THE EFFECT OF SERVICE MARKETING MIX ON SALES PERFORMANCE: THE CASE OF AN INSURANCE COMPANY IN PERAK, MALAYSIA

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Abstract:
This study aimed to examine the effects of the 7Ps of marketing mix on the sales performance of an insurance company in Perak, Malaysia. The name of the insurance company is not revealed in this study because the management of the insurance company refused to give consent fearing a breach of data protection laws. Seven marketing mix variables were explored regarding their association and relationship with sales performance. The seven key factors are product, price, promotion, placement, people, process, and physical evidence. A self-administered survey was utilized to gather the data, and 101 participants participated in this study. Pearson correlation analysis and linear regression analysis were used to analyse the association and the relationships between the dependent and independent variables. Findings from this study indicated that two key elements of the marketing mix, price, and physical evidence, have a significant relationship with sales performance. In contrast, the results also indicated no significant relationships between the other marketing mix variables of product, place, promotion, people, and process with sales performance. Therefore, according to this study, price and physical evidence directly affected the sales performance of the insurance company in this study.

Keywords: marketing mix, product, price, promotion, place, people, process, physical evidence, sales performance, insurance company

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1. Introduction

In the 18th and 19th centuries, trading companies and agency houses served as agents for insurance companies from the United Kingdom, introducing insurance to Malaysia. After gaining independence, a domestic insurance firm was attempted to be established. Malaysian life and general insurance businesses expanded in the early 1960s. Some companies operated under improper underwriting standards and on false premises. The Insurance Act of 1963 was introduced after the government intervened. According to the Act, the Director-General of Insurance in Malaysia’s Ministry of Finance was given general control and oversight of the insurance sector. The insurance company in this study has had the honour of operating in Malaysia since 1948. Protection, Health, Personal Accident, Employee Benefits, General Insurance, Mortgage, Retirement, and Family Takaful are among the financial solutions provided by the insurance company. The name of the insurance company was withheld from this study as requested by the management.

Demographic shifts, financial reforms, emerging markets, advancement of communication and information technology, and changing customer behaviour considerably impacted the efficiency, productivity, and shape of the industry’s structure (Rajapathirana & Hui, 2017). However, studies also found that service marketing also significantly affects insurance sales performance. There are several ways to determine how the service marketing mix (product, pricing, promotion, place, people, process, and physical proof) affects actual sales performance.

Any insurance company can succeed by using insurance marketing strategies effectively. Developing a solid plan is essential to keeping up with the competition in today’s market. Insurance services companies need a good marketing strategy to survive in today’s competitive market. According to (Kanapathipillai et al., 2022; Mustapha, 2017), marketing strategy is defined as a method by which a firm attempt to reach its target. It starts with market research, developing the vision of the market(s), selecting market target strategies, designing positioning strategies, setting objectives, and implementing marketing programs to meet the value requirements of the target markets (Taye, 2021).

Generally, the 4Ps (product, pricing, promotion, and place) marketing strategies most often demonstrate excellent outcomes in terms of sales performance. The effectiveness of the work procedures, overall employee productivity, and the rewards that the employees are getting in exchange for their efforts for the organization all get translated through the standard of employee performance (Siddiqi & Tangem, 2018).

2. Research Problem Statements

By international standards, Malaysia’s insurance sector is relatively modest. Based on the Bank Negara Malaysia data in 2017, the life insurance penetration and ownership rate in Malaysia are not encouraging, at only 56 percent. The ownership level is also low as it is
only around a third of the population, and less than 20 percent of adults are covered by life insurance (Sang et al., 2020). Malaysia’s government aimed for the penetration rate of life insurance and family takaful to reach 75 percent by the end of 2020. However, the numbers reported were lower, almost by 19 percentage points, than the target number proposed. According to (Sang et al., 2020), one of the factors that cause low demand for life insurance among Malaysians is the inability of the majority of the population to objectively assess the objectives of life insurance coverage.

There are also several issues related to insurance sales performance. One of the common issues is the insurance companies seemed to be fast in collecting premiums but very slow in other services, especially in the claims settlement. Next, this industry is often criticized for frequently spending significant sums on advertising and providing lower premium service charges to attract new clients and keep hold of their current ones in order to increase sales performance (Taye, 2021). In addition, the customers have also expressed dissatisfaction with the insufficient transparency regarding upcoming claims and premiums. These problems cause a decrease in consumers’ intentions to buy life insurance (Taye, 2021).

Hence, based on the common issues described, past research has related the matter of insurance sales performance insurance with mixed marketing strategies. For instance, (Taye, 2021) has conducted a study to investigate the effect of marketing mix practices on sales performance which aims to investigate the impact of both normal (4Ps) along with extended marketing mix elements (3Ps) on the sales performance of Oromia insurance company. It is reported that service marketing mix elements do have a significant effect on sales performance among insurance companies.

Regarding the relationship between variables of the service marketing mix (7Ps) on sales performance, the research found a significant and insignificant relationship between the variables. For instance, (Saravanan et al., 2023; Li & Lee, 2019) conducted research that green marketing strategies have a positive impact on sales growth process variables and suggested that implementing such techniques of green products, green promotion, and the green process will aid in achieving desired sales growth levels. (Gituma, 2017), in his research, has established product quality, pricing strategy, and distribution channels located in urban has a positive impact on sales performance and recommended that the Unga Group should improve on their packaging design hence increasing product visibility and recognition. Odhiambo (2013) researched on the effect of pricing as a competitive strategy on the sales performance of selected pharmaceutical companies was established that pricing the strategy and decision has a significant effect on sales performance. Sandra (2019) also stated that the variable of place as a marketing strategy significantly affects the sales performance of commercial banks in Bujumbura.

Arumugam & Iyappan (2016) concluded that the marketing approach for insurance goods is fairly easy to understand. Its primary objective is to educate people about its numerous policies and brand. Intra-individual characteristics are regarded as personal aspects. Age, weight, sex, ethnicity, looks, and education are some of the factors that are taken into account. These individual characteristics have been and are the second
most common attribute of interest for researchers, according to (Churchill et al., 1985). The physical evidence encompasses a variety of elements, including the appearance of the employees, workplace design and decor, furniture arrangement and comfort, a welcoming environment, and the creation of tangible items like brochures or flyers (Nguyen et al., 2018).

In contrast, (Shaharudin et al., 2011) found that the level of customer perceptions has no significant impact on the customer purchase decision. Customers are looking at other elements beyond quality perceptions in their purchase decision. Sandra (2019) has concluded that product and price as marketing strategies do not significantly affect the sales performance of commercial banks in Bujumbura. Tanalo & Utami (2014), in their research, have found that the product has not significantly affected the marketing mix to affect customers’ buying decision-making to board game café. Komari et al. (2019) have published a study focused on finding out how high the demand for traditionally packaged resulting herbal drinks is on purchasing decisions, resulting in the variable of the price shown that it does not have an effect.

