

Conference Paper

The Importance of Online Transportation Effectiveness for Business Resistance Strategies During the Covid-19 Pandemic

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Abstract

The stress on remote working during the Covid-19 pandemic, to prevent the spread of the disease, has contributed to global economic uncertainty during 2020, and this has detrimentally impacted micro, small and medium enterprises (MSMEs) to a significant extent. This has an impact on economic instability and one of those affected is MSMEs. For this reason, a survival strategy is needed to enable MSMEs to survive. One potential option is to collaborate with online transport services. This study combines qualitative research methods with exploratory steps with participatory observation techniques. Using UKMK and Grab Food as a case study, this article proposes that MSMEs look to involve themselves in e-commerce, focusing on digital marketing and collaboration opportunities to establish and optimize customer relationships.

Keywords: Online Transportation; Grab Food; Covid-19.

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1. Introduction

The Covid-19 pandemic that occurred globally certainly had an impact on various sectors, especially in the economic sector. This economic impact is not only felt domestically, but also globally. International Monetary Fund (IMF), which projects the global economy to grow at minus 3%. In Indonesia, this of course also has a significant impact on tourism, the trade sector, industry including Micro, Small and Medium Enterprises (MSMEs). The impact of Covid-19 has been seen directly from the massive layoffs in several companies, the closure of several businesses which resulted in the dismissal of employees.

According to a report from the Organization for Economic Co-operation and Development (OECD), the Covid-19 pandemic affected the economy in terms of supply and demand as well as transportation. On the supply side, companies reduce the supply of raw materials and unhealthy labor and supply chains that are also experiencing constraints. From the demand side, the lack of demand and the decline in consumer

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confidence in a product, as well as on the transportation side at the time of the pandemic, this really affects the MSME players. This is because many people stay at home. The OECD also said that MSMEs had a significant impact on the conditions of Covid-19. MSMEs are very vulnerable to being affected by business disruption (McKibbin, WJ, & Fernando, R. (2020). The global macroeconomic impacts of COVID-19: Seven scenarios).

Data from the Ministry of Cooperatives and Small and Medium Enterprises (UKM) shows that in 2018 there were 64,194,057 MSMEs in Indonesia and employed 116,978,631 workers. Indonesia is dominated by MSMEs, which are the backbone of the national economy and have been seriously affected not only in terms of production and their income, but also on the number of workers that must be reduced due to this pandemic (Pakpahan, 2020). MSMEs lack resilience and flexibility in dealing with this Pandemic due to several things such as the low level of digitization (Ibid).

Regarding the Covid-19 Pandemic, Government Regulation Number 21 of 2020 concerning Large-Scale Social Restrictions was issued with the aim of limiting the movement of people and goods requiring the public if there is no urgent need it is expected to stay at home. This also has an impact on the limited operations of MSMEs and fewer consumers who shop directly compared to normal days. With this, Business Actors can adjust themselves by opening online stores selling through e-commerce. *E-commerce* is a system of selling, buying and marketing products using electronics. That e-commerce has a positive and significant effect on improving marketing performance and income of MSMEs.

In addition to e-commerce trading, SMEs are also required to be able to communicate products intensively by marketing products using digital marketing and utilizing social media to be able to reach consumers directly and reduce promotional costs. Digital marketing is marketing that is done using internet access, utilizing social media and other digital tools. Digital Marketing helps companies or business actors promote and market their products and services and are able to expand new markets that were previously closed or limited due to limited time, distance and communication methods (Prabowo, W. A. (2018). Pengaruh Digital Marketing terhadap Organizational Performance Dengan Intellectual Capital Dan Perceived Quality sebagai Variabel Intervening Pada Industri Hotel Bintang Tiga Di Jawa Timur. *Jurnal Manajemen Pemasaran*, 12 (2), 101–112. <https://doi.org/10.9744/pemasaran.12.2.101-112>).

The Covid-19 pandemic has led to shifts and changes in consumer buying patterns. UMKM players must also adjust and condition the sales of their products and services. It is necessary to improve product quality and service adjustments to attract consumers.

In this modern era, today's marketing world continues to evolve and change, from traditional marketing concepts to modern marketing concepts. The factors of the increasing number of competitors, the sophistication of technology and the increase in education regarding marketing, further accelerate and stimulate business actors to innovate in developing strategies to meet their needs in accordance with consumer expectations.

