PRICING STRATEGY IN INCREASING FURNITURE SALES VOLUME AT CV SEJAHTERA ABADI JAYA

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ABSTRACT

This research explores the critical role of pricing strategy amid intense business competition, where economic development compels companies to optimize their business approaches. Pricing is a decisive factor influencing company sales volumes; thus, careful decision-making regarding price setting is essential to avoid negative impacts on sales. The study aims to describe the pricing process and analyze strategies used to increase sales volume. A qualitative method was employed, utilizing both primary and secondary data sources, with data collected through field interviews, observation, and documentation, particularly with company leadership. Findings at CV Sejahtera Abadi Jaya show that the company adopts a full cost plus mark-up pricing strategy, considering all production costs to set optimal prices. This approach has proven effective in increasing and maintaining sales volume over a six-month period (January–July), as evidenced by sales data, even though there was no increase in March, demonstrating the company's ability to sustain consumer interest.

Keyword: pricing, sales volume, sustainable business.

A. INTRODUCTION

The rapid development of the global economy in recent decades has brought about fundamental changes across various business sectors. This transformation has not only led to the emergence of many new companies but has also intensified competition, both among firms operating within the same industry and those in different sectors. Such competition compels businesses to design and implement adaptive and relevant strategies to survive and thrive in dynamic market conditions.

In an increasingly competitive environment, companies can no longer rely solely on the quality of their products or services. Marketing has become a critical function, and one of its most crucial elements is pricing strategy. Effective pricing does not merely determine a product's appeal in the eyes of consumers, but also significantly influences a company's ability to secure a strong position in the market. Price is a core component of the marketing mix, playing a direct role in shaping consumer purchasing decisions. According to Ariyani, Darim, Megasari, Siswanto, & Pratama, (2022), price represents the value of a product expressed in monetary terms. For consumers, price is often a primary consideration before purchasing a product or service. The level of pricing, whether high or low, is commonly used as a benchmark to assess whether a product is worth buying. As such, errors in pricing can have serious consequences, directly affecting sales volume, profitability, and ultimately, the sustainability of the business. (Rambe & Utami, 2021; Yunas, 2024)

In the midst of increasingly complex competition, companies must develop pricing strategies that are not only competitive but also aligned with consumer perceptions and expectations. Pricing serves not only as a tool for generating revenue, but also as a means of building product image and perceived quality. Consumers often associate price with quality; higher prices tend to indicate higher quality, and vice versa. Therefore, firms must consider a range of factors when setting prices,

including economic conditions, consumer purchasing power, demand and supply, price elasticity, production costs, and the intensity of competition in the market.

Kotler defines sales volume as the number of units sold during a specific period, serving as a primary indicator of a company's success in generating profit. The ability to increase sales volume directly impacts profitability, which in turn determines the company's sustainability and growth. Accordingly, firms must adopt effective and adaptive marketing strategies pricing included to achieve optimal sales targets. These strategies should be based on thorough analysis of the market, consumer behavior, and both internal and external business conditions.

Product pricing is typically determined using various methods, such as cost-plus pricing, competition-based pricing, and value-based pricing. The main objective is to ensure that products are both acceptable and attractive to consumers. Setting prices too high may lead to decreased sales, as consumers may seek more affordable alternatives. Conversely, prices set too low may prevent the company from covering production costs, ultimately resulting in losses. Therefore, achieving a balance in pricing is essential for successful marketing and sustainable business performance. (Ibrahim, Dahmouni Ilyass, Worlanyo, & Rashid, 2023; Venter de Villiers, Cheng, & Truter, 2024)

Beyond pricing, the fast-changing preferences of consumers and continuous technological advancements present additional challenges for businesses, particularly in the furniture industry. Furniture is considered a secondary need, influenced by lifestyle changes, design trends, and evolving consumer preferences. As such, furniture companies must continually monitor market developments and adjust their pricing strategies to maintain competitiveness. Previous research has demonstrated that appropriate pricing strategies can positively affect sales volume. For example, a study by Chawla, Sareen, Gupta, Joshi, & Bajaj, (2023) on pricing strategies to increase the sales volume of broiler eggs at CV Doa Ibu Banjar found that market-oriented pricing could enhance competitiveness and significantly boost product sales.