Scitovszky (1944) stated that the role of lower price to perceived value is paradoxical. When a product is offered at a low price, it will become less attractive because it is assumed to have a lower quality. People use price as an indicator of quality because they cannot know the product’s quality immediately. Komari et al. (2019) insisted that the variable place does not influence the customer’s purchasing decisions in regard to the sales of traditionally packaged traditional herbal drinks. Mohammad (2015), in the research of 7ps marketing mix and retail bank customer satisfaction in northeast Nigeria, found that place is not significantly related to customer satisfaction and thus does not impact sales performance. Financial service providers are not seen as being very trustworthy, according to (Kanapathipillai et al., 2021; Cox, 2007). This is due to the complexity of the insurance services, as well as the increase in regulatory environment efficiency and competitiveness. At this moment, insurance companies often present the market with fresh and inventive offerings. Churchill et al. (1985) discovered surprisingly weak associations between individual performance indicators and the salesperson’s actual performance. Wongsapun & Samson (2017) found that the process was insignificant in the customer’s decision to purchase the POS systems for casual dining restaurants.

However, there is a lack of studies that focus solely on the variables of the service marketing mix (7Ps) and sales performance among insurance company that was based on the Malaysian population. Furthermore, the findings regarding insurance companies are rather inconsistent. The relationship between service marketing mix (7Ps) on sales performance was found significant and insignificant according to past research. Therefore, this current study is going to fill up the gap in the literature by exploring the relationship between the service marketing mix (7Ps) with the sales performance of insurance companies based in Malaysia.
2.1 Research Questions

**RQ1:** Is there a significant relationship between product and sales performance of the insurance company in Perak, Malaysia?

**RQ2:** Is there a significant relationship between price and sales performance of the insurance company in Perak, Malaysia?

**RQ3:** Is there a significant relationship between promotion and sales performance of the insurance company in Perak, Malaysia?

**RQ4:** Is there a significant relationship between place of and sales performance of the insurance company in Perak, Malaysia?

**RQ5:** Is there a significant relationship between people and sales performance of the insurance company in Perak, Malaysia?

**RQ6:** Is there a significant relationship between process and sales performance of the insurance company in Perak, Malaysia?

**RQ7:** Is there a significant relationship between physical evidence and sales performance of the insurance company in Perak, Malaysia?

2.2 Research Objectives

This research aimed to establish the precise research objectives of the study as follows as we move forward to address the seven research questions that are specified in section 1.4 through an analysis of the 7P’s components of marketing mix:

**RO1:** To examine if there is a significant relationship between product and sales performance of the insurance company in Perak, Malaysia.

**RO2:** To examine if there is a significant relationship between price and sales performance of the insurance company in Perak, Malaysia.

**RO3:** To examine if there is a significant relationship between promotion and sales performance of the insurance company in Perak, Malaysia.

**RO4:** To examine if there is a significant relationship between place of and sales performance of the insurance company in Perak, Malaysia.

**RO5:** To examine if there is a significant relationship between people and sales performance of the insurance company in Perak, Malaysia.

**RO6:** To examine if there is a significant relationship between process and sales performance of the insurance company in Perak, Malaysia.

**RO7:** To examine if there is a significant relationship between physical evidence and sales performance of the insurance company in Perak, Malaysia.

3. Literature Review and Hypothesis Development

The following section provides the relevant literature that led to the development of the hypotheses for this study. The sub-sections focus on the literature and hypotheses regarding product, price, promotion, placement, people, process, physical evidence, and sales performance.
3.1 The Relationship between Product and Sales Performance

To satisfy consumer needs and requirements in highly competitive markets, service organizations must build comprehensive service products. Product effects may have a considerable effect on sales performance, according to previous studies. By tailoring the product to the needs of the customer, the company can increase sales (Taye, 2021).

Gituma (2017) in his research has established that the majority of the respondents agreed that product quality has a positive impact on sales performance, brand awareness influences organizational performance, packaging influences consumer-perceived product quality, the packaging is used to describe the product, and its use, company’s brand image, and loyalty has an influence on profitability. The study recommended that the Unga Group should improve its packaging design hence increasing product visibility and recognition.

Li & Lee (2019) conducted research on the impact of a green marketing strategy on the increase of green automobile sales in China. The study looks at 412 vehicle dealers' data from 2012 to 2016. The findings show that a green marketing strategy has a positive green product impact on sales growth. Li & Lee (2019) suggested that implementing such techniques of green products, green promotion, and green processes will aid in achieving desired sales growth levels.

Komari et al. (2019) found that product has a significant relationship with sales performance. The research has published a study that builds on finding out how high the demand for traditionally packaged traditional herbal drinks is on purchasing decisions using SWOT analysis and the 7P model. The 7P model consists of product, price, place, people, process, physical evidence, and promotion. For variables, the product does have an effect that influences the purchasing decisions.

However, there are also studies that show that product is an insignificant relationship with sale performance. According to (Shaharudin et al., 2011), the degree of customer perceptions had no significant influence on the customer’s decision to make a purchase. Customers consider additional factors in addition to quality impressions while making purchases. Customers are looking at other elements besides quality perceptions while making a purchase decision.

Next, in (Sandra, 2019)’s study, was discovered how price affected the sales performance of commercial banks in Bujumbura. The study concluded that pricing as a marketing tactic has no significance on how well a product sells. Similar conclusions were reached by another study.

Tanalo & Utami (2014), in their research of the influence of marketing mix (4P) on Malang city board game café consumer buying decisions, have discovered that the product had no significant impact on the marketing mix’s ability to influence customers' purchasing decisions. In terms of products, high levels of purchase intention and repeat purchasing are directly correlated with perceptions of excellent product and service quality. The literature above reflected the relationship between product and sales performance and has recognized gaps that need to be scrutinized. Thus, based on the above literature, the following hypothesis is suggested:
H1: There is a significant relationship between product and sales performance of the insurance company in Perak, Malaysia.

3.2 The Relationship between Price and Sales Performance

Operationally, price, also known as the insurance premium, is the extent to which an insurance firm applies pricing practices and policies to arrive at the service price. According to Kotler, pricing is the sum a business charges to cover its costs of creating, distributing, and promoting a good. Price is a means to settle the value of some things, which money or other considerations exchange for the ownership or use of a good or service. (Kerin et al., 2009)

Odhiambo (2013) researched on the effect of pricing as a competitive strategy on the sales performance of selected pharmaceutical companies. It was established that pricing strategy and decisions have a significant effect on sales performance. Kanapathipillai et al. (2021) and (Louter et al., 1991) in their research revealed that there was a positive relationship between pricing strategy and firm performance.

According to (Ali & Anwar, 2021), the financial cost is one of the elements that affects how consumers view the worth of a product. The price that is set for a product or service has a significant impact on how marketable it is. Price is a major factor in the insurance industry, as it affects both client satisfaction and profitability.

Gituma (2017), in the research of effects of marketing mix on sales performance: a case of Unga feeds limited, has concluded that the use of pricing strategy increases sales volume, price promotion influences customer’s perception towards product quality, penetration pricing influences purchase intention, and value-based pricing has a positive impact on profitability. Unga Ltd does not use price discounts, free samples, bonus packs, or price promotion strategies that do not affect sales performance.

In contrast, (Sandra, 2019) did a study to determine how price affected the sales performance of commercial banks in Bujumbura. The study concluded that pricing as a marketing tactic has no significant impact on how well a product sells. Similar conclusions were reached by another investigation.