The increasingly rapid development of marketing strategies certainly causes business people to continue to innovate in competing, this can be seen by the increasing number of new products with various innovations. A number of industries and companies that are already at the global level have responded to this increasingly competitive business world. Thus, the activities carried out by companies are also influenced by the conditions of a country, one of which is the population growth rate. The rate of population growth that continues to rise has an impact on the level of community needs such as transportation. World development creates fierce competition. Various ways are done in order to get customers and keep them. One of the strategies that companies use to be able to win the competition is with good service quality. Customers are interested in buying a product or service because of good service quality. "Service quality is the level of excellence expected and control over that level of excellence is to fulfill customer desires (Fandy, Tjiptono and Gregorius Chandra. 2016. *Service, Quality & Satisfaction*. Yogyakarta. Andi).

Factors that influence consumer decisions are promotion. Promotion is the process of communicating a company with interested parties now and in the future and the community. The high dependence of the community on transportation is the main reason for continuing to develop a transportation business that suits the needs of today's society (Putri, N. E., & Iskandar, D. (2014). Analisis Preferensi Konsumen Dalam Penggunaan Social Messenger Di Kota Bandung Tahun 2014 (Studi Kasus: Line, Kakaotalk, Wechat, Whatsapp). *Jurnal Manajemen Indonesia*, 14(2), 110-126). The rapid advancement of information technology has an impact on the development of the transportation business. Advances in technology provide changes to business processes, especially in transaction processes. One of the advances in information technology that has contributed greatly to these changes is the internet. The Internet provides companies with a faster and easier business process than the manual method which sacrifices greater time and costs.

With the large number of smartphone users in Indonesia as well as advances in information technology that are increasingly developing so that public transportation is developing using applications and can be accessed using smartphones or commonly referred to as online motorcycle taxi transportation which can make it easier for people

who will travel and live using smartphones, online motorcycle taxi transportation will come.. One of these online motorcycle taxis is Grab, and now Grab is here as a service company based on gadget application technology that makes it easier for consumers to get services.

Grab is a company engaged in *Ojek* (motorcycle taxi) transportation services, which aims to connect *Ojek* with *Ojek* passengers. This company was first established in Malaysia in 2012. Grab is a social-spirited company that is leading the revolution in the *Ojek* transportation industry. Due to the effectiveness of this company's goal of partnering with experienced motorcycle taxi drivers, the better and increasing customer interest so that Grab is being developed in Southeast Asian countries, especially in Indonesia, Grab's presence in Indonesia is a tool for daily community activities such as delivering passengers, delivering packages and food delivery.

Based on the research, it can be seen the reasons for MSME actors and consumers choosing to use Grabfood services during this pandemic, then Grabfood provides non-cash payment services with non-cash payments, of course consumers no longer need to pay with cash as a transaction tool, of course it will greatly help avoid spreading Covid-19. Grabfood provides direct contactless service because Grab pays attention to the safety of customers and delivery partners, Grab is working with restaurants and other MSME players to improve safety standards for food delivery services which include cleaning procedures and food packaging, so Grabfood is the main choice of consumers and make it easier for MSME actors in order to deliver food during this pandemic.

Grab provides discount vouchers and free shipping, so with the promotion from Grab, of course, consumers are more interested in using Grabfood services, with Grabfood making it easier for MSME players and consumers to order food without having to queue for a long time, of course, it saves more time and guarantees more safety and effectiveness for partners and consumers from the spread of Covid-19.

This research was conducted to answer what can be done by MSME actors to be able to maintain their business and the role of online transportation Grab Food in the midst of the Covid-19 Pandemic that hit the world. This study aims to describe and describe what are the survival strategies and effectiveness of transportation in helping MSMEs players so that they can continue to survive and become more responsive to changes in the business climate, especially when Covid-19 occurs.

