



The Effect of Competition and Interest Rates on Sales Volume Through Service Quality

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Abstract

PT Adira Finance is one of the companies engaged in services, the increasing number of Finance that has sprung up is one of the challenges of PT Adira Finance in maintaining and attracting new customers. The purpose of this study is to analyse the effect of competition, interest rates and sales volume through service quality. According to the results of SEM analysis based on data from questionnaires distributed to 185 respondents, it is known that competition has a significant effect on service quality, interest rates have a significant effect on service quality, sales volume has a significant effect on service quality, competition has a significant effect on sales volume through service quality with a coefficient value of 0.000, while interest rates do not have a significant effect on sales volume through service quality with a coefficient value of 0.055.

Introduction

Competition between companies in this modern era is increasing and it seems that no company can avoid competition with other companies (Pradana 2018). This very tight competition requires all companies to become companies with their own characteristics and advantages in their business. This requirement is not easy for every company, but it must be met in order to maintain the company's existence and reputation.

Competitors are companies that sell or produce goods and services that are similar or the same as the products offered by the company. Adira Finance aligns vision and mission in line with rebranding to strengthen relationships with all stakeholders and create shared value. Several causal variables that affect the level of loan sales of a financial company are the quality of service, competition and interest rates. Adira Finance is here to serve a variety of financing such as new or used motor vehicles. Adira Finance has become a leading company in the financing sector serving various brands and products (Azahra, 2022).

The number of other companies that operate is almost on the same average, resulting in a lot of competition between products. This can be seen from the results of sales of motorcycle products at PT. Adira Finance Gowa Branch in 2021 will experience a different level of decline in sales on average. From May to June 2023 the sales volume at PT Adira Finance decreased by up to 71 million rupiah, this is indicated by the many new finance companies that have become competitors to PT Adira Finance for the Gowa branch. This can be seen in the figure below where sales volume in May reached Rp. 14,007,538,964 this figure then decreased in June, sales volume in June was only Rp. 13,936,113,995 means that there has been a very significant decrease of IDR 71,424,699. this figure is far from the sales target set by PT Adira Finance, where in July the sales target that should have been met was Rp. 16,089,966,856 of this figure is quite large. This then underlies the researchers to see how far competition, interest rates and service quality affect sales volume at PT Adira Finance Gowa Branch.

BRANCH	BRAND	31 Mei VS 30 Juni 2023											
		UNIT					AMOUNT						
		IA	%	R	%	IA	%	R	%				
CABANG MAKASSAR 3	HONDA	284	260	-8%	242	228	-6%	5,920,543,137	5,415,456,719	-9%	5,027,596,445	4,715,176,630	-6%
	YAMAHA	202	204	1%	174	168	-3%	4,701,741,989	4,659,657,375	-1%	4,057,126,792	3,801,906,674	-6%
	SUZUKI	1	1	0%	0	1	#DIV/0!	27,845,595	31,832,360	14%	0	31,832,360	#DIV/0!
	OTHERS AISI	6	2	-67%	6	1	-83%	216,181,480	89,770,900	-58%	216,181,480	47,086,400	-78%
	OTHERS NON AISI	10	13	30%	9	9	0%	304,730,430	385,774,972	27%	272,520,190	286,383,248	5%
	Sales Smart	148	174	18%	131	159	21%	1,921,399,920	2,295,733,390	19%	1,811,193,500	2,165,805,990	20%
	Sales Regular	61	49	-20%	50	44	-12%	1,069,719,840	731,257,720	-32%	771,090,480	589,342,720	-24%
	Sales Debitur	76	75	-1%	73	69	-5%	1,032,766,450	968,255,560	-6%	982,678,030	919,097,020	-6%
	Sales Non Debitur	26	23	-12%	24	22	-8%	345,130,520	282,206,900	-18%	289,125,940	276,223,780	-4%
	New Car 1			#DIV/0!			#DIV/0!			#DIV/0!	0		#DIV/0!
	New Car 2			#DIV/0!			#DIV/0!			#DIV/0!	0		#DIV/0!
	Used Car			#DIV/0!			#DIV/0!			#DIV/0!	0		#DIV/0!
	SME			#DIV/0!			#DIV/0!			#DIV/0!	0		#DIV/0!
	Sales Non Debitur	5	7	40%	4	7	75%	426,199,142	863,825,492	103%	389,490,671	863,825,492	122%
	Sales Debitur	4	5	25%	3	3	0%	274,737,390	366,195,468	33%	190,635,436	238,833,681	25%
	Durable Goods			#DIV/0!			#DIV/0!			#DIV/0!			#DIV/0!
	CABANG MAKASSAR 3		823	813	-1%	716	711	-1%	16,240,995,893	16,089,966,856	-1%	14,007,638,964	13,936,113,995