Komari et al. (2019) have published a study focused on finding out how high the demand for traditionally packaged traditional herbal drinks is on purchasing decisions using SWOT analysis and the 7P model. The 7P model consists of product, price, place, people, process, physical evidence, and promotion. The result for the variable of the price shows that it does not have an effect. The researcher then further explained that it might be due to the factor that the product is still relatively new and better marketing must be done so that consumers understand and can provide purchasing decisions that meet the expectations.

According to (Scitovszky, 1944), the decreasing price has a contradictory effect on perceived value. A product will lose appeal if it is sold at a low price since it is perceived to be of poor quality. Because consumers cannot quickly determine a product’s quality, such as the machine’s lifespan, they rely on price as a quality indication (Shintaputri & Wuisan, 2017).
According to (Shintaputri & Wuisan, 2017), a case study of brand X smartphones purchased by middle-class Indonesian consumers revealed an insignificant relationship between perceptions of price and perceived value in the study on the influence of perceived price on perceived value through the mediation of perceived quality. This finding conflicts with the Transaction Utility theory, which contends that both transaction utility and acquisition utility contribute to the perceived value of a client. The literature above has given an overview of the association between price and sales performance. Thus, based on the above literature, the following hypothesis is proposed:

**H2:** There is a significant relationship between price and sales performance of the insurance company in Perak, Malaysia.

### 3.3 The Relationship between Place and Sales Performance

Taye (2021) stated that the place factor, or the area of distribution refers to the extent to which a service organization uses distribution routes and activities in defining the service distribution strategy. The customer’s purchase must be made in a suitable and practical place, and delivery must be made in a practical manner.

The place is the process where organizations decide where to locate their store and how many stores to have at the convenience of the shoppers (Kanoga, 2016). The goods or services must be accessible at the appropriate time and location. According to (Siddiqi & Tangem, 2018), place or distribution is defined as a collection of interconnected businesses engaged in the process of making a product accessible to consumers for use or consumption.

Sandra (2019) also stated a similar finding where the variable of place as marketing strategies significantly affects the sales performance of commercial banks in Bujumbura. This is because the location of most banks in Bujumbura makes them more accessible and generates more returns than those in rural areas. In addition, the bank’s interior and exterior décor and use of attractive stimuli such as music have an influence on consumer purchase behaviour and subsequently increase sales volume.

Gituma (2017), in the research effects of marketing mix on sales performance: a case of Unga feeds limited was established that the majority of respondents agreed that distribution channels located in urban areas generate more returns than those in rural areas, use of distribution channels influences product availability, store design has a positive effect on consumer purchase and sales volume, use of distribution channels influences sales and profit, use of attractive stimuli such as music has an influence on customers, music, appealing colours, lighting influences business performance. Findings also revealed that respondents disagreed that physical surrounding such as finishing, good working environment, and aroma does not have any effect on sales.

However, there are also studies that show that place is insignificant as a variable that would have a direct or indirect effect on sales. For instance, when it comes to the sales of traditionally packaged traditional herbal drinks, Komari et al. (2019) insisted that the variable place does not affect the customer’s purchasing decisions because this
beverage product is still relatively new and better marketing must be done, so that consumers understand and can make purchasing decisions that meet the producer’s expectations.

Mohammad (2015) showed that place is not significantly related to customer satisfaction and does not affect sales performance in his study of the 7ps marketing mix and retail bank customer satisfaction in northeast Nigeria. According to the research, management should coordinate the distribution of the place’s elements to provide customers with high levels of happiness. Management needs to focus on client orientation and simplify the electronic distribution component. Therefore, based on the literature above, the following hypothesis, H3, is derived:

H3: There is a significant relationship between place and sales performance of the insurance company in Perak, Malaysia.

3.4 The Relationship between Promotion and Sales Performance
Promotion is the extent to which a service organization utilizes the aspects and components of promotion activities when developing a promotion strategy. To get a product or service’s message and brand from the manufacturer to the consumer, an ideal mix of marketing communication tools looks to include promotion (Kumar & Patra, 2017).

Murali (2017) investigated the sales techniques employed by rural life insurance providers to influence their target market. According to a study, private life insurance companies have started to steal market share away from LIC in the current environment, which is clear from the yearly reports filed by IRDA. However, the focus of the insurance industry today is on marketing the product through a variety of channels of distribution, including agents, bank assurance, the internet, and the development of new ideas and initiatives. In order to maintain the current market share, it is necessary to conduct market research before introducing new products, hire local agents in areas where customers will trust them, raise awareness that insurance is not just about risk protection but also about investment plans, and implement call centre facilities in local geographic areas with sound infrastructure (Kanaparthipillai et al., 2022).

The insurance sector should evolve over time by offering clients solutions that are specifically designed to meet their requirements, whether they are financial or medical. In order to achieve sustainable growth, secure corporate profitability, and promote the expansion of insurance coverage, it was also recommended that businesses concentrate on pursuing new segments and putting creative tactics into practice. Before establishing insurance products aimed at certain demographic categories, life insurers should perform more thorough market research to help make insurance more relevant and accessible to the general public.

In their study, (Arumugam & Iyappan, 2016) concluded that the marketing approach for insurance goods is fairly easy to understand. Its primary objective is to educate people about its numerous policies and brand. It has required actions like
personal selling, exhibits, performances at events, advertising, and new plans to achieve this. As presents and incentives, policyholders receive bags, diaries, and calendars. Televisions, newspapers, and billboards all feature advertisements as promotional tools. Consumer sovereignty, Attitude, Responsiveness, and Personal Skills of the Working Staff, Revitalizing the Marketing Department, Top Management Support Given to the Marketing Department, and Participation of Marketing Personnel in Key Company Decisions should all be taken into consideration when developing any marketing strategy. With the same perspective, the primary objective of the study was to know about the various promotional tools of private and public organizations.

Financial service providers are not seen as being very trustworthy, according to (Kanapathipillai et al., 2021; Cox, 2007). This is due to the complexity of the insurance services, as well as the increase in regulatory environment efficiency and competitiveness. At this moment, insurance companies often present the market with fresh and inventive offerings. Referring to the past literature, the relationship between promotion and sales performance was analysed. Hence, the hypothesis was made:

H4: There is a significant relationship between promotion and sales performance of the insurance company in Perak, Malaysia.

3.5 The Relationship between People and Sales Performance

The extent to which an organization practices its business by placing the customer at the center of business activities is defined as the people in the service providers. A customer service program should be carefully developed and carried out, and staff members should receive appropriate training, information, and support in order to provide excellent services (Panigrahi et al., 2017).

Lazarus (1991) believed that emotion was a prerequisite for motivation. Only when a person has a stake in the result or aim does motivation exist. Along with the facets of the person’s ego identity or self-image, goal hierarchy must be taken into account. He discovered that the individual’s choice of coping mechanisms is influenced by their active objectives in an adaptational interaction. Insofar as there was goal congruence, according to (Lazarus, 1991), uncertainty played a significant role in encouraging one to strive for goal accomplishment. The likelihood of acting or thinking anything that might alter the relationship between a person and their surroundings appeared to increase this. The perceived amount of control has been linked to employee motivation. Lack of control leads to increased stress and, eventually, burnout (Snyder, 1994). Depending on how one responds to and manages the stress, it may not always be damaging.