2. Research Methods

This type of research is a qualitative method. According to stating that qualitative research methods are the most appropriate type of research method in capturing human perceptions only with direct contact and an open mind and through inductive processes and symbolic interactions, humans can recognize and understand something. (Semiawan, C. R. (2010). *Metode Penelitian Kualitatif: Jenis, Karakteristik dan Keunggulannya* (Arita L (ed.)). Grasindo. P.14) The research was conducted in the field with the object of research in the form of the effectiveness of online transportation (Grab food) to MSMEs. The data collection technique used in this research is participatory observation with an exploratory step, namely doing one of the qualitative data collection techniques that is recommended to obtain descriptive data. (Gunawan, I. (2017). *Metode Penelitian Kualitatif*. in Bumi Aksara (5th ed.))

Sources of data used are primary data in the form of observations and secondary data in the form of data collected, processed and presented by other parties in the form of books and the results of previous research related to MSMEs and online transportation. After conducting participatory observation and reviewing existing documents, field data analysis will be carried out which is linked to theories, expert opinions and results of previous research. Furthermore, it will be abstracted into the results of research findings and issue recommendations for research results that can be adopted by MSMEs and Grab Food as online transportation services.

3. Results and Discussion

With the government's appeals and regulations not to leave the house, of course it affects many things including MSMEs. The government, through the official website of the Ministry of Cooperatives and MSMEs, states that the spread of covid-19 has the potential to have a direct impact on the economy including the sustainability of cooperatives, micro, small and medium enterprises (KUMKM). Now the Ministry of Cooperatives and MSMEs is recording the conditions of MSMEs that are experiencing raw material difficulties, production process constraints and market demand which has dropped dramatically and then mapping the impact of Covid-19 on MSMEs (Ibid).

Based on the results of observations, the average MSME experience a decrease in turnover during the covid-19. This happened because of the decreasing activities carried out outside the home, difficulties in obtaining raw materials due to transportation problems, and the decline in public confidence in products that were outside, especially

the culinary sector. MSMEs, which are one of the pillars of the economy because they also provide many jobs, with the existence of Covid-19, some have also started layoffs or laying off temporary employees because their companies / businesses have to close temporarily.

Other findings are based on observations, not all MSMEs feel a decrease in sales turnover and have to close their businesses, there are MSMEs that are still stable and experience an increase in sales turnover because they make adjustments in terms of products and carry out several marketing strategies to survive the use of online transportation (Grabfood). There are several things that can be done by MSMEs, including choosing to open new products or updating their marketing systems, because businesses that can survive are businesses that are responsive to changes in their environment. Some of the things that can be done by MSMEs are as follows:

3.1. E-Commerce

(2) In the midst of Covid-19, direct sales generally have decreased due to the pattern of people staying at home more. In addition, many MSMEs choose not to open their shops or businesses because of operational hours restrictions or the imposition of Large-Scale Social Restrictions (PSBB) in several areas. One way to keep running a business and reach more consumers and expand market share that can be done by MSMEs is to expand the network by taking advantage of e-commerce sales.

E-commerce is a process of buying and selling products electronically by consumers and from company to company with a computer as an intermediary for business transactions. E-commerce, which was originally an online retail sales mechanism, now has a broader meaning. E-commerce has created a new digital market with more transparent prices, easy access, a global market with highly efficient trading (Laudon, K. C., & Traver, C. G. (2016). *E-commerce: business, technology, society*). Although it is not yet perfect, e-commerce has a direct impact on the relationship between companies or business actors with suppliers, customers, competitors and can easily market products and adopt other marketing methods of business people. Some e-commerce that can be used by MSME players in Indonesia, such as shopee, tokopedia, open stall, OLX, Grab, Lazada etc.

E-commerce has a positive and significant effect in increasing the performance and income of MSMEs (Setyorini, D., Nurhayati, E., & Rosmita. (2019). *Pengaruh Transaksi*

Online (e-Commerce) Terhadap Peningkatan Laba UMKM (Studi Kasus UMKM Pengolahan Besi Ciampea Bogor Jawa Barat). *Jurnal Mitra Manajemen (JMM Online)*, 3(5), 501–509). However, related to small businesses, e-commerce has a positive but insignificant effect in improving marketing performance (Ibid). In this case, it is recommended that business actors be able to trade in e-commerce, but there is a need for assistance for the government or practitioners and education to be able to provide guidance to business actors so that they have sufficient knowledge and can maximally use this e-commerce.

