



The Effect of Product Quality, Price, and Halal Certification on The Sales Volume (Literature Review)

Nadya Fardani¹

¹ Faculty of Economics and Management, Terbuka University, Indonesia, nadfardani@gmail.com

Corresponding Author: nadfardani@gmail.com

Abstract: The current globalization phenomenon provides significant opportunities for the development of the national economy. One of the impacts of the globalization phenomenon is the expansion of transactions in the global economy which has an impact on increasing market competition. In responding to this phenomenon, preparation is needed from business owner to increase sales of their products. Therefore, research is needed to determine the factor that affect sales volume. This literature review article is written to build a research hypothesis related to product sales volume that are influenced by product quality, price, and halal certification. The method used in writing the article is a library research method sourced from online media, such as Google Scholar, Mendeley and other academic online media. The results of this literature review article are product quality, price, and halal certification affect product sales volume.

Keywords: Globalization, Product Quality, Price, Halal Certification, Product Sales Volume.

INTRODUCTION

Advances in information and communication technology in the globalization process make it easier for all to carry out transactions. One of the ease of transactions obtained is the selling and purchasing of products. Various products derived from business units in any part of the world can be easily obtained through technological advances.

The number of business units, SMEs enterprises spread across all provinces in Indonesia has reached millions of units. This number does not include the number of business units from other countries. The globalization facilitated great movement between countries in creating open spaces and eliminating world economic borders. This has resulted in more diverse products being offered in the global market.

This diversity is challenging for business owner to increase the competitiveness of their products so that the sales volume remains stable and increases. The various ways can be done by business owner to increase the sales volume, including improving product quality, making price adjustments, and implementing halal certification.

To find the effect of product quality, price, and halal certification on the sales volume, a literature review study will be conducted. This study was conducted to find the theory of the relationship between variables through relevant literature in previous studies.

Based on the background the problem that has been raised is :

1. Does the product quality affect the sales volume?
2. Does the price affect the sales volume?
3. Does halal certification affect the sales volume?

LITERATURE REVIEW

Sales

The sales are defined as achievements expressed quantitatively in terms of physical, volume, or units of a product (Rangkuti in Segati, 2018). In addition, sales can also be interpreted as the total goods or products sold by the company within a certain period of time (Marbun in Segati, 2018). In the sales activities, business owner give ownership of a commodity to consumers at a certain price (Segati, 2018). The indicators that affect the sales are price policy, market competition, and government policies (Segati, 2018).

Another definition of sales is the process carried out by business owner to ensure and fulfill consumer satisfaction in order to achieve sustainable and profitable benefits for both business owner and consumers (Winardi in Faizal, 2022). The sales can also be interpreted as an activity to deliver products to consumers (Suastha in Faizal, 2022). The sales volume's factor are price, service quality, and market conditions (Faizal, 2022).

Sulistiyowati in Rahim et al (2023) stated that sales escalation occurs when the demand for a product increases. This is strongly influenced by price, consumer preference, and income (Sulistiyowati in Rahim et al., 2023).

Product Quality

The definition of product quality is an effort to meet consumer expectations through quality standards that have been adjusted to consumer tastes (Doloksaribu and Wibowo, 2017). Product quality affects businesses to maintain their competitive advantage in the market (Kotler in Saribu and Maranatha, 2020). Business owner must know the dimensions of quality to maintain and improve the quality of their products. The dimensions of product quality consist of the shape, characteristics, performance, and functional aspects of the product, as well as product suitability which affects sales (Saribu and Maranatha, 2020).

Product quality can also be defined as the ability of goods to provide superior value and benefits desired by consumers (Abdullah et al. in Kusuma, 2021). Indicators that affect product quality are product value, preference, and consumer satisfaction (Kusuma, 2021).

Widiarto and Hardiana (2021) argued that product quality is the first driver of consumer satisfaction and global dimension. There are five indicators that affect product quality, product performance, specification compatibility, product durability, and aesthetics (Tjiptono in Paramita, 2022).

Price

Price is the amount of money charged for a product (Sunyoto in Nasution et al, 2017). The pricing is important to deal with competition and limited consumer demand for products (Assauri in Nasution et al., 2017). The indicators of price are consumer demand, profit orientation, and competitor prices (Ningrum and Harti in Nasution et al., 2017).