Churchill et al. (1985) sought to determine the factor that predicted salesperson success that was most quantitatively precise by doing a meta-analysis of 116 publications published over the preceding 75 years. They divided their 1653 observations into the following six categories: aptitude, skill level, motivation, role, personal variables, organizational factors, and environmental factors. They discovered surprisingly weak
associations between individual performance indicators and the salesperson's actual performance.

Intra-individual characteristics are regarded as personal aspects. Age, weight, sex, ethnicity, looks, and education are some of the factors that are taken into account. These individual characteristics have been and are the second most common attribute of interest for researchers, according to (Churchill et al., 1985). The weighted average correlation was 0.161, which was just more significant than aptitude. Studies have focused on organizational and environmental elements since 1951. With a weighted mean correlation of 0.104, this was the lowest. Churchill et al. (1985) discovered that a variety of factors affect performance.

The type of product that salespeople offer influences the connection with key variables more positively. Selling items rather than services have a better association with a salesperson's ability. The percentage of overall performance variation described by the predictors is higher in the more recent studies that feature a multiple-determinant framework, they found, even if "individual correlation coefficients in sales performance did not increase with time" (Churchill et al., 1985).

The atmosphere or culture of the company may affect how the salesman approaches achieving goals and being successful in general. According to (Lazarus, 1991), among salesmen, anxiety results from the conviction that one's success and accomplishments would be hated. Some people could feel guilty about succeeding or worry about being punished. Peer pressure, whether perceived or real, can have a detrimental impact on someone who might otherwise get good feedback. Lazarus (1991) discovered that goal-congruent feelings like pleasure and happiness alter how a problem is seen, which influences how one chooses coping mechanisms that are more likely to involve generosity, enthusiasm, and the free-flowing utilization of resources.

Brown (1998) recommended that managers utilize this data to identify training gaps since they thought competitive salespeople had greater goal-setting skills. They urged management to teach salespeople how to develop successful objectives without saying whether competition or good goal setting came first. If not, the salesman would likely establish unproductive, do-your-best goals without any connection between goal setting and performance. Therefore, based on the literature above, the following hypothesis, H5, is derived:

H5: There is a significant relationship between people and sales performance of the insurance company in Perak, Malaysia.

3.6 The Relationship between Process and Sales Performance

The extent to which a business has established a standard operating procedure that adheres to the customer-oriented and very structured for the successful delivery of the goods or services. The actual procedures, mechanisms, and activity flow by which the offering is provided are referred to as the process dimensions (Muhammad et al., 2019).
All business organizations always want to generate efficient, consumer-friendly, and smooth journeys so that they can achieve profits and sales successfully. The process is the main factor based on which every business company can understand the overall work processes and business activities in a proper way. The process has helped many business firms to know the satisfaction factors of consumers, and in this way, they can improve their product and delivery quality so that the customers understand the total process of those business companies (Wichmann et al., 2022). Business firms can set a strategy to know the details of their delivery updates through online activities. They can open their accounts on social media and help people to share their reviews about tier services and product quality. People can easily share their suggestions and opinions through comments on the social page of the business companies. In this way, they have collected their important information from these methods and enhanced their sales performance by implementing several business functions.

The process factor is purely focused on the consumers, and the experiences of customers always matter for running a business in the long run. Business organizations have always taken care of the factors by which the consumers can get satisfied and happy. As per the views of (Mallik & Farhan, 2018), the “marketing mix” is mainly aimed at satisfying and keeping the consumers happy by giving them products with the greatest quality and affordable prices to enhance sales performance. It has been seen that consumers have always needed the best products and services from business companies, and for this reason, those firms have created many plans and strategies to meet their basic needs and requirements (Thabit & Raewf, 2018). The process is a special type of “marketing mix” strategy grounded on which the issues of poor communication, extra costs, and late shipping can be reduced.

Business companies have always taken care of the positive and negative reviews by which they can improve their business activities. It has been observed that business companies have provided many features and several offers to the consumer so that they can enjoy shopping from them (Eneizan et al., 2019). In addition to that, they have given facilities such as digital partnerships and online shopping to enhance their profits in business. The process can assist every business company in becoming more flexible with their business objectives so that they can satisfy clients by improving their products (Mallik & Farhan, 2018). It has been observed that the business organization has tried to reduce financial risks, and in this way, they can operate their overall business functions by maintaining proper competitive advantages. In this way, meeting the needs and demands of customers, the firms have overcome the arriving issues and improved their performance of sales in a great way. Li & Lee (2019) conducted research on the impact of a green marketing strategy on the increase of green automobile sales in China. The study looks at 412 vehicle dealers’ data from 2012 to 2016. The study stated that green marketing strategies have a positive impact on sales growth process variables. Li & Lee (2019) suggested that implementing such techniques of green products, green promotion, and green processes will aid in achieving desired sales growth levels.
However, there are studies that also found inconsistencies regarding the significance of the relationship between process and sales performance variables. For instance, (Wongsapun & Samson, 2017) supported the findings where it was discovered that the process had no significant relationship with the customer’s decision to buy POS systems for casual dining restaurants in the research of the relationship between marketing variables and customers’ purchasing decisions. Based on the previous kinds of literature, the hypothesis was drawn:

H6: There is a significant relationship between process and sales performance of the insurance company in Perak, Malaysia.

3.7 The Relationship between Physical Evidence and Sales Performance

Physical evidence is everything physically present surrounding the customer throughout the service encounter transaction (Taye, 2021). This demonstrates the level of an organization’s interest in creating a welcoming environment for clients in the workplace. The physical evidence encompasses a variety of elements, including the appearance of the employees, workplace design and decor, furniture arrangement and comfort, a welcoming environment, and the creation of tangible items like brochures or flyers (Nguyen et al., 2018).

Physical evidence is an important element in the marketing mix theory, and it is defined by the environment where the service is delivered to the customers from any organization in the market. It consists of the interaction between customers and the performance between the connection between the organization and the customers. “Physical evidence” is the surrounding of the organization where the consumers consume any products in the market (Al-Omari et al., 2018). For example, when anyone wants to travel, the aircraft system is the physical evidence. Physical evidence is the main thing that can help to promote the particular brand that already exists in the market or wants to enter a market newly. The packaging of products is physical evidence that greatly impacts the customers’ minds (Adams et al., 2019). The attractive packaging of any product is consumed by customers in a great amount, and this helps to enhance the sales of the brand or organization. Poor packaging damages the products, and people are not attracted to them, it may be the cause of the poor performance of sales in the market. An attractive website is also physical evidence that can help people to collect information related to the performance of any organization, and this helps customers to consume the products or make interest to consume them in a great way, and the rate of sales increased in this way.

A poor website cannot help people to know or promote the products, and this may be the cause of a decrease in the rate of sales because, after the pandemic, online shopping has taken great growth. Delivery and logistics systems are also another evidence that also creates an impact in the mind of the customers. Poor delivery systems and the return policy can affect the image of the organization, and this can decrease the sales and revenue of any organization (Adams et al., 2019). Dispatch report and invoices or
ticketing system is other systems that should be managed in a great way in the marketing system. The excellent policies and the quick services of the organizations related to the tickets and the invoices make a good impact on the minds of the customers, and this enhances the sale of the company (Al-Omari et al., 2018). On the other hand, the poor management system of the invoices and the payment system of the tickets may be the cause of the loss of any organization. Physical evidence is used to attract the correct segments of the market and important target customers to achieve a great position in the market in retail and e-commerce system (Khatab et al., 2019). Marketers should focus on the elements that can help to make better services and to meet the satisfaction of the customers. This will help the sales and revenue of the company in a great way.