In the era of the industrial revolution 4.0, business actors should have moved to trade in e-commerce because the trading and spending patterns of consumers have started to shift, plus the Covid-19 pandemic has made e-commerce trade a good choice for consumers. UMKM players to be able to survive and even have the potential to be able to reach new market shares.

E-commerce has a positive and significant effect on improving the performance of MSMEs (Mahliza, F. (2019). *The Influence Of E-Commerce Adoption Using Social Media Towards Business Performance Of Micro Enterprises*. *International Journal of Business, Economics and Law* Vol 8 issue 5 (April)). E-commerce carried out by MSMEs is related to reducing transaction costs and closer coordination of economic activities between business partners. In addition, the use of technology in conducting business can reduce costs and can support the achievement of company goals. E-commerce can be run properly based on the 4C principles, namely: connection, creation, consumption and control. (Laura Hardilawati, W. (2020). *Strategi Bertahan UMKM di Tengah Pandemi Covid-19*. *Jurnal Akuntansi dan Ekonomika*, 10(1), 89-98) This principle can motivate and increase the company's return on investment (ROI) which can be measured by active participation such as customer feedback or reviews, and share or recommending to other users.

The main purpose of using e-commerce by MSME players is of course to be able to increase their profits, but besides that there are other purposes that can be used by business actors including being able to reach a wider market share which previously was only limited to selling only in certain areas, with the existence of e-commerce can reach new consumers. MSME players can not only make e-commerce as a selling portal, but can build relationships and build new market concepts and use a more effective marketing system and make e-commerce as a learning medium. MSME players can also see and observe sales made by competitors and adopting them.

3.2. Digital Marketing

In the midst of the Covid-19 pandemic that was experienced in Indonesia in particular, it greatly reduced the sales turnover of MSMEs. The reduced number of consumers in several sectors and industries requires MSME players to be able to market their products optimally and to think creatively and innovatively. The use of the internet during the Covid-19 pandemic is like a necessity including running a business and an effort to manufacture products that can be adopted by UMKM players are doing digital marketing. The digital era that is developing rapidly today is impossible to avoid. Yuswohadi marketing expert revealed that if you want to survive, then MSME players must be able to maximize the benefits of digital development (Purwana, D., & Wibowo, A. (2017). Pendidikan Kewirausahaan di Perguruan Tinggi. Yogyakarta: Pustaka Pelajar).

Digital marketing is a promotional activity and market search through online digital media by utilizing various means such as social networking. The digital marketing method that is often used by business people is to use social media such as marketing products through Instagram, Facebook, Twitter and many more. (Ibid). In addition, digital marketing can also be done in e-commerce and many other media. The rapid development of technology also makes digital marketing understandable and understandable by MSMEs.

Digital marketing has a positive and significant effect in increasing the sales performance of MSMEs (Ibid). 70% of creative entrepreneurs say digital marketing will become the main communication platform in marketing, and offline stores will be complementary, due to the ease and ability of digital marketing to reach more consumers. That business actors must foster courage in trying new things such as digital marketing so that they can continue to develop their business. MSME actors can also start by creating social media and regularly carrying out promotions so that they will be more confident and hone their creativity in marketing.

There are several forms of digital marketing that can be done by SMEs to be able to do product marketing, which are as follows: (1) Intensive publication of videos and product photos on social media accounts. The use of social media is also adjusted to the product segments we have. (2) Make use of Facebook ads, Instagram ads, Twitter ads, google distribution networks, etc. which can be easily accessed through social media and can reach consumers with the criteria we have previously determined. (3) Creating marketing product videos that are broadcast through social media or doing live product promotions. This strategy if done correctly will have a positive effect on the business. (4) Involving consumers in product selection, conduct intensive education

and introduction to product quality on social media accounts and use creative words and use hashtags (#) to make it easier for consumers to find. With this, brand awareness will be formed and can influence consumer purchasing decisions.

In doing digital marketing, MSME players are required to always learn and think openly to increasingly developing technology. Of course, digital marketing also considers using suitable media and the right way of communication that is tailored to the selected segment or market share. So that marketing will be more effective and not wrong target.

3.3. Product and Service Quality Improvement

In the midst of the Covid-19 pandemic, consumers are more careful in using goods and services and there has been a decrease in consumer confidence in goods and services sold by business actors. In addition, the limitations of consumers in making direct purchases also have an impact on the significantly reduced number of consumer purchases. For this reason, MSME players must make improvements to product quality to increase consumer confidence and intensively communicate product quality.

