

Analysis of the Effect of Promotional Mixes in Achieving Target Sales of Sustagen Milk Products in pt. Mead Johnson Indonesia (North Sumatera Area)

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ABSTRACT

PT. Mead Jhonson is a milk producer company in Indonesia with quality dairy products through quality research and production processes. Based on the data obtained from PT. Mead Jhonson Indonesia in the North Sumatra area, it was seen that there was a decrease in sales volume in 2012-2015 for Sustagen milk products.

This work event was also compiled to examine the promotion mix factors that had been carried out by PT. Mead Johnson Indonesia in increasing the achievement of sales targets for Sustagen Milk by using correlational research, to determine whether there are correlations of independent variables, in the form of advertising, personal sales, sales promotion, public relations to the dependent variable, which is an increase in sales volume. The populations in this study were all retailers or stores selling Sustagen Milk products in North Sumatra and sampling using the Roscoe method with the sampling area. This research itself is conducted using a questionnaire that has been tested for validity and reliability. Data collected from the results of the questionnaire were then processed with quantitative analysis, namely data analysis using statistical methods, namely correlation analysis and multiple linear regression analysis with the help of SPSS version 16 software.

The conclusion of this study is that 98% increase in sales volume of Sustagen Milk is explained by Advertising, Sales Promotion, Personal Sales, and Community Relations. While the remaining 2% is explained by other variables outside the variables in this study. Strong influence on increasing sales volume is an advertising factor, and is followed by personal sales factors, sales promotion and public relations factors and this is very important and a concern for PT. Mead Johnson Indonesia in conducting a series of marketing communications.

Key words: Advertising, Sales Promotion, Personal Sales, Public Relations.

INTRODUCTION

The Global Economic Crisis that has not progressed has had a profound impact on the Indonesian economy and has affected industrial companies, such as the food industry, manufacturing industry, mining industry and others. With the emergence of economic shocks this makes industrial companies have to face it with the right marketing strategy. But with the onset of the economic crisis some time ago and until

now it is precisely a lesson for companies such as how marketing strategies in this case promotions are made so that the company can survive and be able to win the competition.

The increase in knowledge gained by humans resulted in some developments in the field of marketing. Marketing can be westernized as the spearhead of the company. Without proper marketing it is impossible for a company to survive or

reach its goals. The importance of marketing is due to the structure of the Indonesian economy, as other developing countries have more market mechanisms. The existence of this market mechanism will result in increasingly sharp competition between companies engaged in the same field and producing the same product.

The more intense competition and the more open opportunities in the domestic market, a company must have superior advantages both competitive and comparative, so that later it will be easier to increase industrial competitiveness globally provided the company is able to minimize existing constraints and make maximum use of the advantages that there is. In addition, it will be followed by improving the quality and expansion of marketing reach to the regions and diversifying products that are in accordance with the tastes and habits of the people.

An industrial company, especially one that produces dairy products (nutrition for children) which has dominated until now as a complement to compulsory needs, where people really need this dairy product. This nutritional product is felt as one of the products that help the community in terms of health and nutrition for children, health here is that milk is considered by consumers to contain vitamins or nutrients that are very useful for the health and growth of children. Starting from children still in the womb to childbirth, it is actually highly recommended to consume milk, as a complementary food for breast milk (ASI) or complementary nutrition for the growth of children, only now people still do not understand the benefits or benefits of consuming milk. With the needs of dairy products that are used all the time by the community, the company is very right when thinking about how to be able to reach, and maintain customers.

Products that have the opportunity to be chosen are products that have the highest value such as in terms of price, quality, benefits, packaging, promotion, service and others. When a consumer wants to buy a

product, the consumer has the motivation to buy, but sometimes the consumer is not sure about the motivation he has, so sometimes a consumer changes his decision when buying a product. Therefore, this is precisely where marketers must analyze all perceptions, preferences, behavior and environment in buying.

The prospect of the milk industry is getting brighter if its customers feel the benefits and benefits of consuming milk. In addition to nourishing the body, it also increases the opportunities for the milk processing industry and expands the market segment. On the other hand, the milk trade has now involved many competing companies, including PT Mead Johnson Indonesia (MJI) which produces milk sustagen for children ranging from 1-12 years. Overall competition for dairy products is relatively stable.

