Analysis of Product Sales on Credit at NR Beauty Care In Lemahabang Sub-District

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ABSTRACT

This research is a study on the Analysis of Product Sales on Credit at NR Beauty Care in Lemahabang District. This study aims to determine how product sales on credit at NR Beauty Care and analyze how product sales on credit can increase revenue. The method used in this research is qualitative. The results of this study indicate that product sales on credit are given to NR Beauty Care customers who have joined for at least 3 months. The credit facility given to customers still refers to the terms of credit sales that apply at NR Beauty Care by checking in advance about the character of the customer, the activeness of the customer in buying products at NR Beauty Care, and customers who are loyal to NR Beauty Care. NR Beauty Care takes a profit of 2-3% from each product. Based on the results and discussion that has been stated in this article that credit sales aim to help customers, especially reseller customers, to develop their business. If credit is channeled for business development or opening a new business, it will increase their income as well as reduce unemployment. The difference in revenue from credit and cash sales each month reachesRp. 82,127,000, so selling products on credit at NR Beauty Care is effective for increasing revenue. The results of this study are used as input for NR Beauty Care owners in selling products on credit appropriately, making commitments with customers to avoid late payments and creating good relationships with customers. In addition, to increase revenue NR Beauty Care owners can utilize other E-commerce promotional media.

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1. INTRODUCTION

Skin care or skincare Become one of the products that has promising business opportunities. This is because everyone certainly wants to have healthy and well-maintained skin. Product skincare in Indonesia now continues to grow and there are many types. Product skincare What is offered is of course tailored to the needs of the facial skin of each person, for example for acne-prone skin, normal facial skin, facial skin spots, and dull facial skin. Skincare In this era, it is not only used by women but also men, because healthy skin can be obtained by everyone. Business skincare It has long-term profit potential because this product is used
regularly so it will continue to be bought back when the product runs out. Skin care business is becoming an attractive option to consider due to the growing market demand.[1]

Statista, an international market and consumer data portal, estimates that the cosmetics industry market in Indonesia will grow by 4.59 percent annually from 2023 to 2028. This projection includes skincare and personal care product categories. In addition, the Food and Drug Supervisory Agency (BPOM) noted that the number of cosmetic industry players has increased as in the following table:

Table 1. BPOM data on the number of cosmetic industry players

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of units</th>
<th>Enhancement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>819</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>913</td>
<td>20.6%</td>
</tr>
</tbody>
</table>

Source: Compas.id

Nailul Huda, Head of Center for Innovation and Digital Economy Institute for Development of Economics and Finance (Indef), stating that the demand for beauty products has increased since the start of the Covid-19 pandemic. The development of technology in the field of information and communication has allowed the emergence of markets Online or e-commerce that supports increased sales, promotion, and product delivery. Therefore, business opportunities in the industry skincare Not only open to companies that produce products skincare, but also for people who want to start a business by buying products skincare and resell it to others by taking advantage of the price of the original product, which is often referred to as reseller [2].

NR Beauty Care is one of the agents that sells various types of skincare products in Indonesia which was established in 2015. Business actors who take advantage of skincare business opportunities located in Lemahabang district, Karawang Regency, West Java Province, have now succeeded by selling thousands of skincare products.

One of the factors where the sales of skincare products carried out by RN Beauty Care reach thousands per month is that RN Beauty Care uses a payment system on credit and cash. The credit sales system began in 2016, the reason Teh Rima (owner) uses the credit payment system is because of the encouragement of some of her customers to open payment methods on credit and see the conditions in her area on average working as housewives, PT employees, school children and basic food businesses. So the decision to implement a credit payment system is considered effective in attracting consumer interest and increasing product sales.