That the improvement of product quality and service quality has a positive and significant effect in shaping consumer satisfaction and creating consumer loyalty for MSME players. For this reason, business actors during the Covid-19 pandemic need to pay attention to the dimensions of product quality and improve their products to increase consumer confidence. (Ibid).

Product quality is defined as the ability of a product to meet consumer needs and desires (Kotler, P., & Armstrong, G. (2012). *Principles of Global Marketing*. USE: Pearson Education, 6, 47-48). For this reason, it is important for MSMEs to periodically improve product quality by adjusting the needs, desires and expectations of consumers. There are eight dimensions in determining product quality, namely (1) product performance or how well the product can be measured (Faridah, L. A. (2017). *Pengembangan pembelajaran biologi berbasis inkuiri dan PJBL bersumber belajar potensi lokal untuk meningkatkan pemahaman konsep, keterampilan proses sains, dan sikap ilmiah siswa kelas X SMA Mazraatul Ulum Lamongan* (Doctoral dissertation, Universitas Negeri Malang)). (2) additional features or attributes that complement and enhance product functionality. (3) Product reliability or ability to withstand possible changes in the business environment in a certain period. (4) suitability or how well the product is in accordance with the existing standards in the industry. (5) durability or durability of the product from a technical point of view and economic value. (6) ease of repair of

products if there are problems and can be repaired immediately. (7) product aesthetics, namely how the product is seen, heard or felt. (8) perceptions of product quality which include brand reputation and other factors that can influence consumer perceptions.

The form of improving product quality that can be done is to carry out more detailed product quality control and ensure product cleanliness and safety. In addition, MSME players can adjust the durability of products and packaging because sales now use online sales more often so that product durability and safety must be improved. In addition to improving product quality, MSME players can also improve service quality and add types of services such as delivery orders and online purchase services and by using special sales service hotlines that can be easily accessed by consumers. Even though there are businesses that cannot open a business directly, MSMEs can use direct delivery of their products such as creating their own delivery service, or using applications such as *Gojek*.

In conducting delivery services, business actors also tighten their service standards by improving and ensuring the cleanliness of their products. For services, services can be developed through online media and using service activities online so that they can be more effective and business can run as usual. good will be able to form consumer trust so as to create customer satisfaction and shape consumer loyalty. During this pandemic, consumer trust is an important factor in business continuity.

3.4. Customer Relationship Marketing (CRM)

During this Pandemic, SMEs should not only focus on attracting new customers but must maintain products and look after existing customers, create customer satisfaction and ultimately create customer loyalty. Loyal customers will not move to another because they already have confidence in our products. One way for MSMEs to survive in the midst of a decline in business activity is by doing customer relationship marketing.

Customer relationship marketing is a marketing strategy concept that seeks to establish long-term relationships with customers, namely maintaining a strong and mutually beneficial relationship between service providers and customers that can build repeat transactions and create customer loyalty. Customer relationship marketing has a positive and significant effect in increasing the marketing performance of MSMEs through improving the quality of relationships and entrepreneurial orientation (Faridah, LA (2017). The Development Of Inquiry-Based Biology Learning And Ppa Is Based On Local Potential Learning To Improve Conceptual Understanding, Science Process Skills, And Scientific Attitudes Of Class X Sma Mazraatul Ulum Lamongan (Doctoral dissertation,

State University of Malang)). The better the quality of the relationship between MSME actors with consumers, suppliers and others, the better the ability to improve their marketing performance. In addition, business actors who dare to take risks, already have experience in business and are flexible towards business, can increase networks and foster trust from consumers, so that consumers will survive. Different research results that obtain CRM results have a positive but not significant effect on improving the performance of MSMEs. This is because MSMEs have limitations and have not been maximal in running CRM.

In current conditions, to establish marketing relationships with customers, business actors are also advised to be able to show concern for consumers who are experiencing difficulties at the time of Covid-19. Business actors can show concern which is also aimed at marketing products. examples of how to build customer relationship marketing by increasing empathy for this epidemic such as providing promo or free product schemes for couriers who do delivery services, setting aside a portion of the income from selling product products for people in need. This method can also build consumer trust and customer bonding. So during this pandemic we MSME actors do not only think about themselves, but build consumer marketing relationships by showing concern and positive things that business actors do. In addition, MSME players can also communicate with customers in various promotional media and e-commerce that are owned intensively, such as answering sales complaints or answering good responses from consumers, this also creates positive customer engagement.