Another definition of price is the amount of money needed to obtain a number of combinations of goods and services (Swastha in Puspitasari et al, 2018). The dimensions of price are price conformity to product quality, price conformity to product benefits, and competitive prices (Kotler in Muhtarom et al, 2022).

Suharno and Sutarso in Lestari et al (2022) stated that price is part of a marketing strategy that affects revenue and sales volumes. Therefore, price is strongly influenced by product quality, competitiveness, and product affordability (Kotler in Lestari et al, 2022).

Halal Certification

Halal certification is defined as the recognition of the halalness of a product by Baand Penyelenggara Jaminan Produk Halal (BPJPH) which is based on a written fatwa issued by Majelis Ulama Indonesia (Panji in Wardo and Syamsuri, 2020). Another definition of halal certification is a reference in giving halal status to products, so that it reassures consumers in buying and consuming (Segati, 2018).

Products that in the processing and production process have fulfilled safety and hygiene standards, will obtain a halal certificate issued by BPJPH (Faizal, 2022). The halal production process must be carried out continuously by business owner by implementing Sistem Jaminan Produk Halal (Rahim et al, 2023).

Business owner must fulfill eleven criteria to apply for halal certification (Prabowo and Rahman, 2016), there are 1) Halal policy, 2) Halal management team, 3) Materials, 4) Products, 5) Production facilities, 6) Written procedures related to critical activities, 7) Traceability, 8) Training, 9) Product handling, 10) Audit, and 11) Evaluations.

METHODS

This literature review article uses descriptive qualitative methods and library research. The literature sources come from the online applications such as Google Scholar, Mendeley, and other online academic applications.

In qualitative research, the literature review must be used consistently with methodological assumptions. For acquire the theories, the researcher must conduct a relevant literature review, sort out information that is suitable for the research topic, and organize it properly (Ridwan et al., 2021).

RESULT AND DISCUSSION

The literature review will conduct a review of the literature used to establish hypotheses, analyze the influence between variables, and create a conceptual framework for the research plan.

Previous Research Results

This review is used to determine hypotheses by explaining the results of previous research and describing the similarities and differences between previous research and the next plan research. The results of the literature review can be seen in the table below.

Table 1: Previous Research Results

No	Authors (Year)	Previous Research Results	Similarities to This Article	The Difference With This Article	Hypothesis
1	Holfian Daulat Tambun Saribu and Euodia Grace Maranatha (2020)	Product quality has a positive and significant effect on sales volume	Analyzing the effect of product quality on sales volume	Without price and halal certification variable as independent variable	H1
2	Toto Widiarto and Ema Hardiana (2021)	Product quality and price have a positive and significant effect on sales volume	Analyzing the effect of product quality and price on sales volume	Halal certification affects sales volume	H1
3	Eneng Riska Diniyanti and Silvia Fatimah	Product quality and price have a positive and	Product quality has a positive and significant effect on	Without price and halal certification variables as independent	H1

	(2022)	significant effect on sales volume	sales volume	variable	
.4	Muhammad Irfan Nasution, Muhammad Andi Prayogi, and Satria Mirsya Affandy Nasution (2017)	The price variable partially has a significant effect on the sales volume	Price has a positive and significant effect on sales volume	Product quality and halal certification have a positive and significant effect on sales volume	H2
.5	Intan Puspitasari, Harry J. Sumampouw, and Aneke Y. Punuindoong (2018)	Product quality and price have a positive and significant effect on sales volume	Product quality and price have a positive and significant effect on sales volume	Without halal certification variable as independent variable	H2
6	Rahayu Lestari, Kumba Digidwiseiso, and Deva Safrina (2022)	Price has a positive and significant effect on sales volumes. While product quality product quality has an effect on sales volumes but is not significant	Product quality and price have a positive and significant effect on sales volume	Product quality has a positive and significant effect on sales volume	H2
7	Ahda Segati (2018)	Halal certification has a positive and significant effect on sales volume	Product quality, price, and halal certification have a positive and significant effect on sales volume	The research object is more complex because it refers to the catering sector	H3
8	Faizal (2022)	Halal certification has a positive and significant effect on sales volume	Halal certification has a positive and significant effect on sales volume	Without product quality and price variables as independent variable	H3
9	Syamsuri Rahim, Tiara Halifah Puspa Sari, and Nur Wahyuni (2023)	There is positive correlation between halal certificates and increased sales	Halal certificate ownership has a positive effect on increasing sales	Without product quality and price variables as independent variable	H3

The effect of product quality on the sales volume

Product quality is something that is produced by business owner to fulfill the standards, preferences, and desires of consumers in order to create satisfaction. Products that that have good quality will affect the sales volume.