Research conducted by [3] entitled "Analysis of Micro Multipurpose Lending in Increasing Customer Income at PT. Bank Mandiri (PERSERO) Tbk, Pinrang branch" revealed that based on achievements Booking Micro Multipurpose Credit (KSM), there is an indication of increasing customer interest every month in applying for KSM. Analysis of the role and impact of KSM on customer business shows that KSM affects the increase in customer income, as obtained from the results of interviews that show an increase in income after receiving credit. Analysis of customer characteristics before and after receiving KSM also shows an increase in customer income.

With the phenomenon where skincare purchases can be paid for by credit, researchers are interested in conducting a study entitled "Analysis of Product Sales on Credit at NR Beauty Care in Lemahabang District".

2. LITERATURE REVIEW

2.1 Sales

According to [1] Sales is the purchase of a good or service from one party to another party by getting the money reimbursed. Sales are a source of company revenue, the greater the sales, the greater the income received by the company.

According to Ahmad & Hasti, 2018 in suggesting that [2] Sales is a process in which the seller aims to meet the needs and desires of buyers with the aim of creating sustainable
and mutually beneficial benefits for both parties. It also includes the results of services rendered and business transactions conducted within the scope of the corporate world.

According to [3] sales is an activity in which goods are exchanged for a certain value, generate income for the seller and provide decisions to the buyer.

Based on the definition of sales described above, it can be concluded that sales are activities aimed at finding buyers, influencing, and providing instructions so that buyers can familiarize their needs with the products offered and make agreements about the prices offered to benefit both parties.

2.2 Sales Factors

According to there are several factors that affect sales volume, including: [2]

1. Quality of Goods
   Changes in the quality of goods can have an impact on the number of sales. If the quality of the goods offered decreases, already loyal customers may feel disappointed and switch to other products that have better quality.

2. Consumer Tastes
   Consumer preferences are dynamic and subject to change at any time. If consumer interest in the products offered decreases, this will result in a decrease in the number of sales.

3. Customer service
   Providing good service to customers is an important element in efforts to increase sales in a business that is faced with increasingly fierce and numerous competition.

4. Competition Lowers Selling Prices
   The provision of discounts aims to increase the company’s sales and profitability compared to before. Discounts can be given to certain parties by considering the applicable conditions.

2.3 Credit Sales

Credit sales are a type of sale where the buyer is required to pay a certain amount of money as a down payment first, then the remaining payment is made in installments or installments within a certain predetermined period [4].

According to Muhani & Sumiati, 2016 in suggesting that: [5]

Credit sales are a form of lending to consumers in the hope that the loan will be repaid by consumers in the future.

Based on the understanding of credit sales described above, it can be concluded that credit sales are activities to sell goods by paying advances at the beginning with the remaining receivables to be paid in accordance with the agreed period.

2.4 Credit Elements

According to Subagyo, 2006:42 in Credit is a process in which the creditor provides goods, services, or money to another party based on trust, with the promise that the recipient of the credit will pay it on an agreed date. According to , the elements of credit include: [6]

1. Belief
   This includes confidence on the part of the lender in the borrower's ability to pay off obligations in accordance with promises made at a specified time.

2. Grace period
   Refers to the period between the granting of credit and its payment, which has been agreed in advance by both parties.

3. Object
   It covers certain goods or services that were the object of a credit agreement when an agreement or agreement was made.

4. Risk
   Refers to possible risks that arise during the period between granting and repayment of credit. To manage this risk, the lender usually sets a guarantee or collateral as protection.

2.5 Income

In economics, maximum income refers to the highest amount that a person can earn in a given period of time with the expectation that the same situation takes place at a predetermined time. In a business context, revenue includes the total money earned by a company from its activities, be it through the sale of products or services to customers. For investors, income may be less significant than the net profit earned, i.e. the amount of money left over after deducting all expenses [7].
FRAME OF MIND

This frame of mind basically describes how selling products on credit can add to revenue. By using interview and documentation methods, it can be known the results of research, namely product sales on credit can increase sales quickly and increase income but in a long period of time.

