The impact of inadequate promotional activities on the decline of Revlon cosmetics sales in Chandra Teluk Betung

R. Risma Gunanti Pratama, Arief Pramono, Yahya Yahya, Nanda Pramana Putra

Krakatau College of Economics, Lampung, Indonesia

rrismagunanti@gmail.com, ariefpramono183@gmail.com, yahyaspd2806@gmail.com, nandapramana24@gmail.com

Abstract

Purpose: This study aims to determine the increase and decrease in Revlon's cosmetic sales.

Research methodology: Quantitative research seeks to identify and establish the relationships or influences between variables. The research results show that a lack of promotional activities has a good rating. The correlation coefficient between lack of promotion and decline in sales is 0.598, indicating a positive relationship between the two variables. Hypothesis testing using a t-test shows that the lack of promotional activities has a significant impact on the decline in sales.

Results: This quantitative study identified a relationship between the lack of promotional activities and the decline in Revlon's cosmetic sales. It recommends that companies use additional promotional strategies such as social media marketing, advertising campaigns, and offering discounts to enhance their sales potential. These insights should benefit companies to assess the value of each strategy and make strategic decisions that could improve sales revenue.

Keywords: Influence, Revlon Cosmetic Sales, Lack of Promotional Activities


1. Introduction

In an increasingly advanced era and increasingly fierce competition in the business world, every company is required to be able to maintain stability and continue to develop in a better direction. Developing companies that are currently rampant are cosmetic companies, and there is no end to discussing cosmetic products. Cosmetics has become the basic need of women, including workers, students, mothers, and even high school students, who are now familiar with cosmetic products.

Indonesia, as a developing country, is seen as a potential market that is rich in growth and is well utilized by cosmetic manufacturers. The nature of Indonesian consumers who prioritize their wants over their needs makes Indonesia a promising market for cosmetics companies. It is no longer surprising that many new cosmetics companies are competing to improve their quality (Abubakar, Ibrahim, Zakaria, & Kassim, 2023; Mbamalu, Chike, Oguanobi, & Egbunike, 2023; Tanha et al., 2023).

In addition to competition strategies, each brand needs to innovate continuously by presenting the latest products that can attract consumer interest. The emergence of these brands certainly creates intense competition between cosmetic brands in the country, especially in Chandra Teluk Betung, which is currently being observed by researchers.

Companies that issue these product brands include Revlon, Wardah, Maybelline, Sari Ayu, Eternally, Pixy, Latulip, Lt.Pro, Olay, and many other brands. Different prices and varying product qualities
tighter competition in the market. One is the Revlon brand, which has the best base makeup. The enthusiastic level of the people in Indonesia, especially women, really needs base makeup that can perfect their own beauty. This condition makes the company make various efforts to further improve product quality and efforts to be able to dominate a wider market. The stage of consumer tendency to take action before deciding to make a purchase is seen in terms of brand image. Brand image is a form of brand belief. Product brands that have long been recognized by consumers have become an image and even a status symbol for the product. Therefore, it is no longer surprising that the brand is used as a criterion for evaluating a product (Aidoo, 2022; Irfany & Ulhaqqi, 2023; Kennedy, Tobing, & Toruan, 2022; Parela, 2022).

Revlon is a cosmetics, skincare, fragrance, and personal care company headquartered in the US. Revlon was founded in 1932, by Charles Revson and his brother Joseph, along with a chemist, Charles Lachman, who contributed the "L" in Revlon’s name. In Indonesia, PT Eres Revco ("ER"), a subsidiary under PT Tempo Scan Pacific Tbk, conducts marketing and distribution of high-quality products under license from Revlon Inc., USA, to serve the needs and inspirations of Indonesian consumers. The Revlon Franchise is one of the strongest franchise brands in the world. The ER distributes the Revlon brand portfolio in Indonesia, including Revlon cosmetics, Charlie Fragrances, Revlon color silk hair color, and Ultima II cosmetics. Revlons are known for their products across all age groups. Revlon has been running its cosmetic business for more than 80 years and has been successful in various parts of the world. In Indonesia, revenue products are positively perceived by consumers.