Based on Widiarto and Hardiana’s research (2021), product quality significantly affects the product sales volume at ARB Bakery. This is closely related to consumers' positive perceptions of product quality. The best quality will increase consumer satisfaction and product sales volume. Therefore, product quality must be maintained and improved in order to increase sales volume.

From the results of research Saribu and Maranatha’s research (2021), it is concluded that product quality can significantly affect product sales volume. The indicators that influence product quality on sales volume are shape, features, usability, excellence, durability, and design (Kotler and Keller in Lestari et al, 2022).

The effect of price on the sales volume

Price is one of the attributes of a product that influences consumer attitudes. In the certain level, consumers can get benefits and satisfaction from the products they have bought (Doloksaribu and Wibowo, 2017). The price suitability of the product will affect the sales volume due to increased consumer purchasing.

From the results of Puspitasari's research (2018), price has a positive influence on increasing sales of premium rice at Perum Bulog Regional North Sulawesi and Gorontalo. Price suitability for products is one of the marketing strategies to obtain increased sales volume.

According to Nasution, et al (2017), business owner who adjust the price of their products to the reach of consumers will get an increase in their sales volume. The pricing must be set in such a way as to achieve the target sales volume (Tjiptono in Nasution et al., 2017). The price compliance is influenced by product quality and design, production costs, and competitor prices (Nasution et al., 2017).

The effect of halal certification on the sales volume

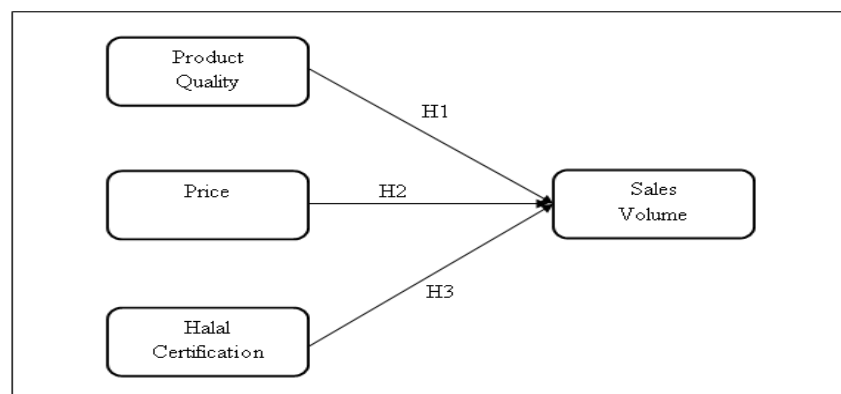
Halal certification is the first step that needs to be taken by business owner to guarantee and ensure the safety and quality of their products. Business owner who want to obtain halal certification must implement Sistem Jaminan Produk Halal (SJPH) in their business activities. The principles in Sistem Jaminan Produk Halal are based on the commitment of business owner, customer needs, improving product quality without increasing costs, without defects, without recycling, and without inspection (Prabowo and Rahman, 2016).

Based on the results of research conducted by Segati (2018), halal certification has a significant effect on the variable sales volume at Aqiqah Nurul Hayat Catering. Similar to Rahim et al. (2023), halal certification has a positive impact on increasing sales in the food and beverage industry sector. The halal certification is evidenced by the inclusion of the halal label on product packaging (Waskito in Faizal, 2022). Industries that implement halal certification and include halal labels on their product packaging will have a positive value in influencing sales increases.

Halal certification provides benefits for consumers, entrepreneurs, and the government (Warto and Syamsuri, 2020). Some of the benefits of halal certification include 1) Guarantee the safety of products consumed, 2) Unique Selling Point (USP), 3) Provides inner peace for consumers, 4) Provides comparative advantage, 5) Provides protection for products, 6) Gain access in the global market, and 7) Provide a better documentation and administration system.