3. METHODS

The type of research used in this study is qualitative. Data required regarding the sale of skincare products on credit at NR Beauty Care in Lemahabang District. This study was conducted for 4 months, from September to December. The population in this study is NR Beauty Care owners, NR Beauty Care consumers. Samples were taken using purposive sampling which only focused on skincare store owners who used product sales on credit. The research data was obtained using in-depth interviews that were differentiated based on categories, data, statements from store owners and customer comments on why buying products with credit payment systems. The data analysis technique used in this study is qualitative analysis consisting of data collection, data reduction, data presentation, and conclusions.

4. RESULTS AND DISCUSSION

NR Beauty Care is a business that sells products from various skincare and perfume brands that was established in 2015, addressed at Jl. Syech Quro, Kedawung, Lemahabang District, Karawang Regency. This business is managed by Mrs. Rima as the owner or business owner. Ibu Rima runs this business herself without using employees.
4.1 Product Sales on NR Beauty Care

Product sales are carried out offline and online. For online owners using whatsapp as a promotional medium as well as a medium of communication with customers. For offline sales, the owner opens a shophouse as a place to buy and sell products, customers can directly visit the NR Beauty Care shophouse if they want to make a transaction.

The types of skincare and perfume products sold by NR Beauty Care include:

### Table 2. Price List as of January 2023

<table>
<thead>
<tr>
<th>No.</th>
<th>Products</th>
<th>Amount</th>
<th>Price (Cash)</th>
<th>Price (Credit)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Resellers</td>
<td>Non Reseller</td>
</tr>
<tr>
<td>1</td>
<td>MS Glow</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Face Pack</td>
<td>1 Pcs</td>
<td>Rp. 150,000</td>
<td>Rp. 175,000</td>
</tr>
<tr>
<td></td>
<td>Serum</td>
<td>1 Pcs</td>
<td>Rp. 130,000</td>
<td>Rp. 150,000</td>
</tr>
<tr>
<td></td>
<td>Mouistraizer</td>
<td>1 Pcs</td>
<td>Rp. 100,000</td>
<td>Rp. 125,000</td>
</tr>
<tr>
<td></td>
<td>JJ Glow</td>
<td>1 Pcs</td>
<td>Rp. 90,000</td>
<td>Rp. 110,000</td>
</tr>
<tr>
<td></td>
<td>BB Cream</td>
<td>1 Pcs</td>
<td>Rp. 75,000</td>
<td>Rp. 95,000</td>
</tr>
<tr>
<td></td>
<td>Dark Spots</td>
<td>1 Pcs</td>
<td>Rp. 85,000</td>
<td>Rp. 105,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Scarlett:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Face Pack</td>
<td>1 Pcs</td>
<td>Rp. 260,000</td>
<td>Rp. 300,000</td>
</tr>
<tr>
<td></td>
<td>Body Lotion</td>
<td>1 Pcs</td>
<td>Rp. 60,000</td>
<td>Rp. 75,000</td>
</tr>
<tr>
<td></td>
<td>Body Scrub</td>
<td>1 Pcs</td>
<td>Rp. 60,000</td>
<td>Rp. 75,000</td>
</tr>
<tr>
<td></td>
<td>Whitening Shower</td>
<td>1 Pcs</td>
<td>Rp. 60,000</td>
<td>Rp. 75,000</td>
</tr>
<tr>
<td></td>
<td>Shower Scrub</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Price (Cash)</td>
<td>Price (Credit)</td>
</tr>
<tr>
<td>4</td>
<td>Resellers Non-Reseller</td>
<td></td>
<td>Resellers Non-Reseller</td>
<td>MS Glow:</td>
</tr>
<tr>
<td>5</td>
<td>D Sultan:</td>
<td></td>
<td>IDR 250,000</td>
<td>IDR 300,000</td>
</tr>
<tr>
<td></td>
<td>Face Pack</td>
<td>1 Pcs</td>
<td>IDR 150,000</td>
<td>IDR 175,000</td>
</tr>
<tr>
<td></td>
<td>Deep Treatment</td>
<td>1 Pcs</td>
<td>IDR 130,000</td>
<td>IDR 150,000</td>
</tr>
<tr>
<td></td>
<td>Essence</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Serum</td>
<td>1 Pcs</td>
<td>IDR 130,000</td>
<td>IDR 150,000</td>
</tr>
<tr>
<td></td>
<td>Mouistraizer</td>
<td>1 Pcs</td>
<td>IDR 130,000</td>
<td>IDR 150,000</td>
</tr>
<tr>
<td></td>
<td>JJ Glow</td>
<td>1 Pcs</td>
<td>IDR 100,000</td>
<td>IDR 125,000</td>
</tr>
<tr>
<td>6</td>
<td>BB Cream</td>
<td>1 Pcs</td>
<td>IDR 60,000</td>
<td>IDR 75,000</td>
</tr>
<tr>
<td>7</td>
<td>Dark Spots</td>
<td>1 Pcs</td>
<td>IDR 75,000</td>
<td>IDR 100,000</td>
</tr>
</tbody>
</table>

