

Small Traders' Marketing Strategies and Their Quality of Services on Economic Sustainability during the Covid-19 Pandemic in East Bekasi District, Bekasi

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ABSTRACT

The Covid-19 pandemic that covered the world has entered a period of more than two years, and of course greatly affects the current pace of world economic growth. This study aims to find out how much influence small traders have on the sustainability of the economy in the East Bekasi sub-district, Bekasi City throughout the Covid 19 epidemic. The study approach employed is purposive sampling method by taking samples from the population of small traders in the area surrounding the District of East Bekasi, amounting to about 100 people. The data that came in through the questionnaire from them was then processed using the latest version of SPSS. The results of the study show that small traders in this area have a significant quality of service in the economic sustainability during these difficult times.

INTRODUCTION

The existence of small merchants as part of the economic movement can be a crutch people's economy that can always endure despite the storm of the economic crisis. It was demonstrated when the financial crisis struck. Where MSMEs (Micro, Small, and Medium Enterprises) play a significant role, extra attention must be paid. In Indonesia, the economy is a supporting factor, with 90 percent of the workforce absorbed and a 60 percent contribution to GDP. If MSMEs contributions (Micro, Small, and Medium Enterprises) are converted, they may be deemed to be large enough for Indonesia's national team's economic growth in 2018 (Argiyan Dwi Pritama, Gustin Setyaningsih, 2020).

Since the beginning of 2020, the coronaviruses epidemic has not only disturbed the health sector, but also attacked different sectors of human existence in many nations, as if messing with human life and had a bad influence on economic activity. The Indonesian government had implemented two preventative steps to halt the spread of the corona virus. Large-Scale Social Restrictions (PSPB) were implemented for the first time on April 10, 2020, with a 14-day validity period.

Delta, a novel coronavirus subtype, debuted in 2021. The introduction of this new variety has exacerbated societal difficulties. This variation is found in 436 Indonesian areas. This variation is rapidly spreading. Finally, the government announced a second policy by enforcing restrictions on community activities as a preventive measure (PPKM). The government expects that by issuing this legislation, it will be able to limit the spread of coronavirus.

Coronavirus has not only affected metropolitan groups, but has also spread to isolated villages. This has an influence on rural micro, small, and medium-sized businesses. The income is decreasing and the costs of existing items are increasing / becoming more costly, resulting in a fall in household consumption and investment, both in the home and government realms. Reduced shopping trips away from home. This has an impact on food vendors, grocery stalls, and small traders in East Bekasi District, Bekasi. This has resulted in numerous buying and selling activities, and people's purchasing power in this region is dwindling, posing a danger to small traders whose revenue is dwindling by the day.

In a time of economic crisis, the MSMEs sector requires special attention from the government since it is the largest contributor to GDP and may become a mainstay in labor absorption, a substitute for production of consumer products or semi-finished goods. Especially in the middle of hopeful mood that the economic conditions would improve, MSMEs must be able to capitalize on the economic growth momentum now to recover.

The Contribution of MSMEs in the National Economy

Micro, Small, and Medium Enterprises (MSMEs), which are also driving the national economy's collapse, are one of the sectors severely afflicted by the Covid-19 epidemic. This is comprehensible given the importance of MSMEs to the national economy. According to data from the Ministry of Cooperatives, Small and Medium Enterprises (KUKM), the number of MSME players in Indonesia in 2018 was 64.2 million, accounting for 99.99 percent of all business

actors. MSME employees have an absorption potential of 117 million workers, accounting for 97 percent of the corporate world's labor absorption. Meanwhile, MSMEs provided 61.1 percent of GDP to the national economy, whereas major company players contributed 38.9 percent, although accounting for just 5,550 or 0.01 percent of total business actors. Micro business players account for 98.68 percent of MSMEs, with a labor absorption capability of roughly 89 percent. Meanwhile, tiny companies contribute just about 37.8 percent of GDP. (Source:

Rising MSMEs, Rising Indonesian Economy, Dedy Sasongko, Ministry of Finance of the Republic of Indonesia).