Marketing within a company must think of the right strategies in carrying out its product sales. Many aspects must be considered and considered, before a company establishes and implements a marketing strategy. One strategy that must be considered is the strategy of reaching as many consumers as possible and looking after their customers. Here marketers can do an analysis of consumer behavior which can later be used as a strategy that can be used and applied by the company.

One of the companies that produce and distribute child nutrition in Indonesia is PT MJI. The company must maintain and maintain its customers and improve relationships between the company and its customers. Human nature or buyers are very diverse in wanting their needs. It is very important for companies to understand and know what their customers want.

Based on Nielsen's data, the market share of Sustagen Milk in North Sumatra for the category of Mass Premium in 2015 was 3%, a decrease compared to 2014 of 3.6% far below Bebelac 46.7%, and chil of 39.5% as shown in Table 1.1. This condition of market competition makes every milk producer try to maintain or even increase its

market share through various promotions related to marketing activities of milk products.

Table 1, Market Share of Dairy Products in the North Sumatra Region PT Mead Johnson Indonesia (2014-2015)

Product Name	Market Share (2014)%	Market Share (2015)%
Boneeto	0.9	0.8
Dancow	2.9	2
Sustagen	3.6	3
Bebelac	49.5	46.7
Nutrilon	6.3	6.1
Chil	33.6	39.5
S-26	2	1.7

Source: Nielsen (Retail index Indonesia, December 2015)

PT MJI markets its products through 2 different market segments, namely the Infant segment (Product: Enfamil 1 & Enfamil 2) where this product acts as breastfeeding nutrition for the infant category under 1 year of age and Children segment (Enfagrow and Sustagen products) namely segments for children over 1 year to 12 years. PT. MJI focuses on marketing activities to both segments because it is interrelated (staging product), but if it is related to the promotion of PT. MJI focuses on the Children segment because the infant segment cannot have promotional activities because it is in accordance with government regulations and also the WHO Code and APPNIA that promotional categories (milk under 1 year) cannot be promoted. In addition, the children segment also has a larger composition and market volume and the level of competition is greater.

This product distribution path requires shop / retail support such as supermarkets, milk shops, and other relevant stores to provide and market these products to consumers. The presence of retail stores such as supermarkets and milk shops plays an important role for PT. MJI business growth.

PT MJI has carried out various activities and marketing communication circuits including through retail networks or milk shops that sell Sustagen products. Socialization of sales, regular visits from the Distributor team, and a series of sales and promotional activities that are all aimed at increasing Sustagen's milk sales at the retail level which is ultimately expected to increase the company's revenue.

Since 2012 until 2015, marketing and promotional communication activities carried out by PTMJI which aims to increase sales volume with planned targets have not yet achieved the expected achievement. Sales achievement is still far from the planned target.

Table 2 Target and Realization of Sustagen Milk Sales for the period 2012-2015

	2012	2013	2014	2015
Sales Target (vol eq-CS)	61,500	58,304	52,354	40,139
Realization of Sales (vol eq-CS)	50,699	46,745	37,166	36,904
Achievement (%)	82%	80%	71%	92%

Based on the data in Table 2. The failure to achieve the sales target for Sustagen milk products at PT Mead Johnson Indonesia greatly influenced the achievement of sales of PT Mead Johnson Indonesia as a whole because the contribution of Sustagen milk was very significant at 60% of total sales. Therefore it needs to be evaluated to determine the extent of the relationship between promotional mix factors carried out by PT Mead Johnson Indonesia in increasing the achievement of Sustagen's sales targets so that improvements can be made to the promotion strategies that will be carried out in the years to come, especially through stores and retailers that are relevant for selling dairy products

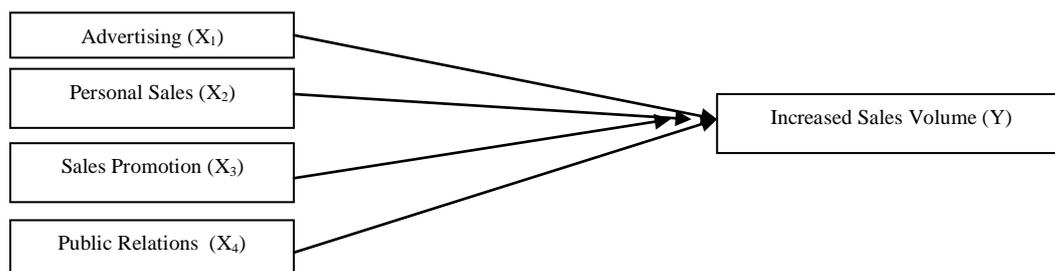


Figure: 1 Research Conceptual Framework

Hypothesis

The research hypothesis is as follows:

1. Advertising

Ho: Advertising significantly does not affect the increase in sales volume.