Conceptual framework

Based on the problem statement, theoretical studies, relevant previous research and discussion of the influence between variables, a conceptual framework is obtained as below.



Picture 1. Conceptual Framework

The conceptual framework above shows that the variables of product quality, price and halal certification affect the sales volume variable. This is supported by relevant theories and previous research results. In addition, there are other variables that can affect the level of product sales, including:

1. Promotion: (Dharasta, 2017), (Junita et al., 2020), and (Sendianto, 2021)
2. Service Quality: (Sasangka, 2018), (Ricky et al., 2019), and (Junita et al., 2020),
3. Personal Selling: (Hidayanti and Abdulhaji, 2019), (Yanto and Prabowo, 2020), and (Asriani et al., 2022)
4. Consumer Satisfaction: (Idris, 2019), (Sumartini and Tias, 2019), and (Fransiskho et al., 2021)

CONCLUSION

Based on the theory from relevant literature and the discussion that has been carried out, it can be concluded that: The product quality affects the sales volume. The price affects the sales volume. Halal certification affects the sales volume.

BIBLIOGRAPHY

- Asriani, A., Putri, N., Kurniawan, S., & Sani, A. (2022). Pengaruh Personal Selling terhadap Peningkatan Penjualan Alat Tulis pada CV. Etalase Mitra Jaya di Wajo pada Masa Lockdown Pandemi Covid 19. *Amkop Management Accounting Review (AMAR)*, 2(1), 13-19.
- Dharasta, Y. S. M. A. (2017). 5. Pengaruh Penetapan Harga And Promosi Terhadap Tingkat Penjualan Tiket. *Jurnal Manajemen Dirgantara*, 10(2), 48-57.
- Diniyanti, E. R., & Fatimah, S. (2022). Pengaruh kualitas produk and harga terhadap tingkat penjualan perusahaan di tengah pesatnya persaingan e-commerce. *Nautical: Jurnal Ilmiah Multidisiplin Indonesia*, 1(4), 199-206.
- Doloksaribu, S., & Wibowo, E. A. (2017). Pengaruh Kualitas Produk And Harga Terhadap Tingkat Penjualan Jig Di Pt. Mitra Global Bersama. *BENING*, 4(1).
- Faizal, F. (2022). *Peran Sertifikasi Halal Terhadap Peningkatan Penjualan Pada Fanybella Resto di Kota Pekanbaru* (Doctoral dissertation, Universitas Islam Riau).
- Fransiskho, G., Goh, T. S., & Julitawaty, W. (2021). Pengaruh Kepuasan Konsumen and Diskon terhadap Volume Penjualan PT. Atmindo Tbk Tanjung Morawa. *Jurnal Bisnis Kolega*, 7(2).
- Hidayanti, I., & Abdulhaji, S. (2019). Pengaruh Personal Selling, Sales Promotion Terhadap Peningkatan Volume Penjualan (Studi Empiris Pada CV. Lion Kota Ternate 2013-2017). *Jurnal Manajemen Sinergi*, 6(2), 12.
- Idris, M. (2019). Analisis Kepuasan Konsumen Terhadap Peningkatan Volume Penjualan Sepeda Motor Honda pada PT. Nusantara Surya Sakti Perbaungan. *Journal of Management Science (JMAS)*, 2(1, Januari), 22-25.
- Junita, J., Nasution, A. P., & Simanjorang, E. F. S. (2020). Pengaruh Promosi, Kualitas Layanan And Brand Preference Terhadap Tingkat Penjualan Pada Toko Bintang Terang Motor Rantauprapat. *ECOBISMA (Jurnal Ekonomi, Bisnis And Manajemen)*, 7(1), 1-8.
- Kusuma, N. R. (2021). *Pengaruh Sertifikasi Halal and Harga Serta Kualitas terhadap Kepuasan Konsumen di Restoran KFC Cirebon* (Doctoral dissertation, IAIN Syekh Nurjati Cirebon).
- Lestari, R., Digdowiseiso, K., & Safrina, D. (2022). Pengaruh Kualitas Produk, Persepsi Harga terhadap Tingkat Penjualan Melalui Digital Marketing UMKM Industri Makanan and Minuman di Kecamatan Pancoran Jakarta Selatan Saat Pandemi Covid-19. *Journal of Syntax Literate*, 7(3).

