

INFLUENCE OF PRODUCTION COST AND PROMOTION COST ON THE VOLUME OF SALES OF WATER IN IRAMOR UNIPESOAL LDA, BECORA DILI TIMOR-LESTE (Case Study Conducted In IRAMOR Unipessoal Lda, Becora Dili)

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ARTICLE INFO	ABSTRACT
Accepted Accepted Accepted in the form of revisions Accepted in the form of revisions	This preliminary research requires a high volume of sales from Iramor Unipessoal Lda, as a company whose existence is about the production of clean water for communities in the city of Dili and also in the municipality, as well as in the company superior especially the production sector so the Ministry of Health must prioritize best of all to provide exceptional support to the Company in the future. This research aims to test the influence of production costs and promotion costs on sales volume in Iramor Unipessoal Lda. This research employs an international sample method, comprising a total of thirty (30) individuals from the working population of Iramor Unipessoal Lda. The analysis method used was multiple linear regression. The search results were regressed using the following equation: $Y = 0.751 + 0.124X_1 + 1.072X_2$. Based on statistical data analysis, the indicator of this research is valid and reliable. Testing the classical assumption, the multicollinearity free regression model, no heteroscedasticity, and normal distribution occurred. The most significant result is the promotion cost variable (X_2) of 1.072, and the smallest result is the production cost variable (X_1) of 0.124. The results of this research are obtained because all independent variables have a positive and significant influence on the dependent variable. Conclusion both production and promotion costs significantly and positively influence sales volume, with promotion costs having a greater impact. Companies should optimize their promotional investments while maintaining efficient production processes to maximize sales volume.
Keywords: Production Cost, Promotion Cost and Sales Volume	

INTRODUCTION

In the era of globalization now, there are tremendous changes in all areas including the business world. All companies are facing a very competitive phase in the business world. This condition obliges all companies to make efforts and work harder to increase their creativity to innovate constantly to offer products or services with better quality, price and service and in accordance with consumer and market desires / wishes, compared to other companies. This is what the market wants to demand and becomes the main objective in the competitive phase. In general, all companies strive to meet all consumer desires, to create trust and good relationships with a long duration between companies and consumers. This relationship must be strengthened over time through good service and production quality. Thus, the negative

perception about the company will change / disappear because with good service and products according to the consumer's wishes, which directly changes this negative perception, to make a commitment to consumers and the market so that consumers and the market can buy the product offered.

The company stands with the objective of increasing sales volume, increasing competitiveness and reducing costs in order to achieve high profits. The company's development and profits can be used as a measure to measure the success of the company in the process of carrying out production activities. Profit and loss is often used by companies as a measure of company effort (Ibrahim et al., 2022; Salman, 2023; Trimulato, 2021; Yaya et al., 2021). If the company achieves its objective, the company can automatically survive and compete with other companies, according to Rustami et al (2014). The company to achieve its objectives in the business world, first through the cost process that is in the company, and the cost is the cost of production and promotion costs that can achieve sales volume to achieve the company's objectives, to compete in the business world.

Production cost is the cost used to process raw materials into finished products ready for sale. Production costs will be divided into three (3) elements such as direct raw material costs, direct labor costs and factory overhead costs, according to Putu Rustami (2014:69). Promotion costs are market costs or sales costs that accumulate all costs that ensure customer service and delivery of products or services to consumers, according to Rangkuti (2013:56). Marketing becomes the operational function of the company that directly supports the activity of the company. A marketing activity that is also important to increase the sales results of the company is to do "promotion" Promotion is an effective medium that companies use to reach the market and consumers. The basis for developing promotion is that communication between consumers and companies must be created effectively. Basically, the advantages of carrying out promotional activities are as follows: Present and inform the public about the market, to create public interest to buy market products, the relationship increases the volume of sales in the market / product (for example, a company selling cars, promotion becomes part of the company's efforts to get customers. as the company's efforts to increase sales volume to make a profit, with another function is, promotion is not only to know how to get more customers, but how to make a profit also according to the company's wishes. So this sales activity requires honesty to gain the trust of consumers.