Every company must have a variety of strategies to improve its sales quality. especially in Chandra Teluk Betung, the increasingly rapid competition causes defense to increase and decrease. In particular, brands around cosmetics compete with other brands. Therefore, marketing must be creative and innovative in carrying out these marketing activities.

Sales turnover is the overall opinion obtained from the sales. Speaking of turnover and sales, one that is currently under research is Revlon cosmetics, which experienced a decrease in turnover in 2018 of around 12% when compared to 2017, this is clearly a highlight for the store, especially in Chandra Teluk Betung. Not to mention a comparison with other cosmetic brand competitors. These include wardah, maybelline, pixy, latulip, lt.pro, olay, sariayu, eternally and other competitors.

Comparison of turnover between cosmetics at Chandra Teluk Betung which has decreased, especially in Revlon cosmetics, so the authors are interested in raising a title about “The Effect of Decreased Turnover of Revlon Cosmetics on the Lack of Promotional Action at Chandra Teluk Betung.”

2. Literature Review

2.1 Marketing

The essence of marketing is to identify and fulfill consumer needs and wants. A good and brief definition of marketing according to Kotler and Keller (2016) is that “marketing is meeting needs profitability,” which means that marketing is something that is done to meet every need (consumer needs) in ways that benefit all parties. The formal definition offered by the American Marketing Association (AMA) cited by Kotler and Keller (2016) is as follows: marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing is an organizational function and a series of processes for creating, communicating, delivering, and providing superior customer value (Chen & Shun, 2023; Yeye & Egbunike, 2023).

Based on the description put forward by the marketing experts above, researchers came to the understanding that marketing is a human activity that meets the needs and desires of consumers through a series of processes of creating, delivering, and communicating products (goods, services, or ideas) and in a profitable way to achieve goals (Jaya, 2021; Suaduon, Syarif, & Nugraha, 2020).
2.2 Definition of Marketing Management
Companies need various ways to organize their marketing activities in accordance with predetermined goals. In this case, the arrangement needed by the company required marketing management. According to Kotler and Keller (2016), marketing management is the art and science of selecting target markets and obtaining, maintaining, and increasing the number of customers by creating, delivering, and communicating superior customer value. Saladin (2003) and Hery Achmad Buchory (2010: 10) define marketing management as follows: "Marketing management is the analysis, planning, implementation and control of programs designed to create, build and maintain profitable exchanges with target markets with the intention of achieving organizational goals".

Based on some of these theories, researchers came to the understanding that marketing management is the art and science of selecting target markets, achieving, maintaining, and communicating superior customer value to profit (Saadon, Suharto, & Dacholfany, 2021).

2.3 Sales
Sales are the purchases of goods or services from a party. Sales are also a source of company income: the greater the sales, the greater the company’s income. According to Simamora (2000), sales are a common revenue in the company and are the gross amount charged to customers for goods and services”. According to Marom and Herfan (2010), sales means the sale of merchandise as the company's main business, which is usually carried out regularly”.

2.4 Product and Price
Price is the amount of money charged for a product or service or the amount that consumers exchange for the benefits of owning or using the product or service. The following are the categories, products, and prices listed for Revlon Indonesia products. Today, Revlon has managed to maintain its position as one of the strongest cosmetic brands by producing legendary products, such as Revlon Super Lustrous lipstick and Revlon Colorstay range. Revlon also ensures that every Revlon product formula is guaranteed to be safe, and the process has been tested.

2.5 Framework
Research on the effect of the decline in turnover of Revlon cosmetics on the lack of promotional actions at Chandra Teluk Betung. The independent variable in this study was the lack of promotional action for Revlon cosmetics at Chandra Teluk Betung. The dependent variable in this study was the decrease in turnover.