According to the statistics above, Indonesia has the potential for a strong national economic foundation since the number of MSMEs, particularly micro firms, is quite significant, as is labor absorption. Micro-firms must be elevated to the 'class' of medium-sized enterprises by the government and business players. This corporate foundation has also shown to be resilient in the face of the economic downturn. Micro-enterprises also have a quick transaction turnover, employ local manufacturing, and are in touch with the community's primary needs. Because the government recognizes the potential of MSMEs, it has implemented policies in recent years to strengthen the capacity of micro and small firms so that they can be promoted to medium enterprises.

This research investigates the state of MSMEs as a result of the growing economic slowdown caused by the Covid-19 pandemic, as well as how the efforts of those merchants who actually obtain it stimulate MSMEs by capitalizing on the national economy's recovery momentum in the Covid-19 pandemic.

THEORETICAL REVIEW

Marketing strategy, according to Kotler and Armstrong (Kotler & Armstrong, 2015), is a marketing rationale in which company units aspire to produce value and gain from their relationship with customers. According to Assauri (Sofjan Assauri, 2010), a marketing strategy is essentially a complete, integrated, and unified marketing plan that gives direction on activities to be carried out in order to meet a company's marketing objectives. In other words, marketing strategy is a collection of goals and objectives, policies and regulations that provide periodic direction to the company's marketing activities at each level, as well as its references and allocations, particularly as the company's response to the competitive environment and conditions. It is continuously evolving.

Tjiptono (Tjiptono, 2015) defines the basis of current marketing strategy as three major steps: segmentation, target market determination, and positioning. STP refers to these three steps (Segmenting, Targeting, Positioning).

- Market segmentation is the identification and formation of distinct groups of customers who may require distinct goods and/or marketing mixes.
- Target Market Determination is the act of deciding which market segments to enter/serve.
- Positioning is the act of establishing and presenting the product's primary distinguishing features in the market.

According to Wyckof in Lovelock (Nursya'bani Purnama, 2006), service quality is defined as the amount of perfection required to match client wants, whereas Parasuraman et al. Service quality is determined by comparing consumers' perceived service (perception) to the level of service expected by consumers. The service is stated to be of high quality and satisfying if the perceived service quality meets or surpasses the intended service quality.

Quality is a dynamic condition in which products, services, people, processes, and the environment are influenced to meet or exceed expectations (Tjiptono, 2015). As a result, the notion of service quality may be regarded as an endeavor to meet consumers' requirements and aspirations. Service quality can be determined by the manner in which the service is obtained. The service quality is regarded good and satisfactory if the service received or perceived satisfies expectations. In contrast, if the service obtained is less than expected, the service quality is seen as poor/not meeting consumer expectations (Tjiptono, 2015).

Metrics that can be used to assess service quality include:

- Dependability, defined as the ability to perform the promised service promptly, precisely, and satisfactorily.
- Responsiveness, or the staff's eagerness to assist clients and deliver responsive service.
- Assurance entails the staff's expertise, competency, courtesy, and trustworthiness in the absence of danger, risk, or question.
- Empathy encompasses the ease of establishing strong communication ties, providing personal attention, and understanding client demands.
- Physical facilities, equipment, staff, and communication facilities are examples of tangibles.

Sustainable development is defined as development that meets the demands of the present without harming future generations' ability to meet their own needs (Brundtland, 1987).

- Sustainable development requires developing a social and economic framework that ensures that this goal is achieved in the long run, which means that income rises, education levels rise, the nation's health improves, and general quality of life improves (Pearce D., Markandya A., & Barbier, 1989).
- A sort of economic system in which the population and supply of goods stay constant. This level is ecologically sustainable over time and provides at least the most basic needs of all population members (Millar, 1994).

