

Supporting Factors for the Success of Micro and Small, Medium Enterprises (MSME) Online Food Delivery Service during the New Normal Covid-19 Pandemic

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ABSTRACT

The global Covid-19 pandemic has an impact on various sectors, especially in the economic sector, including culinary Micro and Small, Medium Enterprises (MSMEs) as the pillars of the people's economy. Culinary MSMEs are required to be responsive to change. The Government Regulation on Large-Scale Social Restrictions (PSBB) is an opportunity for Culinary MSME to sell through online applications. This study aims to analyze the effect of Product Quality, Promotion and Service Quality on the Success of Culinary MSME businesses using online applications during the new normal Covid-19 pandemic. The population of this research is Culinary MSME in the city of Solo which use online food delivery service application. This study set 100 samples. Purposive sampling technique with the criteria of Culinary MSME occupying a permanent place of business, still actively selling and serving consumers using online food delivery service applications. Primary data was obtained through the distribution of off-line questionnaires and through google forms. The results of the research instrument test showed that it was valid and reliable. Classical assumption test both multicollinearity test, heteroscedasticity test, autocorrelation test and normality test have been fulfilled. The technique of multiple linear regression analysis and hypothesis testing with a significance of 5% showed that there was a significant positive effect on Product Quality, Promotion and Service Quality on the Success of Culinary MSMEs using online food delivery service application during the new normal Covid-19 pandemic in Solo. The F test shows that the regression model is appropriate for predicting the effect of the independent variable on the dependent variable. The Coefficient of Determination analysis shows that the contribution of the variables of Product Quality, Promotion and Service Quality on the Success of culinary MSME businesses using an online food delivery service application during the new normal Covid-19 pandemic is 71%.

Keywords: Product Quality, Promotion, Service Quality, MSME Business Success, Online

A. Background

The global Covid-19 pandemic has had a significant impact on tourism, the trade sector, industry, including Micro and Small Medium Enterprises (MSMEs). The Organization for Economic Co-operation and Development (OECD, 2020) states that MSMEs have low resilience and flexibility and are very vulnerable to be affected by business disruptions. Indonesian Government Regulation Number 21 of 2020 concerning Large-Scale Social Restrictions to prevent the spread of the corona virus is carried out with the aim of limiting the movement of people and goods and requiring people to stay at home if there is no urgent need, this has an impact on the limited operation of MSMEs and reduced consumers who shop directly, but business actors still can open online stores or sell through e-commerce. E-commerce is a system of selling, purchasing and marketing products by utilizing electronics (Kotler and Armstrong, 2012). Research (Hardilawati, 2019; Setyorini, 2019) concludes that e-commerce has a positive and significant influence on improving the marketing performance and income of MSMEs (Rahoyo, 2018).

Online food delivery service is one of the alternative solutions in meeting consumer needs. Many online food delivery service applications are used by culinary entrepreneurs as a food order delivery service feature, because it makes it easier for consumers to get the desired food and drinks from a variety of restaurant choices only through smartphone without having to visit the food and beverage shop. This provides benefits for business people and helps to provide the widest possible access to those who want to innovate culinary arts without large capital (Suryadi and Ilyas, 2018). Many MSME culinary entrepreneurs have formed partnerships with online food delivery service application companies and made a positive contribution to increasing sales turnover every day (Indraswari and Kusuma, 2018).

The phenomenon that occurs is that culinary entrepreneurs have various characteristics in managing their business so that they also affect sales turnover. MSME actors must adapt and conduct the sale of their products and services. It is

necessary to improve product quality, attractive promotions and service adjustments to attract consumers.

Product quality is defined as the ability of a product to meet consumer needs and desires (Kotler and Armstrong, 2012). The form of product quality improvement is to carry out more detailed product quality control and ensure product cleanliness and safety, product durability and packaging, because sales now use online sales more often so that product durability and safety must be further improved. Research (Tripayana & Pramono, 2020) and (Lestari & R, 2019) state that product quality has a significant effect on consumer purchases and increasing customer satisfaction so that customer loyalty is formed for MSME actors. Different results are obtained from research (Maulina, 2012) that product quality does not affect the achievement of sales targets.