Therefore, in commodity companies must promote to make profits to achieve company objectives, both individual or group objectives. The competition is very strong, so the companies must work harder in the service to strengthen the relationship between the company and consumers. Price is the most strategic element in the market to increase sales volume. In addition to price, another element that influences the process of increasing sales volume is through promotion. Promotion is an activity that companies do with the objective of informing, and telling consumers to choose or buy products that the company offers. To strengthen the company's existence in the business world, an important effort that the company must make is promotional activities. For example, car dealerships primarily promote car brands, car prices and car quality. With the promotion activity, the company's desire is to get customers so as to achieve large profits.

Sales volume is the result of sales that the company obtains through the sales process. Sales volume is also the price obtained from the total cost of production and the brand used to cover the costs incurred within the company, according to Walker and Boyd (2018:79). Each company has its own strategy that is different, depending on the needs of each company, market strategy also adjusts to the company's capacity through a combination of four (4) variables such as: production activity, price structure, promotion activity and distribution system. In addition to promotion costs, another important cost that influences the profits that the company receives is the cost of production. Production costs are the costs used to process raw materials into finished products for the market and consumers.

The results obtained from the observation on the influence of production cost and promotion cost on the sales volume of hot water in Company Iramor Unipessoal Lda, that production costs and promotion costs do not give a good and significant influence on the volume of sales, because the costs that company removed to make the production process and promotional activities larger (mostly) to the resulting sales volume.

Research Objectives to analyze the influence of production costs on sales volume in Iramor Unipessoal Lda, examine the influence of promotion costs on sales volume in Iramor Unipessoal Lda, determine the combined effect of production costs and promotion costs on sales volume and identify which cost factor has a stronger influence on sales volume.

Literature Review

Understanding Production Costs

Cost of production is the cost of a production process in a manufacturing company that processes raw materials into finished products for the market and consumers. Production cost is the capital expenditure used to produce a product in the form of a good or service and production cost is also an economic sacrifice. Cost is an amount that can be measured in units of money in order to own the goods and services needed by the company. Production costs are very important, especially in the company's financial statements. In cost accounting, we always find the cost of production as a component that enters the income statement, the cost of production will make it easier for the manager to make decisions. There is also a definition of production cost according to scholars as follows:

According to Mulyadi (2015) production costs are the costs incurred to process raw materials into finished products ready to be sold to markets or consumers. Cost of production is also the sacrifice of economic resources measured in units of money, which has happened or is likely to happen to achieve an objective. Syamsul Rivai (2019:49) states that production cost is a cost related to the production function, which is the cost that occurs in the processing of raw materials into finished products and ready to sell. Production costs are a source of economic expenditure measured in units of money that have occurred, are occurring and are likely to occur with the objective of obtaining greater profits. Kuswadi (2013:32) that production costs are costs related to the calculation of production activities or goods sold. The cost of production is the money spent or incurred or the value of sacrifice to obtain a product or service that will benefit the future. Types of production costs according to Carter and Usry (2008:40), that after knowing the significance of production costs with five (5) types, as follows:

1. **Fixed costs**, is a cost that does not change with the amount produced, this means that fixed costs do not change even if production even if the business has reached its maximum production capacity.
2. **Variable cost**, is the cost that changes with changes in the level of production, these costs will increase as the volume of production increases and will decrease as the volume of production decreases.
3. **Total cost (total cost)**, total cost includes variable costs and fixed costs, the company will calculate all the costs in the production process or when offering a service, then the company will get the total cost of a production process.
4. **Average cost**, average cost refers to the total cost of production divided by the number of units produced, this can also be obtained by adding the average variable cost and the average fixed cost. These costs are very useful when making decisions on product pricing for maximum revenue.
5. **Marginal cost**, This marginal cost is the cost of producing an additional unit of product, which represents the increase in the total cost of producing another unit of product. Marginal cost will be affected by changes in variable costs, unlike fixed costs.