As a result, policymakers face a quandary about the possibility of environmental-economic growth, i.e. improving economic growth while maintaining a sustainable environment (H. Saleem, M.B. Khan, 2019). Furthermore, from an economic standpoint, offer profit in addition to advantages. This development has productive qualities in terms of quantity and quality, and it provides employment opportunities and other advantages to those in the middle and lower classes. Whereas, sustainable economics is closely related to the goal of other components of sustainability, particularly social and environmental concerns (Rowland B.F. Pasaribu, 2012). As previously said,

sustainability is a complicated notion that must be studied and interconnected in order to function well.

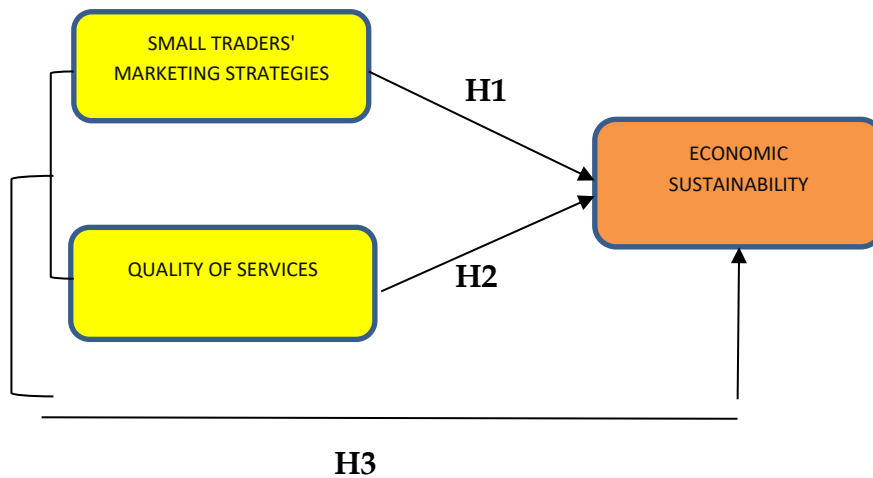


Fig. 1. Conseptual Framework

METHODOLOGY

Research Type

This study is a quantitative descriptive survey and multiple linear analysis, which is an assessment that aims to obtain a true picture of how Small Traders' Marketing Strategies and Quality Of Services can influence Interest on Economic Sustainability during the covid-19 pandemic in East Bekasi district, Bekasi, and compares it to existing theories and employs questionnaires as a data collection tool.

Research Location

This study was carried out in the East Bekasi region of Bekasi, and the subjects of the study are the small traders in this area. The author picked this place for the site of this research because of the author's domicile and because the author wanted to know how far this pandemic crisis may effect the economic situation in this area.

Data, Population and Sample

The data gathered in this study were drawn from the overall population of small traders in this region, around 233 booths. The researchers' sample size is around 100 stalls, with the overall population taken into account using the Slovin formula (Sugiyono, 2017). Researchers employed direct distribution of questionnaires to small dealers as data gathering strategies in this study. The data then processed using SPSS software, which runs several tests on it, including the Validity Test, Reliability Test, Normality Test (Kolmogorov-Smirnov Test), Multicollinearity Test, Heteroscedasticity Test, Multiple Linear Regression Test, Hypothesis Test (partial t Test and simultaneous F Test), and Determination Coefficient Test (adjusted r^2).

RESULTS

Validity Test

Validity test is a measure that shows that the measured variable is really the variable that the researcher wants to study (Donald R. Cooper & Pamela S. Schindler, 2006).

Table 3.1.1. Validity Test

		Marketing_ Strategic	Quality_of_ Service	Economic_ Sustainability
Marketing_ Strategic	Pearson Correlation	1	0.484**	0.359**
	Sig. (2-tailed)		0.000	0.000
	N	100	100	100
Quality_of_ Service	Pearson Correlation	0.484**	1	0.418**
	Sig. (2-tailed)	0.000		0.000
	N	100	100	100
Economic_ Sustainability	Pearson Correlation	0.359**	0.418**	1
	Sig. (2-tailed)	0.000	0.000	
	N	100	100	100

Source : Data processed with SPSS

According to the table above, the results of the research above show the results < 0.05 (5%) of the significance level, which means that all independent variables (X_1 and X_2) are **valid** on the dependent variable (Y).

