

JIM UPB

Journal of Management Studies Program
Universitas Putera Batam Vol.10 No.2

INFLUENCE OF DISTRIBUTION CHANNELS AND INFORMATION SYSTEMS MARKETING TO SALES EFFECTIVENESS PT. THE GREAT STAR OF MEDAN'S SUCCESS

By

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ABSTRACT

This research was conducted on consumers who work at PT. Bintang Agung Sukses Medan. The purpose of this study is to determine and analyze the effect of distribution channels and marketing information systems on sales effectiveness. The population and sample in this study amounted to 42 people. The sampling technique used is saturated. Data collection techniques are by distributing questionnaires and interviews. Data analysis used multiple linear regression analysis. The conclusion in the study that simultaneously distribution channels and marketing information systems have a positive and significant effect on the sales effectiveness of PT. Bintang Agung Sukses Medan. Partially, the distribution channel has an effect on the sales effectiveness of PT. Bintang Agung Sukses Medan. Partially, the marketing information system has a positive and significant effect on the sales effectiveness of PT. Bintang Agung Sukses Medan. The magnitude of the coefficient of determination can be seen from the Adjusted R Square value is: 0.341 means that Distribution Channels and Marketing Information Systems are able to explain Sales Effectiveness by 34.1% while the remaining 65.9% is influenced by variables not examined such as: product discounts, market segmentation, product prices, and so on.

Keywords : *Distribution Channels, Marketing Information Systems, Sales Effectiveness*

INTRODUCTION

During this pandemic, of course, many companies are experiencing difficulties in marketing their products. This is due to the declining purchasing power of consumers due to the economic crisis so that companies must implement various strategies so that sales effectiveness can be achieved. One of the factors that influence the achievement of sales effectiveness is to expand distribution channels and maximize the marketing information system that exists within the company.

The company's product distribution channels are carried out at the Medan – Binjai location with superior products such as: Mineral Water, Pampers, Soap & Shampoo, and Milk. So that the distribution range to get out of the city is still an obstacle. Problems related to the ineffective

and efficient distribution process can be handled through the use of the company's marketing information system. The marketing information system available by the company is quite complete and adequate, but it is still not optimally utilized. Some salespeople in the company are more comfortable utilizing the conventional marketing process so they choose not to use the available marketing information systems.

Whereas with a clear information system, every individual in an organization will be able to clearly know the various demands of the tasks he will carry out so that there is no overlap between one task and another. With the existence of a marketing information system, the distribution carried out can run in accordance with expectations so as to be able to create sales effectiveness which leads to an increase in sales in accordance with company expectations.

In addition to these two problems, the company's main problem is related to the effectiveness of the company's sales. The sales process that is still ineffective and efficient has an impact on reducing the company's sales target. This can happen because the marketing department still often incurs unnecessary costs when carrying out sales activities, causing expenses to be greater and reducing company revenue. In addition, the marketing department is still not able to expand distribution channels that are useful for increasing the effectiveness of the company's sales. This phenomenon of declining sales certainly requires the right solution in order to boost the company's salesperson. The increasing number of business people who are engaged in similar business fields and produce by offering a variety of products / services, making customers only determine the purchase of products at companies that suit their needs and comfort.

PT. Bintang Agung Sukses Medan is a company engaged in the field of *Consumer Goods*. I know that there is a decrease in sales caused by less effective and efficient sales.

I know that sales have decreased within 3 years. It can be seen from 2019, mineral water sales reached Rp. 975,000,000 with a sales quantity of 32500 boxes, Pampers reached Rp. 860,000,000 with a sales quantity of 40000 packs, soaps and shampoos reached Rp. 552.500,000 with a sales quantity of 42500 packs, Milk reaches Rp. 1,375,000,000 with a sales quantity of 25000 boxes, and other products reach Rp. 300,000,000 with a sales quantity of 20000 packs. In 2020 sales experienced a decline and it can be seen from the sales of mineral water reaching Rp. 990,000,000 with a sales quantity of 33000 boxes, Pampers reached Rp. 731.000.000 with a sales quantity of 34000 packs, Soap & Shampoo reaches Rp. 455.000.000 with a sales quantity of 35000 packs, Milk reaches Rp. 1.375.000.000 with a sales quantity of 25000 boxes, and other products reach Rp. 225.000.000 with a sales quantity of 15000 packs. In 2021, mineral water sales reached Rp. 930.000.000 with a sales quantity of 31000 boxes, Pampers reached Rp. 602,000.000 with a sales quantity of 28000 packs, Soap and Shampoo reaching Rp. 390.000.000 with a sales quantity of 30000 packs, Milk reaches Rp. 1,485.000.000 with a sales quantity of 27000 boxes, and other products Rp. 225.000.000 with a sales quantity of 15000 packs. This decrease in sales reflects a decrease in customers who buy products to companies due to an ineffective and efficient sales process.