The lack of promotional actions greatly affects the increase in turnover of Revlon cosmetics, especially at Chandra Teluk Betung in 2018. There was a decline due to the competition that occurred in order to increase income and popularity, which competed hard to produce high-quality products. One of the efforts of Revlon cosmetics to increase the declining turnover at Chandra Teluk Betung is by daring to provide new things, asking for a new brand to the Revlon company, and the store must dare to provide a dikson for special products, such as a 25% discount for charlie perfume when there is an event at Chandra Teluk Betung, as in the previous year, giving a pouch prize after purchasing Revlon cosmetics that have been determined. This is similar to other cosmetic brands.

2.6 Research Hypothesis
Based on the framework described above, the following hypothesis is formulated: A lack of promotional actions affects the decline in turnover.

3. Research Methodology
3.1 Type of Research
This type of research is field research, which aims to study the background of a company and determine how much turnover competition exists against the lack of promotional actions within a company. This research is quantitative in nature, and looks for relationships or influences between variables.
3.2 Population and Sample
The population was the subject of this research. According to Sugiyono (2013), the population is a generalization area consisting of objects/subjects that have certain qualities and characteristics set by researchers to study and draw conclusions. The population in this study was cosmetic employees at Chandra Teluk Betung, with a total of 25 employees.

According to the opinion of Suharsimi Arikunto (2013:108) that if the population members are greater than 100, the sample method can be done by taking a sample of 10 to 25% of the population members, but if the population members are smaller than 100 it is better to use the census method by examining all members of the population. The number of employees at Chandra Teluk Betung in 2018 was 25 people, so 25 respondents were taken.

3.3 Operational Definition of Variable
A variable is something that becomes the object of research observation, often also referred to as a factor that plays a role in research or the symptoms to be studied. Variables are factors that influence and are influenced in this study. In this study, two types of variables were applied as the object of research, namely:
1. The independent variable (variable X) affects and is related to other variables. In this study, variable x was the lack of promotional action.
2. Dependent variable (variable Y), namely the variable that is the result of the independent variable. The variable Y in this study was a decrease in turnover.

3.4 Data Analysis Technique
a. Qualitative Analysis
Qualitative analysis is used to analyze problems based on human resource management concepts and theories. This method also analyzes the problem with theories related to falling turnover and lack of promotional actions. Qualitative analysis is carried out by analyzing a single table or partially describing the criteria for each independent variable in this study, namely the variable Lack of Promotional Action (X), and the dependent variable, namely Decreased Turnover (Y). Inclusion criteria for each research variable were in accordance with the answers in the variable measurement above.

b. Quantitative Analysis
Simple linear regression analysis was performed using statistical methods. Simple linear regression analysis measures independent variables (X) and variables (Y) (Sugiyono, 2013). This simple linear regression analysis method was performed using the SPSS version 21 program, which is one of the computer program packages used in managing statistics. A simple linear analysis aims to predict or estimate the value of the dependent variable if the known value of the independent variable increases or decreases. The estimation is intended to describe a relationship pattern in a function or equation that exists between these variables. The simple linear regression equation is as follows:
\[ Y = a + bx \]
Y = Decrease in Turnover
a = Constant
b = Regression coefficient
X = Lack of Promotion Action

The coefficient significance test (t) is used to test whether the value of the partial regression coefficient is zero. To test the significance of the coefficient between variables, the t-statistic with the formula:
\[ t = \frac{r \sqrt{n - 2}}{\sqrt{1 - r^2}} \]

Where:
- \( t_{\text{count}} \) = Value of t
- \( r \) = Correlation Coefficient

2023 | Journal of Multidisciplinary Academic and Practice Studies/ Vol 1 No 2, 193-201
The criteria for the t-test are as follows:
If \( t \text{ count} > t \text{ table} \), Ha is accepted and Ho is rejected.
If \( t \text{ count} \leq t \text{ table} \), Ha is rejected and Ho is accepted.

The significance level in this study was set at \( \alpha = 0.05 \) or 5%. What is meant by The null hypothesis (Ho) and alternative hypothesis (Ha) are as follows:
Ha = \( r \leq 0 \) means that there is no effect of the decline in turnover on the lack of promotional actions at Chandra Bay Betung.
Ha = \( r > 0 \) indicates that there is an influence of the decline in turnover on the lack of promotional action in Chandra Bay.