Another factor of the success of the MSME culinary business is promotion. "Promotion is a priority component of marketing activities that informs consumers that the company is launching new products that tempt consumers to make purchases" Hermawan (2012: 38). The research of Kusuma W (2012), Nursalina (2018) that the variables of promotion, publicity costs, personal selling, and sales promotion have a significant effect on the success of MSME business, but research by Sanusi (2015) and Rosyanti (2019) states that promotional marketing strategies are not proven to have an effect to the Success of MSME Business. Service quality is an important part in getting customer satisfaction. According to Tjiptono and Chandra (2012: 38) service quality as a measure of the level of service provided is able to meet customer expectations.

Service quality can provide a strong impetus for customers to form a good relationship in the long term, so that they understand more thoroughly the expectations and needs of customers (Kotler and Keller, 2010: 343). Meliza's research (2013) with the results that product and service variables have a significant effect on the business success of food and beverage SMEs. Yunitasari (2016) service quality has no significant effect on customer satisfaction.

B. Research Question

Do Product Quality, Promotions and Service Quality have a significant effect

on the success of MSME culinary businesses that use online food delivery service applications during the New Normal Covid-19 Pandemic?

C. Research Objectives and Benefits

1. The aims of this research are as follows:

Analyzing the significance of the effect of Product Quality, Promotion and Service Quality on the Success of culinary MSME businesses using online food delivery service applications during the new normal period of the Covid-19 Pandemic in Solo City

2. Benefits of research

- a. For MSMEs who use online food delivery service applications and online food delivery service application providers, it is hoped that they can be used as consideration to increase the success of Culinary MSMEs in the New Normal Period of the Covid-19 Pandemic through Product Quality Improvement, Promotion and Service Quality.
- b. For the next researcher As a reference for other researchers in the future regarding the improvement of culinary MSME business.

D. Literature Review

1. Micro and Small, Medium Enterprises (MSMEs)

Micro and Small, Medium Enterprises (MSMEs) have a strategic role in national economic development, namely playing a role in economic growth and the distribution of development results. According to Law Number 20 of 2008 the criteria for micro and small, medium enterprises (MSMEs) are classified based on the amount of assets and turnover owned, consisting of: Micro business groups have assets of a maximum of 50 million with a maximum turnover of 300 million, Small business groups have assets of > 50 million 500 million with a turnover of > 300 million – 2.5 billion and the medium-sized business group has assets of > 500 million – 10 billion with a turnover of > 2.5 billion - 50 billion.

2. Business Success and Influencing Factors

Business success is a condition where the business has increased from the previous results, which can be measured from various aspects including the operating profit that has been achieved at a certain time (Waridah 1992) and the larger the scale of the business owned (Haryadi, 1998), as well as the efficiency of the process. production (Algifari, 2003:118). According to Sutyono (2010:179) the determinants of the success of small industrial businesses are characterized by innovation and risk-taking behavior, hard work, dedication and commitment to service and quality, as well as a reflection of business capabilities, knowledge, attitudes, and skills, relevant experience, work motivation and education level of an entrepreneur. According to Riyanti (2003) the indicators of business success include: an increase in capital accumulation, the amount of production, the number of customers, business expansion and physical improvement.

a. Product quality

Product quality is defined as the ability of a product to meet consumer needs and desires (Kotler and Armstrong, 2012). It is important for MSMEs to periodically improve product quality by adjusting the needs, desires and expectations of consumers. According to (Garvin, 1998) there are eight dimensions of product quality, namely (1) product performance/performance (2) additional features or attributes that complement (3) Reliability or product ability to survive (4) product conformity with industry standards. (5) product durability in terms of technical and economic value. (6) ease of repair (7) product aesthetics (8) brand reputation.

b. Promotion

Promotion is one of the determining factors for the success of marketing programs because it focuses on efforts to inform, persuade and remind consumers of the company's brands and products (Tjiptono, 2015: 387). The development of

communication is known as the concept of integrated marketing (Integrated Marketing Communication or IMC), this communication emphasizes more on two-way communication that shows alignment and integration in terms of goals, focus, and strategic direction between elements of the marketing mix, where the indicators are advertising, sales promotion, personal selling, public relations, direct and online marketing.

c. Service quality

Service quality can be known by comparing consumers' perceptions of the services they actually receive/obtain with the services they actually expect (Tjiptono, 2016:59). Kotler and Keller (2011: 52) mention the dimensions of service quality include: physical appearance, reliability which is the ability to carry out the promised services accurately, responsiveness which is willingness to help customers and provide timely service, Guarantees in the form of knowledge and courtesy of employees thereby fostering trust and confidence and empathy.