- Muhtarom, A., Syairozi, I., & Warandi, N. D. (2022). Analisis Persepsi Harga, Kualitas Pelayanan, Customer Relationship Marketing, And Kepercayaan Terhadap Peningkatan Penjualan Dimediasi Loyalitas Pelanggan Pada Umkm Ayam Potong Online ELMONSU. *Jesya (Jurnal Ekonomi and Ekonomi Syariah)*, 5(1), 743-755.
- Nasution, M. I., Prayogi, M. A., & Nasution, S. M. A. (2017). Analisis Pengaruh Bauran Pemasaran Terhadap Volume Penjualan. *Jurnal Riset Sains Manajemen*, 1(1), 1-12.
- Prabowo, S., & Abd Rahman, A. (2016). Sertifikasi halal sektor industri pengolahan hasil pertanian. In *Forum Penelitian Agro Ekonomi* (Vol. 34, No. 1, pp. 57-70).
- Puspitasari, I., Sumampouw, H. J., & Punuindoong, A. Y. (2018). Pengaruh Kualitas Produk and Kesesuaian Harga Terhadap Peningkatan Penjualan Beras Premium Pada Perum Bulog Divisi Regional Sulawesi Utara And Gorontalo (Studi Kasus Pada Konsumen Wilayah Kota Manado). *JURNAL ADMINISTRASI BISNIS (JAB)*, 6(002).
- Rahim, S., Sari, T. H. P., & Wahyuni, N. (2023). Pengaruh Sertifikat Halal terhadap Peningkatan Pendapatan Penjualan Usaha di Sektor Food and Beverage Kota Makassar. *Jurnal Bisnis and Kewirausahaan*, 12(1), 69-78.
- Ricky, W., Goh, T. S., & Julitawaty, W. (2019). Pengaruh Diferensiasi Produk And Kualitas Pelayanan Terhadap Tingkat Penjualan Pt. Amorindo Mitra Sentosa Meand. *Jurnal Bisnis Kolega*.
- Ridwan, M., Suhar, A. M., Ulum, B., & Muhammad, F. (2021). Pentingnya penerapan literature review pada penelitian ilmiah. *Jurnal Masohi*, 2(1), 42-51.
- Saribu, H. D. T., & Maranatha, E. G. (2020). Pengaruh Pengembangan Produk, Kualitas Produk, and Strategi Pemasaran terhadap Penjualan pada PT. Astragraphia Meand. *Jurnal Manajemen*, 1(1), 1-6.
- Sasangka, I. (2018). Pengaruh Kualitas Pelayanan Terhadap Volume Penjualan Pada Mini Market Minamart'90 Bandung. *Jurnal Ilmiah MEA (Manajemen, Ekonomi, & Akuntansi)*, 2(1), 129-154.
- Segati, A. (2018). Pengaruh persepsi sertifikasi halal, kualitas produk, and harga terhadap persepsi peningkatan penjualan. *JEBI (Jurnal Ekonomi And Bisnis Islam)*, 3(2), 159-169.
- Sendianto, S. (2021). Analisis Pengaruh Promosi Terhadap Tingkat Penjualan Produk Beserta Peramalan Penjualannya. *Aliansi: Jurnal Manajemen and Bisnis*, 16(2), 85-94.
- Sumartini, L. C., & Tias, D. F. A. (2019). Analisis Kepuasan Konsumen Untuk Meningkatkan Volume Penjualan Kedai Kopi Kala Senja. *Jurnal E-bis*, 3(2), 111-118.
- Warto, W., & Syamsuri, S. (2020). Sertifikasi Halal and Implikasinya Bagi Bisnis Produk Halal di Indonesia. *Al Maal: Journal of Islamic Economics and Banking*, 2(1), 98-112.
- Widiarto, T., & Hardiana, E. (2021). Pengaruh Kualitas Produk, Harga and Distribusi terhadap Volume Penjualan ARB Bakery di Kelurahan Sukmajaya. *Sosio e-Kons*, 13(3), 175-189.
- Yanto, R. T. Y., & Prabowo, A. L. P. (2020). Pengaruh Personal Selling Terhadap Pencapaian Penjualan pada Produk Pembiayaan KPR Bersubsidi di Bank BTN Syariah Bandung. *Pro Mark*, 10(1).