Nevertheless, past literature also presents contrasting ideas regarding the relationship between physical evidence and sales performance. A study based in China shows that a green marketing strategy has both a positive and a negative impact on sales growth where the relationship between the Green Physical Evidence and sales growth is not significant (Li & Lee, 2019). However, the study discovered that using a green marketing strategy can greatly improve the number of green car sales. However, when compared to green cars, the use of marketing methods may reduce the volume of non-green car sales.

Next, (Wongsapun & Samson, 2017) also supported the findings where the study of the relationship between marketing factors and customer’s decision to purchase POS systems for casual dining restaurants found that process, promotion, place, and physical evidence were insignificant in the customer’s decision to purchase the POS systems for casual dining restaurant. Therefore, the following hypothesis H7 was proposed:

**H7:** There is a significant relationship between physical evidence and sales performance of the insurance company in Perak, Malaysia.

4. Proposed Conceptual Framework

The 4Ps components from McCarthy’s 4Ps Model and the 3Ps components of the service marketing mix are combined to create the suggested framework. This research focuses on determining if the 7Ps components of the marketing mix have an impact on sales performance. Figure 1, Research Conceptual Framework, displays the conceptual framework for this study.
5. Methodology

The following section provides the reliability analysis, population, sampling, and measurements used in this research.

5.1 Reliability Analysis

<table>
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<td>5</td>
</tr>
<tr>
<td>Price</td>
<td>0.913</td>
<td>5</td>
</tr>
<tr>
<td>Place</td>
<td>0.863</td>
<td>4</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.896</td>
<td>5</td>
</tr>
<tr>
<td>People</td>
<td>0.906</td>
<td>5</td>
</tr>
<tr>
<td>Process</td>
<td>0.902</td>
<td>5</td>
</tr>
<tr>
<td>Physical Evidence</td>
<td>0.897</td>
<td>5</td>
</tr>
<tr>
<td>Sales Performance</td>
<td>0.907</td>
<td>5</td>
</tr>
</tbody>
</table>

Based on Table 1, the value of Cronbach’s Alpha for the product is 0.913 with five items. The second variable is the price with Cronbach’s Alpha value of 0.913 with five items. As such, Cronbach’s alpha values of place, promotion, people, process, and physical evidence are 0.863, 0.896, 0.906, 0.902, and 0.897, respectively, with five items each, except for place, with only four items. Finally, Cronbach’s alpha value of sales performance was
0.907 with also five items. Based on the correlation matrix obtained, all variables are greater than 0.8, which is considered acceptable to support the measurement model.

5.2 Population, Sampling, and Measurements
This research aims to learn about the relationship between the marketing mix elements and sales performance of an insurance company in Perak, Malaysia. Hence, the selected respondents consist of the insurance company’s employees in Perak, Malaysia. The respondents come from different ages, academic levels, and positions. Based on the aims of this study, the (Bukhari, 2021; Krejcie & Morgan, 1970) table furnished the estimated sample size. According to the company’s corporate profile, all the insurance companies in Malaysia have well-trained teams of more than 2,600 employees to serve 4.7 million customers. The target population for this research is the employees of the insurance company in Perak, Malaysia, this insurance company consists of 139 full-time employees. Therefore, a suitable sample size based on the (Krejcie & Morgan, 1970) tabulation is 103.

To reach a more significant and diverse audience, questionnaires were circulated through multiple media platforms such as email services, WhatsApp, Telegram, and QR codes. A total of 103 sets of questionnaires were distributed to the employees of the insurance company located in Perak, Malaysia. The response was 101, which is approximately a 98 percent response rate. Therefore, the response rate was deemed excellent and adequate for this study.

5.3 Findings and Interpretation
The following section provides the findings of this study, including the respondents’ demographic profiles, factor analysis, descriptive analysis, correlation, and regression analysis.

5.4 Demographic Profile of Employees
The profile of the respondents studied is displayed in Table 2.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
<td>59</td>
<td>58.4</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>42</td>
<td>41.6</td>
</tr>
<tr>
<td>Age (Years)</td>
<td>18-30</td>
<td>40</td>
<td>39.6</td>
</tr>
<tr>
<td></td>
<td>31-45</td>
<td>51</td>
<td>50.5</td>
</tr>
<tr>
<td></td>
<td>46-60</td>
<td>10</td>
<td>9.9</td>
</tr>
<tr>
<td>Education Level</td>
<td>Bachelor’s degree</td>
<td>44</td>
<td>43.6</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>50</td>
<td>49.5</td>
</tr>
<tr>
<td></td>
<td>Master’s degree</td>
<td>7</td>
<td>6.9</td>
</tr>
<tr>
<td>Race</td>
<td>Chinese</td>
<td>38</td>
<td>37.6</td>
</tr>
<tr>
<td></td>
<td>Indian</td>
<td>8</td>
<td>7.9</td>
</tr>
<tr>
<td></td>
<td>Malay</td>
<td>54</td>
<td>53.5</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>1</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Table 2: Demographic Profile of Respondents (N=101)
Based on Table 2 Demographic Profile of Respondents, the number of respondents in this research (N=101). The survey exhibits that the majority of respondents were females (58.4%) or 59 employees. In terms of age, the majority were between (31-45) years old, which is (50.5%) or 41 respondents. A majority of 54 or (53.5%) of the respondents are Malays. In terms of marital status, a majority of 55 or (54.5%) of the respondents are married. A majority of 27 or (26.7%) of the respondents are from the finance department. A majority of 35 or (34.7%) of the respondents are working as junior executives. Finally, a majority of 45 or (44.6%) of the respondents have (1 – 5) years of working experience.

5.5 Mean, Standard Deviation, and Normality Analysis
The descriptive statistics in Table 3 show the mean, standard deviation (SD), skewness, and kurtosis values of this study.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>3.877</td>
<td>0.794</td>
<td>-1.432</td>
<td>1.356</td>
</tr>
<tr>
<td>Price</td>
<td>3.834</td>
<td>0.745</td>
<td>-1.657</td>
<td>1.359</td>
</tr>
<tr>
<td>Place</td>
<td>3.812</td>
<td>0.735</td>
<td>-1.278</td>
<td>1.717</td>
</tr>
<tr>
<td>Promotion</td>
<td>3.846</td>
<td>0.720</td>
<td>-1.613</td>
<td>1.811</td>
</tr>
<tr>
<td>People</td>
<td>3.810</td>
<td>0.707</td>
<td>-1.537</td>
<td>1.839</td>
</tr>
<tr>
<td>Process</td>
<td>3.804</td>
<td>0.736</td>
<td>-1.429</td>
<td>1.267</td>
</tr>
<tr>
<td>Physical Evidence</td>
<td>3.846</td>
<td>0.716</td>
<td>-1.792</td>
<td>1.207</td>
</tr>
<tr>
<td>Sales Performance</td>
<td>3.883</td>
<td>0.695</td>
<td>-1.526</td>
<td>1.392</td>
</tr>
</tbody>
</table>

From Table 3, Descriptive Statistics the factor sales performance shows the highest mean value of 3.883 ± 0.695. The lowest mean value is process, 3.804 ± 0.736. The normality test denotes that the skewness and kurtosis values have a threshold of ±2 which means that the data are distributed normal, as elucidated by (Chinna & Yuen, 2015; Gravetter & Wallnau, 2014).
5.6 Correlation Analysis
To study how the variables are associated, the correlation analysis is shown in Table 5: Correlation Matrix.