### 4. Results and Discussion

The research variable consists of one dependent variable, namely Decreased Turnover (Y), and one independent variable, namely Lack of Promotion Action (X). The number of research objects analyzed was 25 respondents, who will be further described according to gender, education level, and length of service. In the research instrument in the questionnaire, there were five alternative answers, and each alternative answer had a different score. Therefore, to provide a description of the data collected, the same description measure using the frequency distribution technique is used.

#### 4.1 Results of Data Validity and Reliability Test

This validity test was conducted to test the validity and reliability of the questions asked in the study. The statement item is said to be valid if \( r \text{ count} > r \text{ table} \), and if \( r \text{ count} < r \text{ table} \), then the statement item is declared invalid.

Meanwhile, a measuring device is said to be reliable (reliable) if it is able to provide measurements in accordance with the measured device and the extent to which the measuring device is the same as itself (consistency). The reliability of the questionnaire in this study was tested using one of the statistical data processing computer program packages, SPSS Version 21.0, using Cronbach’s alpha. The variable was considered reliable if the alpha coefficient was \( > 0.6 \).

#### 4.1.1 Validity and Reliability Test of Lack of Promotion Action (X)

The validity and reliability of the Lack of Promotional Action variable statements are shown in Table 1.

<table>
<thead>
<tr>
<th>Item</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>34.04</td>
<td>19.957</td>
<td>.401</td>
<td>.872</td>
</tr>
<tr>
<td>P2</td>
<td>34.32</td>
<td>17.477</td>
<td>.818</td>
<td>.838</td>
</tr>
<tr>
<td>P3</td>
<td>34.44</td>
<td>20.507</td>
<td>.404</td>
<td>.894</td>
</tr>
<tr>
<td>P4</td>
<td>34.32</td>
<td>17.477</td>
<td>.818</td>
<td>.838</td>
</tr>
<tr>
<td>P5</td>
<td>34.36</td>
<td>16.240</td>
<td>.864</td>
<td>.830</td>
</tr>
<tr>
<td>P6</td>
<td>34.76</td>
<td>18.940</td>
<td>.565</td>
<td>.877</td>
</tr>
</tbody>
</table>

Reliability Statistics
From the table above, the validity value shown in the Corrected Item-Total Correlation column for each statement of the Lack of Promotion Action variable was the highest at 0.864 and the lowest at 0.401. With a confidence level of 95% and a total of 23, the value in the $r$ distribution table is 0.396; thus, each statement on the Lack of Promotional Action variable is declared to have met the validity level. The reliability of the Lack of Promotional Action variable statement with a sample size (N of Cases) of 25 respondents and the number of statement items (N of Items) of 10 obtained a total alpha of 0.868. Of the 10 statement items, Cronbach's alpha if the item deleted value all shows reliability, because the value of 10 statement items is greater than 0.60.

4.1.2 Validity and Reliability Test of Decreased Turnover (Y)
The validity and reliability of the Declining Turnover variable statements are presented in Table 2.

Table 2: Validity and Reliability of the Turnover Decline Variable (Y)

<table>
<thead>
<tr>
<th>Item</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>20.20</td>
<td>5.833</td>
<td>.471</td>
<td>.849</td>
</tr>
<tr>
<td>P2</td>
<td>20.36</td>
<td>5.407</td>
<td>.689</td>
<td>.775</td>
</tr>
<tr>
<td>P3</td>
<td>20.08</td>
<td>4.993</td>
<td>.723</td>
<td>.764</td>
</tr>
<tr>
<td>P4</td>
<td>20.04</td>
<td>6.373</td>
<td>.423</td>
<td>.826</td>
</tr>
</tbody>
</table>

Reliability Statistics

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.823</td>
<td>6</td>
</tr>
</tbody>
</table>

The table above shows that the validity value in the Corrected Item-Total Correlation column for each statement of the Decrease in Turnover variable is the highest at 0.743 and the lowest at 0.423. With a confidence level of 95% and a total of $n = 25$, the value in the $r$ distribution table is equal to 0.396, and each statement on the Turnover Decline variable is declared to have met the validity level.