E. Previous Research

1. Dewi (2018) that the promotion mix and service quality have a significant effect on GO-Food consumer satisfaction in DKI Jakarta.
2. Hardilawati (2020) research results recommend survival strategies for SMEs during the Covid-19 Pandemic in the form of conducting e-commerce trade, doing digital marketing, improving product quality and adding services as well as establishing and optimizing customer marketing relationships.
3. Meliza (2013) that the Entrepreneur Characteristics, Product and Services, The Way of Doing Business and Cooperation Factors Affect the Perception of the Success of SMEs in the DKI Jakarta.
4. Peridawaty, Karuehn and Kristina (2019) that promotion has a significant positive effect on consumer purchasing decisions, even on repeat purchases at MSMEs of Rattan Bags and Shoes in Palangka Raya.

5. Setiawan, Suharjo and Syamsun (2018) MSME business success strategies: (a) Business development with the support of available human resources and marketing media, (b) Business development with an online system, (c) Increasing business scale, (d) Increasing skills and knowledge of on-line systems, (e) Increasing business capital and product promotion (f) Business development through product variants, flavors and promotions (g) Increasing business capacity and services (Delivery), (h) Increasing cooperation in online product promotion , (i) Increased innovation and new product variants.
6. Nursalina, 2018, Interest in entrepreneurship, Networks, Brands, Promotions have a positive effect on the success of the creative economy MSEs in the city of Makassar.
7. Nandita, Sarma, & Najib, (2019), that marketing strategy Influences the Success of MSMEs in Fruit and Milk Processing.
8. Yusri (2014) Marketing Strategy Affects the Development of Snack SMEs Business in Payakumbuh City, West Sumatra.

F. Framework

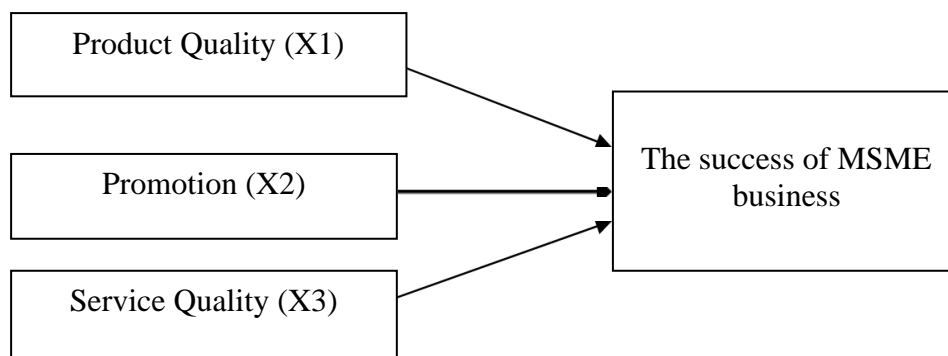


Figure 1

FRAMEWORK

Explanation:

Independent Variable :Product Quality, Promotion dan Service Quality.

Dependent Variable : The success of MSME business

G. Operational Definition and Measurement of Variables

1. Business success is a situation where Culinary MSME businesses that use online food delivery service applications during the New Normal Period of the Covid-19 Pandemic in Solo City have increased from previous results. The

indicators of business success in Riyanti's (2003) research on small-scale entrepreneurs are the increase in capital accumulation, the amount of production, the number of customers, business expansion and physical improvement.

Business success is measured using a Likert scale.

- a. Product quality is the ability of Culinary MSME products that use online food delivery service applications during the New Normal Period of the Covid-19 Pandemic in Solo City in demonstrating their functions as well as other product attributes in meeting consumer needs and desires. Product Quality Variable Indicators (Garvin, 1998) are: Product performance/performance, additional features or attributes that complement the product function, Product reliability or capability, Product conformity with industry standards, Product durability in terms of technical and economic value, Ease of product repair, Product aesthetics and Consumer perceptions of brand reputation. Product quality is measured by a Likert scale.
- b. Promotion is a communication tool consisting of a combination of promotional tools used by Culinary MSMEs who use an online food delivery service application during the New Normal Period of the Covid-19 Pandemic in Solo City which focuses on efforts to inform, persuade and remind consumers of the company's brands and products. . Kotler (2015:399) Promotion indicators are personal selling, advertising, sales promotion, word of mouth advertisement. Promotion is measured by a Likert scale.
- c. Quality of Service is any action or activity that can be offered by Culinary MSMEs using online food delivery service applications during the New Normal Period of the Covid-19 Pandemic in Solo City to provide satisfaction to consumers in accordance with customer expectations. Dimensions of service quality: Form, reliability, responsiveness, willingness to help customers and provide timely service, assurance and

empathy, namely attention to customers (Kotler and Keller, 2011:52).
Service quality is measured by a Likert scale