Ha: Advertising significantly affects the increase in sales volume.

2. Personal Sales

Ho: Personal sales significantly do not affect the increase in sales volume.

Ha: Personal sales significantly do not affect the increase in sales volume.

3. Sales Promotion

Ho: Sales promotion significantly does not affect the increase in sales volume.

Ha: Sales promotion significantly affects the increase in sales volume.

4. Public Relations

Ho: Public relations significantly does not affect the increase in sales volume.

Ha: Public relations significantly affects the increase in sales volume.

5. Ho: Advertising, personal sales, sales promotions, and public relations simultaneously have no effect on increasing sales volume.

Ha: Advertising, personal sales, sales promotions, and public relations simultaneously influence the increase in sales volume.

MATERIAL AND METHODS

The research used is correlational research. This study was conducted with the aim of detecting the extent to which variations in a factor are related or correlated with one or more other factors based on the correlation coefficient. (Sinulingga, 2012).

The population in this study are all retailers or stores that sell Sustagen Milk in the North Sumatra Area. Based on PT MJI data, out of 515 stores recorded in the North Sumatra Area, the store population in this study was 515 stores.

The sample is a subset of the population. A subset consists of a number of elements from the population drawn as samples through certain mechanisms with specific objectives (Sinulingga, 2012: 183).

The sampling method used is probability sampling method, with the sampling technique in this study carried out through the sampling area, which is the selection of samples based on the method of sampling by grouping by area. So that the number of samples taken becomes 60 samples. So the sample size in this study was taken as many as 60 respondents.

The types and sources of data used are sourced from primary data, namely data obtained from respondents' answers studied in various questions based on operational variable advertising, personal sales, sales promotion and public relations related to increasing Sustagen milk sales volume and secondary data from PT MJI (which can be published), product brochures, data from Nielsen.

RESULTS AND DISCUSSION

Basic Assumption Test and Classical Assumption Deviation Test

The method used to analyze the research question is the regression method, and to ensure that the regression method is chosen is appropriate and fulfills the assumptions required in its use, the classical assumption test is performed (Ghozali, 2013)

Normality test

Normality test is done to find out whether the population of the data is normally distributed or not. In this research, the One Sample Kolmogorov-Smirnov (KS) test will be used using a significance level of 0.05. Data is declared to be normally distributed if significance is greater than 5% (> 0.05).

Table 3 Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		60
Normal Parameters ^a	Mean	.0000000
	Std. Deviation	.21843266
Most Extreme Differences	Absolute	.081
	Positive	.081
	Negative	-.054
Kolmogorov-Smirnov Z		.630
Asymp. Sig. (2-tailed)		.823
a. Test distribution is Normal.		

Source: Data Processing Results, 2017

From the results of Table 3, above it can be seen that the significance value for the unstandardized residual is 0.823. Significant values for unstandardized residual variables are greater than 0.05, it can be concluded that the data on the variable Advertising, Personal Sales, Sales Promotion, Public Relations, and Sales Volume Increase in the regression model are normally distributed.

Multicollinearity Test

The multicollinearity test aims to test whether the regression model found a correlation between independent variables. A good regression model should not have a correlation between independent variables.

Multicollinearity test is also used to determine whether there is a deviation from the classic multicollinearity assumption, namely the existence of a linear relationship between independent variables in the regression model. The prerequisite that must be fulfilled in the regression model is the absence of multicollinearity. In this research Multicollinearity test will be conducted by looking at the Variance Inflation Factor (VIF) value in the regression model. If VIF is greater than 10 and tolerance value is <0.01 , then the variable has a multicollinearity problem with other independent variables (Ghozali, 2013).

