Promotion Media	.171	.080	.976	1025
	Quality Product	.432	.075	.980	1020

a. Dependent Variable: Sales Product

In the table above we can see that the tolerance values are displayed on the product price variable, promotional media, and product quality respectively 0.966, 0.976, and 0.980 greater than 0.10, while the VIF value of the product price variable ( $X_1$ ) is 1.035, the promotional media variable ( $X_2$ ) is 1.025, and the product quality variable ( $X_3$ ) of 1.020 is less than 10, so the three independent variables do not have multicollinearity disturbances. In the multicollinearity test, if the VIF value is  $< 10$ , it can be stated that there is no multicollinearity disorder, and vice versa if the VIF value is  $> 10$ , there is multicollinearity disorder.

### Heteroscedasticity Test

Scatterplot test

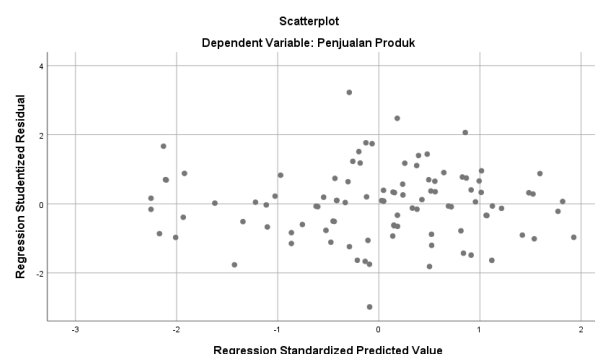


Figure 3 Scatterplot

In the scatterplot image above displays image on test heteroscedasticity to variable dependent that is sale product, show that dot, dot, dot spread in a manner random as well as well spread over or under the number 0 on the Y axis. Then can concluded that didn't happen heteroscedasticity in the regression model.

### Glesjer's test

**Table 7 Glesjer Test Table**  
**Coefficients<sup>a</sup>**

Model		t	Sig.	Collinearity Statistics tolerance	VIF
1	(Constant)	1939	.055		
	Product Price	-1,345	.182	.966	1035
	Promotion Media	-1,292	.199	.976	1025
	Quality Product	1027	.307	.980	1020

a. Dependent Variable: ABS

Based on Table 7 shows Glasjer test results that sig value on price product worth  $0.182 > 0.05$ , sig value on promotional media has a value of  $0.199 > 0.05$ , and a sig value on quality product  $0.307 > 0.05$ . It can we say that the Glesjer test is not found happen heteroscedasticity but homoscedasticity.

### Multiple Linear Analysis

**Table 8 Multiple Liner Regression Analysis**  
**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients B	std. Error
1	(Constant)	6,428	4,065
	Product Price	.247	.078
	Promotion Media	.171	.080
	Quality Product	.432	.075

a. Dependent Variable: Sales Product

The above table already shows the test results from multiple linear regression analysis, the multiple linear regression equation obtained is as follows:

$$Y = 6.428 + 0.247 X_1 + 0.171 X_2 + 0.432 X_3$$

- The table above shows the constant value from the results of the multiple linear regression analysis test which shows a value of 6,428. It can be interpreted that if product prices, product promotions, and product quality are equal to zero (0), product sales have decreased
- The table above shows the variable value of the product price on product sales has an effect of 0.247, meaning that it has a positive effect according to hypothesis 1, where changes in the product price variable affect the product sales variable by 0.247 units.
- The table above shows the value of the media promotion variable on product sales that has an effect of 0.171, meaning that it has a positive effect according to hypothesis 2, where promotion influences the product sales variable by 0.171 units.
- The table above shows the value of the product quality variable on product sales has an effect of 0.432, meaning that it has a positive effect according to hypothesis 3, where changes in the product quality variable affect the job satisfaction variable by 0.432 units.

### Coefesion determinant

**Table 8 Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.583 <sup>a</sup>	.340	.319	3,230

a. Predictors: (Constant), Quality Products, Promotions Product, Product Price

b. Dependent Variable: Sales Product

The table above shows the results of the coefficient of determination test which shows the value of the coefficient of determination (*Adjusted R Square*) is 0.319. This means that the selection is influenced by product price, promotional media, and product quality variables of 31.9%. While the remaining 68.1%. The rest of the results of this determination coefficient can be explained by other factors outside of this study such as service quality, product variants, advertising attractiveness, digitization and other variables that can affect sales.

### Simultaneous Test (Test F)

**Table 9 Partial Test ANOVA<sup>a</sup>**

Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	515,736	3	171,912	16,482	.000
	residual	1001.304	96	10,430		
	Total	1517040	99			

a. Dependent Variable: Sales Product

b. Predictors: (Constant), Quality Products, Promotional Media, Product Prices

The table above already displays the results of the simultaneous test f, Based on test results show mark Fcount of 16,482 more big > of Ftable 2.7 indicates this that results study accept H4. So can concluded that exists influence price product, promotional media, and quality product in a manner simultaneous to sale product.