Source: Financial Report of PT Adira Finance Gowa Branch

To get the ideal profit, the company must pay attention to the turnover and costs given from sales volume. This is an important factor in determining the amount of contributions received by the company and can be used to measure the number of products sold in a certain time (Muttaqin and Dharmayanti 2015). Sales volume is the total amount arising from the activity of selling goods from the company (Rangkuti, 2009).

After discussing the basic phenomenon of the level of decline in product sales at PT. Adira Finance Gowa Branch. As the demands of the company aim to increase sales, this of course has an impact on the company so that it does not get maximum profit and creates competition among companies that work in the same field. Then to win the competition and to ensure the smooth operation of a company where companies are required to have the right strategy to win the market or in other words win the competition by increasing product sales.

Based on the description that has been stated previously, the problem to be discussed in this study is how is the influence of competition, interest rates, sales volume through service quality? The purpose of this study is to see how far service quality affects competition, interest rates and sales volume at PT Adira Finance Gowa.

Literature Review

Competition

The high competition in product sales makes the company's success largely determined by carefulness in taking advantage of opportunities and identifying individual initiatives (Hidayat, Arief, and Pramesthi 2022). Competition is a business that operates in the same industry and market segmentation. According to Kotler and Armstrong (2016), the marketing concept is to be successful, companies must provide greater customer value and satisfaction than their competitors.

Interest Rates

According to Mishkin (2007), interest rates are borrowing costs or prices paid for leasing funds. Mishkin views interest rates from the borrower's point of view. According to Pindyck (2005), the interest rate is the price paid by the borrower to the lender. Like market prices, the determination of interest rates is determined by the supply and demand of loanable funds.

Siamat (2005) distinguishes the meaning of interest in 2 perspectives, namely; (1) Interest from the demand side. Interest from the demand side and the supply side is income from lending. Interest is the rent or price of money; (2) Interest from the supply side. Fund owners will use or allocate their funds to types of investments that promise higher interest payments.

Economists distinguish interest rates into nominal interest rates and real interest rates. The nominal interest rate is the rate that occurs in the market while the real interest rate is a concept that measures the rate of return after deducting inflation. The effect of inflation expectations on nominal interest rates is often called the Fisher effect and the relationship between inflation and interest rates is shown by the Fisher equation.

Sales Volume

According to Apriansyah (2018: 39), sales volume is the number of units of goods sold from production units, which come from the production department to the hands of consumers during a certain period. Meanwhile, according to Hery et al. (2019), sales volume is an important factor that will affect working capital requirements. If sales increase, the need for working capital also increases.

Service Quality

Service quality is an activity or series of activities that are intangible (untouchable) that occur as a result of interaction between consumers and employees or provided by service providers in order to solve consumer or customer problems” (Setyabudi, 2014).

Service quality is one of the elements observed by consumers, good service will give happiness to consumers when they are in that place. With that happy feeling it will bring joy to consumers. So a quality service is a service that is able to meet consumer expectations, so that the quality of service provided by the company is very influential on customer satisfaction (Rijalet, 2019; Rizkiyah et al. 2022).

Methods

The type used is conclusive research, where the main objective of this research is to test a hypothesis and test whether the dependent variable is related to the independent variable. Then the type of conclusive research is divided into two, namely descriptive research which has the goal of describing what is there from a thing, while the second is casual research, where this type of research has the goal of determining whether there is a causal relationship from a thing, based on the explanation in above the authors decided to use descriptive quantitative method as a research method. Quantitative research is generally carried out on samples taken randomly, so that the conclusions from the research results can be generalized to the population where the sample was taken (Stellamaris, 2019). Hypothesis testing is a procedure carried out with the aim of deciding whether to accept or reject the hypothesis. The hypothesis test used is a path analysis method (path analysis) with a nonrecursive model.

