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# **Analysis of Logistics Distribution Channels in Goods Supply to Increase Sales Volume at Logistics Company**

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Abstract: A logistics company is a distribution channel company that provides goods delivery transportation through product packages. The problem raised in this thesis is the analysis of logistics distribution channels in the supply of goods to increase sales volume. This research aims to determine and analyze the distribution channels and sales levels of a logistics company and to determine the influence of distribution channels on the sales volume levels of a logistics company To solve the problem the author used two research methods, namely the data collection method and the data analysis method. The data collection method was carried out using questionnaires and the data analysis method used simple correlation and regression. From the results of the analysis, the author concludes that 78.7% of customers rate the distribution channels provided by logistics companies highly, and 78.3% of customers rate the level of sales volume provided by logistics companies correlation coefficient of 0.737 means that the influence of the distribution channel level on the level of sales volume is very high. The determining coefficient of 54.3% is determined by the distribution channel and the remaining 45.7% is influenced by other factors, the results of the t-test calculation, where tcount = 5.763 while ttable=1.701. So, tcount > ttable or 5,763 > 1.701. This means that there is a positive and significant influence between distribution channels on the sales volume level of the logistics company.

**Keyword:** Logistics, Transportation, Cargo, Distribution Channels, Sales.

#### INTRODUCTION

The development of cargo companies in Indonesia has experienced significant growth in line with economic and trade developments in this country. Some of the factors influencing this development include: Stable and growing economic growth in Indonesia has encouraged increased trade and logistics activities, which in turn has increased demand for goods and cargo delivery services. Globalization Global economic integration has opened up opportunities for cargo companies to expand their range of services and engage in

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international trade. This has driven the growth of cargo companies in Indonesia as part of the global supply chain. Changes in consumer behavior, such as an increase in online purchases, have increased demand for freight and cargo delivery services. This has encouraged the development of cargo companies capable of providing fast and reliable service (Larisang & Kamil, 2021).

The contribution of cargo companies to the economy can be very significant, especially in the context of international trade and logistics. Following are some of the major contributions of cargo companies to the economy: International Trade Facilitation cargo companies play an important role in facilitating international trade by providing goods and cargo shipping services between countries. They help connect producers with consumers in different parts of the world, enabling the flow of goods and services across borders. Increased Exports and Imports by providing reliable and efficient logistics services, cargo companies help increase a country's exports and imports. They facilitate the delivery of export products to international markets and also facilitate the import of goods necessary to meet domestic needs. Job Creation cargo companies create many jobs both directly and indirectly. They employ staff for a variety of functions including warehouse management, shipping, administration, and customer service. Apart from that, they also help create jobs in related sectors such as transportation, distribution and manufacturing, in line with previous research (Ricardianto et al., 2023), (Yudhistira et al., 2017), (Benned et al., 2020),

Infrastructure Development: Cargo companies are often the primary users of transportation infrastructure, such as ports, airports, and land transportation networks. In some cases, they also contribute to the development and maintenance of that infrastructure, which in turn can have a positive impact on economic growth in the region.

Improved Logistics Efficiency: By optimizing the process of shipping goods and cargo, cargo companies help improve overall logistics efficiency. This reduces logistics costs and delivery times, which can ultimately increase a country's competitiveness in international trade.

According to (Susanto et al., 2023) Implementing strategic management in a transportation company is an important process to ensure alignment between the company's long-term goals and daily operational actions. The following are the steps that are generally taken in implementing strategic management in transportation companies: Determining the Vision and Mission. Transportation companies must establish their long-term vision and a clear mission to guide the company's strategic direction. This vision and mission must reflect the company's goals in the transportation industry. Analysis of the External and Internal Environment The company must carry out a comprehensive analysis of the external environment such as political, economic, social and technological factors as well as internal factors such as the company's internal strengths and weaknesses to understand market conditions and the company's internal capabilities. Through the implementation of effective strategic management, transportation companies can maximize their potential to achieve competitive advantage, increase customer satisfaction, and achieve their long-term goals in a dynamic industry. Setting Goals and Strategies based on environmental analysis, companies must set long-term goals and strategies to achieve these goals. This strategy must take into account the company's strengths and opportunities in the transportation market.

Overall, the development of cargo companies in Indonesia continues to experience rapid growth in line with changes in the global economy and technology, as well as growing market needs (Ali et al., 2024). If transportation is interrupted then all goods movement activities will be difficult to carry out, therefore good transportation will affect the smoothness of goods transportation activities (Saribanon et al., 2019). In companies, the logistics distribution network is used to distribute company goods to consumers (Buntu, 2019).

The movement of products from producers to consumers through transfer points, distribution centers, and retailers forms distribution channels. If you use distribution channels that are acceptable, reliable and productive, the distribution channels can run well or be successful (Setyadi et al., 2017). This delivery strategy is very important because the faster the distribution channel, the faster the product will arrive at the consumer's destination (Octoriviano et al., 2022). For a business to increase sales and profits, distribution channels and their management are essential (Suryawan et al., 2024).