Ony Widilestariningtyas (2012:12) states that production cost is the cost of processing raw materials into finished products for the market. He also said that production cost defines the result of the calculation of three (3) cost elements such as: raw material cost (kmp), direct labor cost (ktd) and factory overhead cost (kof).

1. **raw material cost**, raw material cost is the cost of direct materials that are the main part of the production process.
2. **Direct labor costs**, direct labor cost is the cost of workers who work directly in the production process.
3. **Factory overhead costs**, factory overhead costs are general costs that record all costs except direct raw material costs and direct labor costs.

The factory overhead cost elements are: indirect raw material cost, indirect labor cost, depreciation cost, machine maintenance cost, electricity cost, water cost and other costs.

Production Cost Determination Method

Mulyadi (2015) The method of determining production cost is the way to count cost elements into the cost of production. The process of calculating cost elements in production costs in two (2) parts is as follows: Full costing and Variable costing

a. Full costing

Full costing is a cost determination method that accounts for all cost elements in the cost of production. The production cost under the full costing method consists of the following cost elements:

Raw material cost	xx
Direct labor costs	xx
Variable factory overhead cost	xx
Fixed factory overhead costs	xx
Production cost	xx

b. Variable costing

Variable costing is a method of determining production costs that count / count only production costs with variable characteristics to production costs. The cost of production according to the variable costing method is as follows:

Raw material cost	xx
Direct labor costs	xx
Variable factory over-head cost	xx
Production cost	xx

Production Cost Indicators

In this research, the indicator according to the company is the cost of production which consists of production expenses, excise tax, cost of sales / sales products, and other product costs.

Hansen and Mowen (2007) that production cost indicators are measured by five (5) categories, such as:

1. Cost prevention

Cost removed and incurred to prevent substandard service / product quality.

2. Assessment cost

The cost of production can decide the quality of the service / product that produces the service.

3. Internal failure cost

Costs usually occur when the service and product do not match the details or according to the customer's wishes. Know that the unexpected happens before the product is shipped to external parties.

4. External failure cost

These costs occur when services and products fail to meet requirements or fail according to customer wishes after service products have been delivered to the customer. External failure costs are a category of costs that can damage product quality and company performance.

5. Standard cost

Standard cost is a fixed cost that occurs with the amount of cost incurred for a product to finance certain activities in economic conditions and efficiency in other factors.

Production Cost Type

Sunarto (2012) refers to the definition of production costs, there are different types of costs as follows:

1. Fixed costs

A fixed cost is a cost incurred in a fixed or stable amount, its existence is not influenced by changes in the quantity of production or activity at certain levels.

2. Variable cost

Variable costs are costs that vary in amount depending on the volume of activity. When the volume of activity increases, the variable cost will increase, and there is another version. For example, raw materials and claims within the company.

3. Semi variable cost

Semi variable cost or mixed / semi-variable cost is an expense that has both fixed and variable cost elements. These costs vary but will not always be comparable. For example electricity, water and telephone costs.

4. Direct costs

Direct costs are costs that are incurred when there is a compulsory need and must be met immediately. These costs are directly related to the production of product units such as raw materials or labor costs.

5. Indirect costs

Indirect costs are higher costs from the factory or removed because they relate to the entire production process, not per unit of product. For example, the cost of renting a motorcycle and security.

6. Investment Cost

The investment cost is the initial capital spent to start the business. For example, the cost of land and purchase of machinery.

7. Operating cost

Operating costs are a series of costs incurred during the operation or production process. For example, operator salary.

8. Maintenance cost

Maintenance cost is the cost incurred to maintain all the equipment used in the production process. For example, maintenance of buildings, cars, equipment and others.

9. Total Cost

Total cost is the entire production cost comprehensive in nature including fixed, semi-variable and variable costs. Examples are material production costs, merchandise costs, administration costs.

10. Raw material cost

Raw material cost is the cost used for material to be easily identified and directly identified with the finished good.