Table 4 VIF Test Results and Tolerance Values

Model	Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF
	1 (Constant)	-1.121	.317					-3.535
Periklanan	.312	.019	.326		16.568	.000	.461	2.169
Penjualan personal	.732	.039	.639		18.862	.000	.156	6.413
Promosi Penjualan	.118	.028	.130		4.147	.000	.183	5.466
Hubungan Masyarakat	.063	.028	.040		2.261	.028	.578	1.731

a. Dependent Variable:
Increased Sales Volume

Source: Data Processing Results, 2017

Based on Table 4, Based on the above output it is known that the Advertising variable (X1) obtained a tolerance value of $0.461 > 0.1$ and VIF $2.169 < 10$, Personal Sales (X2) obtained a tolerance value of $0.156 > 0.1$ and VIF $6.413 < 10$, Sales Promotion (X3) obtained a tolerance value of $0.183 > 0.1$ and VIF $5.466 < 10$ and Public Relations (X4) obtained a tolerance value of $0.578 > 0.1$ and VIF $1.731 < 10$, so it can be concluded that the data in this study are free from multicollinearity.

Heteroscedasticity Test

Heteroscedasticity test is used to determine whether there is a classic assumption deviation. Heteroscedasticity,

namely the existence of variance inequalities from residuals for all observations in the regression model. The requirement that must be fulfilled in the regression model is the absence of symptoms of Heteroscedasticity.

Heteroscedasticity testing can be used graph analysis tools or with statistical calculation methods. One such statistical method is the Scatter Plot Test. Heteroscedasticity occurs when an error or residual from the observed model does not have a constant variant from one observation to another. Heteroscedasticity testing is done by looking at the residual diagram of the independent variable on the Scatterplot output.

According to Ghozali (2013), the provisions of heteroscedasticity test with the following provisions:

1. If there are certain patterns, such as the existing points form a certain pattern regularly (wavy, widened and then narrowed), heteroscedasticity occurs.
2. If there is no clear pattern, such as the point spreads above and below the number 0 on the Y axis, there is no heteroscedasticity.

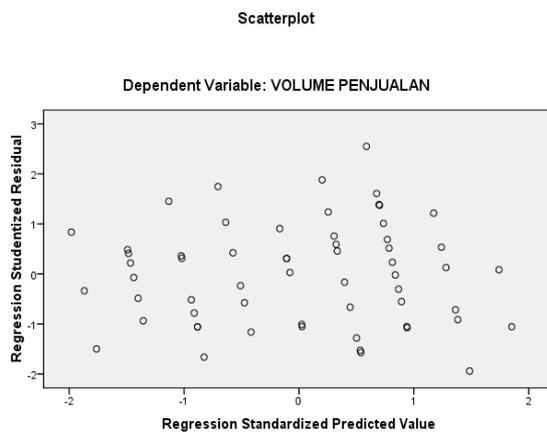


Figure 2: Scatter Plots for heteroscedasticity tests

From the scatter plot graph in Figure 2, it can be seen that the points spread randomly and spread both above and below the number 0 (origin axis) on the Y axis, it can be concluded that there is no heteroscedasticity in the regression model, so the regression model is feasible to predict Y variable (Increase in Sales Volume).

Results of Multiple Regression Analysis Determination Coefficient Value (R²)

The coefficient of determination (R) essentially measures how far the model's ability to explain the variation of the dependent variable. The coefficient of determination is between zero and one. (Gozhali, 2013). The coefficient of determination is located in the summary table model and written R Square.

A small R value means the ability of independent variables to explain variations in the dependent variable is very limited. A value close to one means that the independent variables provide almost all the information needed to predict the dependent variable.

Table 5: Coefficient of Determination and Correlation Coefficient

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.995 ^a	.990	.989	.226

a. Predictors: (Constant), Relationship_Community_Promotion_Sales, Advertising, Sales_Personal
Source: Data Processing Results, 2017

From the SPSS output in Table 5, it can be seen that:

1. The value of the coefficient of determination (R Square) is 0.990. That is, 99.0% increase in sales volume of Sustagen Milk can be explained by variables of advertising, personal sales, sales promotion, and public relations. While the remaining 0.1% is explained by other variables outside the variables used in this study.
2. The value of the correlation coefficient (R) of 0.995 indicates that there is a very strong relationship between Advertising, Personal Sales, Sales Promotion, and Public Relations to the increase in Sustagen Milk sales volume by 0.995

Simultaneous Regression Coefficient Test (Test F)

The simultaneous hypothesis in this study is:

Ho: advertising, personal sales, sales promotions, and public relations simultaneously did not affect the increase in sales volume

Ha: advertising, personal sales, sales promotions, and public relations simultaneously influence the increase in sales volume

Simultaneous Test or F Test aims to determine the effect of independent variables on the dependent variable simultaneously or together as shown in Table 6.