H. Hypothesis

1. The Effect of Product Quality on Business Success

Product quality is defined as the ability of a product to meet consumer needs and desires (Kotler, Philip and Armstrong, 2012), then consumer confidence arises so that the number of customers will increase. Research (Tripayana & Pramono, 2020) and (Lestari & R, 2019) state that product quality has a significant effect on consumer purchases and increasing customer satisfaction so that customer loyalty is formed for MSME actors.

H1: Product quality has a significant effect on the success of MSME Culinary Businesses that use online food delivery service applications during the new normal period of the Covid-19 Pandemic in Solo City.

2. The Effect of Promotion on Business Success

"Promotion is a priority component of marketing activities that informs consumers that the company is launching a new product that tempts consumers to make a purchase" Hermawan (2012:38). Research by Kusuma W (2012), Nursalina (2018), the variables of promotion and publicity costs, personal sales, and sales promotions have a significant effect on the success of MSME businesses.

H2: Promotion has a significant effect on the success of the Culinary MSME business using online food delivery service applications during the new normal period of the Covid-19 Pandemic in Solo City.

3. The Influence of Service Quality on Business Success

Tjiptono and Chandra (2012: 38) "service quality as a measure of the level of service provided is able to meet customer expectations". Meliza's research (2013) that product and service variables have a significant effect on the success of food and beverage SMEs.

H3: Service quality has a significant effect on the success of Culinary MSME businesses that use online food delivery service applications during the new normal period of the Covid-19 Pandemic in Solo.

I. Research Methods

1. Research Location

This study took place in the city of Solo. The object of research is culinary SMEs that use online food delivery service applications during the New Normal Period of the Covid-19 Pandemic in the Solo City area.

2. Population and Sample

The population in this study are all culinary entrepreneurs (MSMEs) who use online food delivery service applications in the Solo City area. The number of samples was calculated using the Leedy formula with a probability of 0.1, 95% confidence level and a standard error of 0.1. Number of samples:

$$N = \left(\frac{Z}{e}\right)^2 (p)(1 - p) \quad N = \left(\frac{Z}{e}\right)^2 (p)(1 - p) \quad (\text{Arikunto, 2010: 136})$$

$$N = \left(\frac{1,96}{0,1}\right)^2 (0,5)(1 - 0,5) = 96,04$$

The research sample is 100 Culinary MSME entrepreneurs who use an online food delivery service application in the city of Solo. Purposive sampling method with criteria: (1) occupying a permanent place of business (2) restaurants that are still active and (3) serving consumers through online food delivery service applications during the study period.

1. Data Types and Sources

a. Data Type

Qualitative data obtained from respondents' answers with alternative answers strongly agree given the number 5, agree 4, neutral 3, disagree 2, and strongly disagree 1 (Sugiyono 2015: 13). The quantitative data of this study is qualitative data which is quantified with a Likert scale.

b. Data source

Sources of data are primary data in the form of answers to questionnaires and secondary data from relevant theories and previous research.

2. Data collection technique

Data collection using closed questionnaires was distributed offline to respondents and online via google form.