Reliability Test

Sumadi Suryabrata (Sumadi Suryabrata, 2004) defines reliability as the degree to which measurement findings obtained with these instruments may be believed. The measurement findings must be trustworthy in the sense that they must be consistent and stable.

Table 3.1.2. Reliability Test

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.673	0.685	3

Source : Data processed with SPSS

According to the table above, the findings of this study show that Cronbach's Alpha = 0.673, which is > 0.60 (the required benchmark), indicating that the results are **reliable** (the level of reliability is feasible to use).

Normality Test

According to Ghozali (Ghozali, 2016), the normality test is used to determine if an independent variable and a dependent variable, or both, have a normal or abnormal distribution in a regression model. When a variable is not regularly distributed, the results of statistical tests will decrease.

Table 3.1.3. Normality Test

		Marketing_ Strategic	Quality_of_ Service	Economic_ Sustainability
N		100	100	100
Normal Parameters ^{a,b}	Mean	20.82	21.13	21.56
	Std. Deviation	1.783	1.361	1.737
Most Extreme Differences	Absolute	0.150	0.209	0.180
	Positive	0.100	0.171	0.180
	Negative	-0.150	-0.209	-0.160
Test Statistic		0.150	0.209	0.180
Asymp. Sig. (2-tailed)		0.062 ^c	0.071 ^c	0.063 ^c

Source : Data processed with SPSS

According to the table above, The level of significance for all variables is > 0.05 , indicating that all of the variables listed above are **normally** distributed.

Multicollinierity Test

The multicollinearity test, according to Ghozali (Ghozali, 2016), seeks to assess if the regression model discovered a link between independent variables or independent variables. This multicollinearity has the effect of increasing the number of variables in the sample.

Table 3.1.4. Multicollinierity Test

Model			Quality_of_ Service	Marketing_ Strategic
1	Correlations	Quality_of_Service	1.000	-0.484
		Marketing_Strategic	-0.484	1.000
	Covariances	Quality_of_Service	0.017	-0.006
		Marketing_Strategic	-0.006	0.010

Source : Data processed with SPSS

Accoding to the table above, this study's findings **did not show multicollinearity** since the correlation between the independent variables was < 0.90 . (far from 1).

Heteroscedasticity Test

The heteroscedasticity test, according to Ghozali (Ghozali, 2018), tries to determine if the regression model exhibits variance inequality and residuals from one observation to the next.

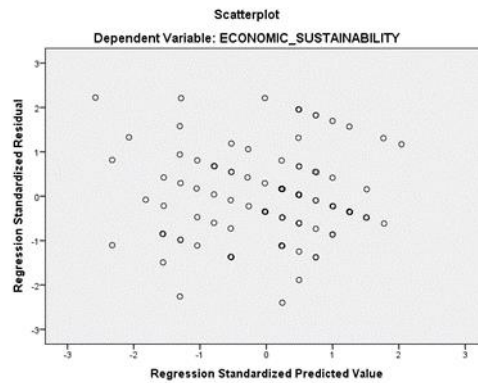


Fig.2. Heteroscedasticity Test
 Source : Data processed with SPSS

According to the figure above, there is **no heteroscedasticity** since the dots are distributed randomly above and below the number 0 on the Y axis.

Multiple Linier Regression Analysis

Sugiyono (Sugiyono, 2017) defines multiple linear regression analysis as regression with one dependent variable and two or more independent variables.

Table 3.1.5. Multiple Linier Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	8.818	2.556		3.450	0.001		
Marketing_ Strategic	0.199	0.101	0.205	1.981	0.050	0.765	1.306
Quality_of_ Service	0.406	0.132	0.318	3.081	0.003	0.765	1.306

Source : Data processed with SPSS

Below are presented the results of the multiple linear regression analysis equation:

$$Economic\ Sustainability = 8.818 + 0.199\ Marketing\ Strategic + 0.406\ Quality\ of\ Service + Error$$

The Regression Equation Model above can be interpreted as follows:

- a. A Constant Value of 8.818 states that Economic Sustainability variable is 8.818 if Marketing Strategic and Quality of Service variables are considered constant or equal to zero.
- b. The Regression Coefficient of Marketing Strategic variable is 0.199, which means that if the value of Marketing Strategic variable

increases by one unit, Economic Sustainability variable will also increase by 0.199.