Table 4: Correlation Matrix (N=101)

<table>
<thead>
<tr>
<th>Construct</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Product</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Price</td>
<td>0.905**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Place</td>
<td>0.883**</td>
<td>0.906**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Promotion</td>
<td>0.850**</td>
<td>0.896**</td>
<td>0.871**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. People</td>
<td>0.833**</td>
<td>0.859**</td>
<td>0.853**</td>
<td>0.845**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Process</td>
<td>0.780**</td>
<td>0.807**</td>
<td>0.802**</td>
<td>0.860**</td>
<td>0.879**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Physical Evidence</td>
<td>0.787**</td>
<td>0.841**</td>
<td>0.838**</td>
<td>0.873**</td>
<td>0.861**</td>
<td>0.886**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>8. Sales Performance</td>
<td>0.762**</td>
<td>0.829**</td>
<td>0.786**</td>
<td>0.845**</td>
<td>0.811**</td>
<td>0.831**</td>
<td>0.915**</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

Based on the correlation matrix shown in Table 4, it was noted that the data significantly supported the measurement model. The correlation matrix recorded that the variables of product and place display a strong positive correlation with sales performance (r = 0.762; p < 0.001) and (r = 0.786; p < 0.001), respectively. The correlation value is then followed by the association between sales performance and the variables of price (r = 0.829; p < 0.001), promotion (r = 0.845; p < 0.001), people (r = 0.811; p < 0.001) and process (r = 0.831; p < 0.001) which also indicate a strong positive relationship between the variables. Likewise, the correlation between physical evidence (r = 0.915; p < 0.001) and sales performance is high and positively correlated.

Therefore, it can be concluded all seven variables have a strong and positive relationship with sales performance.

5.7 Regression Analysis
The multiple regression procedure is used to test the relationship between the independent and dependent variables in this study.

Table 5: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.924a</td>
<td>0.854</td>
<td>0.843</td>
<td>1.377</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Product, Price, Place, Promotion, People, Process, Physical Evidence

From Table 5 Model Summary, R = 0.924 indicates the multiple correlation coefficient values, which exhibit a high degree of predictive accuracy. The R2 = 0.843 implies that 84.3% of the variation in the dependent variable (sales performance) is explained by the independent variables (Product, Price, Place, Promotion, People, Process, Physical Evidence).
Table 6: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1032.104</td>
<td>7</td>
<td>147.443</td>
<td>77.720</td>
<td>0.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>176.431</td>
<td>93</td>
<td>1.897</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1208.535</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sales Performance
b. Predictors: (Constant), Physical Evidence, Product, Process, Place, People, Promotion, Price

Table 6 ANOVA, shows that the independent factors statistically and substantially predict the dependent variable (F=77.720, p<0.001). Therefore, the regression model fit is good. Thus, the independent variables (physical evidence, product, process, place, people, promotion, and price).

It can be used to predict the dependent variable (sales performance).

Table 7: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.904</td>
<td>0.790</td>
<td>2.411</td>
<td>0.018</td>
</tr>
<tr>
<td>Product</td>
<td>-0.012</td>
<td>0.089</td>
<td>-0.013</td>
<td>-0.130</td>
</tr>
<tr>
<td>Price</td>
<td>0.238</td>
<td>0.116</td>
<td>0.255</td>
<td>2.054</td>
</tr>
<tr>
<td>Place</td>
<td>-0.178</td>
<td>0.127</td>
<td>-0.150</td>
<td>-1.397</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.110</td>
<td>0.106</td>
<td>0.114</td>
<td>1.036</td>
</tr>
<tr>
<td>People</td>
<td>-0.012</td>
<td>0.101</td>
<td>-0.012</td>
<td>-0.120</td>
</tr>
<tr>
<td>Process</td>
<td>0.028</td>
<td>0.097</td>
<td>0.030</td>
<td>0.287</td>
</tr>
<tr>
<td>Physical Evidence</td>
<td>0.701</td>
<td>0.099</td>
<td>0.722</td>
<td>7.045</td>
</tr>
</tbody>
</table>

Dependent Variable: Sales Performance

Table 7 Coefficients show that price (B = 0.238; p<0.05) and physical evidence (B= 0.701; p<0.001) are statistically significant. Meanwhile product (B=-0.012; p>0.001), place (B=-0.178; p>0.001), promotion (B=0.110; p>0.001), people (B=-0.012; p>0.001), and process (B=0.028; p>0.001) are insignificant.

Thus, this implies that there is a significant relationship between the predictor variables (price and physical evidence) and the dependent variable (sales performance).

Based on Table 7, the linear regression equation is as follows:

\[ SP = 1.904 + 0.238(P2) + 0.701(P7) \]

Where;
SP = Sales Performance,
P2 = Price,
P7 = Physical Evidence, and
1.904 is the constant or the y-intercept.
The result indicates that with a one-unit increase in price, there is an increase in sales performance by 0.238. Similarly, one unit increase in physical evidence will increase sales performance by 0.701.

Furthermore, the outcome of multiple regression analysis rates the influence of independent factors on the dependent variable. The stronger the standardization coefficient is more significant the influence on customer purchase intention. With a standard coefficient (Beta = 0.722), physical evidence is the predictor variable contributing the most to the variance in sales performance, followed by the price variable with the standard coefficient (Beta = 0.255).

6. Discussion

The first objective of this research was to examine if there is a significant relationship between product and sales performance of the insurance company in Perak, Malaysia. To realize this objective, it was hypothesized that there is a statistically significant influence of product on sales performance of the insurance company in Perak, Malaysia. Pearson’s correlation coefficient was observed to determine the size and direction of the relationship and whether it was statistically significant. Then, multiple regression analysis was applied to determine the relationship between product and sales performance. The results showed that the relationship between product and sales performance is statistically insignificant (p-value = 0.879). Therefore, H1 is not supported by data.

Generally, the results contradict the majority of the literature. However, there are few studies that support this finding. According to (Shaharudin et al., 2011), the degree of customer perceptions had no significant influence on the customer’s decision to make a purchase. Customers consider additional factors in addition to quality impressions while making purchases. Customers are looking at other elements besides quality perceptions while making a purchase decision.

The second objective was to examine if there is a significant relationship between price and sales performance of the insurance company in Perak, Malaysia. To realize this objective, it was hypothesized that there is a statistically significant influence of price on sales performance of the insurance company in Perak, Malaysia. The results showed a positive influence of price on sales performance, and the relationship is statistically significant ($\beta = 0.238; p < 0.001$). This shows that the results are consistent with the literature, suggesting that price is a significant determinant of sales performance. Therefore, H2 is supported by data.

