

The Influence of Social Media, Advertising and Resellers on Marketing Strategies in Increasing Sales on SME Snack Food Products Croccante Chips

David Erwinson^{1*}, Dedi Sulistyo²

^{1,2} Department of Management, Postgraduate Faculty
Universitas Komputer Indonesia, Bandung, Indonesia

Email: david.7522017@mahasiswa.unikom.ac.id

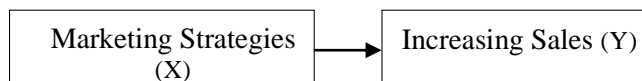
Abstract. The current business development requires SMEs to carry out several strategies in marketing in running their business. Based on the results of a survey conducted by BPS, around 34.10% of businesses sell via online and 65.90% by offline. This shows that the right marketing strategy will greatly affect the increase in product sales either online or offline. For this reason, this study aims to see the effect of social media, advertising and resellers in increasing sales on Croccante Chips snack SME products. The method to be used in this research is descriptive quantitative. The number of samples used was 55 respondents with an error rate of 5%. The independent variables in this study are social media, advertising and resellers (X), the control variable is the marketing mix (Z), and the dependent variable is the level of sales (Y). The results showed that there is a positive and significant relationship between social media, advertising and resellers (X) to the level of sales (Y) of 52.2%, so it can be said that the higher the influence of social media, advertising and resellers, the higher the level of product sales.

1. Introduction

Croccante Chips is a local MSME company engaged in the production of snacks located in Indonesia and selling snack products. As a snack food production company, this company carries out production in a home industry manner where the steps in production require a relatively easy and short time in processing. The development of food companies is becoming increasingly critical for manufacturers, which is reflected in fierce competition in products, prices, promotions, and taste quality. Therefore, the marketing strategy must be managed properly so that it becomes a company weapon to capture consumer interest. But in reality, there are still many problems in the marketing strategy that hinder the growth of sales of this snack product, such as: less active social media, lack of advertising, and how to distribute resellers. The products offered by this company and the way they are sold are still not optimal. Production is currently only available in Bandung, making it difficult for consumers outside the area to get this product. In this study there are previous studies that are quite relevant including: those that examine the Effect of Marketing Strategy and Service Quality on Consumer Purchasing Decisions at PT Sarana Bandar Logistik which uses descriptive quantitative methods with the results of the research obtained, namely the higher the level of use of digital media, the higher the level of sales [1]. The influence of Marketing Strategy and Service Quality on Consumer Purchasing Decisions at PT Sarana Bandar Logistics which uses quantitative methods from the results of the study there is a significant and positive influence on consumer purchasing decisions at PT Sarana Bandar Logistics [2]. Analysis of Reseller and Dropshipper Mechanisms in Online

Business in the Perspective of Islamic Economics (Case Study at Ulfa Hijab Store Tulungagung) which uses descriptive qualitative methods and the results of the study show that the reseller and dropshipper mechanisms are highly dependent on the pricelist submitted by the supplier, in this way helping to increase sales of goods with the benefits obtained by Ulfa Hijab Store. [3]. His research on the Effect of Advertising, Product Price, and Discount on Consumer Purchase Decision in Online Shopping During the COVID-19 Pandemic at PT Map Aktif Adiperkasa, Tbk using quantitative methods shows that simultaneously advertising, product prices, and discounts have a significant effect on consumer purchasing decisions in online shopping during the COVID-19 pandemic at PT Map Aktif Adiperkasa, Tbk [4]. The influence of Price Products, Promotion, Place and Service Quality on Purchasing Decisions on Consumers of PT Nugraha Ekakurir Line which uses quantitative methods and the results of the study show that simultaneously and partially Products, Prices, Location, Promotion and Service Quality have a positive and significant influence on Purchasing Decisions on consumers of PT Nugraha Ekakurir Line [5].