CV Sejahtera Abadi Jaya is a company engaged in the furniture retail sector in Surabaya. Established in 2000 under the leadership of Mr. Andrian Febriyanto, the company offers a wide range of furniture products, including spring beds, wardrobes, divans, beds, tables, chairs, and other household necessities. As an established business, CV Sejahtera Abadi Jaya must compete with numerous other firms offering similar products. In a market characterized by constant change, appropriate pricing strategies are critical to enhancing competitiveness and increasing product sales volume.

In a competitive business world, pricing strategy plays a crucial role in influencing consumer purchasing decisions and determining a product's competitiveness in the market. The furniture industry is one of the sectors highly sensitive to price fluctuations, perceived value, and demand elasticity. Consumers consider not only product quality but also whether the price offered is commensurate with the benefits received. Therefore, companies need to design a pricing strategy that reflects not only production costs and profit margins but also market behavior, consumer segments, and competitive dynamics. In this context, pricing is not merely an operational measure, but rather a strategic decision that directly impacts sales volume and business turnover.

CV Sejahtera Abadi Jaya, a business player in the furniture industry, faces challenges in optimizing sales volume despite offering a variety of products with competitive quality. One factor suspected to be a constraint is the ineffective implementation of a pricing strategy that aligns with the characteristics of its target market. Prices that are too high can hinder market penetration, while prices that are too low risk reducing product image or profit margins. To date, the company has not systematically explained how its pricing strategy impacts sales volume. Therefore, this study aims to identify and analyze the most effective pricing strategies in increasing furniture sales volume at CV Sejahtera Abadi Jaya, with the hope of providing practical contributions in business decision making while enriching academic studies in the field of marketing management.

Various previous studies have highlighted the importance of pricing strategy in driving increased sales volume. For example, a study by Kotler & Keller, (2016) showed that a pricing strategy tailored to market segments can increase product appeal and accelerate purchasing decisions. Another study by Pratama & Muhlisin, (2023) emphasized that a combination of value-based pricing

and psychological pricing can increase product value perceptions in the eyes of consumers, especially in highly competitive industries like furniture. However, most of these studies have focused on large-scale or e-commerce-based companies, and have not addressed the application of pricing strategies in the context of furniture MSMEs in Indonesia (Zikri, 2024). Furthermore, there is still a lack of research that explicitly analyzes the relationship between pricing approaches and local consumer behavior dynamics and their impact on sales volume quantitatively. This gap is what this study aims to fill by specifically examining how the pricing strategy implemented by CV Sejahtera Abadi Jaya influences sales volume increases, while also providing a practical perspective for players in similar industries facing similar challenges in determining competitive and sustainable prices. (Hidayah & Pratama, 2025; Pratama, Sakti, & Subroto, 2024)

Based on the foregoing, this study aims to identify and analyze the pricing strategies implemented by CV Sejahtera Abadi Jaya in its efforts to increase sales volume. A deeper understanding of effective pricing strategies is expected to contribute both to the academic development of marketing management and to serve as a valuable reference for other companies in designing competitive and sustainable pricing policies.

B. METHODOLOGY

This study employed a qualitative descriptive approach, aiming to gain a comprehensive understanding of the pricing strategy implemented by CV Sejahtera Abadi Jaya. The qualitative method was selected due to its ability to explain complex social phenomena through in-depth descriptions from the perspective of the research subjects. In this approach, the researcher serves as the key instrument, responsible for collecting, analyzing, and interpreting data, while maintaining objectivity and sensitivity to the natural context in which the phenomenon occurs.

The research site was selected purposively based on its relevance to the research objectives and the accessibility it offers for collecting accurate and meaningful data. CV Sejahtera Abadi Jaya was chosen as it reflects the characteristics needed to explore the subject matter comprehensively. The study was conducted over the course of approximately one month, including the phases of data collection, field observation, and preliminary analysis.