According to Kotler, pricing is the sum a business charges to cover its costs of creating, distributing, and promoting a good. Price is meant to settle the value of some things, which money or other considerations exchange for the ownership or use of a good or service (Kerin et al., 2009).

Odhiambo (2013) researched the effect of pricing as a competitive strategy on the sales performance of selected pharmaceutical companies. It was established that pricing
strategy and decisions have a significant effect on sales performance. Louter et al. (1991) in his research it was revealed that there was a positive relationship between pricing strategy and firm performance.

According to (Ali & Anwar, 2021), Financial cost is one of the elements that affects how consumers view the worth of a product. The price that is set for a product or service has a significant impact on how marketable it is. Price is a major factor in the insurance industry, as it affects both client satisfaction and profitability.

Gituma (2017), in the research of effects of marketing mix on sales performance: a case of Unga feeds limited, has concluded that the use of pricing strategy increases sales volume, price promotion influences customer’s perception towards product quality, penetration pricing influences purchase intention, and value-based pricing has a positive impact on profitability. Unga Ltd does not use price discounts, free samples, bonus packs, or price promotion strategies that do not affect sales performance.

But, according to (Sandra, 2019)’s study, was discovered how price affected the sales performance of commercial banks in Bujumbura. The study came to the conclusion that pricing as a marketing tactic has no significance on how well a product sells. Similar conclusions were reached by another study.

Tanalo and Utami (2014), in their research of the influence of marketing mix (4P) on Malang city board game café consumer buying decisions, discovered that the product had no significant impact on the marketing mix’s ability to influence customers' purchasing decisions. In terms of products, high levels of purchase intention and repeat purchasing are directly correlated with perceptions of excellent product and service quality.

The third objective of this research was to examine if there is a significant relationship between place and sales performance of the insurance company in Perak, Malaysia. To realize this objective, it was hypothesized that there is a statistically significant influence of place on the sales performance of the insurance company in Perak, Malaysia. Pearson’s correlation coefficient was analysed to determine the size and direction of the relationship and whether it was statistically significant. Then, to determine the relationship between product and sales performance, multiple regression analysis was applied. The results showed that the relationship between product and sales performance is statistically insignificant (p-value = 0.166). Hence, H3 is not supported by data.

These findings are supported by studies that show that place is insignificant as a variable that would have a direct or indirect effect on sales. For instance, when it comes to the sales of traditionally packaged traditional herbal drinks, (Komari et al., 2019) insisted that the variable place does not affect the customer’s purchasing decisions because this beverage product is still relatively new and better marketing must be done, so that consumers understand and can make purchasing decisions that meet the producer’s expectations.

Mohammad (2015) elucidated that place is not significantly related to customer satisfaction and does not affect sales performance in his study of the 7ps marketing mix
and retail bank customer satisfaction in northeast Nigeria. According to the research, management should coordinate the distribution of the place’s elements to provide customers with high levels of happiness. Management needs to focus on client orientation and simplify the electronic distribution component.

The fourth objective of this research was to examine if there is a significant relationship between the promotion and sales performance of the insurance company in Perak, Malaysia. Then, it was hypothesized that there is a statistically significant influence of promotion on sales performance of the insurance company in Perak, Malaysia. Pearson’s correlation and multiple regression analysis were applied to determine the relationship between product and sales performance. The results showed that the relationship between product and sales performance is statistically insignificant (p-value = 0.303). Therefore, H4 is not supported by data.

Few studies have reported similar results. The insurance company must now thoroughly comprehend and foresee how various consumer types will behave when acquiring various goods and services to meet their needs in today’s dynamic and ever-changing business climate. Thus, to gain a competitive edge in the market, several insurance companies have concentrated on cultivating favourable perceptions of their brands in the minds of customers in order to affect their purchasing habits.

The research that was previously conducted on the relationship between the current advertisement and its effects on sales had restricted access to brands at the aggregate category level. The endogeneity factor prevents the data from detecting this association since the effect is lag-related due to distinct customer groups (Leeflang & Reuijl, 1985; Schmalensee, 1978). On the other hand, (Valette-Florence et al., 2011) looked into the connection between sales promotions and brand equity which revealed a negative relationship.

It is still unclear how advertising affects the development of new products. When commercials are directed toward a particular audience, according to (Riskey, 1997), sales tend to rise. Hence advertisement and promotion do not have a significant impact on sales performance.

They looked at how sales promotions affect sales in the near term but not over the long term. Furthermore, they claimed that aggressive sales promotion activities boost brand personality, which results in sales growth but only temporarily. Through direct mail advertising, (Anderson & Simester, 2004) attempted to determine the frequency of retail catalogue correspondence. A catalogue is sent to 20,000 customers through the mail. Based on these clients, they discovered evidence that, in the short term, sales grow and, in the long term, sales decline with less advertising.

The fifth objective of this research was to examine if there is a significant relationship between people and sales performance of the insurance company in Perak, Malaysia. Based on past studies, it was hypothesized that there is a statistically significant influence of people on sales performance of the insurance company in Perak, Malaysia. Pearson’s correlation was used to determine the association, and multiple regression analysis was applied to determine the relationship between product and sales performance.
performance. The results showed that the relationship between product and sales performance is statistically insignificant (p-value = 0.904). Therefore, H5 is not supported by data.

However, this finding was not uncommon and supported by past studies. It is a common belief that an employee’s motivation greatly influences how productive and effective they are. Employee performance must be at its peak in order for organizations to fulfill their full potential. There is no disagreement on the fact that motivated employees perform their jobs better.

The effectiveness of people (employees) is influenced by numerous factors. These qualities are inherent in each employee and include motivation, resourcefulness, product knowledge, aptitude, job happiness, role perception, and personal characteristics, including age, sex, height, ego drive, and empathy for the consumers. Individual employee motivation and resourcefulness have been looked at as contributing to good performance among these elements (Churchill et al. 1985).

When (Feng & Fay, 2016) looked at how salespeople’s abilities and the future sales success among salespeople of one Chinese insurance company, they came to dramatically different conclusions, only two specific traits of salespeople’s capability, which are their purpose for leaving their current position and the typical age of their clients were significantly correlated with sales performance (Feng & Fay, 2016).

The sixth objective of this research was to examine if there is a significant relationship between process and sales performance of the insurance company in Perak, Malaysia. To realize this objective, it was hypothesized that there is a statistically significant influence of people on sales performance of the insurance company in Perak, Malaysia. The data were analysed by Pearson correlation and multiple regression analysis. Hence, the results showed that the relationship between product and sales performance is statistically insignificant (p-value = 0.774). Therefore, H6 is not supported by data.

There are studies that also found inconsistencies regarding the significance of the relationship between process and sales performance variables. For instance, Wongsapun & Samson, 2017) supported the findings where it was discovered that the process had no significant relationship with the customer’s decision to buy POS systems for casual dining restaurants in the research of the relationship between marketing variables and customers’ purchasing decisions.

The seventh objective was to examine if there is a significant relationship between physical evidence and sales performance of the insurance company in Perak, Malaysia. To realize this objective, it was hypothesized that there is a statistically significant influence of physical evidence on sales performance of the insurance company in Perak, Malaysia. Pearson’s correlation coefficient was observed to determine the size and direction of the relationship and whether it was statistically significant. Then, multiple regression analysis was applied to determine the relationship between price and sales performance. The results showed a positive influence of price on sales performance, and the relationship is statistically significant (β = 0.701; p < 0.001). This shows that the results
are consistent with the literature, suggesting that physical evidence is a significant determinant of sales performance. Therefore, H7 is accepted by data and is in line with previous literature.