Based on this background description, researchers are interested in conducting research to prove the influence of distribution channels and marketing information systems on the effectiveness of sales in PT. Bintang Agung Sukses Medan by taking the title of the thesis **"The Influence of Distribution Channels and Marketing Information Systems on the Sales Effectiveness of PT. The Great Star of Medan's Success."**

Problem Identification

The identification of problems in this study is:

1. The company's product distribution channels are carried out at the Medan - Binjai location so that the distribution reach to get out of the city is still an obstacle, causing the non-achievement of sales targets due to an ineffective and efficient distribution process.
2. The marketing information system available by the company is quite complete and

adequate, but it is still not optimally utilized so that the sales process becomes less effective.

3. The sales process that is still ineffective and efficient has an impact on reducing the company's sales targets due to the marketing department which is still not right in cost expenditures , causing expenses to be greater and reducing company revenues.

Problem Formulation

The formulation of the problems in this study is:

1. Whether the distribution channel affects the effectiveness of pt. The Great Star of Medan's Success?
2. Whether the marketing information system affects the sales effectiveness of PT. The Great Star of Medan's Success?
3. Whether distribution channels and marketing information systems affect the sales effectiveness of PT. The Great Star of Medan's Success?

Research Objectives

Some of the objectives of this study are:

1. To find out and analyze the effect of distribution channels on the sales effectiveness of PT. Bintang Agung Sukses Medan.
2. To find out and analyze the influence of marketing information systems on the sales effectiveness of PT. Bintang Agung Sukses Medan.
3. To find out and analyze the influence of distribution channels and marketing information systems on the sales effectiveness of PT. Bintang Agung Sukses Medan.

LITERATURE REVIEW

Theoretical Studies

According to Sudarsono (2020:34), "A distribution channel is a series of interdependent organizations involved in the process of making a product or service ready for consumption."

According to Siregar and Sianturi (2021:27), "A marketing information system is a computerized system used to support the success of a company in order to compete so that it can increase the company's profit or profit continuously."

According to Winarno (2017:81-82), "Sales effectiveness is a goal to be achieved in every company. A company achieves effectiveness in its sales if it achieves the sales target set by the company, achieves maximum profit, and can exceed the previous sales target."

Frame of Mind

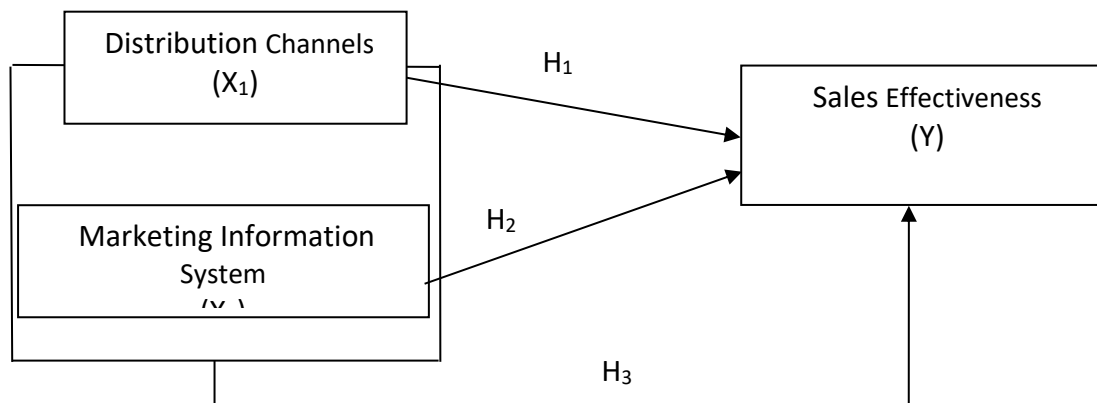


Figure 2. 1. Frame of Mind

According to James and Yani (2021:75), it states that companies must pay attention to the