Results and Discussion

Characteristics of Respondents

Respondents in this study were 185 consumers at PT. Adira Finance Gowa branch. To see research respondents based on age, gender, occupation, and length of time being customers can be seen in the following table and figure;

Table 1. Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<21 Years	1	5	5	5
	>50 Years	21	11.4	11.4	11.9
	21-30 Years	64	34.6	34.6	46.5
	31-40 Years	71	38.4	38.4	84.9
	41-50 years	28	15.1	15.1	100.0
	Total	185	100.0	100.0	

Source: Primary Data processed in 2023

Based on the age characteristics of respondents, it is dominated by vulnerable groups aged 26-30 years as many as 42 people at PT. Adira Finance Gowa Branch because customers aged 26-30 years tend to need *Finance services* more often that have become a necessity.

Table 2. Gender

No.	Gender	Sum	Percent
1.	Man	109	58
2.	Woman	76	42
	Sum	185	100

Source: Primary Data processed in 2023

The majority of respondents in this study were more dominated by the male gender in PT. Adira Finance Gowa Branch which means male customers are attracted by affordable interest rates, services and easy processes, where female customers are less aware of the product.

The identity of respondents based on occupation can be seen in table 3 below:

Table 3. Types of Customer Jobs

No.	Information	Sum	Percentage
1.	Self employed	65	35
2.	Employee	56	30
3.	PNS/Polri/TNI	43	23
4.	IRT	13	7
5.	Honor	4	2
6.	Student	2	1
7.	Doctor	1	1
8.	Midwife	1	1
	Sum	185	100

Source: Results of Analysis and Processing of Questionnaire Data

Based on these data, it is known that the average respondent works as a Wiraswata.

Table 4. Length of time as Customer

No.	Long Time Customer	Number of Customers	Percentage
1.	< 1 Year	45	24
2.	1 Year	34	18
3.	2 Years	45	24
4.	3 Years	23	12

5.	4 years	15	8
6.	5 Years	7	4
7.	6 Years - 10 Years	16	9
Sum		185	100

Source: Results of Analysis and processing of Questionnaire data

Based on the table it is known that the distribution of respondents in the length of time they have been customers of Adira Finance at the Gowa branch is quite varied. As a financing institution, Adira Finance, the Gowa branch, can be said to maintain customer loyalty. This can be seen from the different times each respondent became a customer of the Gowa branch of Adira Finance.

Descriptive Analysis

Competition (X1)

The following below is a description of the presentation of data based on the answers to the questionnaire from the research variable Competition (X1). Competition is measured by 5 indicators namely service, image, price, response, price discounts which are summarized and tabulated in the frequency table as follows:

Table 5. Presentation of Competition Data (X1)

Indicator	Respondent Answer Score										Mean
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
X1.1	2	1.1	4	2.2	28	15.1	82	44.3	69	37.3	4,04
X1.2	1	0.5	5	2.7	36	19.5	89	48.1	54	29.2	4.02
X1.3	2	1.1	7	3.8	30	16.2	85	45.9	61	33	4.05
X1.4	3	1.6	8	4.3	38	20.5	68	36.8	68	36.8	4.02
X.1.5	4	2.2	19	10.3	40	21.6	72	38.9	50	27.0	3.78
Mean of the Competition variable											3.98

Source: Appendix 3

From table 5 above, it can be seen that the perception of the Competition variable (X1) can be stated that the respondents gave a good/important value. This can be seen from the mean value of the average respondent of 3.98. This means that respondents consider PT Adira Finance's competition with other finance companies to be important and have an effect on customers. From the test results above, it was found that the mean indicator that has the highest average value of the Competition variable is the PT Adira Finance indicator that responds quickly to customer needs (X1.3) with an average value of 4.05. This means that the competition strategy of PT Adira Finance Gowa branch has an effective relationship between the company and its customers. Furthermore, the mean average competition for PT Adira Finance in providing a faster credit process than other financing (X1.1) is 4.04. This illustrates that PT Adira Finance's Gowa branch of competition provides a fast response to customers in every credit service performed by staff/employees. The Competition indicator with image (X1.2) has an average value of 4.02, which means that the Gowa branch of PT Adira Finance has a good image in the eyes of customers in providing information related to its products. Competition Indicator (X1) with price (X1.4), with an average value of 4.02, indicates that the price offered by PT Adira Finance Gowa branch is cheaper compared to other finance companies. Meanwhile, the indicator with the mean average value in the Competition variable for the discount indicator

section (X1.5), namely with an average value of 3.78, indicates that the discount applied by PT Adira Finance, the Gowa branch, is still relatively low.