11. Production Labor Cost

Production labor costs are service labor costs that directly deal with the production process or are related to all goods.

12. Higher cost

The highest costs are factory costs rather than materials and direct labor. For example, auxiliary materials such as factory equipment and indirect services such as foremen, electricity, water, telephone, and repair and maintenance.

Influence of Production Cost on Sales Volume

Carter William(2013) states that the volume of sales obtained by the company can be determined by the volume of production that is produced. While if the volume of production

increases gradually the cost of production will also increase. If the volume of production increases, the volume of sales will automatically increase.

Production Cost Objective

Supriyono (2012) that after knowing the significance of production costs, we must also know the objective of production costs. In general, the purpose of production cost records that companies make is to know the amount of production costs that companies make during the production process. For more information, the following are the three (3) objectives of production costs as follows:

1. **Determine the selling price**, One of the main objectives of production costs is to determine the selling price of products according to the total production costs incurred by the company. To determine the cost of production, a company can consider the profit margin of the current market conditions.
2. **Cost management**, by analyzing production costs we can know the sources of production costs and can create ways to reduce production costs, so as to increase efficiency in the company.
3. **Decision making aid**, production costs can be a factor in making decisions, such as determining whether a company's services increase or decrease production, or the company that produces a good or service.

Production Cost Benefits

Basically all companies aim to make a profit compared to the sacrifices made. To know how big or small the profit is, you need a good measure of the profit and what has been sacrificed. Henry Simamora (2009:8), that the benefits of production costs are as follows:

1. **To accurately determine production costs**, Understanding the components of production costs associated with an activity or business helps identify factors that contribute to expenditure.
2. **Decision making**, Through production costs we can make better informed decisions about investment, production or resource allocation.
3. **performance appraisal**, By comparing current costs with the established budget, we can evaluate the performance of an activity or business.

From the above definition can be drawn a brief conclusion that production cost is the cost used in the production process that consists of raw material costs, direct labor costs and factory overhead costs to produce a product. The cost of production is also an economic sacrifice measured in units of money to obtain something or achieve a specific objective.

Promotion Cost

Promotion cost is the cost that the company spends to promote to inform consumers about their products, is an important factor in promotion activities is the determination of promotion costs, but before determining the cost to spend first know how much it costs to promote. Promotion costs are also part of market activity, the basis for developing promotion activities is through communication, with communication institutions or communities can interact with each other. As we all know that the success or not of the company is not only

because of the quality of the products they produce, but also through a good relationship between the company and consumers.

However, if there is a failure in determining the cost of promotion, it will have a negative impact and delay the process of selling products. As a product that meets the standards and tastes of consumers but in reality with an expensive price compared to products from other companies, consumers will not buy the product and will have a negative impact on the company. The basic meaning of the word promotion is to inform, and inform consumers about the products we produce, with the objective of attracting consumers. Because this is the role of promotion in the market is very necessary from companies to increase sales volume.

According to scholar Philip Kotler (2012:95), that promotion costs are the costs incurred to promote a product. Promotion cost is a marketing communication that is carried out to share information, influence, trust or increase the target market for the company and its products so that people can accept, buy and also loyal to the products offered by the company. Saladin (2014:301), that promotion costs as an alternative of the company how to accelerate products and services that have been produced, because the same products that appear many, make companies must have many alternatives to fight consumers. Promotion cost is a process of marketing strategy as a form of communication with consumers by informing or introducing the product. Rangkuti (2013:56), promotion cost is a marketing cost or sales cost that accumulates all costs that ensure customer service and delivery of products or services to consumers. Promotional costs are also an activity carried out to influence consumers so that they can know the products offered by the company to them and then they will be happy and want to buy the product. Mulyadi (2012:530), states that promotion costs are costs that accumulate costs for all activities in the sales process of a product. Promotional costs are also a very important part for companies to implement in the product service market. Promotional activities not only function as a communication tool between companies and consumers, but also as an instrument to influence consumers in buying or using services according to their wishes and needs.