distribution channels used in selling their products in order to achieve a large sales area and a large and even customer. With good distribution channels, it facilitates the distribution process to customers from all places so as to be able to boost sales effectiveness.

According to Herawaty and Sari (2018: 141), stated that the marketing information system can streamline sales by implementing the sales business process of a company into the information system in order to provide convenience in making sales.

According to Siregar and Sianturi (2021:30), stating that to maintain effectiveness and efficiency in sales, good cooperation between one field and another is needed so that supervision can be carried out and on time as needed (determined). One way is the distribution channel that is applied to the marketing information system so that the data produced is valid and accurate data and appropriate in achieving goals, especially in providing effectiveness in the sales process.

Hypothesis

According to Sugiyono (2017:96), "A hypothesis is a temporary answer to the formulation of a research problem, where the formulation of a research problem has been expressed in the form of a question sentence."

Based on the formulation of the problem that is the basis for this study and aims to determine the influence of distribution channels and marketing information systems on the effectiveness of sales at PT. Bintang Agung Sukses Medanre, then the hypothesis in this study is as follows:

- H1: Distribution Channels affect the Sales Effectiveness of PT. Bintang Agung Sukses Medan.
- H2: Marketing Information System affects the Sales Effectiveness of PT. Bintang Agung Sukses Medan.
- H3: Distribution Channels and Marketing Information Systems affect the Sales Effectiveness of PT. Bintang Agung Sukses Medan

RESEARCH METHODOLOGY

This research is located at PT. Bintang Agung Sukses Medan, Jalan Sindoro No.3D - 5 Medan, penelitian is carried out from November 2021 to June 2022.

Population and Sample

In this study, the population was anumber of employees, which amounted to 42 people.

In other words, the saturated sampling is 100% of the total population, namely 42 respondents as a research sample while 30 respondents outside the company are used for validity tests, namely PT. Adam Dani Lestari.

The data analysis model used in this research hypothesis is a multiple regression analysis model. In this study, researchers used a 26 windows version of the SPSS software program . To find out the influence of free variables and bound variables, the multiple regression analysis formula is used as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Information:

Y = Sales Effectiveness

a = Constants

b₁ = Variable Regression Coefficient X₁

(Distribution Channel)

b₂ = Variable Regression Coefficient X₂ (Marketing Information System)

X₁ = Distribution Channel Variable

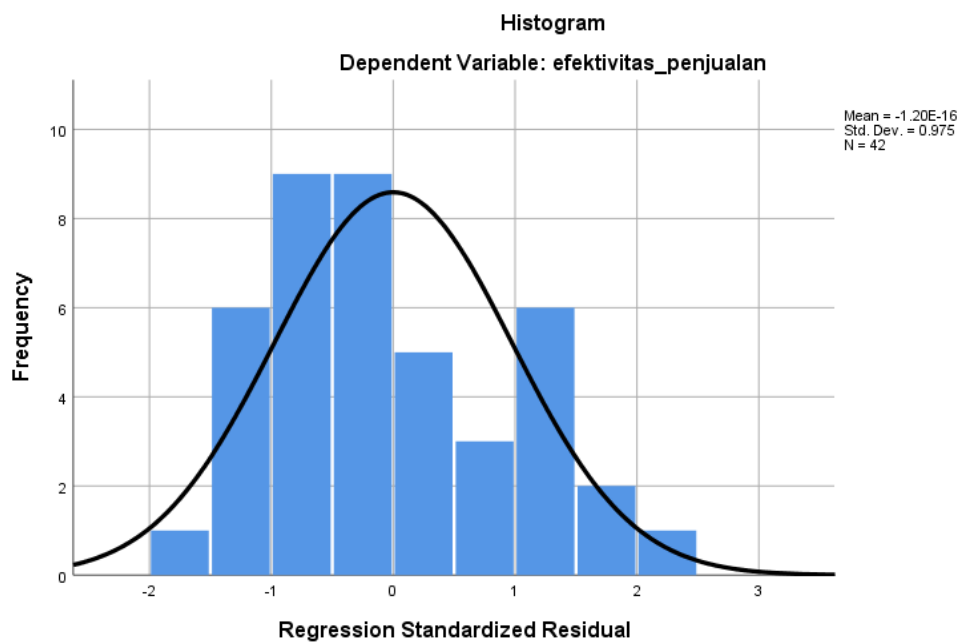
X_2 = Marketing Information System
Variables
 e = Error Percentage (0.5)