Interest rates

The following below describes the presentation of data based on the answers to the questionnaire from the variable research. Interest rates (X2) are measured by 6 indicators, namely supply, funding requirements, quality of guarantees, profits, comparisons and buying interest which are summarized and tabulated in the frequency table as follows;

Table 6. Presentation of Variable Interest Rate Data (X2)

Indicator	Respondent Answer Score										Mean
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
X2.1	4	2.2	9	4.9	34	18.4	66	35.7	72	38.9	4.04
X2.2	1	0.5	12	6.5	28	15.1	78	42.2	66	35.7	4.05
X2.3	0	0	5	2.7	35	18.9	85	45.9	60	32.4	4.08
X2.4	0	0	4	2.2	25	13.5	86	46.5	70	37.8	4.20
X2.5	1	0.5	5	2.7	33	17.8	73	39.5	73	39.5	4.14
X2.6	2	1.1	4	2.2	27	14.5	91	49.2	61	33	4.10
Variable Mean <i>Interest rate</i>											4.07

Source: Appendix 3

From the table above it can be seen that the percentage of answers from customers of PT Adira Finance Gowa Branch, the majority of answers from respondents did not agree, this means that the questionnaire distributed to respondents is of good value because customers understand the existing system in PT. Adira Finance Gowa Branch. The following describes the responses of customer respondents to the statements above.

Based on table 6 according to the respondent's statement it is known that the respondent gave a good/important score, seen from the mean average value of only 4.07. this means that respondents consider that the interest rate offered by PT Adira Finance Gowa branch is still relatively high. Of the six indicators Interest rate (X2) the highest mean value is (X2.4) The interest rate offered that is acceptable to customers is 4.20, this means that PT Adira Finance is considered to have offered interest rates according to their needs and interest rates. currently in effect. (X2.5) with an average value of 4.14 related to the interest rate offered is cheaper compared to other finance in Gowa district. (X2.6) The interest rate offered by PT Adira Finance, the Gowa branch, can encourage customers to become credit partners with a mean value of 4.10. Furthermore, the interest rate indicator (X2.3) has an attractive and relatively stable interest rate with an average mean of 4.08. This means that the interest rate offered is relatively stable compared to other finance companies. Interest rate indicator with customer needs (X2.2) of 4.05 indicates that the low interest rate offered by PT Adira Finance Gowa Branch can attract customers to meet customer needs. The indicator of interest rates with affordable loans (X2.1), has an average mean value of 4.04. This proves that the interest rates provided by PT Adira Finance are considered quite affordable for its customers.

Service Quality (Y1)

Descriptive analysis of the research variables was carried out on the service quality variable (Y1) with 5 indicators, namely direct evidence, assurance, responsiveness, empathy, reliability. The service quality variable consists of five indicators elaborated by Zeithaml, et al (in Suryani, 2008: 121-122). Respondents' answers regarding this service quality variable, after being

processed with SPSS Version 24. and the results of the descriptive analysis calculations carried out on the service quality variable are presented as follows:

Table 7. Presentation *Service quality* (Y1)

Indicator	Respondent Answer Score										Mean
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
Y1.1.1	7	3.8	11	5.9	25	13.5	67	36.2	75	40.5	4.03
Y1.1.2	2	1.1	11	5.9	22	11.9	76	41.1	74	40.0	4.12
Y1.1.3	5	2.7	10	5.4	25	13.5	79	42.7	66	35.7	4.03
Y1.1.4	1	0.5	6	3.2	18	9.7	86	46.5	74	40.0	4.22
Y1.1											4.10
Y1.2.1	2	1.1	6	3.2	17	9.2	91	49.2	69	37.3	4.18
Y1.2.2	2	1.1	8	4.3	24	13.0	83	44.9	68	36.8	4.11
Y1.2.3	2	1.1	8	4.3	19	10.3	80	43.2	76	41.1	4.18
Y1.2											4.15
Y1.3.1	5	2.7	7	3.8	32	17.3	85	45.9	56	30.3	3.97
Y1.3.2	4	2.2	9	4.9	29	15.7	72	38.9	71	38.4	4.06
Y1.3.3	1	0.5	11	5.9	19	10.3	89	48.1	65	35.1	4.11
Y1.3.4	3	1.6	6	3.2	18	9.7	81	43.8	77	41.6	4.20
Y1.3											4.08
Y1.4.1	7	3.8	14	7.6	19	10.3	82	44.3	63	34.1	3.97
Y1.4.2	6	3.2	6	3.2	12	6.5	88	47.5	73	39.5	4.16
Y1.4											4.06
Y1.5.1	8	4.3	12	6.5	25	13.5	84	45.4	56	30.3	3.90
Y1.5.2	9	4.9	13	7.0	25	13.5	83	44.9	55	29.7	3.87
Y1.5											3.88
Mean variable Quality of Service											4.07