The reliability of the Turnover Decline variable statement with a sample size (N of Cases) of 25 respondents and six statement items (N of Items) of 6, obtained a total alpha of 0.823. Of the six statement items, Cronbach's alpha if the item deleted value all shows reliability, because the value of the six statement items is greater than 0.60.

4.2 Respondent Description
The number of respondents in this study were 25 respondents with the research subjects being employees at Chandra Teluk Betung Of the 25 questionnaires that have been distributed, all have been received by researchers. Thus the response of respondents in this study was 100%. After checking the answers of all respondents, they were deemed suitable for data analysis. The following presents the general characteristics of respondents according to gender, age, and education level of employees at Chandra Teluk Betung.
4.2.1  Description of Respondents by gender
The characteristics of respondents who were subjects in this study according to gender are shown in Table 3 below:

Table 3 Frequency Distribution of Respondents by Gender

<table>
<thead>
<tr>
<th>No</th>
<th>Keterangan</th>
<th>Frekuensi</th>
<th>Persentase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Laki-Laki</td>
<td>8</td>
<td>32 %</td>
</tr>
<tr>
<td>2</td>
<td>Perempuan</td>
<td>17</td>
<td>68 %</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>25</td>
<td>100 %</td>
</tr>
</tbody>
</table>

From the results of the data processing carried out, it can be explained that the respondents were dominated by women, namely, 17 people with a percentage level of 68%, while male respondents were 8 people with a percentage level of 32%.

4.2.2  Description of Respondents by Age Group
The characteristics of respondents who were subjects in this study according to age group are shown in table 4.4 below:

Table 4. Frequency Distribution of Respondents by Age Group

<table>
<thead>
<tr>
<th>No</th>
<th>Keterangan</th>
<th>Frekuensi</th>
<th>Persentase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20-25 tahun</td>
<td>10</td>
<td>40 %</td>
</tr>
<tr>
<td>2</td>
<td>26-30 tahun</td>
<td>9</td>
<td>36 %</td>
</tr>
<tr>
<td>3</td>
<td>31-35 tahun</td>
<td>4</td>
<td>16 %</td>
</tr>
<tr>
<td>4</td>
<td>36-40 tahun</td>
<td>1</td>
<td>4 %</td>
</tr>
<tr>
<td>5</td>
<td>41-45 tahun</td>
<td>1</td>
<td>4 %</td>
</tr>
<tr>
<td>6</td>
<td>46-50 tahun</td>
<td>0</td>
<td>0 %</td>
</tr>
<tr>
<td>7</td>
<td>Diatas 50 tahun</td>
<td>0</td>
<td>0 %</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>25</td>
<td>100 %</td>
</tr>
</tbody>
</table>

From the data processing, it can be explained that the respondents are dominated by ages 20 to 25 years with a percentage level of 40.00%, with a total of 10 respondents, and the smallest number is respondents aged over 36-40 years and 41-45 years, namely, one person with a percentage of 4.00%.

4.2.3  Description of Respondents by Education Level
The characteristics of respondents who are subjects in this study according to education level are shown in table 5 below:

Table 5. Frequency distribution of respondents who are subjects in this study according to education level

<table>
<thead>
<tr>
<th>No</th>
<th>Keterangan</th>
<th>Frekuensi</th>
<th>Persentase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SMA</td>
<td>8</td>
<td>32,00 %</td>
</tr>
<tr>
<td>2</td>
<td>D3</td>
<td>10</td>
<td>40,00 %</td>
</tr>
<tr>
<td>3</td>
<td>S1</td>
<td>5</td>
<td>24,00 %</td>
</tr>
<tr>
<td>4</td>
<td>S2</td>
<td>1</td>
<td>4,00 %</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>25</td>
<td>100 %</td>
</tr>
</tbody>
</table>