3.5. The Effectiveness of Online Transportation (Grab Food) To MSME Players And Consumers

Increasingly sophisticated technology certainly makes all people living at this time very dependent on information technology in their every activity. Technology-based educational curriculum, government public service using online methods, a judicial system that has implemented E-Court, and so on. In short, today's technological advances have truly been recognized and are felt to provide a lot of convenience and comfort for the lives of the people (Dwiningrum, Siti Irene Astuti. (2012). Basic Social and Cultural Sciences. Yogyakarta: UNY Press. First printing).

Applications that facilitate transportation are loved by the public during the covid-19 pandemic especially the application online motorcycle taxis such as Grab Food. The presence of this application was warmly welcomed by the public considering the ease of ordering and the practicality of use. In addition, the security in this application can

be accounted for and the costs are lowcheap price makes Grab Food increasingly skyrocketed and needed during this pandemic. In addition to providing convenience to consumers, this online food delivery service also provides benefits for business people, helping to provide the widest possible access to those who want to innovate culinary without large capital. Business people, especially culinary entrepreneurs who adopt online food delivery services, do not have to have special employees and separate vehicles for delivery services to consumers. So they don't need to pay additional costs for employee salaries, nor do they need special space or places to use these services. The advantages of being a Grabfood partner:

1. Promo cost between,
2. maximizing business potential; expand product potential to millions of Grab food and Grab users who are ready to be served by hundreds of thousands of drivers,
3. strategy position on application; The various features and categories in the Grab Food application will make it easier for restaurants to be accessed by millions of Grab users,
4. access to customers; through the Grabfood marketing channel, merchants can inform various superior products directly to millions of Grabfood users,
5. promotion via application; display of the best menus on application features.

Grabfood has networks in several countries, namely Indonesia, Malaysia, Thailand, Singapore, Vietnam, Cambodia, the Philippines and Myanmar. Currently Grabfood is a partnership service from Grab in addition to other services such as GrabWheels, GrabBike, GrabCar, and Kiosk Merchant. Currently Grabfood is one of the main players in the food delivery marketplace with culinary SMEs as merchants.

The products of each merchant can amount to dozens of types as desired, some even display hundreds of product items. The number of MSME products displayed on the Grabfood service varies from one another.

The interface display of the platform makes it easier for MSME players to update various products, product details, promotions and developing prices as well as general responses in the form of consumer testimonials. Meanwhile, for consumers, it is also made easy for consumers to search (search) the desired product and provide testimonials. Grapfood organizes programs that promote various aspects such as: nearby, discount parade, cashback, savings and delicious (delicious), as well as cheap shipping promotion. In general, Grabfood puts forward as a platform with uniqueness as the restaurant partner of choice, fast delivery and trusted service.

The constraints of the culinary business for MSMEs during the Covid-19 pandemic were limited access and time for offline visits. Enforcement of government policies for businesses and consumers when conducting business activities is directed to follow health protocols in minimizing the spread of Covid-19. The culinary business MSMEs studied on the Grabfood platform based on delivery order partnerships help bridge technical obstacles in the field in terms of consumer access to sellers. Sales through the Grabfood application when delivering products to driver partners still follow standard health protocols.

Efforts to grow or at least survive during a pandemic give hope for MSMEs in serving the needs, desires and expectations of consumers with the adjustment of digital marketing applications through online delivery partnerships amid restrictions on the movement of people along with health protocols.

The application of online delivery, especially in the culinary business, can be mapped to 8 (eight) aspects, namely: product, price, promotion, place, HR (people), process, facilities, physical evidence, information (probe).

3.6. Product Aspect Support

The features provided by the Grabfood platform vendor at MSME merchants are able to display product innovation and the variety of products offered virtually. The ease of updating product content and full color product display on the Grabfood application content that consumers access improves the performance of the product and brand used by each culinary business actor.