Source: Appendix 3

From table 7 above, it can be seen that the respondent's service quality variable gives a good/important value, this can be seen from the percentage of the average value of each indicator of 4.07. This means that the respondents consider that the quality of service provided by PT Adira Finance Gowa branch can be said to be important. Indicator with an average value of the variable Quality of service with direct evidence (Y1.1) of 4.1 this means that the service provided by staff/employees of PT Adira Finance Gowa branch is very good. The service quality indicator with assurance (Y1.2) gets an average score of 4.15, which means that the Gowa branch of PT Adira Finance is able to provide guarantees to its customers. Indicator Service quality with responsiveness (Y1.3) with a value of 4.08 proves that the responsiveness of PT Adira Finance Gowa branch is very good. Service quality indicator with Empathy (Y1.4) with a value of 4.06 this means that in addition to having good responsiveness, staff/employees of PT Adira Finance have high empathy for their customers.

Based on the results of this study it was found that service quality was not the only factor that became a benchmark for customers of PT Adira Finance Gowa Branch but was also influenced by other factors such as interest rates and others.

Sales volume (Y2)

The following below is a description of the presentation of data based on the answers to the questionnaire from the research variable Sales volume (Y2) which are summarized and tabulated in the frequency table as follows:

Table 8. *Volume penjualan (Y2)*

Indicator	Respondent Answer Score										Mean
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
Y2.1	7	3.8	11	5.9	34	18.4	76	41.1	57	30.8	3.89
Y2.2	2	1.1	11	5.9	36	19.5	72	38.9	64	34.6	4.00
Y2.3	0	0	8	4.3	39	21.1	83	44.9	55	29.7	4.00
Y2.4	1	0.5	5	2.7	29	15.7	96	51.9	54	29.2	4.06
Y2.5	1	0.5	10	5.4	30	16.4	92	49.7	52	28.1	3.99
Y2.6	0	0	8	4.3	25	13.5	87	47.0	65	35.1	4.12
Y2.7	1	0.5	11	5.9	37	20.0	79	42.7	57	30.8	3.97
Y2.8	10	5.4	9	4.9	16	8.6	72	38.9	78	42.2	4.07
Variable mean <i>Sales Volume</i>											4,01

Source: Appendix 3

From table 8 above, it can be seen that the respondents' perceptions of the sales volume variable can be stated that out of 185 respondents gave a good/important value. The mean value of the mean sales volume variable is 4.01 which is categorized as good. This is evidenced by the low number of respondents' answers, where the largest value of this variable is only 4.12 (Y2.6) for the variable sales volume and bonus. This proves that PT Adira Finance Gowa branch has provided incentives to employees or staff who have reached the sales limit so that they are entitled to receive bonuses. Indicators of sales volume and up to date products (Y2.8). this proves that sales volume is influenced by products that are always up to date to be offered to customers. The sales volume indicator and the number of financing products (Y2.4) with a value of 4.06 proves that the various financing programs offered by PT Adira Finance to customers are very good. The volume of sales and repurchase indicators (Y2.2) with a value of 4.00 proves that repurchases made by customers of PT. Adira Finance Gowa branch is quite high. Sales volume indicator with recommendation (Y2.3) with a value of 4.00 this proves that customers from PT. Adira Finance is quite loyal to the Gowa branch of PT Adira Finance by always recommending Adira's products and loans to others. The volume indicator with credit frequency (Y2.5) with a value of 3.97 proves that sales volume is strongly influenced by the frequency of credit submitted by customers. The sales volume indicator with information on product usage (Y2.7) with a value of 3.97 proves that PT Adira Finance always provides a variety of products for customers who wish to apply for credit. The sales volume indicator and choosing Adira (Y2.1) with a value of 3.89 can be said to be lacking. This is because in Gowa Regency there are many Finances, so customers have many choices.