The characteristics of respondents in terms of educational background were dominated by D3, as many as 10 people with a percentage level of 40.00%, while respondents with S2 education were one person with a percentage level of 4.00%.
4.3 Quantitative Analysis

4.3.1 Linear Regression Analysis between Lack of Promotional Action (X) on Decreased Turnover (Y)

Based on the results of the calculation of the correlation level between variables in Table 4.8, the level of correlation between the variable Lack of Promotional Action (X) and the Turnover Decline Variable (Y) Chandra Teluk Betung was 0.598. Based on the above research results, the Coefficient of Determination of the Lack of Promotional Action (X) with the Turnover Decline Variable (Y) is obtained as follows:

- Predictors: (Constant), Decrease in Turnover
- Dependent Variable: Lack of Promotion Action

Coefficient of Determination (KD) = R² = 0.598² = 0.358 = 0.358 x 100% = 35.8%. It can be concluded that the variable Lack of Promotion Action (X) explains the variation in changes in the Turnover Decline variable (Y) by 35.8%, while the rest are explained by other factors not examined in this study.

Based on the results of this study, the data obtained on the relationship between the lack of promotional actions (X) and the decrease in turnover (Y) are as follows:

4.3.2 Dependent Variable: Decrease in Turnover

A value of tcount = 3.952 was obtained based on the results of the t-test. When compared with the t-table at a significant level, namely 1.71, tcount = 3.952 > t table = 1.71, so it can be concluded that the hypothesis stating that there is an influence between the variable Lack of Promotional Action (X) and Decreased Turnover (Y) at Chandra Teluk Betung can be accepted. Thus, the variable Lack of Promotional Action (X) is related to the Decrease in Turnover (Y) at Chandra Teluk Betung.

The regression equation between the variable Lack of Promotional Action (X) and Decreased Turnover (Y) is Y = 1.250 + 0.712X, which means that every one-point increase in the variable Decreased Turnover will be followed by the variable Lack of Promotional Action of 0.712 points.

4.4 Discussion

This study revealed that a lack of promotional actions was categorized as good. In this study, the level of correlation between the lack of promotional actions and the decrease in turnover was 0.598, which means that the two variables have a positive relationship. The coefficient of determination between the lack of promotional actions and the decrease in turnover is 35.8%, indicating that 35.8% of the variation in the decrease in turnover can be explained by the lack of promotional actions.

Partial hypothesis testing through the t-test shows that tcount = 3.952 and greater than ttable 1.71, meaning that the null hypothesis is rejected and the alternative hypothesis is accepted. This shows that the lack of promotional action has a significant influence on the decline in turnover.

The regression equation is Y = 1.250 + 0.712X, which shows that every one-point increase in the Turnover Decline variable will be followed by the Lack of Promotional Action variable by 0.712 points. Therefore, a decrease in turnover can trigger an increase in promotional action.

In conclusion, this study shows that a lack of promotional action has a negative influence on the decline in turnover. Therefore, companies should increase their promotional actions to increase turnover rates. This study provides valuable insights and can assist companies in making strategic decisions to increase their sales.

5. Conclusion

5.1 Conclusion

Based on the analysis and discussion, it can be concluded that, the calculation of the correlation level between the variable Lack of Promotion Action (X) and the variable Decrease in Turnover (Y) Chandra Teluk Betung is 0.598. The coefficient of determination between Lack of Promotion Action (X) and Decrease in Turnover (Y) is KD = R² = 0.598² = 0.358 = 0.358 x 100% = 35.8%. Based on the above
explanation, it can be concluded that the effect of the decrease in turnover on the lack of promotional actions is 35.8%, while the rest is determined by other variables.

Based on the research results, discussion, and conclusions obtained, we suggest that entrepreneurs should offer more competitive prices and increase marketing to overcome competition from other products. The results showed that there were still other variables that influenced the decrease in turnover, so it was recommended that further researchers conduct research on these variables.

References