Mulyadi (2015) states that promotion costs consist of all costs that occur / appear since the production process is completed and placed in the warehouse until the product is sold and purchased by consumers. Promotional costing is an effort to persuade people to accept a product, concept or idea.

According to scholar Philip Kotler has an idea or thought about promotion cost consists of two (2) parts, as follows: advertising cost and promotion cost offer / sale.

1. **Advertising costs**, in publication costs, costs incurred to obtain media coverage, such as television media, facebook, youtube and nst ... that review the company's products.
2. **Offer/sale promotion costs**, followed by the cost of sales promotion that prepares the budget to carry out sales promotion, for example to make special offers to members, discounts, or certain programs for members.

Promotion Cost Indicator

In this research, the indicator according to the company is promotion cost which consists of advertising cost, sales promotion cost, publication cost, personal sales cost and direct marketing cost. Promotion cost is the economic sacrifice that a company makes to carry

out its promotion. Kotler and Armstrong (2008:116) that promotion cost indicators are measured by five(5) categories, such as:

1. Claim costs

All forms of paid presentation of personal ideas and promotion, goods or services with certain sponsors.

2. Sales promotion cost

A short-term incentive encourages the sale or purchase of products or services.

3. Publication costs

Build good relationships with various groups to get publication, because you want to build a good image about the company and deal with or talk about issues, news and events that are in the company.

4. Personal sales/selling costs

Personal presentation by a person who sells products with the objective of generating sales and building good relationships with customers.

5. Direct merchandise costs

Direct relationship with individual consumers with targeted care for getting immediate response and building good customer relationship forever.

Promotion Cost Objective

The role of promotion in the company with its objective is to inform / inform the product that has been produced to consumers, so that the product can be known by many people. To share this information, companies often use the media.

In practice promotion has many objectives to transmit its mission (mission) such as:

- a. **Changing behavior**, as the seller always strives to create a good relationship with consumers, so as to win the hearts of consumers.
- b. **Let it be known**, is a promotional activity that aims to inform consumers about the products we produce. If the company does not do promotional activities, consumers will not know the products they produce, even if the products are of good quality and at a cheap price.
- c. **Warranty**, as the company wishes that with this promotional activity can increase sales volume, but before reaching this company must guarantee consumers to buy their products.

Promotional Cost Benefits

Promotion has a significant influence on business marketing, and the following are some of the benefits of promotion:

1. Raise consumer awareness

companies can introduce their products to consumers in an attractive way through promotion. Therefore, promotion creates a strong impression and maintains consumers' interest.

2. Provide information that consumers need

When consumers are looking for products or services that meet their needs, promotion can provide the information that consumers need. This information includes product specifications, benefits, price and how to get the product, clear and relevant information in the promotion helps consumers make better decisions.

Sales Volume

Sales is the main activity of the company, the company that produces products and services / services in the ultimate objective is to sell or sell products produced to consumers, so sales is important to the company. Sales is also a process of exchanging products between sellers and buyers, this activity is done directly by sellers and buyers. The profit earned by the company comes from the company's efforts to satisfy consumers, therefore the company must offer the best products according to consumers' wishes and at a price that satisfies consumers. According to Philip Kotler (2017:342), that sales volume is an integrated effort to develop strategic plans that are to satisfy the needs and desires of buyers, so as to obtain sales volume / sales that can be profitable. Sales is the company's well-being, because from sales / sales profit can be obtained and efforts to attract consumers who try to find out their appeal so that they can get results from the products produced. Sales volume shows the volume of offerings that give the impression that according to consumers' needs to buy products and own a product expressed in financial volume or products.