Table 6. F Test Results

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	283.518	4	70.880	13853	.000 ^a
	Residual	2.815	55	.051		
	Total	286.333	59			

a. Predictors: (Constant), Public Relations, Advertising, Personal Sales, Sales Promotion,

b. Dependent Variable: Increased sales volume

Source: Data Processing Results, 2017

The stages of conducting a Simultaneous test (F Test) are as follows:

1. Establishing Significance Levels
The level of significance uses zero = 5% (significance 5% or 0.05).
2. Seeing the Value of Fhitung
From table 6.11, the above obtained F count value is 13,853 with probability in the Sig column. Namely 0,000.
3. Establish Value from Ftable
Using Microsoft Excel, we can find the 95% confidence level of significance = 5%, dfl = 4, df2 = 55, through FINV mathematical functions (0.05, dfl, df2) or FINV (0.05,4, 55) obtained Ftable = 2.539.
4. Testing Criteria
 - Ho is accepted and Ha is rejected, if F count < Ftable

- Ho is rejected and Ha is accepted, if F count > Ftable
5. Comparing Fcount with Ftable
Value of Fcount > Ftable (13,853 > 2,539)
 6. Conclusion
Because the value of F count > F table (13,853 > 2,539), then Ho is rejected and accepts Ha. This means that there is a very significant / simultaneous influence between Advertising, Personal Sales, Sales Promotion, and Public Relations on the increase in sales volume of Sustagen Milk.

Partial Regression Coefficient Test (t Test)

Partial hypothesis testing or usually better known as t test is a test that is conducted to determine the effect of independent variables (X) on the dependent variable (Y) separately or respectively.

Table 7. Statistical Test Results t

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.121	.317		3.535	.001
	Advertising	.312	.019	.326	16.568	.000
	Personal Sales	.732	.039	.639	18.862	.000
	Sales Promotion	.118	.028	.130	4.147	.000
	Public Relations	.063	.028	.040	2.261	.028

a. Dependent Variable: Sales Volume

Source: Data Processing Results, 2017

The stages of conducting a partial hypothesis test (t test) are as follows:

1. Hypothesis
Ho: Advertising, personal sales, sales promotions, and public relations partially have no effect on increasing sales volume.
Ha: Advertising, personal sales, sales promotions, and public relations partially influence the increase in sales volume.
2. Level of significance
The level of significance uses zero = 5% (5% significance or 0.05).
3. Value from table

By using Microsoft Excel, it can be seen that the ttable value is zero = 5%: 2 = 2.5% (two-sided test) with degrees of freedom (df) = nk-1 or df = 60-4-1 = 55 (n is the number of samples and k is the number of independent variables through the TINV function (0.05,55) obtained by the results of ttable = 2,004.

4. Value of tcount
The value of tcount can be seen in column t in Table 6.11, obtained by the value of tcount for each variable as follows:

- a. The tcount on the advertising variable is 16,568
- b. The t-count on the personal sales variable is 18,862
- c. The t-count on the sales promotion variable is 4,147
- d. The tcount on the variable public relations is 2,261

5. Testing Criteria

If $t_{count} < t_{table}$, then H_0 is accepted

If $t = t_{table}$, then H_0 is accepted

If $t_{hitung} > t_{table}$, then H_0 is rejected

6. Conclusion

- a. Advertising (X1) obtained a calculated T value of $16,658 > 2,004$ and a significance value of $0,000 < 0,05$, so it can be concluded that Advertising (X1) has a significant positive effect on Sales Volume (Y).
- b. Sales Promotion (X2) obtains a calculated T value of $18,862 > 2,004$ and a significance value of $0,000 < 0,05$, so that it can be concluded that Sales Promotion (X2) has a significant positive effect on Sales Volume (Y).
- c. Personal Sales (X3) obtained a calculated T value of $4,147 > 2,004$ and a significance value of $0,000 < 0,05$, so that it can be concluded that Personal Sales (X3) has a significant positive effect on Sales Volume (Y).
- d. Public Relations (X4) obtained a calculated T value of $2,261 > 2,004$ and a significance value of $0,028 < 0,05$, so it can be concluded that Public Relations (X4) have a significant positive effect on Sales Volume (Y).