### Influence Test Partial (t-test)

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	6,428	4,065		1,581	.117
	Product Price	.247	.078	.266	3.158	.002
	Promotion Media	.171	.080	.180	2,140	.035
	Quality Product	.432	.075	.482	5,751	.000

a. Dependent Variable: Sales Product

ttable =  $(\alpha / 2 ; nk-1)$

=  $(0.05 / 2 ; 100 - 4 - 1)$

=  $(0.025 ; 95) = 1.985$

1. Testing hypothesis First (H1)

Is known Sig value to influence price product to sale product of 0.002 < 0.05 and value Tcount 3.158 > Ttable 1.985. So can stated that price product influential significant to sale product.

2. Testing hypothesis First (H2)

Is known Sig value to influence promotional media to sale product of 0.035 < 0.05 and value Tcount 2,140 > Ttable 1,985. So can stated that promotional media influential significant to sale product.

3. Testing hypothesis First (H3)

Is known Sig value to influence quality product to sale product of 0.000 > 0.05 and value Tcount 4,890 > Ttable 1,985. So can stated that quality product influential significant to sale product.

## Discussion

### Effect of Product Prices on Product Sales At Medan City SMEs

The results of this study show that the data price product positive and significant effect on sales products with a Sig value of 0.002 < 0.05 and value Tcount 3.158 > Ttable 1.985. kindly general, rate more price low usually trigger amount requested product will high. This research is also supported by Maqfira Dwi Utami (2013) shows prices and costs promotion There is deep significant relationship increase in sales volume  $R^2 = 0.993$  means There is significant influence and relationship between prices and promotions whereas with the theory put forward by Machfodz (2005) says setter something price can influenced by



internal factors consisting from objective marketing company product, costs incurred company to manufacture and market products and financing employee as well as method used company to market products and factors external can seen of the market model to be aim product, competition price by product other, as well environment to be become target product the.

### **The Influence of Promotional Media on Product Sales At Medan City SMEs**

The results of the research show that promotional media positive and significant effect on sales products with a Sig value of  $0.035 < 0.05$  and value Tcount  $2,140 > T_{table} 1,985$ . The results of this study are supported by research earlier by Robby Satriawan (2017) who stated that promotion influential positive significant to sales volume at Kangaroo Motor Mandiri, this is shown from t test results with value significant  $0.000 < 0.05$ . The magnitude influence Promotion (X) to sales volume (Y) coefficient correlation  $R = 0.488$  (48.8%) the rest influenced by other variables not included in this study. Promotions carried out in a manner One directions made To use influence other party to do so create exchange in marketing.

### **Effect of Product Quality on Product Sales At Medan City SMEs**

The results showed that the quality product positive and significant effect on sales products with a Sig value of  $0.000 > 0.05$  and value Tcount  $4,890 > T_{table} 1,985$ . The results of this study are supported by research earlier by M Yusuf Maulana (2019) who stated that quality product contribute on selling volume of  $R^2 0.936$ , meaning sales volume can explained by price selling and quality product by 93.6%. Perception consumer to whole quality or superiority something product. Usually Because lack of knowledge buyer will attribute or characteristic features product to be bought, then buyer perceive quality.

### **The Influence of Product Prices, Media Promotions, and Product Quality on Product Sales At Medan City SMEs**

From the results of the F test it is known that the price product, promotional media, and quality product has a significant effect on sales product with a value of Fcount  $16,482 > F_{table} 2.7$ . This shows with the price product, promotion product and quality product will increase sale product. The magnitude of the price effect product, promotion product and quality product to sales product as big 31.9%, and the remaining 68.1% can be explained by other factors outside of this study such as service quality, product variants, advertising attractiveness, digitization and other variables that can affect sales.

## **Conclusion**

From the results of research on " The Influence of Product Prices, Media Promotions and Quality Products in Medan City MSME " can concluded that:

1. Product prices have a positive and significant effect on sales products in Medan City SMEs with a Sig value to influence price product to sale product of  $0.002 < 0.05$  and value Tcount  $3.158 > T_{table} 1.985$
2. Promotion Media positive and significant effect on sales products in Medan City SMEs with a Sig value to influence promotional media to sale product of  $0.035 < 0.05$  and value Tcount  $2,140 > T_{table} 1,985$
3. Quality product positive and significant effect on sales products in Medan City SMEs with a Sig value to influence quality product to sale product of  $0.000 > 0.05$  and value Tcount  $4,890 > T_{table} 1,985$
4. Product prices, promotions product and quality products simultaneously have a positive and significant effect on sales products in Medan City SMEs

## **Suggestions**

Suggestions from the results of research on " Influence Product Prices, Media Promotions And Quality Products for SMEs in Medan City, namely:

1. MSMEs must improve and improve price product, promotional media, and quality product because can influence sale product
2. For future researchers, it is suggested to conduct and develop this research with other variables that can affect sales product because there are still the influence of other factors that affect sales product of 68.1 %.

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