DISCUSSION AND RESEARCH RESULTS

Multiple Regression Coefficient Test Results

Multiple regression hypothesis testing states that there is an influence of distribution channels and marketing information systems on the sales effectiveness of PT. Bintang Agung Sukses Medan.

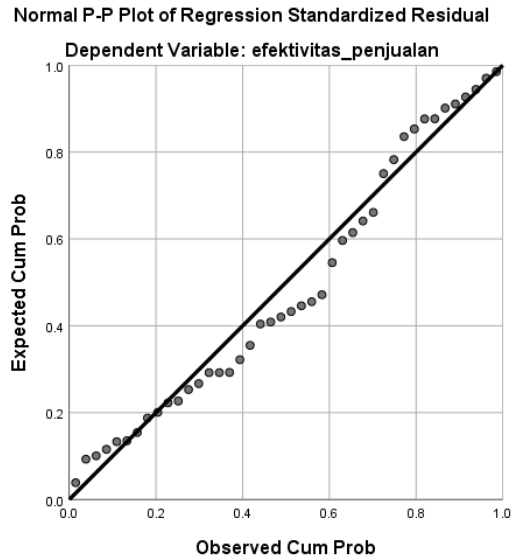
Normality Test



Source : Research Results 2022 (Data Processed)

Figure 4. 1. Histogram Normality Test

Figure 4.1. shows the real data forming a curve line tends to be symmetrical not to deviate to the left or to the right, then it can be said that the data is normally distributed.



Source : Research Results 2022 (Data Processed)

Figure 4. 2. Normality Test P-P Plot

Figure 4.2. The *P-P Plot Normality* graph looks at the data spreading around the diagonal line and mostly close to the diagonal line so it can be concluded that the data is normally distributed.

**Table 4. 10 Normality Test Results
One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
N		42
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	5.03208252
Most Extreme Differences	Absolute	.124
	Positive	.124
	Negative	-.080
Statistical Test		.124
Asymp. Sig. (2-tailed)		.100 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source : Research Results 2022 (Data Processed)

Table 4.10. shows that the results of *the Kolmogorov Smirnov* normality test showed a significant value of 0.100 greater than 0.05. Thus from the test results *Kolmogorov Smirnov* showed normally distributed data.