Tjiptomo (2002) sales volume is the process of exchanging a product for goods or services from a company. The sales process involves two (2) departments in the company, namely, the marketing department and finance. Sales volume as applied in three (3) appreciation is, first level of sales that people want to achieve, second market that people want to develop as a transaction activity or place to conduct transactions and third profit from sales / sales. Swasta Basu (2019:8-10), sales volume is the science and art of influencing individuals that salespeople do to invite others to be willing to buy goods and services offered. Thus, with sales, it is possible to create a process of exchange of goods or services between sellers and buyers. Sales volume is also part of promotional activities and a measure of how much or how little product has been sold.

Adryani (2000) that sales volume is an activity composed of transactions selling goods or services, in goods or in cash. Sales volume oriented to increase income is the profit earned or earned according to the number of products offered and needed by consumers, the number of transactions that occur and the number of offers made to make a profit. Obviously, an increase in sales will occur when the services offered are shared by the parties involved in the product sales transaction. Gusrizaldi and Komalasari (2016:292), that sales volume is a science and art to influence individuals and adjust through sales to invite others to be ready to buy the goods offered. Thus, with sale, can create a process of exchange of goods or services between the seller and the buyer with the means of exchange in the form of money. Sales volume shows the volume of sacrifice that gives the impression that according to the level of consumer capacity to buy and have a product expressed in financial value.

Sales Stages

Before the company does sales activities for its products that have been produced, first the company needs to know and follow the following steps:

a. Pre-sales/sales preparation

The first step done by the company before selling is the preparation stage. Preparing energy to explain to consumers about the product to be sold, requires maximum knowledge about the product.

b. Determine the location

The next step is to determine the location. Determining location is important because location directly influences sales volume.

c. Get closer to consumers

Before selling the product, the company needs to study and know what products are currently needed by consumers/markets.

The character of increasing sales volume is as follows:

a. Product quality

Consumers always pay maximum attention to product quality, and sometimes consumers do not think much to spend a lot of money to get a good quality product.

b. Pressure

Price is the first thing that consumers see besides product quality. Pressure also plays an important role in increasing sales volume.

c. Promotion

Promotions such as giving discounts (cut price) and often invite consumers to buy the product.

d. Distribution

Distribution to make it easier for products to reach consumers so that sales volume can increase, need to make distribution quickly and well so that consumers can buy the products they need.

e. Human resource quality

In the selection process for employees or workers, there must be the main criteria such as, employees or workers must want to work and make great efforts, have a commitment to develop the company and work professionally. Improving the quality of human resources requires education and training.

Factors influencing sales volume

The factors that influence sales volume are as follows:

a. Product quality

Product quality can influence the volume of sales, if the product is not of good quality or its quality has begun to decline then automatically can make consumers who usually have bought the product can go back to another company that has better product quality.

b. Consumer tastes

Consumer taste is always changing, if the consumer's taste for the product changes, the volume of sales of the product will also change.

c. Attendance

Service is also an important factor in increasing sales volume, because competition is very strong. If when the company's service is not good that makes consumers hesitate to buy products from the company and sometimes choose the company with its good service.

d. Competition to lower prices

Lowering the price is done in order to get more consumers to increase sales volume and eventually make a profit to achieve the company's objectives.

Product Quality

Quality products will be more attractive to consumers, quality products in important respects. The important aspects are as follows:

- a. **Performance**
Performance is the main operating and product purchased characteristic. For example, you can use it quickly, easily and lightly.
- b. **Character**
Product Character that complements the basic product function.
- c. **Product trust**
The measure of the likelihood that a product will not experience damage or failure within a given period.
- d. **Conformation**
Level of product conformity with established standard.

Distribution Channel

Includes company activities making products available to consumer cards. To reach the target product ready for sale to the community, then the product uses a means called distribution channel. Distribution Activity carried out by a company to distribute and deliver goods sold to consumers.

Performance

Income is the result of what a person does. In fact, income is wages or goods earned while doing work or doing business.