Analysis of Research Results

Based on the empirical model proposed in this study, it is possible to test the hypothesis proposed by testing the path coefficients in the structural equation model. Where the complete analysis results can be seen in Figure 1 below:

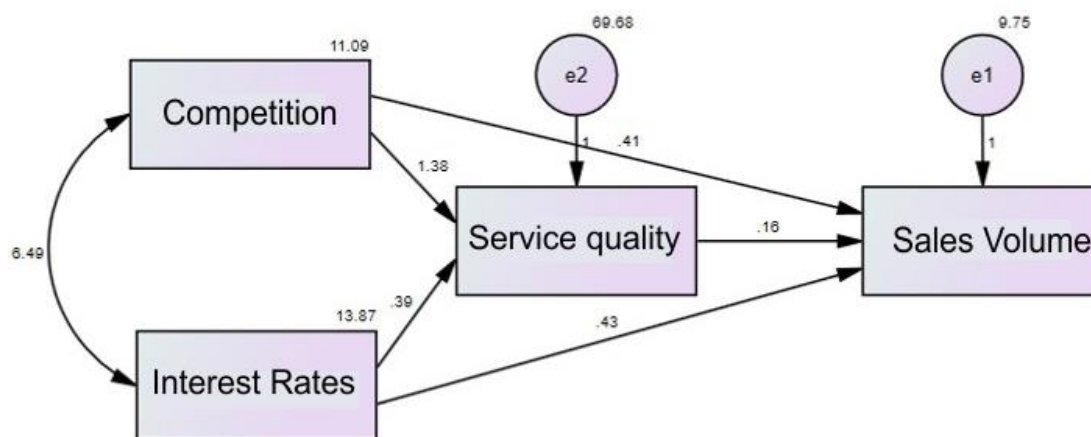


Figure 1. Results of the second Substructure Path Estimation

The test results in Table 4.11 are hypothesis testing by looking at the p value, if the p value is smaller than 0.05 then the relationship between variables is significant. The test results are presented in the following table:

Table 2. Hypothesis Testing

Hi p	Independent Variables	Dependent Variables	Direct Effect			Information
			Standardize	CR	P-Value	
H1	Competition	Quality of service	1,378	6,356	0,001	Accepted
H2	Interest rate	Quality of service	0,329	2,020	0,043	Accepted
H3	Competition	Sales volume	0,413	4,611	0,001	Accepted
H4	Interest rate	Sales volume	0,434	5,921	0,001	Accepted
H5	Quality of service	Sales volume	0,156	5,661	0,001	Accepted
Indirect Effect						
Hi p	Variabel independet	Variable Depend	Intervening variables	Standrdize	P-Value	information
H6	Competition	Sales volume	Quality of service	0,149	0,000	Accepted
H7	Interest rate	Sales volume	Quality of service	0,047	0,055	Rejected

Source: Appendix 3

Of the seven paths hypothesized, there are six significant paths and one insignificant path. The interpretation of table 2 is explained as follows:

From the analysis above, a significance value of $0.001 \leq 0.05$ is obtained, so it can be concluded that there is a direct influence of competition on service quality. From the analysis above, a significance value of $0.043 \leq 0.05$ is obtained, so it can be concluded that there is a direct effect of ethnicity level on service quality. From the analysis above, a significance value of $0.001 \leq 0.05$ is obtained, so it can be concluded that there is a direct effect of competition on sales volume.

From the analysis above, a significance value of $0.001 \leq 0.05$ is obtained, so it can be concluded that there is a direct effect of interest rates on sales volume. From the analysis above, a significance value of $0.001 \leq 0.05$ is obtained, so it can be concluded that there is a direct effect of sales volume on service quality. From the results obtained that competition has a significant influence on sales volume through service quality with a coefficient value of 0.000, this coefficient indicates that the higher the competition faced by PT Adira Finance Gowa branch with other finance, it will further improve the quality of service received by customers in the end will have an impact on sales volume. The results show that the interest rate does not have a significant effect on sales volume through service quality with a coefficient value of 0.055, this coefficient indicates that the interest rate offered to customers does not significantly affect sales volume and service quality.