- c. The Regression Coefficient of Quality of Service variable is 0.406, which means that if the value of Quality of Service variable increases by one unit, Economic Sustainability variable will also increase by 0.406.

Hypothesis Test : Partially t Test

According to Ghozali (Ghozali, 2016), the t difference test is designed to determine how much the independent factors employed in this study independently affect explaining the dependent variable.

Table 3.1.6. Partially t Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.818	2.556		3.450	0.001
Marketing_ Strategic	0.199	0.101	0.205	1.981	0.050
Quality_of_ Service	0.406	0.132	0.318	3.081	0.003

Source : Data processed with SPSS

According to the table above, the t test may be used to examine the degree of significance of the regression model for each variable, as shown in the table below:

1. Partial test results from the hypothesis for Marketing Strategic variable shows the value of $t_{count} = 1.981 < t_{table} = 1.984$ with a significance value of $0.05 = 0.05$, then it can be concluded that Marketing Strategic variable has **insignificant influence** to Economic Sustainability variable.
2. Partial test results of the hypothesis variable for Quality of Service variable shows the value of $t_{count} = 3.081 < t_{tabel} = 1.984$ with a significance value of $0.003 < 0.05$, it can be concluded that Quality of Service variable has **positive and significant influence** on Economic Sustainability variable.

Simultaneous F Test

The F statistical test was used to demonstrate that all independent variables that had a combined influence on the dependent variable were included in the model (Ghozali, 2018). The significance threshold for the test criteria was set at 0.05.

Table 3.1.8. Simultaneous F Test

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	61.681	2	30.840	12.625	0.000 ^b
Residual	236.959	97	2.443		
Total	298.640	99			

Source : Data processed with SPSS

According to the table above, the results of statistical calculations show the value of $F_{count} = 12.625 > F_{table} = 3.09$ and a significance value of $0.000 < 0.05$, this indicates that the Marketing Strategic, and Quality of Service variables **influence simultaneously and significantly** to Economic Sustainability variable.

Determination Coefficient Test (Adjusted r²)

The determination coefficient test (r^2), according to Ghozali (Ghozali, 2018), is used to determine how well the model can explain the fluctuation of the independent variables. The value of a coefficient of determination ranges from zero to one.

Table 3.1.9. Determination Coefficient Test (Adjusted r²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.454 ^a	0.207	0.190	1.563

Source : Data processed with SPSS

According to the table above, it can be seen that the coefficient of determination obtained is 0.190 or in other words Marketing Strategic and Quality of Service variables have only significant effect on Economic Sustainability variable by 19%, while the remainder ($100\% - 19\% = 81\%$) is influenced by other variables outside this regression model.

DISCUSSION

This research has been attempted and carried out in accordance with scientific procedures, however it still has limitations, such as:

1. Factors that influence Economic Sustainability only one variable, Quality of Service (19%), while there are many other factors (81%) that affect it.
2. There is a limitation of the study using a questionnaire that is sometimes the answers given by respondents do not indicate the actual/inaccurate condition, because in practice it may still depend on the condition of the respondents in the field.

CONCLUSIONS AND RECOMMENDATIONS

From the results of the research’s analysis, the researcher can conclude the results of this research as follows: Marketing Strategic (X_1) variable has insignificant effect on Economic Sustainability (Y), but the other variable of Quality

of Service (X_2) has a positive and significant effect on Economic Sustainability (Y) variable.

FURTHER STUDY

Future research requires other findings from several variables and factors that can have a more significant influence on the Economic Sustainability variable, because in this study only about 19% influence on the independent variable, and can further refine the results of this study.

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