MARKETING STRATEGY OF MSMEs DURING THE COVID-19 PANDEMIC ERA FOR CATERING ENTREPRENEURS

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ABSTRACT

Background: Many MSMEs have gone out of business as a result of restrictions on community activities during the pandemic, thus affecting income and decreasing business turnover. However, from several business sectors, the food and beverage industry is quite able to withstand the pandemic. With digital marketing or online sales, business actors take advantage of these opportunities to reduce the impact of the COVID-19 pandemic in selling food catering businesses.

Aim: This study aimed to find out the MSMEs Marketing Strategy carried out by catering entrepreneurs named Mrs. Endah and Mrs. Yanti.

Method: The approaches used in this study are the literature review approach, journal documentation, and interviews. In this study, the literature review and journals used are the theories that are the basis for the research.

Findings: Marketing strategies that can be done include using digital advertising media such as Instagram, Facebook, and Youtube, or using other market places. This is done because customers do not have to meet and or gather directly at food stalls but can use delivery services. Thus, the net profit of catering business owners is expected to increase again.

KEYWORDS COVID-19, MSMEs, catering

INTRODUCTION

The COVID-19 pandemic has made it difficult for some businesses to develop due to government policies that ask people to do activities at home, making some businesses lose consumers (Donthu & Gustafsson, 2020; Masrul et al., 2020; Wahyuningtyas, 2020). One of the sectors that also experiences the impact was the Micro, Small and Medium Enterprises (MSMEs) sector. In accordance with Government Regulation Number 7 of 2021 concerning the Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises, it is explained that Micro Enterprises are productive businesses owned by people/individuals and/or with business capital up to one billion Rupiah, while Small Businesses have business capital of more than one billion rupiah to five billion Rupiah, and Medium Enterprises have a business capital of more than five billion Rupiah.

The MSMEs economic system is carried out by a group of people. This business, in addition to playing an important role in the national economy, also plays a role in overcoming the unemployment rate, development and empowerment (Indika & Marliza, 2019). Therefore, MSMEs are very important to be prioritized because they can overcome an obstacle and are resistant to changes in the situation and surrounding conditions (Nasel & Hermawan, 2021). MSMEs in Indonesia are considered to be able to develop the economy while increasing optimal income and can reduce the number of unemployed (Prasetyo, 2021).
As one of the pillars of the Indonesian economy, MSMEs have a significant role, including contributing greatly to GDP, namely 61.97% of the total National GDP or equivalent to Rp. 8,500 trillion (Wardiningsih, 2022). MSMEs absorb a large number of workers, which is 97% of the absorption capacity of the business world in 2020 (Marlinah, 2020). The large number of MSMEs is directly proportional to the number of jobs in Indonesia so that MSMEs have a large share in employment and can collect up to 60.4% of the total investment (Muhazir et al., 2021). However, the achievements were degraded by the emergence of COVID-19 since 2020.

In 2020, various business sectors were negatively affected by the COVID-19 pandemic. It is increasingly felt in the domestic economy, especially in terms of consumption, corporations, the financial sector and MSMEs, one of which is the food catering business (Lal et al., 2020; Rochayati et al., 2021). Many MSMEs have gone out of business due to restrictions on community activities during the pandemic, thus affecting income and decreasing business turnover (Alfin, 2021). However, from several business sectors, the food and beverage industry is quite able to survive the pandemic period (Rosita, 2020). With digital marketing or online sales, business actors take advantage of this opportunity to reduce the impact of the COVID-19 pandemic in the sale of food catering businesses (Kumala & Junaidi, 2020).

The research conducted by Rahadi and Wardiman (2022) formulated a conceptual framework regarding the topics discussed also in this study. There are several things that are used as a solution to deal with the decline in marketing during the pandemic, including e-commerce and digital marketing. In addition, the two also discussed that improving the quality of products, services, pricing, and CRM (Customer Relationship Marketing) must be improved. As a conceptual framework, the research has certainly not been applied directly in the field.

Other research relevant to this topic was conducted by Siagian and Cahyono (2021). The research found that the preparation of a marketing strategy for MSMEs can be formulated by applying STP (Segmenting, Targeting, Positioning) with supporting factors, namely promotion, excellent service, customer rewards, affiliation, and social capital. The research, in most parts, only provides a conceptual framework of solutions to the problems discussed, although indeed in some parts it states that the application of the conceptual framework is to the bamboo webbing business.

The two studies above do not discuss the application of strategies to increase MSMEs marketing in the field of consumption. According to researchers, it is indispensable due to the drastic decrease in turnover when compared to other sectors. Therefore, this study aims to determine the marketing strategy of MSMEs carried out by catering entrepreneurs named Mrs. Endah and Mrs. Yanti, 2 catering entrepreneurs. The reason why researchers use both as sources of research data is because the consumption sector is one of the most affected by the pandemic and researchers want to know the impact of the pandemic directly on both.