Equations in the Regression Model

Regression equations are arranged based on the most influential factors in the Table Based on Table 6.9. The general form of the regression equation is:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

The value of b (regression coefficient) is obtained from column B in Table 6.12, so the regression equation in this study is:

$$Y = 1,121 + 0,312X_1 + 0,732X_2 + 0,118X_3 + 0,063X_4$$

From the regression equation, it can be concluded:

- a. A constant value of 1.121 means that if the Advertising, Personal Sales, Sales Promotion, Public Relations value is constant, then the increase in the sales volume of Sustagen Milk is still at 1,121.
- b. Advertising variables have a positive and significant effect on the increase in sales volume of Sustagen Milk, this can be seen from the significance value (0,000) less than 0.05, meaning that if advertising is increased by one unit, the increase in sales volume will increase by 0.312 units (unit). Conversely, if advertising is reduced by one unit (unit), the increase in sales volume of Sustagen Milk will decrease by 0.312 units (units). These results indicate that the advertising carried out, the information conveyed, the advertising creativity that is used, if it is increased will increase the sales volume of Sustagen Milk.
- c. Personal sales variables have a positive and significant effect on the increase in sales volume of Sustagen Milk, this can be seen from the significance value (0,000) less than 0.05, increased by one unit (unit) so that the increase in sales volume will increase by 0.732 units (units). Conversely, if personal sales are reduced by one unit (unit), the increase in sales volume of Sustagen Milk will decrease by 0.732 units (units). These results indicate that personal sales are carried out, the salesperson's approach to the sales process, product presentation capabilities to ensure purchase, how to handle complaints if improved, will be very influential in increasing the sales volume of Sustagen Milk.
- d. Sales promotion variables have a positive and significant effect on the increase in Sustagen Milk sales volume, this can be seen from the significance value (0,000) less than 0.05, meaning that if the sales promotion is increased by one unit, the increase in sales volume will increase by 0.118 unit (unit).

Conversely, if the sales promotion is reduced by one unit (unit), the increase in sales volume of Sustagen Milk will decrease by 0.118 units. These results indicate that the sales promotion program offered encourages purchases, and encourages use among new users of Sustagen Milk.

- e. The variable public relations positively influences the increase in sales volume of Sustagen Milk, this can be seen from the significance value (0.028) less than 0.05, meaning that if the sales promotion is increased by one unit, the sales volume will increase by 0.063 units (units) Conversely, if the sales promotion is reduced by one unit (unit) then the increase in sales volume of Sustagen Milk will decrease by 0.063 units (units). These results indicate that increasing product and company image of each activity carried out will increase the volume of sales of Sustagen Milk.
- f. Of the four promotion mix variables that have the most influence on the increase in sales volume of Sustagen Milk, in Table 6.13 the order of the most influential factors has the smallest effect.

Table 8: The Most Influential Sequence of Variables

No	Variable	Coefficient Value
1	Personal Sales	0,732
2	Advertising	0,312
3	Sales Promotion	0,118
4	Public Relations	0,063

Source: Data Processing Results, 2014

From Table 8, it can be seen that the Personal sales promotion variable is the most influential variable because it has the largest beta value coefficient, which is 0.732, while the second most influential factor is the Advertising variable with a beta value coefficient of 0.312, and followed by Sales Promotion as the influential variable third. The variable that gives the smallest influence on the increase in sales volume of Sustagen Milk is the Public Relations variable with a beta value coefficient of 0.063.

DISCUSSION

Based on the analysis of the questionnaire distributed to 60 samples, the value of the determination coefficient (R Square) was 0.990 which means that 99.0% increased sales volume of Sustagen Milk at the retail level or milk-selling stores could be explained by advertising variables, personal sales, sales promotions and public relations. While 0.1% is explained by other variables outside the variables used in this study.

Strong influence on the increase in sales volume of Sustagen Milk in stores is from personal sales factors, followed by advertising and sales promotion factors. The factor of personal sales is not just about selling to consumers from the store, but also includes a series of collaborative programs carried out by companies such as Sustagen Goes to School and reporting on them. In terms of sales promotion in addition to the sales promotion program itself, the suitability of the form of promotional programs carried out with the expectations of retailers in helping drive purchases also needs to be considered to create the seller's desire to prioritize the purchase of Sustagen Milk which indirectly encourages increased sales.

The public relations factor did not have a significant effect on the increase in the sales volume of Sustagen Milk at the retail level. In detail the explanation of each promotional attribute is described in the following section.