Marketing strategy is one of the targets and desires, rules and standards as guidelines for efforts in marketing products or services from time to time, at each level and target and its details, in essence to respond to the company to adapt to the environment and uncertain competitive situations [6]. Marketing strategy is one way to win a sustainable competitive advantage for companies that produce goods or services [7]. Marketing mix and service quality simultaneously have a significant effect on customer satisfaction [8]. The elements of the marketing mix according to Kotler and Armstrong are: (1) Product, (2) Price, (3) Promotion, and (4) Place. Social media is an online media, where users can easily participate, share, and create content including blogs, social networks, wikis, forums and virtual worlds. Blogs, social networks and wikis are the most common forms of social media used by people around the world. Another opinion says that social media is online media that supports social interaction and social media uses web-based technology that turns communication into an interactive dialog. The definition of social media is a set of new communication and collaboration tools that enable various types of interactions that were previously unavailable to people [9]. The results of this study concluded that online advertising through Facebook has a positive and significant effect on increasing the number of customers at Mine Coffee Soppeng, online advertising through Instagram has a positive and significant effect on increasing the number of customers at Mine Coffee Soppeng, online advertising through Facebook has the most dominant effect on increasing the number of customers at Mine Coffee Soppeng. [10]. Meanwhile, Wells, Burnett and Moriarty 1998 (in Sutisna, defines advertising as follows: "Advertising is paid nonpersonal communication from an identified sponsor using mass media to persuade or influence an audience". So that according to the author, what is meant by advertising is an activity used by a person or group of people to attract or direct other people's minds to a certain goal using certain media. Reseller is a reseller or person who sells other people's products through their website / platform with an agreement [11]. So according to the author, a reseller is a person who buys a product from another party that is not for his own consumption or use, but for resale with the aim of earning income or profit from the sale of the product. Consumer purchase decision is the stage in the purchase decision selection process where consumers are serious about buying [12]. "The consumer typically passes through five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post purchase behavior" [13]. According to the effect of e-commerce on increasing the income of MSMEs assisted by RKB BNI Padang City is significant to the variable income of MSMEs assisted by RKB BNI Padang City [14]. While the purpose of this study is to find out what marketing strategies are right for consumer purchasing decisions, to find out the effect of marketing strategies through Social Media, Advertising and Resellers on increasing sales of Croccante Chips products. From the descriptions above, it can be clarified through the variable influence of marketing strategies on increasing sales, based on the description above, the authors make a concentration of research variables. The following is a conceptual framework for this research:



X : Marketing Strategies Y : Increasing Sales

Figure 1. Theory Framework

Based on the above framework, the researcher makes an associative hypothesis (relationship) that is tested, namely:

H1: There is an influence on the use of social media, advertising and resellers on the level of sales of culinary snack products at Croccante Chips.

H0: There is no influence on the use of social media, advertising and resellers on the level of sales of culinary snack food products at Croccante Chips.

3. Method

The research approach used is a descriptive quantitative method that tests Stanton's theory by examining the relationship between variables concerning the marketing mix. Variables are measured with research instruments, so that data consisting of numbers can be analyzed based on statistical procedures [15].

Operational Definition

This study leads to two variables, namely the independent variable (X) the use of social media, advertising and resellers and the control variable (Z) marketing mix, while the dependent variable is the level of sales (Y).

1. Independent variable (Independent Variable / X variable)

In this study, the variable use of digital media (X) is related to the use of social media, advertisements and resellers in order to obtain information, interact and transact with each other. The variable indicators of the use of social media, advertising and resellers (X) are:

- Frequency: includes the frequency of using and promoting through social media, advertisements, and resellers.
- Duration: includes the period of time and length of time using social media, advertising, resellers.
- Attention: includes attention to the way of promotion and the number of social media, advertisements, resellers used.

2. Dependent Variable (Variable Y)

In this study related to the level of sales (Y). The sales level in question is the achievement of sales expressed in quantitative form in terms of physical or volume.

Data Collection Techniques and Sources

The research method used is a survey and uses a questionnaire as a data collection tool. The population of this study were current consumers of Croccante Chips in Bandung City. The sample was only partially taken from the population, namely 55 respondents. Sample determination using Probability Sampling; Random Sampling where respondents are regular consumers of Croccante Chips who have made purchases either online or offline in their purchasing activities, The number of samples used was 55 respondents obtained with a tolerance limit of 5%.

Data Analysis Method

This research uses the Likert Scale method. The Likert scale can measure the attitudes, opinions, and perceptions of a person or group of people about social phenomena that occur. The questionnaire uses a 3-point scale with scores that can be given are Very Suitable (SC), Quite Suitable (CC), Not Suitable (TC).

4. Results and Discussion

Characteristics of Respondents

This study uses a questionnaire as a data collection instrument for some consumers of Croccante Chips products as a research sample. The total sample was 50 people who were classified into several characteristics based on the type of product flavor, age of the buyer, purchase platform, and others.

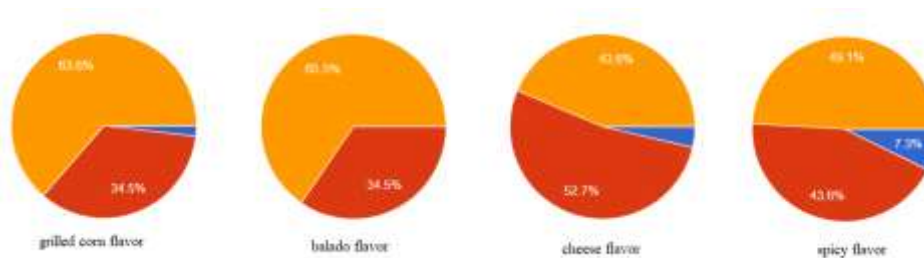


Figure 2. Prefers more than one flavor

Based on questionnaire data that has been distributed to 55 respondents, the results show that the type of product flavor that is preferred is the grilled corn flavor as many as 36 people or 63.6%, who like the balado flavor as many as 35 people or 65.5%, cheese flavor as many as 24 people or 43.6%, while the spicy flavor is 27 people or 49.1%. With questionnaire data stating that 1 respondent can like more than 1 flavor based on graph 1 above.