According to (Susanto et al., 2020) Competency Human Resources in cargo companies is very important because HR is one of the most important assets in the company's operations and success. Employee competency determines the success of management performance in supporting achieved targets logistics company (Susanto et al., 2024).

Logistics company is a cargo delivery service company that focuses on estimating timeliness and developing goods delivery. To meet consumer needs, logistics company serves delivery requests from the big cities of Jakarta and Bandung, they also opened new branches in Jambi and Palembang. With the aim of meeting customer needs in order to achieve maximum sales volume levels. If the delivery of goods and reach to a wider consumer area is good, then the distribution channel is good. The better a distributor's distribution policy, the more consumers it will reach and a company's sales volume will increase, but this is not enough to meet the distribution channel targets given by management logistics company.

Talking about distribution channels, especially delivery services, we see what causes the number of sales volumes to increase and decrease, namely, among other things, the company has symptoms of consumer dissatisfaction with the services provided, one of which is the distribution channel in the delivery service section, this can be seen from complaints. addressed by the public, namely in the form of not being on time as promised so that the product could be lost or slipped and this greatly affects sales volume and consumers (Saribanon et al., 2016). The causes of the complaints indicated include that goods sent while in transit experience transit in various areas, so there is a possibility of goods being lost during the journey (Ali et al., 2023). This shows that the service quality of the company's distribution channels is not good enough to meet consumer perceptions. This also affects sales volume (Sivaram et al., 2019). It is best for companies to measure good distribution channels, so that they can know what factors need to be improved and what needs to be maintained, especially in terms of sales volume. Tight competition in the business world motivates an organization to implement appropriate sales strategies to increase sales volume (Prayetno & Ali, 2020).

# **METHOD**

The research design that will be applied in this research methodology is prepared with the following research process flow. Which describes the research stages that will be carried out such as the research approach, location and time of research, data sources, data collection techniques, conceptual and operational definitions, and analysis techniques that will be used. This research was carried out in several stages. This researcher conducted a literature study, so that the researcher knows a general picture of the problems faced in the research object, in this case the researcher uses secondary data in the form of observations. Process and analyze data to obtain a technical picture. Develop an analysis model in the evaluation process to determine the influence of logistics distribution channels on the supply of goods to increase the sales volume of the goods delivery service section at logistics company.

#### RESULTS AND DISCUSSION

# **Description of Research Data**

The discussion in this chapter is an effort to analyze data from the questionnaire results. This data was used to analyze the influence of 2 variables, namely distribution channels and sales volume levels. The data was carried out using a questionnaire method given to 30 logistics company customer respondents.

#### **Respondent Profile**

In this research the author will analyze distribution channels on the level of sales volume of logistics company. In the process of obtaining data, the author conducted research by distributing questionnaires with answer choices using a Likert scale to 30 customers. The following is a table for grouping respondents. that the number of male respondents was 21 people, with a percentage of 70.0%, and the number of female respondents was 9 people, with a percentage of 30.0%. Based on the explanation above, it can be concluded that the majority of respondents were men. The reason there were more men was because at the location where the researchers conducted the survey, men were more often found.

## **Reliability Test**

Reliability shows the consistency of an instrument in research. The test is useful for testing the extent to which the instruments in the questionnaire statements can be trusted or relied upon. In this research, researchers used the Cronbach Alpha ( $\alpha$ ) statistical test.

The following are the results of the reliability test of the export document handling planning variable with a sample of 30 respondents.

Table 1. reliability test results

Variable	Alpha cronchbach	>/<	Settings	Result
Distribution channel	0,886	>	0,60	Reliable
Sales volume	0,890	>	0,60	Reliable

The results of the reliability test calculation show that the level of reliability for the distribution channel variable is 0.886 and the sales volume is 0.890, which indicates that the r alpha of the distribution channel and sales volume is greater than the specified >0.60. So it can be concluded that this variable is very reliable.

# Simple regression analysis

Table 2. simple regression results Coefficient<sub>S</sub>a

Model		Unstandardized Coefficients		Standardized Coefficients	Т	Sig.
		В	Std. Error	Beta		
1	(Constant)	15.062	4.669		3.226	.001
	AP.Total	.634	.119	.7	5.763	.000

Based on the results obtained from the regression coefficient above, a regression equation can be created for the level of sales volume which is: Y=15.062+0.634

#### Where:

Y= sales volume X= distribution channel

This simple linear regression equation means that for every 1 unit increase in the score on variable X (distribution channel) of 0.634, Y (sales volume) also increases by 15,062. This means that the relationship between distribution channels and sales volume is quite significant.

#### **Correlation analysis**

Aims to measure the strength of the relationship between two or more variables and can also determine the direction of the two variables.

**Table 3. Correlation Result** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.737	.543	.526	1.867	

Based on the calculation results, it is known that the correlation coefficient is 0.737, indicating that the two variables have a strong and positive linear relationship according to the level of correlation and strength of the relationship.

# **Analysis of determining coefficients**

Aims to measure how far the independent variable (distribution channel) is able to explain the dependent variable (sales volume).