Advertising

Based on the regression results, the advertising factor turned out to be very influential in increasing sales of Sustagen Milk on the part of the shop owner. And advertising is the blood of every business organization, its activities cannot be considered unimportant for companies that hope to survive in the global competition environment (Sajuyigbe, Amusat & Oloyede, 2013). Advertising is one of the most influential communications in delivering messages about products and

services to customers and prospective customers.

Personal Sales

Based on the results of the regression analysis, the personal sales factor is very influential in increasing the sales of Sustagen Milk in the store. This can happen because PT Mead Johnson Indonesia's personal sales force is not only a good relationship with shop owners but as a partner in selling Sustagen Dairy products

Referring to the results of the customer satisfaction survey conducted by Research International survey institutes for PT Mead Johnson Indonesia in 2012, one of the parameters in the CSI (Customer Satisfaction Index), PT Mead Johnson Indonesia still needs to maintain and improve the ability of salespeople to build relationships and make connections sales with shop owners, so that the presence of PT Mead Johnson Indonesia salespeople can influence shop owners more to market Sustagen Milk products. This is in line with the opinion of Subhanjali Copra (2011: 266), that personal sales or salesmanship is one of the important ways of selling, which is a process of helping and persuading potential buyers to buy products face-to-face.

The frequency of visits / meetings and the ability to provide responses as well as answers to questions and complaints from shop owners is one parameter that can be measured. (Customer Satisfaction Survey, 2012).

Sales Promotion

Other activities in the form of marketing communication carried out by PT MJI which focused on various sales promotions by providing attractive sales promotion programs, in accordance with the expectations of shop owners, were able to increase large-scale purchases by shop owners.

Based on the respondent's answer, PT MJI only needs to continue the promotion program carried out and improve television

advertising and also by selecting the appropriate program or a combination of the following programs:

- a. The main consumer promotion tools include product samples, prizes, redemption, discounts, special prices, premiums, advertising-specific items, rebates, displays and demonstrations at the point of purchase, and contests, sweepstakes and games.
- b. Trade promotion tools, sales promotion tools used to persuade intermediary sellers to sell a brand, provide shelf space, promote the brand in television advertising, and offer brands to consumers.
- c. Business promotion tools, sales promotion tools that are used to generate business direction, encourage purchasing, respect customers, and motivate salespeople.

However, in the aim of increasing purchases by stores on a large scale, PT MJI needs to analyze the forms and mechanisms of promotional programs carried out in the future. This is in line with the results of MarkPlus recommendations, 2013, namely to create attractive promotional programs for retail customers, namely shop owners, it is very important to create a combination of programs that involve direct gifts, programs that are direct and measurable, with mechanisms and requirements to follow a simpler program and clear.

Public Relations

Based on the regression results, public relations factors have no strong influence on increasing sales of Sustagen Milk by stores. This can happen because the public relations activities carried out by PT Mead Johnson Indonesia such as the Sustagen goes to School program, Sustagen Funday and other programs are not very effective and need time because their nature does not directly encourage potential buyers to come to buy Sustagen Milk products. In this case some things that can be done related to public relations include:

- 1) Press relations or press agents: creating and placing valuable information on the news media to attract attention to someone, product, or service.
 - 2) Product publicity: publish certain products.
 - 3) Community activities: building and maintaining national and local community relations.
- b. In line with the promotion allocation issued, optimization of funding can be done by directing the allocation of funds to promotional activities and building community relations which are the most influential factors of the research results.
 - c. Pull and push strategy optimization by focusing on sales promotions and advertising as push programs to channel members to persuade them to bring products and sell them to end consumers and sales promotions and public relations as a pull program to end consumers to persuade them to buy products.
 - d. The sales promotion strategy must ensure that the mechanism carried out is able to influence and encourage shop owners to prioritize stocks or purchases of Sustagen Milk. Not only is the form of promotion programs and prizes the main thing, but the mechanism or method of participating in the program is also key to the willingness of shop owners to want to make large-scale stock purchases.
 - e. The product and company communication strategy needs to be carried out in other forms of advertising which prioritize two-way communication (Below The Line) compared to one direction (Above The Line) to build good relationships from shop owners with products sold. In this case the shop owner gets clearer information about the benefits and uses of Sustagen Dairy products to become a basis for recommendations to prospective buyers.
 - f. The personal sales strategy needs to be maintained according to the actual salesperson's function. In this case, the presence of salespeople in the field in marketing products also needs to be developed as an advisory function as well as an information source that offers businesses that benefit shop owners as well. So that salespeople are not only able to explain the features of Sustagen Milk products but also the benefits for