Source: NR Beauty Care (2023)

4.2 Product Sales on Credit at NR Beauty Care

Credit Sales Transaction Flow at NR Beauty Care can be seen in the following diagram:
In diagram 2, it is explained that the flow of credit sales transactions at NR Beauty Care goes through several stages. If the customer is approved to apply for product credit, the owner of NR Beauty Care will make a record of proof of transaction. Product credit to NR Beauty Care is only for customers who live in Karawang. Before this credit sale was made, the owner of NR Beauty Care made an offer first starting in terms of price and payment period.

### 4.3 Product Sales on Credit Increase Revenue

In NR Beauty Care, the ratio of the number of skincare purchased by customers using credit transactions is greater than customers who make cash transactions. The following is a table of the number of customers who make transactions in cash and credit.

Table 3. Comparison of Number of Credit Transactions for November 2023

<table>
<thead>
<tr>
<th>No</th>
<th>Product Type</th>
<th>Product Quantity</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Credit</td>
<td>Cash</td>
</tr>
<tr>
<td>1</td>
<td>MS Glow</td>
<td>524</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Scarlet</td>
<td>172</td>
<td>21</td>
</tr>
<tr>
<td>3</td>
<td>HYDE</td>
<td>82</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Daviena</td>
<td>-</td>
<td>58</td>
</tr>
<tr>
<td>5</td>
<td>D Sulthan</td>
<td>-</td>
<td>62</td>
</tr>
<tr>
<td>6</td>
<td>Perfume RC</td>
<td>-</td>
<td>29</td>
</tr>
<tr>
<td>7</td>
<td>Glutaku Soap</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>778</td>
<td>196</td>
</tr>
</tbody>
</table>

In table 3 it is explained that the number of products sold on credit each month reached 778 and the number of products sold in cash each month reached 196. This shows that products sold on credit are greater than sales in cash. Customer interest in purchasing products on credit is quite high, so the income received by NR Beauty Care has also increased.

### DISCUSSION

Product Sales on NR Beauty Care

Not all products are sold on credit by NR Beauty Care because there are some products such as Daviena skincare must be ordered in advance, namely product packaging is long enough to be one to two weeks so that the product cannot be received directly, but...
for payment made when placing an order or paid in advance. This can affect capital turnover so that it is considered ineffective if Daviena skincare is sold on credit. Perfume products are not sold on credit to consumers because of the standard price of the product. NR Beauty Care takes a profit of 2-3% of every product sold on credit in accordance with the Islamic law of credit.

**Product Sales on Credit at NR Beauty Care**

This credit sale is applied to NR Beauty Care customers who have been members for at least 3 months. The credit facility provided to customers still follows the applicable provisions in NR Beauty Care, taking into account the customer's character, level of activeness in purchasing products, and loyalty to NR Beauty Care.