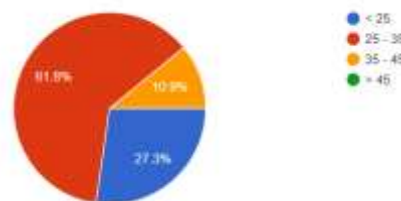


Figure 3. Age of Respondent

The results of graph 2 show that the number of respondents aged <25 years is 15 people or 27.3% of respondents aged 25 - 35 years as many as 34 people or 61.8% of respondents aged 35 - 45 years as many as 6 people or 10.9% and respondents aged >45 years are absent. So it can be concluded that the respondents studied are still of productive age to use technology and understand about advertisements and reseller sales methods. Most of the respondents in this study used Instagram social media in carrying out their marketing activities, namely 81.8%, while Facebook amounted to 5.5%. This result shows that respondents prefer Instagram social media to get information about products. Simple linear regression analysis was carried out in hypothesis testing to determine whether or not there was an effect of the variable use of digital media on the level of sales. The following is a table of analysis results based on table 1 below.

Table 1. Linear Regression Model

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	2.045	.521		.3924
	X1	.293	.134	.221	.033
	X2	.470	.127	.365	.001
	X3	.586	.104	.572	.000

a. Dependent Variable: Y

Based on the results of table 1 with the formula $Y = a + bX$ the equation is obtained with the regression results $Y = 2.045 + 0.221X_1 + 0.365X_2 + 0.572X_3$. The coefficients of the simple linear regression equation above can be interpreted that the regression coefficient for constant 2.045 indicates that if the variable use of social media will increase sales by 0.221 units or by 22.1%, the use variable increases sales by 0.365 units or by 36.5%, and the variable use of resellers increases sales by 0.572 units or by 57.2%. With $R = 0.522$ and $t_{Table} = 2.00$.

Partial Test

Partial hypothesis testing is intended to determine whether or not the independent variable partially affects the dependent variable. Based on the T test results in table 1, the T test results obtained for the variable use of social media, advertising and resellers (X) on the sales level (Y) with sig. $0.000 < \alpha = 0.05$ and $t \text{ count } 2.190, 3.708, 5.617 > t \text{ table } 2.00$ so that the test results show that partially the variables of social media, advertising and resellers have a significant and positive effect on the level of sales (Y) with a contribution of 52.2% to the dependent variable sales level, while the remaining 47.8% are other variables not included in this study.

The Influence of the Use of Social Media, Advertising, Resellers on the Sales Level of Results

Sweet Potato Chips Snack Products at Croccante Chips

The regression test results in table 1 and the partial test results show that there is an influence of variable X, namely social media, advertising and resellers on variable Y sales results seen from the R value in the regression table of $0.522 \sim 52.2\%$, thus supporting the hypothesis H1 previously explained, according to the research results, 43.6% of respondents admitted that they used Shopee quite often, 40% used Tokopedia, came to the store as much as 14.5%, and others 1.8%. The frequency of using Instagram social media of 81.8% observed the digital activities and promotions used. The social media that most respondents use in promoting is Instagram, which is 81.8%, while Facebook is 5.5% and other social media is 12.7%, this is because the respondents studied are dominantly productive men aged 25-35 years, namely 61.8% where their level of knowledge is sufficient to operate social media, understand advertising and what the reseller method is in product sales. These results support Stanton's theory of the marketing mix where among other things it determines the price of goods or services, promotes them, and distributes them to consumers and can satisfy consumers by increasing sales results. Adaptation to the role of audience publications in this case, researchers must follow industry developments and changes in consumer behavior. The benefit of using social media marketing, advertising and reseller methods in this case is that it is easy to monitor trends in consumer behavior such as what products consumers are most interested in, location of residence, hobbies and so on. This knowledge is very important for making various marketing innovations.

5. Conclusion

There is a positive and significant relationship between the use of social media, advertising and resellers to the level of sales, which is 52.2%, where Instagram is the most widely used social media by consumers with a percentage of 81.1% and the potential for increased sales obtained can reach 86.6%, with the use of advertising of 77.4% and the use of resellers of 64.4%. The potential to bring in sales is getting higher by utilizing various types of digital media, advertising and reseller systems that have characteristics and advantages in each of their needs and advantages. So it can be concluded that by using the 3 variables above it can be said that the higher the use of social media, the higher the sales level.

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