The features provided by the vendor are arranged in an attractive layout, the number of items is adjusted to the number of products. This condition allows the creation and innovation of products produced by each UMKM to appear and easily accessible to consumers. This is in line with the essence of digital marketing which is considered capable of increasing brand awareness and attracting potential consumers (Yoga IMS Korry NPDP Yulianti NMDR, (2019). Information Technology Adoption on Digital Marketing Communication Channel, International Journal of Social Sciences and Humanities, Vol. 3 No. 2, August 2019, pages: 95-104, <https://doi.org/10.29332/ijssh.v3n2.297>).

3.7. Promotion Aspect Support

Grabfood merchants accessed in the application make it easy to display promotional programs, especially in the form of selling promotions to customers and potential

markets. It is easy to update sales promotions by adjusting soft copy and meta data in coordination with platform providers. Sales promotion as a part of the promotional mix can be utilized by always paying attention to promotional updates, product support availability and promotional policies.

Through the Grabfood application, the appearance of each restaurant and digital sales promotions can be adjusted to the promotional programs of each partner. Consumers browsing restaurants and products can easily find promotional offer items. It was found that the platform's ability to virtually distribute accessible information on aspects of products, prices and promotions as well as product value simultaneously. This shows that a digital marketing platform allows every business actor to simultaneously create, promote and deliver value (Key, T. M. (2017), Domains of Digital Marketing Channels in the Sharing Economy, *Journal of Marketing Channels*, 25:27–38).

3.8. Support Variety of Alternative Price Offerings

In contrast to conventional business patterns, where buyers will require more effort when visiting the location of selling goods or services, seeking various information about prices and the time it takes to make a transaction. In the online delivery service feature, consumers can easily find out various alternative prices along with the appearance of existing products only through consumer-owned gadgets.

Opportunities in adjusting product price offerings by MSMEs to consumers automatically also provide challenges in the form of easiness for consumers to search or browse product price information from various similar business entities. In order to overcome this phenomenon, MSMEs can apply it through the ability to provide added value or solutions to products offered to consumers. The convenience displayed by the platform accelerates consumer access to find the most appropriate price until transactions occur that contribute to increasing sales value. This is in line with research which states that digital marketing applications have a positive contribution to increase sales performance (Ibid).

3.9. Distribution Access Support (Place)

The online delivery application shows its role when consumers are interested and decide to buy products offered by sellers, buyers can easily find out the mileage, travel time and the movement of drivers who deliver orders. The ease of access to the premises has made it possible for MSME entrepreneurs even by utilizing home-based

businesses to be further developed through quality improvement, product innovation and online partnerships. This is in line with research on digital marketing channel applications that will open up alternative opportunities for online access that will increase the attractiveness of users both on B2B and B2C patterns. (García JLL Lizcano D., Ramos CMQ Matos N (2019) Digital Marketing Actions That Achieve a Better Attraction and Loyalty of Users: An Analytical Study. *Future Internet* 2019, 11, 130; 1-16 doi: 10.3390/fi11060130) Likewise regarding MSME products in Bantarsari Cilacap district, which found that digital marketing applications were able to expand access to consumers. (Ibid)

The access and distance of consumers to the location of the culinary business will be even wider if the business actor increases the number of service points or new branches. This is reinforced by the research of MSME Big Bananas Makassar which opened 3 new branches, which has provided the opportunity to expand the service area to consumers, which has a positive impact on increasing demand for products which further increases profits. (Suryadi D. F., Ilyas M.I. F. (2018), Adopsi Online Food Delivery Service bagi Wirausaha Pemula di Kota Makassar (Studi Kasus pada Big Bananas), *Prosiding Seminar Hasil Penelitian (SNP2M) 2018* (pp.75-80))

3.10. Process

The performance of MSME merchant business process services on the Grabfood delivery service platform can be seen as having added value both in the product upload process with a full color display on the platform, price details, promotions, order acceptance, order service, order handover and transactions supported by virtual services and delivery support from partner drivers. From the perspective of buyers and potential prospects, this model will simplify the buying process compared to offline purchases where buyers will need preparation to the location, product selection at location, payment at location, and the various dynamics that develop at the location both when leaving and returning. Another added value that every transaction is on

MSME Merchants through the Grabfood Platform, buyers can find out the tracking of the driver's journey process both distance, location and estimated time to the buyer's location

This business service model is able to change the conventional purchasing paradigm by reducing the purchase process time until the product arrives at the buyer's hand. Existing data shows the partnership of MSMEs in partnership with food delivery services

is an alternative with restrictions on access to the movement of people and goods and health protocols during the pandemic and new normal.