**METHOD**

The researchers set this research to be a descriptive qualitative study. The approaches used in this study are literature review approaches, journal documentation, and interviews. In this study, the literature review and journals used are the theories that are the basis for the research. As for the interview, the researchers did it directly with Mrs. Endah and Mrs. Yanti.
RESULTS AND DISCUSSION

The COVID-19 outbreak continues to suppress the national economy, especially in terms of consumption, corporation, the financial sector, and Small and Medium Enterprises (SMEs). One of them is a food catering business in one of the businesses of Mrs. Endah and Mrs. Yanti in Dramaga, Bogor City. The researchers in this case tried to get data by using references from journals, articles and also direct interviews with the two food catering entrepreneurs.

Based on an interview with Mrs. Endah, the owner of one of the food catering businesses in Dramaga, Bogor City, her business has experienced a decrease in net profit due to the impact of COVID-19 which has also hit Indonesia since March 2, 2020. In this case, the author focuses on taking net profit data within 3 months before the pandemic and also 3 months the COVID-19 outbreak hit. The implementation of the PSBB (Large-Scale Social Restrictions) regulation by the government in the community which began as of April 10, 2020, greatly affects various economic aspects, including food catering. The following is a table of Mrs. Endah's food catering profit that is biased to look at.

Table 1. Comparison of Net Profit Before and After COVID-19 (Mrs. Endah)

<table>
<thead>
<tr>
<th>Moon</th>
<th>Before (In Rp)</th>
<th>After (In Rp)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December</td>
<td>1,500,000</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>1,800,000</td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>1,400,000</td>
<td></td>
</tr>
<tr>
<td>March</td>
<td></td>
<td>1,200,000</td>
</tr>
<tr>
<td>April</td>
<td>1,100,000</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>900,000</td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher’s Primary Data

Looking at the comparison of net profit before and after COVID-19 hit, it can be seen that there is an influence on the amount of net profit income generated by Mrs. Endah.

The food catering business owned by Mrs. Yanti's mother also experienced a decrease in the amount of net profit due to the impact of the COVID-19 outbreak and the implementation of PSBB rules by the government. The researchers in this case also took the same data as before, namely taking net profit data within 3 months before the pandemic and also 3 months the COVID-19 outbreak hit. Here is a table of food catering profit owned by Mrs. Yanti.

Table 2. Comparison of Net Profit Before and After COVID-19 (Mrs. Yanti)

<table>
<thead>
<tr>
<th>Moon</th>
<th>Before (In Rp)</th>
<th>After (In Rp)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December</td>
<td>1,200,000</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>1,200,000</td>
<td></td>
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<tr>
<td>February</td>
<td>1,000,000</td>
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<tr>
<td>March</td>
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<td>1,100,000</td>
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<tr>
<td>April</td>
<td>900,000</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>700,000</td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher’s Primary Data
The COVID-19 outbreak that hit and the PSBB rules implemented in the midst of the community and the government also affected Mrs. Yanti’s food catering business, which can be clearly seen in the comparison table.

Seeing the existing problems, namely the difference in net profit before and after the COVID-19, the profit received by Endah’s mother and Yanti’s mother has decreased, therefore the author tries to provide solutions so that the catering business of Endah’s mother and Yanti’s mother can run smoothly even though it is not as good as before the covid-19, including:

1) Using Digital Advertising: Digital advertising or often abbreviated as digital ads is biased marketing carried out by Mrs. Endah and Mrs. Yanti by using internet digital media advertisements with the aim of reaching potential bookers according to the target, with a wide and fast reach. Internet media ads that are commonly used today such as Google search engines, Youtube, Facebook, Instagram and so on such as Youtube Ads, Facebook Ads, Instagram Ads and Google Ads;

2) Benefits of Market Place/E-Commerce: More and more market places are emerging, providing opportunities for Mrs. Endah and Mrs. Yanti in marketing their food catering business. By utilizing the market place, of course, it provides the advantage that a wide network allows the catering business to be more known to many people, so that there are more potential buyers;

Picture 1. Mrs. Endah’s Catering’s Instagram

Picture 2. Mrs. Yanti’s Catering’s Instagram
3) Use attractive product photos: Using attractive photos will certainly make potential customers of food catering Bu Ending and Mrs. Yanti more interested, so that they are more confident that the food catering business offered is quality and healthy;

**Picture 3. Catering’s Menus**

4) Use hashtags whenever posting food photos on social media: Hashtags (#) needs to be used when we're playing social media. By using hashtags, of course, everything we post will come along when people enter the hashtag they are looking for; and

5) Create a regular schedule to post food products: By creating a regular schedule to post food products, of course, consumers will increasingly see the food that Bu Ending and Mrs. Yanti promote.

With some of the solutions above, it is hoped that the income and income received by Mrs. Endah and Mrs. Yanti with their food catering business can increase during the COVID-19 period, or after, although for significant results, more time is still needed.

**CONCLUSION**

From the existing reality, inevitably catering business owners are required to use other strategies in marketing their business. Marketing strategies that can be done include using digital advertising media such as Instagram, Facebook, and Youtube, or using other market places. This is done because customers do not have to meet and or gather directly at food stalls but can use delivery services. Thus, the net profit of catering business owners is expected to increase again.

Catering business owners are required to use other strategies in marketing their business. Marketing strategies that can be done include using digital advertising media such as Instagram, Facebook, and Youtube, or by using other market places. This is because customers do not have to meet and or gather directly at food stalls but can use delivery or delivery services. Thus, the net profit of catering business owners is expected to increase again.

**REFERENCES**