Managerial Implications

Based on the results of the research conducted, personal sales variables, advertising followed by sales promotion variables are very influential variables followed by public relations variables. If the shop owner's perception of PT Mead Johnson Indonesia and its products is getting better, the increase in sales of Sustagen Milk will be better in the store. If the shop owner's response to sales promotion is getting better in this case the existence of a clear mechanism for the implementation of the promotional program carried out will also increase the sale of Sustagen Milk by the store. If the shop owner's perception of PT Mead Johnson Indonesia product advertisements gets better in this case the clarity of information designed and the right choice of media is used, the increase in sales of Sustagen Milk is also increasing.

Based on the discussion that has been stated, to optimize the promotion of the allocation of funds issued for achieving targeted sales targets, it is necessary to carry out various management operational policies in terms of the milk promotion mix, including:

- a. Of the four promotion mixes, PT MJI needs to reorganize the promotion mix priority scale that will be carried out. Priority. Public relations need to be reviewed and focused more on advertising activities on sales promotion and public relations that lead to the overall activities of the company. For example, by making an emotional advertising program on TV or massive advertising on digital TV such as YouTube, Facebook, etc.

shop owners when they are willing to sell products. Setting the frequency of visits / meetings and increasing the ability to provide responses and answers to questions and complaints from shop owners is one of the important parameters that need to be improved (Customer Satisfaction Survey, 2012).

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

- a. The factor of personal sales is the main factor that must be considered by PT MJI in conducting a series of marketing communications. This factor has a strong influence on increasing sales volume.
- b. Another very important factor which is advertising and sales promotion is a factor that needs to be considered by PT MJI. Both of these factors have a strong and balanced influence on increasing sales volume.
- c. Factors of Public Relations also have a significant influence on increasing the sales volume of Sustagen Milk.
- d. So far, marketing communications carried out in an effort to influence the increase in milk sales volume have prioritized personal sales

Recommendations

- a. PT MJI needs to strengthen and focus its promotional mix priority scale on personal sales factors. The priority for this personal sales factor was improved and maintained because what PT MJI had done so far had been very good in terms of problem solving skills faced by shop owners, knowledge of products, information provided was always clear, and a very fast response to helping increase Sustagen milk sales.
- b. In line with the promotion allocations issued, PT MJI really needs to optimize advertising activities with massive and creative product advertisements not only through brochures, flyers, branding advertisements in certain stores, but also

- to make advertisements on television, radio, digital TV (youtube , Facebook, Instagram, etc.) with airtime that is suitable for the period of time the mother or child is watching television, such as soap operas that have high ratings or shows of children who have high ratings, supported by the contents of emotional and persuasive advertisements like those done by competitors have been very successful at increasing sales. Sales promotion activities which are also the most influential factors from the results of research, PT MJI needs to optimize the implementation of pull and push strategies with a focus on personal sales, advertising and sales promotion as push programs to shop owners to persuade them to bring products and promote them to end consumers and conduct sales promotions and public relations programs as a pull program to end consumers to persuade them to buy Sustagen Dairy products.
- c. The sales promotion strategy needs to be improved and must ensure that the mechanism carried out is able to influence and encourage shop owners to prioritize stocks or purchases of Sustagen Milk compared to its competitors. Not only the form of promotion programs and prizes that are the main, but the mechanism or method of participating in the program is also key to the willingness of shop owners to make large-scale stock purchases, such as clear, consistent promotional calendars and loyalty programs to owners. stores such as purchases in certain periods with agreed sales targets will get bonuses, rebates, or other things that are of interest to the store
 - d. urthermore, the company can further highlight the form of communication that connects PT MJI's activities from just being known as a producer and marketer of Sustagen Dairy products to providing service, solutions and inspiration to its business partners both

in terms of education and training. and also benefits.

For example, by disseminating information and training to shop owners / shop heads both during formal and informal events, utilizing gathering events with customers, namely shop owners.

- e. The results of the coefficient of determination 99.0% indicate that the strong influence of the independent variable on the dependent variable, namely the increase in sales can be used as a consideration so that the future promotion strategy really focuses on these four variables in order to get maximum results in achieving sales targets, even though there are other variables of 1 % which needs to be examined in addition to the variables examined in this study to see other factors regarding the effectiveness of promotional activities that will be carried out to increase the volume of sales of Sustagen Milk.

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