The research utilized both primary and secondary data. Primary data were obtained directly through interviews and observations with key individuals involved in the pricing process, such as company managers and sales promotion staff (SPGs). Meanwhile, secondary data were collected from company documents, including financial records, sales data, and other internal reports that support the investigation of pricing practices. To organize the data sources systematically, the study adopted the "3P" framework: Person (key informants), Paper (relevant documents), and Place (the physical and social environment of the research setting). (Ary, Jacobs, Sorensen, & Razavieh, 2019)

Data collection was conducted using multiple methods to ensure triangulation, including: (1) Non-participant observation, allowing the researcher to observe the natural behavior and activities at the site without direct involvement; (2) Semi-structured interviews, which provided flexibility to explore detailed insights while maintaining a consistent line of questioning; (3) Document analysis, involving the collection and review of written materials such as archives, reports, and photographs; and (4) Literature review, to enrich the theoretical background and validate field findings with relevant academic references. (Sugiyono, 2013)

The main research instrument was the researcher himself (human instrument), as is typical in qualitative research. The researcher played multiple roles, including designing the study, collecting data, analyzing findings, and composing the final report. Supporting tools such as interview guides, observation checklists, writing materials, and digital recording devices were also employed to facilitate the process and ensure data accuracy. (Arifin, Pratama, & Utomo, 2023; Pratama, Sakti, & Listiadi, 2022)

The data analysis followed the interactive and cyclical model proposed by Miles and Huberman, consisting of four key stages: (1) Data collection, encompassing all relevant field data from

interviews, observations, and documentation; (2) Data reduction, involving the selection, simplification, and categorization of data according to the study's focus; (3) Data display, where findings are presented in narrative form to allow pattern recognition and interpretation; and (4) Conclusion drawing and verification, which includes formulating meaning, identifying relationships, and validating insights through iterative reflection on the field notes and data records.

Through this methodological design, the study seeks to provide a robust and nuanced account of the pricing strategies applied by CV Sejahtera Abadi Jaya, contributing both to academic discourse and practical insights in the field of pricing and business management.

C. RESULTS AND DISCUSSION

1. Pricing Strategy at CV Sejahtera Abadi Jaya

Pricing becomes a crucial issue when a company must set its selling price for the first time. This situation often arises when a business seeks to introduce a new product or expand its product line. At this stage, pricing decisions are made alongside marketing offers and consumer agreements. The pricing decision is especially critical as it directly influences market reception: if the price is set too high, the product may be rejected by the market; conversely, if priced too low, profit margins will be significantly reduced. (Prasetyaningrum, 2024)

According to Mr. Andrian, the director of CV Sejahtera Abadi Jaya, the relationship between price and product quality is inherently interconnected and inseparable. Many consumers perceive that a higher price reflects superior quality, and similarly, a high-quality product is expected to command a higher price. When setting premium prices, sellers often emphasize brand reputation, product image, and product performance to justify the cost.

CV Sejahtera Abadi Jaya implements a specific pricing strategy guided by several core cost components. According to the company, the following factors are considered in determining the selling price: Purchase cost, Delivery cost, Assembly cost, and Office operational expenses

In addition to these financial elements, product quality is a key consideration in pricing. The price must correspond with the quality of the product, ensuring that the value delivered meets consumer expectations. Mr. Andrian also outlined several pricing methods aimed at increasing sales turnover:

- a. Cost-Plus Pricing: This approach involves determining the selling price by adding a predetermined profit margin to the product's total cost. For instance, a fixed percentage (e.g., 40%) is added to the production cost to generate profit.
- b. Competition-Based Pricing: In this method, the company observes competitors' pricing strategies in the furniture market. If competitors offer lower prices, CV Sejahtera Abadi Jaya adjusts its prices accordingly—either matching or setting them slightly lower to retain consumer interest.
- c. Demand-Oriented Pricing: This involves applying price discrimination targeted at specific customer segments who require personalized pricing treatment. This method may be based on: Product variation or customization, Seasonal or time-based factors, Purchase volume or bundling strategies
- d. Special Event Pricing: Implemented during significant periods such as religious holidays, the New Year, back-to-school season, or other festive occasions. For example, during the month of Ramadan, CV Sejahtera Abadi Jaya offers promotional packages for complete bedroom sets (including a spring bed, wardrobe, and vanity table) at discounted rates to encourage purchases and enhance celebratory experiences.