Multicollinearity Test

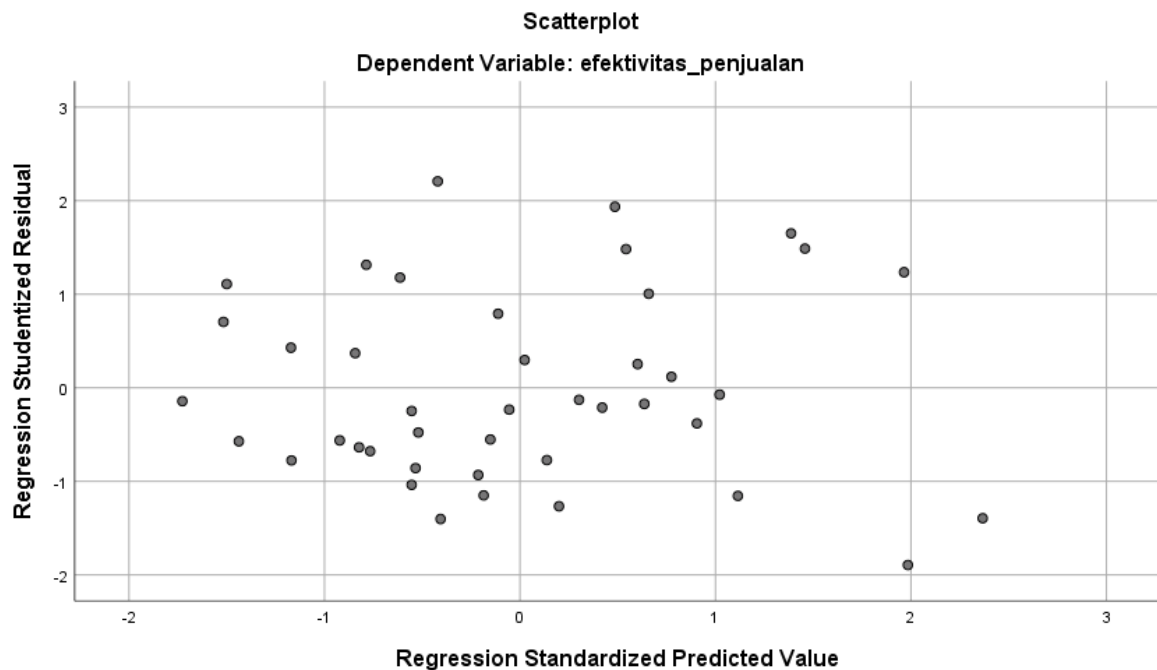
Table 4. 11 Multicollinearity Test

		Coefficients ^a					Collinearity Statistics	
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
Type		B	Std. Error	Beta				
1	(Constant)	3.227	4.538		.711	.481		
	saluran_distribusi	.297	.133	.286	2.232	.031	.981	1.020
	sistem_informasi_pemasaran	.374	.095	.502	3.919	.000	.981	1.020

a. Dependent Variable: efektivitas_penjualan
 Source : Research Results 2022 (Data Processed)

Based on table 4.11, it can be seen that the correlation value for the work competency and selection variables has a *tolerance* value (0.950) > 0.1 and a VIF value (1.052) < 10 so it can be concluded that the independent variable (free variable) does not have adanya symptom of multicollinearity.

Heteroskedasticity Test



Source : Research Results 2022 (Data Processed)

Figure 4. 4. Scatterplot Chart

Figure 4.4. *The scatterplot* chart shows that the scatter points with an unclear pattern both above and below the zero (0) on the Y-axis, do not gather in one place, so from *the scatterplot* chart it can be concluded that there are no symptoms of heteroskedasticity pada regression model.

Table 4. 20. Multiple Linear Regression Analysis Results
Coefficients^a

Type	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	3.227	4.538		.711	.481
	saluran_distribusi	.297	.133	.286	2.232	.031
	sistem_informasi_pemasaran	.374	.095	.502	3.919	.000

a. Dependent Variable: efektivitas_penjualan

Source : Research results,2022 (data processed)

$$Y = 3.227 + 0.297 \text{ Distribution Channels} + 0.374 \text{ Marketing Information Systems} + e$$

The meaning of the above multiple linear regression analysis equations is :

1. The constant of 3,227 which means that if there is no variable value of distribution channel and marketing information system, then the sales effectiveness is: value 3,227.
2. The Regression coefficient of the Distribution Channel is 0.297, this states that each increase in the Distribution Channel of 1 unit will increase the value of Sales Effectiveness by 0.297 units assuming that the other variables are fixed.
3. The regression coefficient of the Marketing Information System is 0.374, this states that every increase in the Marketing Information System 1 unit will increase the sales effectiveness value by 0.374 units assuming other variables remain.

Determination Test (R^2)

The coefficient of determination (adjust R^2) is used to measure the magnitude of the influence between free variables, namely: distribution channels (X_1) and marketing information systems (X_2) on sales effectiveness (Y). The results of the determination test can be seen below:.