Table 4. results of determinant coefficients

Model	R	R Square	AdjustedR Square	Std. Error of the Estimate
1	.737	.543	.526	1.867

It can be seen that the adjusted coefficient of determination is 0.737. This result means that the independent variable, distribution channels, is 54.3% of the dependent variable, namely sales volume, while the remaining 45.7% is explained by other variables not included in this model.

## **Hypothesis Testing**

Hypothesis testing is used to determine whether or not there is a significant influence between variable X and variable Y, in this case the distribution channel and sales volume. The following are the steps used to carry out hypothesis testing: Initial Hypothesis

- 1. If tcount > ttable HO = rejected and Ha = accepted, it means that the relationship between X and Y is significant.
- 2. If tcount < ttable H0 = rejected and Ha = accepted, it means relationship X and Y is not significant.

Table 5. Hypothesis Test Results
Coefficients

standardized
efficients

Standardized
Coefficients

Model			Standardized Coefficients	Т	Sig.
	В	Std. Error	Beta		
(Constant)	15,062	4,708		2,720	,001
LK	,634	,119	,737	5,763	,000

```
Looking for ttable

ttable = (\alpha: df = n - 2)

= (0.05: df = 30 - 2)

= (0.05: df = 28)

ttable = 1.70113 = 1.701
```

In the table above the value of *tcount* for distribution channels is 5.763 while the value of ttable is 1.701 and the significant value is 0.000 smaller than 0.05. so the hypothesis states that there is a positive and significant influence between distribution channels and sales volume (HO = rejected and Ha = accepted). This means that partially there is a positive and significant influence between distribution channels and sales volume.

#### Discussion of distribution channels on sales volume

It can be seen that the delivery service at logistics company based on the results of the author's analysis regarding the influence of distribution channels on sales volume, it can be seen as follows:

Analysis of the influence of distribution channels on sales volume

Based on the results of testing the hypothesis which shows that there is a positive and significant influence between distribution channels and sales volume. From the answers to the questionnaire filled out by respondents, the distribution channel delivery service at logistics company the company also has its own and complete transportation and facilities for sending goods so that the goods arrive on time and safely. Then the respondent also said that logistics company.

The company also provides maximum service so that the sales volume of a seller's products also increases because logistics company delivery of course with cheap shipping costs

In this case, the delivery service at logistics company the more demand for products sold by a seller to consumers, the delivery services of logistics company will also increase.

So, from the results of analytical research conducted by the author, it shows that the company logistics company, through its distribution channels, can increase the sales volume of products from a seller. Where previous research showed that there was a positive and significant relationship. This shows that there is a significant and positive relationship between these two variables, which states the influence of distribution channels on sales volume.

The causes of the decline and increase in the discussion above are due to several factors:

1. Decreased, due to competition between other sellers and other goods delivery services. Also, the causes of the complaints indicated include that goods sent while in transit experience transit in various regions, so there is a possibility that goods will be lost during the journey. Apart from that, the decline in the economy of people in Indonesia due to corona causes goods production activities to also decrease.

2. Increasing, because a seller's performance and production services are increasing, people's purchasing power is increasing, which causes goods delivery service activities to increase.

#### **CONCLUSION**

From the distribution channel analysis, the average distribution channel variable is 3.9 where the highest is 4.03. The highest result is number 1. This statement is that the company has its own distribution channel strategy in distributing products to increase sales volume, the reason is that the company seems to understand how how to care for goods so that they reach consumers safely, and the lowest is 3.87. The lowest result is number 9. This statement is that the company is able to save costs when sending goods. The reason is that the company lacks an understanding of saving costs in sending a seller's products to consumers so that the costs incurred are quite large, meaning that the distribution channel at logistics company is considered good.

From the sales volume analysis, the average sales volume variable is 3.91 where the highest is 4.00. The highest result is number 1. This statement is that the company is able to provide services effectively and efficiently so that it can increase sales volume, because the company is good at handling the needs of sellers and consumers for the products that will later be sent. and the lowest is 3.83. The lowest result is in number 6 of this statement, namely that logistics company provides promotions at certain events. The reason is because the company has not been able to work together well, especially with sellers who entrust their goods to the logistics company delivery service, of course with cheap delivery costs. This means that the sales volume at logistics company is considered good.

Based on the results of statistical analysis related to variable X (distribution channels) and variable Y (sales volume), it shows that there is a strong and positive influence on these two variables. On the distribution channel variable (X) on sales volume (Y) a). In simple linear regression, it is obtained that Y = 15.062 + 0.634, b). The simple correlation coefficient of 0.737 states that the two variables have a strong and positive linear relationship according to the level of correlation and strength of the relationship. c). With a determinant coefficient of 0.737, this result means that the independent variable, distribution channel, is 54.3% of the dependent variable, namely sales volume, while the remaining 45.7% is explained by other variables not included in this model. d). In the t test it can be seen that the value of tcount for the distribution channel is 5.763, while the value of ttabel is 1.701 and the significant value of 0.000 is smaller than 0.05. so the hypothesis states that there is a positive and significant influence between distribution channels and sales volume (HO = rejected and Ha = accepted). This means that partially there is a positive and significant influence between distribution channels and sales volume.

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