J. Result and Discussion

1. Respondent Characteristic:

TABLE I

RESPONDENT CHARACTERISTIC

No	Respondent Characteristic	Total	Percentage (%)
1	Gender		
	Male	47	47
	Female	53	53
	Total	100	100
2	Respondent Age		
	25 - < 30	18	18
	30 - < 40	34	34
	40 - < 50	42	42
	> 50	6	6
Total	100	100	
3	Education Level		
	High School	27	27
	Diploma	33	33
	Bachelor	40	40
	Master	0	0
	Doctoral	0	0
Total	100	100	
4	Operational Hour		
	< 30 jam	12	12%
	30 – 60 jam	36	36%
	> 60 jam	52	52%
Total	100	100%	
5	Labor		
	2 people	22	22
	3 people	56	56
	4 people	20	20
	5 people	2	2
Total	100	100%	
6	Duration using <i>online food delivery</i>		

<i>service</i>			
	< 1 year	6	22
	1 year – < 2 year	32	56
	2 year – < 3 year	35	20
	3 year – < 4 year	19	2
	> 4 year	8	0
	Total	100	100%

Source: Primary data processed, 2021

2. Research Instrument Test

a. Validity Test

All product quality questionnaire items (X1.1 – X1.8) p value < 0.05, Promotion variable (X2.1 – X2.4) p value < 0.05, Service quality variable (X3.1 – X3.5) p value < 0.05, business success variable (Y.1 – Y5) p value < 0.05, then all questionnaire items are valid.

b. Realibility Test

TABLE II
REALIBILITY TEST RESULT

Variable	<i>Cronbach's Alpha</i>	Critical Value	Detail
Product Quality	0,752	0,60	Reliabel
Promotion	0,691	0,60	Reliabel
Servie Quality	0,626	0,60	Reliabel
Business Success	0,640	0,60	Reliabel

Source: Primary data processed, 2021

The reliability test shows that all variables are reliable because the Cronbach's Alpha value is > 0.60.

3. Classical Assumption Test

TABLE III
CLASSICAL ASSUMPTION TEST RESULT

No	TEST NAME				
1	MULTICOLLINEARITY TEST				
Variable	<i>Tolerance Score</i>	Critical Score	VIF	Critical Score	
Product Quality (X ₁)	0,595	0,10	1,682	10	
Promotion (X ₂)	0,573	0,10	1,746	10	

	Product Quality (X_3)	0,598	0,10	1,672	10
2	AUTOCORRELATION TEST				
					Score
	Asymp. Sig. (2-tailed)				0,128
3	HETEROSCEDASTICITY TEST				
					Significance
	(<i>Constant</i>)				0,552
	Product Quality (X_1)				0,722
	Promotion (X_2)				0,679
	Product Quality (X_3)				0,772
4	NORMALITY TEST				
					Score
	Kolmogorov-Smirnov Z				1,070
	Asymp. Sig. (2-tailed)				0,202

Source: Primary Data processed, 2021

The multicollinearity test showed results for all variables with tolerance value > 0.1 and VIF value < 10 , autocorrelation test showing a significance value of $0.128 > 0.05$, heteroscedasticity test for all variables showing value > 0.05 and normality test value $= 0.202 > 0.05$ so that the classical assumption requirements have been met.

4. Data Analysis

a. Descriptive Analysis

1) Descriptive analysis of Product Quality variables (X_1)

Respondents rate highly that the product conforms to industry standards, for example meeting health standards such as using fresh, clean raw materials, not using preservatives and halal and on product durability from a technical point of view and economic value which even though it does not use preservatives, the products sold can survive the standard food life cycle. Respondents rate low product features or attributes and functions, which are good taste, hygienic and attractive appearance.

2) Descriptive analysis of Promotion variable (X_2)

Respondents rate highly on personal selling that they self-promote the products they sell in addition to product promotion through online food delivery service applications. Respondents' low rating is advertising

products according to the provisions of the online food delivery service application.

3) Descriptive analysis of service quality variables (X_3)

Respondents rate highly on responsiveness by trying as soon and as quickly as possible to service orders from consumers through online food delivery service applications. Respondents rate low on consumer complaints, criticisms and suggestions as an evaluation so that in the future they can provide better service quality.

4) Descriptive analysis of business success variables (Y)

Respondents highly rate the increase in capital accumulation where the longer the culinary business is carried out, the business capital will increase. Respondents rate low on the amount of production and the number of products sold is always increasing.

b. Multiple Linear Regression Analysis

TABLE IV
REGRESSION COEFFICIENT, t-TEST, ANOVA AND SUMMARY MODEL

Model	Regression Coefficient			t	Sig.
	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>		
	B	<i>Std. Error</i>	Beta		
<i>(Constant)</i>	-2,397	1,505		-1,593	0,115
Product Quality	0,338	0,058	0,407	5,803	0,000
Promotion	0,465	0,089	0,372	5,204	0,000
Service Quality	0,267	0,085	0,219	3,133	0,002
ANOVA					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	285,130	3	95,043	81,882	.000 ^b
Residual	111,430	96	1,161		
Total	396,560	99			
Summary Model					
Model	R	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of</i>	