Table 4. 21. Coefficient of Determination Testing

Model Summary ^b				
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.611 ^a	.373	.341	5.159

a. Predictors: (Constant), sistem_informasi_pemasaran, saluran_distribusi

b. Dependent Variable: efektivitas_penjualan

Source : Research results,2022 (data processed)

Table 4.21 shows that the value of *Adjusted R Square* is: 0.341 means that the Distribution Channel and Marketing Information System are able to explain sales effectiveness of 34.1% while the remaining 65.9% is influenced by unexplored variables such as: product discounts, market segmentation, product prices, and so on.

F Test (Simultaneous)

Table 4. 22. Simultaneous Test Results (F Test)

ANOVA ^a						
Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	617.923	2	308.962	11.606	.000 ^b
	Residual	1038.196	39	26.620		

Total	1656.119	41		
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a. Dependent Variable: efektivitas_penjualan

b. Predictors: (Constant), sistem_informasi_pemasaran, saluran_distribusi

Source : Research results,2022 (data processed)

According to Table 4.22. it can be seen that the value of $F_{count} > F_{table}$ ($11.606 > 3.24$), H_3 is accepted. Bintang Agung Sukses Medan. and the effect is : positive with a significant degree (α) is : 5%. By looking at the probability that is smaller than the significant level ($0.000 < 0.05$), it can be concluded that the equation model has a significant effect.

T test (Partial)

The following is a table of the results of partial hypothesis testing, namely:

**Table 4. 23. Partial Test Results (t Test)
Coefficients^a**

Type		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	3.227	4.538		.711	.481
	saluran_distribusi	.297	.133	.286	2.232	.031
	sistem_informasi_pemasaran	.374	.095	.502	3.919	.000

a. Dependent Variable: efektivitas_penjualan

Source : Research results,2022 (data processed)

Table 4.23. shows the table's t value for significant 0.05 at the free degree $df = n - k = 42 - 3 = 39$ is : by 2.022 . The results of the partial test can be described as follows:

1. The results of the partial t-test calculation for the Distribution Channel variable obtained a calculated t value (2.232) greater than the table t (2.022) with a significant value of 0.031, so it can be concluded that the Distribution Channel affects the Sales Effectiveness of PT. Bintang Agung Sukses Medan (H_1 received)
2. The results of the partial t test for the Marketing Information System variable obtained a calculated t value (3.919) greater than the table t (2.022) with a significant value of 0.000, it can be concluded that the Marketing Information System affects the Sales Effectiveness of PT. Bintang Agung Sukses Medan (H_2 diterima).

CONCLUSIONS AND SUGGESTIONS

Conclusion

1. Distribution Channels affect the Sales Effectiveness of PT. Bintang Agung Sukses Medan.
2. Marketing Information System affects the Sales Effectiveness of PT. Bintang Agung Sukses Medan.
3. Distribution Channels and Marketing Information Systems affect the Sales Effectiveness of PT. Bintang Agung Sukses Medan.

Suggestion

1. It is hoped that with this research, companies can pay more attention to the distribution channels of the company's products. By implementing a product distribution channel strategy that is right on target, it will maximize the company's sales because consumers can more easily reach and buy products so that way sales effectiveness can be achieved properly. It would be nice if the company planned in advance to choose the right

- distribution channel and take into account the costs incurred if it added a new distribution channel so that sales effectiveness can be achieved.
2. It is hoped that with this research, the company can make maximum use of the marketing information system facilities that already exist within the company. Salespeople are also expected to be able to conduct training to be able to develop the ability and knowledge to operate a better marketing information system so that the company's sales effectiveness can be further improved. In addition, salespeople are also empowered to always evaluate in implementing the existing marketing information system, so that they can find out the obstacles that occur while operating the existing company information system. That way, the company can continuously improve the quality of the marketing information system better every certain period so that consumers can more easily get information related to the products offered by the company that make sales effectiveness can be achieved properly.
 3. It is expected that the company will be able to pay attention to factors that can affect the effectiveness of the company's sales. One of them is by improving the distribution channels that have been implemented by the company and improving conventional types of distribution channels that are considered less effective in the process of selling the company's products. In addition, companies also need to maximize the existing marketing information system facilities in the company so that they can be utilized optimally according to the needs and needs of the company so that consumers can easily access information that can be considered before buying company products so that consumers can also know the advantages of the company's products and sales effectiveness can be achieved.

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