Based on the results of the research described previously, it can be concluded that competition has a significant influence on service quality. The results of the descriptive analysis test showed that as one of the Finance companies in Gowa Regency, respondents considered PT Adira Finance to be able to compete with other Finance companies. This is evidenced by the distribution of respondents' answers where the majority agreed. The average value of the indicators of the competition variable, only the discount indicator on each purchase which has a lower value than the other indicators. Even so, the average value is still relatively good. This illustrates that the respondents considered that PT Adira Finance's competition was good. This is in line with research by Liu, C., Zhou, Q., Lv, J., & Jiang, Y. (2021) which shows that the higher the level of competition, the better the quality of the services offered. In addition, Irawan, Albari (2023) in his research emphasized price, promotion are indicators of competition that affect service quality. Meanwhile (Bel, G., & Sebó, M. (2021) argue Private firms anticipate stronger competitive pressures near the competitor zone, even after contracts are awarded, and they compete in terms of service quality.

Interest rates have a significant influence on service quality. The results of these findings are in accordance with research conducted by Anbiya (2020), showing that interest rates have a significant positive effect on service quality.

Competition has a significant positive effect on sales volume. These findings are in accordance with research conducted by Kamaludin, Amal and Sobana, H. Dadang Husen and Deni 2020 showing that competition has a significant positive effect on sales volume, which means that the higher competition between finance in Gowa district spurs PT Adira Finance to always compete in increasing sales volume. Sales volume in June reached Rp. 14. 027,980,370 and in July it reached Rp. 15,031,807,436. sales volume changes every month, this depends on the number of credit points submitted by the customer. Even so, the sales volume of PT. Adira Finance Gowa Branch has never been below Rp. 13,000,000,000 every month. This figure can be said to be quite high considering that competition in Finance is currently very tight.

Based on the results of the descriptive analysis, the majority of respondents answered that they agreed that low interest rates had an effect on the sales volume of PT Adira Finance Gowa Branch. This means that the customer considers the interest rate offered is still within reach of the customer. The average value of each indicator in this variable is quite high, this proves that low interest rates and according to customer needs will greatly affect PT Adira Finance's sales volume, especially since PT Adira Finance's customers come from many backgrounds.

Service quality has a significant positive effect on sales volume. The results of these findings are in accordance with research conducted by Kamaludin, Amal and Sobana, H. Dadang Husen and Deni 2020 which shows that the better the quality of service provided to customers, the more influential it will be on sales volume.

Based on the descriptive analysis, the majority of respondents agreed that service quality greatly influences sales volume. Based on the average value of the indicators in this variable, the assurance indicator has the highest score, which means that customers feel that PT Adira Finance can provide good quality assurance to its customers, while the indicator that gets the lowest score is empathy, this should be taken into consideration by PT. Adira Finance to train its human resources to have more empathy for its customers so that the services provided are maximized.

Facts in the field found that in maintaining the service quality of PT. Adira Finance Gowa branch to its customers. PT. Adira Finance Gowa branch has always run the company according to its vision "to create shared value for the benefit of the company to improve the welfare of the Indonesian people". This is in line with the quality of service provided by always maintaining comfort, security, empathy and good response to each of its customers.

This is in line with research conducted by Erdawati & Asraf (2023) which states that there is a significant effect of service quality on customer loyalty at PT. Adira Finance Simpang Empat Branch This means that the better the service provided by Adira Finance, the higher customer loyalty to Adira Finance.

Competition through sales volume has a significant positive effect on service quality. The results of these findings indicate that the higher the competition and sales volume of PT Adira Finance Gowa branch, the better the service quality.

Interest rates through sales volume do not have a significant positive effect on service quality. The results of these findings indicate that interest rates and sales volume at PT Adira Finance Gowa branch have no impact on the quality of service provided to customers. The facts at the site of the research in the field review found that the interest rate has a considerable impact on customers who will apply for credit to PT Adira Finance Gowa Branch. As for the sales volume, basically every year it increases according to customer needs, even so the quality of service is immediately improved so that customers feel comfortable being able to increase their loyalty to PT Adira Finance Gowa Branch.

Conclusion

From the research results, it can be concluded that competition has a significant influence on service quality and sales volume. Interest rates also have a significant positive effect on service quality and sales volume. Service quality has a positive impact on sales volume, while competition through sales volume contributes to service quality improvement. Nonetheless, interest rates through sales volume do not have a significant impact on service quality. The implication of this finding is that in a situation of intense competition, higher interest rates may lead to increased service quality and sales volume, but the effect on service quality may not be directly through the sales volume factor. This conclusion can assist companies in directing their strategy to improve service quality and sales effectiveness in a competitive business environment.

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