	<i>the Estimate</i>			
1	0,848 ^a	0,719	0,710	1,07737

Source: Primary Data Processed, 2021

The results of multiple linear regression analysis obtained the regression equation:

$$Y = -2,397 + 0,338 X_1 + 0,465 X_2 + 0,267 X_3$$

The regression equation is interpreted as follows:

a:-2,397 means that if the Product Quality, Promotion and Service Quality are equal to zero, then Business Success (Y) is negative. This means that Product Quality, Promotion and Service Quality are important variables in supporting MSME Business Success, because if these three variables do not exist, then business success is negative (unsuccessful).

b₁:0.338 Product Quality variable has a positive effect on MSME Business Success, which means that if Product Quality increases, MSME Business Success will increase, assuming the Promotion and Service Quality variables are considered constant.

b₂:0.465 Promotion variable has a positive effect on MSME Business Success, which means that if Promotion increases, MSME Business Success will increase with the assumption that Product Quality and Service Quality variables are considered constant

b₃: 0.267 Service Quality variable has a positive effect on MSME Business Success, which means that if Service Quality increases, MSME Business Success will also increase with the assumption that Product Quality and Promotion variables are considered constant.

c. Hypothesis Test (t Test)

1. Product Quality Variable t-test (X₁)

A p-value of 0.000 < 0.05 is obtained, then H₀ is rejected, which means that there is a significant effect of Product Quality variable on the success of MSME business, so hypothesis 1: Product quality has a significant effect on the success of Culinary MSME businesses using online food

delivery service applications during the new normal Covid-19 pandemic in Solo City, has been proven true.

2. Promotional Variable t-test (X2)

Obtained a p-value of $0.000 < 0.05$ then H_0 is rejected and H_a is accepted which means that there is a significant effect of the Promotion variable on the success of MSME business, so that hypothesis 2: Promotion has a significant effect on the success of Culinary MSME Businesses that use online food delivery service applications in the new normal Covid-19 pandemic in Solo City has been proven true.

3. t-test of Service Quality Variables (X3)

Obtained a p-value of $0.002 < 0.05$ then H_0 is rejected and H_a is accepted which means that there is a significant influence on the Service Quality variable on the success of MSME business, so hypothesis 3: Service quality has a significant effect on the success of Culinary MSME businesses using online food delivery service applications during the New Normal Covid-19 Pandemic in Solo City, has been proven true.

d. F Test (Model Accuracy Test)

Obtained a calculated F value of 81.882 with a p-value of $0.000 < 0.05$ then H_0 is rejected, which means the model used to predict the effect of the independent variables, namely Product Quality, Promotion and Service Quality on the Success of Culinary MSME Businesses using online food delivery service applications in the new normal Covid-19 pandemic in Solo City is accurate

e. Coefficient of Determination (R^2)

The value of Adjusted R Square = 0.710 means that the contribution of the influence given by the independent variable (Product Quality), Promotion and Service Quality to the dependent variable Supporting Factor of the Success of the Culinary MSME Business that uses the online food delivery service application during the New Normal Period of the Covid-19 Pandemic in Solo City is 71% , the rest ($100\% - 71\%$) = 29% influenced by other factors outside the variables studied.

K. Discussion of Research Results

1. The Effect of Product Quality on the Success of Culinary MSME Businesses that use an online food delivery service application during the New Normal Covid-19 Pandemic

Product quality has a significant effect on the success of the Culinary MSME Business that uses the online food delivery service application during the New Normal the Covid-19 Pandemic with a p-value of $0.000 < 0.05$. Product quality is the ability of a product to perform its functions, including durability, reliability, accuracy, ease of operation and product repair as well as other product attributes (Gary, 2013). The better the quality of the product, the more the product has the ability to meet the needs and desires of consumers. The results of this study are in accordance with the research of Meliza (2013) that the factors of Entrepreneur Characteristics, Products and services, The Way of Doing Business and Cooperation affect the perception of the success of SMEs. The implication of this research is that in an effort to increase the success of the Culinary MSME business using an online food delivery service application during the New Normal Period of the Covid-19 Pandemic, it can be done through improving product quality, namely adding features or attributes that complement and improve product functions, for example, always selling food with good taste. tasty, hygienic and with an attractive appearance, must maintain the conformity factor of the product with the standards in the industry, for example meeting health standards such as using fresh, clean raw materials, not using preservatives and halal and paying attention to product durability from a technical point of view and economic value, for example, although not using preservatives, the products sold can survive with food life cycle standards