Physical evidence is everything physically present surrounding the customer throughout the service encounter transaction (Taye, 2021). This demonstrates the level of an organization’s interest in creating a welcoming environment for clients in the workplace. The physical evidence encompasses a variety of elements, including the appearance of the employees, workplace design and decor, furniture arrangement and comfort, a welcoming environment, and the creation of tangible items like brochures or flyers (Nguyen et al., 2018).

Physical evidence is an important element in the marketing mix theory, and it is defined by the environment where the service is delivered to the customers from any organization in the market. It consists of the interaction between customers and the performance between the connection between the organization and the customers. “Physical evidence” is the surrounding of the organization where the consumers consume any products in the market (Al-Omari et al., 2018). For example, when anyone wants to travel, the aircraft system is the physical evidence. Physical evidence is the main thing that can help to promote the particular brand that already exists in the market or wants to enter a market newly. The packaging of products is physical evidence that greatly impacts the customers’ minds (Adams et al., 2019). The attractive packaging of any product is consumed by customers in a great amount, and this helps to enhance the sales of the brand or organization. Poor packaging damages the products, and people are not attracted to them, it may be the cause of the poor performance of sales in the market. An attractive website is also physical evidence that can help people to collect information related to the performance of any organization, and this helps customers to consume the products or make interest to consume them in a great way, and the rate of sales increased in this way.

A poor website cannot help people to know or promote the products, and this may be the cause of a decrease in the rate of sales because, after the pandemic, online shopping has taken great growth. Delivery and logistics systems are also another evidence that also creates an impact in the mind of the customers. Poor delivery systems and the return policy can affect the image of the organization, and this can decrease the sales and revenue of any organization (Adams et al., 2019). Dispatch report and invoices or ticketing system is other systems that should be managed in a great way in the marketing system. The excellent policies and the quick services of the organizations related to the tickets and the invoices make a good impact on the minds of the customers, and this enhances the sale of the company (Al-Omari et al., 2018). On the other hand, the poor management system of the invoices and the payment system of the tickets may be the cause of the loss of any organization. Physical evidence is used to attract the correct segments of the market and important target customers to achieve a great position in the market in retail and e-commerce system (Khatab et al., 2019). Marketers should focus on
the elements that can help to make better services and to meet the satisfaction of the customers. This will help the sales and revenue of the company in a great way.

7. Conclusion

Firstly, this study was able to show the significant influence of price on sales performance in the insurance industry in Malaysia. This research observed that price incontrovertibly supports one of the elements described in the Marketing Mix theory. This research noted that price is a highly effective element that affects the sales performance of local insurance companies. Additionally, the statistical inferences applied in this study also support the discoveries of previous scholars (Ali & Anwar, 2021; Gituma, 2017; Louter et al., 1991; Odhiambo, 2013) who elucidated that price is one of the elements that affect sales performances of companies from various industries.

Secondly, this study has proven the significant impact of physical evidence of mix marketing strategy on the sales performance of local insurance companies. It is aligned with previous studies’ findings (Adams et al., 2019; Al-Omari et al., 2018; Khatab et al., 2019) which highlighted physical evidence as one of the important elements in marketing mix theory. Therefore, this research strongly provided solid statistical evidence on the significance mix marketing strategy, particularly the physical evidence variable. Khatab et al., (2019) emphasized that physical evidence attracted the correct segments of the market and important target customers to achieve a great position in the market. Thus, marketers should focus on this element so that it can help to make better services and to meet the satisfaction of the customers. This will improve the sales and revenue of the company in a great way.

In terms of the implications, the service marketing mix is the basic strategy that is commonly used in the business industry. It is one of the most productive strategies that promote great outcomes, especially in terms of sales performance. Insurance companies apply mixed marketing strategies to comprehend their services’ position within their target markets. Therefore, it is important for them to have a clear idea of the underlying mechanism of each element in service mix marketing strategies. Hence, the findings of the present study could work as guidelines that highlight the crucial factors that need to be paid attention to in order to design and implement efficient marketing mix tactics which are culturally appropriate and constructive.

Next, the present study has demonstrated the relationship between service marketing mix elements and sales performance in the insurance company in Perak, Malaysia. As there were limited studies that were based on local insurance companies, this study extended the literature on marketing mix research in Malaysia. Based on the findings of the current study, future researchers could take note of the slight differences in impact concerning the seven service marketing mix dimensions toward sales performance. Hence, it adds great insights regarding the association between these elements of the service marketing mix and points towards issues that might need to be
addressed in future research in order to further improve the efficiency of the insurance sales process in local insurance companies.

8. Limitations and Further Research

The focus of this study was on the impact of the critical elements of mismarketing on sales performance of the insurance company in Perak, Malaysia. The population examined is a major restriction of the relevant study. For future research, we would suggest the study expands nationwide with a much bigger population. The result might be different due to demographic, financial, cultural, historical, and social variations between various cities or areas within the country.

In addition, the respondents only applied to the employee of the insurance company in Perak, where the research should have included others insurance such as general insurance, marine, and travel insurance offered by the various insurance companies.

Next, the respondents of this research are limited only to a specific employee. Based on this limitation, if any other researcher wants to continuously study this topic, the researcher suggests the inclusion or consideration of respondents from insurance policyholders or customers. Third, the area of the study can be extended more. So, the research can cover a big sample size, and the result can be more comprehensive.

The last suggestion is that future research can use those other elements, so the result can be more comprehensive, which could help companies to make a more competitive strategy to gain more share of the market. The 7Ps (Product, Price, Place, Promotion, People, Process, and Physical Evidence contribute 84.5% of the variation in the dependent variable (sales performance), leaving 15.5% undefined. As a result, it demonstrates that there are several additional elements that influence sales performance that were not included in this research. As a result, additional independent factors should be included in the study to further explore the effect of sales performance.

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Conflict of Interest Statement
The authors of this research would like to assert that there are no conflicts of interest linked with this research, and this research was not supported by anyone that could have influenced its results. As the researchers of this study, the authors authenticate its originality, accentuate that this research has not been published previously, and validate that it is not presently intended for publication elsewhere.
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There are five authors involved in this research. Below is a brief introduction of each author.

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Amir Hakimin Bin Hashim obtained his Professional License as an Aircraft Maintenance Engineer from the Department of Civil Aviation (DCA) in 2008. He was granted several airplane ratings, including ATR72, Boeing 737-800 to 900ER, and Airbus 320. He passed the APEL 7 (Accreditation of Prior Experiential Learning) examination. APEL is a systematic process involving the identification, documentation, and assessment of prior experience related to a study program equivalent to a bachelor’s or degree study. Currently, he is the executive director for Verdastro Sdn. Bhd. and also an adjunct lecturer for the University of Kuala Lumpur and the University of Technology Malaysia (UTM) for aerospace study. He is also active in non-governmental organizations (NGO) activities, including Anak Sains MARA (ANSARA) as the Economy and Funding Exco and committee member of Dewan Perniagaan Melayu Malaysia (DPMM).

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