Credit management carried out by NR Beauty Care includes several things, including:

1. **Setting a limit on the amount of credit sales**
   
   NR Beauty Care sets a limit on the amount of credit given to customers, to avoid hoarding funds in receivables that can affect the amount of inventory and receivables. In addition, NR Beauty Care also imposes a maximum limit for taking credit by customers, which is a maximum of 50% of a certain amount.

2. **Credit Sales Payment Terms**
   
   The conditions given by NR Beauty Care in credit payment are in accordance with the customer agreement, usually NR Beauty Care customers pay at the end of the month, which is between the 27th to the 30th. Payment can be made by cash or transfer.

3. **Credit Amount Limit Provisions**
   
   NR Beauty Care provides credit based on the number of products available. If the existing product stock is 80%, the maximum credit sales that can be given is 50% and for credit taking by each reseller customer 5% to 9%, for non-reseller customers it is usually 0.05% to 0.10%.

4. **Receivables Collection Policy**
   
   NR Beauty Care reseller customers generally make payments at the end of the month because at that time they take stock of products for resale. Meanwhile, non-reseller customers usually make payments at the end or beginning of the month.

NR Beauty Care does not charge any additional fees for customers, both resellers and non-resellers, in case of delay or discrepancy in payment time. However, for customers who are often late in making payments, NR Beauty Care can reduce their maximum credit limit. This is done because late payments can have an impact on NR Beauty Care's monthly income and product inventory. NR Beauty Care actively implements a policy of collecting receivables. If the receivables are approaching the payment due date, the owner of NR Beauty Care confirms the bill to the customer.

**Product Sales on Credit Increase Revenue**

Based on the results of an interview conducted with the owner of NR Beauty Care, this business manages receivables well, so that adequate liquidity can be ensured by accelerating cash inflow, reducing the risk of bad credit, and maintaining good relations with customers. By managing receivables efficiently, NR Beauty Care can improve financial sustainability and optimize resources.

The benefits received by NR Beauty Care in selling products on credit can be seen from the growing business during the sale of products on credit, the owner of NR Beauty Care is not only to increase business capital but is used to expand his place of business in order to increase the interest of buyers and can increase more product inventory.

It can be seen in table 3. Comparison of the Number of Credit Transactions for the November 2023 Period, from the number of products sold on credit each month reached 778 and the number of products sold in cash each month reached 196. This shows that products sold on credit are more in demand by customers so that the revenue generated by selling products on credit is greater. Revenue in November 2023 for product sales on credit reached IDR 2.108,158,000., for cash product sales reaching Rp. 26,031,000., the resulting difference is quite high, reaching Rp. 82,127,000., so that product sales on credit at
NR Beauty Care are effective in increasing income.

5. CONCLUSION

Based on the analysis and discussion contained in this article, it can be concluded that:

1. Sales of skincare products on credit aim to support business growth, especially for reseller customers, in developing their business. The provision of credit aims to facilitate the development or establishment of new businesses for customers, which in turn can increase their income and reduce the unemployment rate.

2. Before providing product credit, NR Beauty Care conducted a survey of prospective credit recipients. This is done to ensure that the credit recipient can be trusted in the management of the credit provided and has the ability to pay off payments periodically. The lending process is not burdensome for potential credit recipients, and NR Beauty Care is committed to ensuring that customer relationships remain good.

3. Sales of skincare products on credit have been shown to increase NR Beauty Care's revenue. Total revenue from product sales made on credit is greater than product sales in cash. The involvement of reseller customers in credit transactions also significantly affects the number of skincare sales.

IMPLICATION

The results of this study become a guideline for NR Beauty Care owners in carrying out product sales on credit effectively, maintaining commitments with customers to prevent late payments, and building good relationships with customers. In addition, to increase revenue, NR Beauty Care can utilize various other e-commerce promotional media.

REFERENCES