2. The Effect of Promotion on the Success of Culinary MSME Businesses that use online food delivery service applications during the New Normal Covid-19 Pandemic

Promotion has a significant effect on the success of the Culinary MSME Business using the online food delivery service application during the New Normal Covid-19 Pandemic in Solo City, with a p-value of $0.000 < 0.05$.

Promotion is a priority component of marketing activities that informs consumers that the company is launching a new product that tempts consumers to buy. Hermawan (2012: 38). Promotion is one of the determining factors for the success of marketing programs, however the quality of the products produced if consumers do not know and are not sure that the product has quality and is useful for them, then consumers will not be interested in buying it. The results of this study are in accordance with the results of Nursalina's research (2018) that promotion has a significant effect on the success of MSME business. The implication of this research is that in an effort to increase the success of the Culinary MSME business using online food delivery service applications during the New Normal Period of the Covid-19 Pandemic, it can be done by increasing the frequency of advertising products sold according to the provisions of the online food delivery service application and you should always make personal sales (personal selling) which is self-promoting the products sold other than Product Promotion carried out by an online food delivery service application.

3. The Effect of Service Quality on the Success of Culinary MSME Businesses that use an online food delivery service application during the New Normal Covid-19 Pandemic

Service quality has a significant effect on the success of MSME Culinary Businesses using online food delivery service applications during the New Normal Covid-19 Pandemic in Solo City, with a p-value of $0.002 < 0.05$.

Service quality as a measure of the level of service provided must be able to meet customer expectations. Service quality can provide a strong impetus for customers to form a good relationship with a business

entity, in the long term, this relationship requires the business entity to understand more carefully the expectations and needs of customers (Kotler and Keller, 2010: 343). The results of this study are in accordance with the results of Meliza's research (2013). Product and service variables have a significant effect on the success of food and beverage SMEs. The implication of this research is that in an effort to increase the success of the Culinary MSME business using an online food delivery service application during the New Normal Covid-19 Pandemic, it is better to listen to complaints, criticisms and suggestions from consumers as an evaluation so that in the future they can provide better service quality and try to immediately and as quickly as possible to serve orders from consumers through the online food delivery service application.

L. Conclusions, Research Limitation and Suggestions

1. Conclusion

- a. Product Quality, Promotion and Service Quality partially have a significant effect on the success of Culinary MSME businesses that use online food delivery service applications during the New Normal Covid-19 Pandemic in Solo City.

2. Limitations

This research has been carried out to the fullest, however, it cannot be separated from the following limitations:

- a. The sample of this study is limited to culinary MSMEs that use online food delivery service applications in Solo City, so the results of this study cannot be generalized.
- b. The variables that affect the success of the Culinary MSME Business using the online food delivery service application during the New Normal Covid-19 Pandemic in this study were limited to four variables, which are product quality, promotion and service quality.

c. *Adjusted R²* score which resulted of this research is only 71% so that other factors that affect the success of MSME businesses still need to be studied.

3. Suggestions

Given the importance of this research topic for Business Success, Culinary MSMEs using online food delivery service applications are advised to:

- a. Improving product quality by adding features or attributes that complement and improve product functions, for example always selling food that tastes good, hygienic and with an attractive appearance, must also maintain product conformity factors with industry standards, for example meeting health standards such as using fresh, clean raw materials, do not use preservatives and halal and pay attention to product durability from a technical point of view and economic value, for example, even though it does not use preservatives, the products sold can survive with food life cycle standards.
- b. Increasing the frequency of advertising the products, always doing personal selling in addition to promotions carried out by online food delivery service applications, and should also promote the products.
- c. It is better to always listen to complaints, critics and suggestions from consumers as an evaluation so that in the future they can provide better service quality and try to immediately and as quickly as possible provide services to orders from consumers through online food delivery service applications.
- d. For further research, it is highly expected to examine other factors that affect the success of culinary MSMEs using online food delivery service applications.

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