Processes that support convenience between businesses and consumers include being able to make payments at home (this can be because it is paid in advance by partner drivers) and can also process payments using digital money balances (for example Go-Pay or Ovo).

From the perspective of business actors, it is still necessary to increase the effectiveness and efficiency of processes in business activities that are focused on meeting the needs, wants and expectations of consumers and potential buyers.

3.11. Aspects of People

Optimization of competent human resources is still demanded by the increasing expectation of improving services to consumers. For businesses, the existence of the Grabfood application service can optimize existing human resources.

In line with MSME products in Bantarsari Cilacap sub-district, the digital marketing application is even able to optimize existing HR governance capabilities without recruiting new employees. MSMEs can optimize human resources in production and service units and can even be based on home businesses. On the other hand, human resources who carry out product shuttle activities have been provided by online partners in the form of delivery order drivers with the ability and experience to explore product delivery to consumers. (Hendrawan A., Sucahyowati H. Kristian Cahyandi K., Indriyani, Rayendra A. (2019), Pengaruh Marketing Digital terhadap Kinerja Penjualan Produk UMKM Asti Gauri di Kecamatan Bantarsari Cilacap, *Jurnal Administrasi dan Kesekretarisan*, Volume 4 – Nomor 1, 50-61)

3.12. Aspect of Probe

The Probe or information aspect in the delivery order application concerns information from vendors, merchant product information and consumer testimonials. Aspects of information that include company stimulus in the form of company (address, manager), product (brand, product), need to be updated according to the current situation.

Data regarding the accumulated testimonials provided by consumers at UMKM merchants accessed on the Grabfood application can be used virtually by each business actor to find out various information on the main types of products from MSMEs, types of product specifications, price information and promotions as well as responses in

the form of stars (from lowest rating of 1 star to the highest rating of 5 stars) given by consumers. Testimonial information can be used by business actors to determine consumer responses to the needs, desires of consumers, business rivalries and information on newcomers. Information that can be accessed publicly and displayed in the online delivery marketplace allows MSME merchants to know and at the same time further assess the types of culinary businesses, products.

3.13. Support for Physical Evidence Aspects

Through the Grabfood application feature, culinary business MSME merchants can minimize the use of space for business premises in the form of restaurants and storefronts as well as supporting infrastructure. Some of the priority aspects for consumer attention today that business actors need to pay attention to are service standards, cleanliness, tidiness, completeness of service and after-service. Adjustments to MSMEs as merchants include access to online platform partnerships, internet access and online interactions with Grabfood partners. This is done by UMKM Partners, in line with research results which state the need for increased awareness and adaptation of appropriate technology applications in order to achieve competitiveness and success in market dynamics. (Moctezuma, NPB (2017). Digital Marketing in Building Market Competitiveness in Mexico: Proceedings of the Academy of Marketing Science, DOI 10.1007 / 978-3-319-45596-9_68 348-357)

Complaints or input from consumers really need to be responded quickly and thoroughly, because consumers can easily spread their testimony about a product on other Grabfood or social media platforms.

4. Conclusion

The Covid-19 pandemic that occurred in Indonesia had an impact on economic instability, especially on MSMEs. These UMKM players feel a direct impact in the form of a decrease in sales turnover due to government calls and the implementation of PSBB which urge people to stay at home so that quite a lot of MSMEs have to stop operating for a while. For this reason, MSME actors must have a strategy to survive in the midst of this pandemic and are required to be able to adapt to the conditions that occur. There are several recommended survival strategies that MSMEs can do to be able to maintain their business, namely (1) selling through e-commerce because many people now switch to online shopping. (2) Marketing products by utilizing digital technology (digital marketing)

to reach more consumers. (3) make improvements to product quality and quality and type of service. (4). Doing customer relationship marketing to create consumer trust and foster customer loyalty. As for responding to the Covid-19 pandemic, MSMEs are working with the online transportation service Grab Food, so they can survive and establish and optimize customer marketing relationships easily.

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