Types and Forms of Sales Volumes

Basu Swastha (2015) define the sales volume type and form as follows:

- a. ***Trade Selling***
Sales can occur when large producers and retailers allow retailers to try to improve product distribution. This involves dealers with promotional activities, inventory demonstrations and new products.
- b. ***Missionary Selling***
Sales seek to increase and encourage buyers to buy goods from the company's distributors.
- c. ***Technical Selling***
Try to increase sales volume by giving suggestions and advice to the end buyer about goods and services.
- d. ***New Businies Selling***
Try to open a new transaction to create a potential buyer such as a security company.
- e. ***Responsive Selling***
Each sales workforce can respond reacting to buyer orders through driving and retailing. This type of sale is big, but the customer relationship is good and strong enough to buy back.

RESEARCH METHODOLOGY

Consider that the data analysis method used in this process is quantitative method and data collection techniques used are questionnaires, interviews, documentation and observation.

with the type of data analysis simple linear regression between the independent variables production quality (X1), promotion (X2) and the dependent variable sales volume (Y). This analysis is to know the direction (relationship / connection) between the independent variables with the negative and positive dependent variable and to evaluate from the dependent variable if the value of the independent variable is experimental or increases the data usually used on an international scale with the multiple linear regression formula is as follows: $Y = a + b_1X_1 + b_2X_2 + e$, with its test process used to respond to the results of multiple linear regression analysis is as follows: Determinant Test (R²), Simultaneous Test (F Test), partial test (T), hypothesis test and anova test.

If $F_{\text{table}} = 657,126 > F_{\text{test}}$ Table 3.35 shows that H_0 does not accept that at the level of 95% with confidence for df numerator 2 and df denominator 27, which means, the significant value of test F test value 0.000 which is less than 5% this shows that H_0 does not accept and H_a accepts. Or it can be said that production costs (X1) and promotion costs (X2) simultaneously influence the sales volume (Y) received or in fact.

RESULTS AND DISCUSSION

Influence of Production Cost Variable (X1) on Sales Volume (Y)

The results of statistical calculations clearly show that the t test (t test) for the hypothesis that the production cost variable (X1) showed that there is a significant influence on sales volume (Y). With a large significant value of 0.97, compared to a significant level of (a) 5%, then the value of Asynp. Sig. (2-sided) which is less than 5% with this H_0 does not accept and H_a accepts, or the partial coefficient correlation value (tsura) with the amount of 1.721 > greater than the value (table) 1.703 has a significant influence on sales volume (Y).

Influence of Promotion Cost Variable (X2) on Sales Volume (Y)

The results of statistical calculations clearly show that the t test (t test) for the hypothesis that the variable promotion cost (X2) showed that there is a significant influence on sales volume (Y). With a significant value of 0.00, compared to a significant level of (a) 5%, then the Asynp value. Sig. (2-sided) that is less than 5% with this H_0 not accepted and H_a accepted, or the partial coefficient correlation value (tsura) with the amount 14,384 > greater than the value (table) 1.703 has a significant influence on sales volume (Y).

Relationship Between (X1) and (X2) to Sales Volume (Y)

The results of statistical calculations showed a relationship between independent variables such as production cost (X1) and promotion cost (X2) to the dependent variable with a correlation coefficient value of 0.990. This value is shown in the relationship of the variable production cost (X1) and promotion cost (X2) to the high sales volume (Y) and the strong relationship. The value of the coefficient of determination R² is used to measure the ability of the model to vary the dependent variable. According to the results of calculating SPSS obtained a value of R² = 0.980 which means 0.98% for sales volume (Y) and explained by the variables production cost (X1) and promotion cost (X2).

Limitations and Future Research

1. Sample Limitations: The study's focus on a single company limits generalizability. Future research should examine multiple water companies across different market contexts to validate these findings.

2. Methodological Considerations: The cross-sectional design prevents causal inference. Longitudinal studies could better establish causal relationships between cost investments and sales outcomes.
3. Variable Scope: Future research should incorporate additional variables such as product quality, distribution efficiency, and competitive dynamics to provide more comprehensive models of sales volume determination.
4. Geographic Extension: Comparative studies across different Southeast Asian markets could reveal cultural and economic factors influencing cost-sales relationships in the water industry.

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