Example of Price Calculation

To determine the market price of a Neo Star spring bed set (160x200 cm), the company calculates the total production cost as follows:

Purchase Cost : Rp. 1,500,000
Delivery Cost : Rp. 50,000
Assembly Cost : Rp. 50,000
Operational Expenses : Rp. 50,000
Total Production Cost : Rp. 1,650,000

A 40% profit margin is then added: Profit (40%) : Rp. 660,000 Selling Price : Rp. 2,310,000

Thus, Rp. 2,310,000 is the final market price set by CV Sejahtera Abadi Jaya. This price reflects not only the production and operational costs but also the desired profit margin. Once finalized, the selling price is distributed to sales promotion teams (SPGs) at various company outlets to be offered directly to consumers.

2. Sales Targets and Volume Growth

To achieve increased sales, companies must implement a variety of strategic approaches, one of which is the use of accurate and effective pricing strategies. By setting optimal prices, CV Sejahtera Abadi Jaya aims to surpass the monthly sales targets set by company leadership. These targets serve as benchmarks for evaluating sales performance each month. If the predetermined targets are successfully met or exceeded, the company will continue using the existing strategy and may introduce new promotional prices. However, if the target is not reached, the company will conduct a strategic evaluation to determine a more suitable approach for boosting sales in the following month. (Arifin, Anindiyadewi, Nuryadi, & Pratama, 2025; Nuryadi, Pratama, & Arifin, 2024)

CV Sejahtera Abadi Jaya establishes specific sales targets each month for various product categories. These targets are set directly by the company's management. The table below presents the monthly sales targets for spring beds, panel products, and plastic products:

	Spring Beds	Panel Products	Plastic Products
January	750 Units	800 Units	1,200 Units
February	800 Units	900 Units	1,500 Units
March	900 Units	1,000 Units	1,800 Units
April	1,000 Units	1,100 Units	2,000 Units
May	1,100 Units	1,200 Units	2,200 Units
June	1,100 Units	1,300 Units	2,500 Units

As shown in the table above, CV Sejahtera Abadi Jaya consistently increases its sales targets month by month for each product category. The success of the pricing strategy can be evaluated by examining actual sales performance over a specific period. The company's sales data from January to June 2019 indicate a consistent increase in sales volume across product categories.

According to Sales Graph 4.1, spring bed sales rose from 800 units in January to 1,300 units in June. Panel products also experienced growth, increasing from 1,000 units to 1,500 units during the same period. Furthermore, plastic product sales recorded a significant rise, from 3,400 units in January to 5,800 units in June. These figures indicate that plastic products had the highest sales volume, followed by panel products and spring beds.

CV Sejahtera Abadi Jaya applies a full-cost plus markup pricing strategy, wherein the selling price is calculated by considering the total cost incurred in producing the goods and adding a desired profit margin. This approach ensures that all production expenses are covered while achieving optimal profitability and market competitiveness.

Based on the available sales data and trends, this pricing strategy has proven effective in supporting the company's sales volume growth. Despite a minor stagnation in March, the company has demonstrated consistency in maintaining customer interest and achieving target sales levels over the six-month period. Therefore, the pricing method adopted by CV Sejahtera Abadi Jaya can be regarded as successful in driving volume sales performance.

D. CONCLUSION

Based on the findings of this study on pricing strategies to increase furniture sales volume at CV Sejahtera Abadi Jaya Surabaya, the following conclusions can be drawn. CV Sejahtera Abadi Jaya applies a multi-stage pricing process to determine the selling prices of its products in relation to sales volume. This process includes product procurement, inventory management, cost evaluation, and ultimately, the establishment of final selling prices. After completing these stages, the company adopts a cost-based pricing method, in which selling prices are determined by calculating the total costs incurred and adding a predetermined profit margin. The pricing strategy implemented by CV Sejahtera Abadi Jaya has proven to be effective, as evidenced by the significant increase in sales volume over the past six months. This suggests that the company's approach has contributed positively to achieving its sales targets and enhancing overall performance.

CV Sejahtera Abadi Jaya is advised to place greater emphasis on the quality of the furniture products offered. High-quality products not only enhance customer satisfaction but also strengthen the company's market position. If quality standards are consistently met, sales performance is likely to improve, leading to increased consumer interest and higher profit margins. It is also recommended that the company improve its precision in the price-setting process by carefully aligning its pricing method with actual cost structures. This would ensure greater consistency in applying the most effective pricing strategies and help the company sustain long-term profitability. By adopting these recommendations, CV Sejahtera Abadi Jaya can further optimize its pricing practices and strengthen its competitiveness in the furniture market.

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