

The Role of Brand Image, Promotion and Facilities Towards Business Development in the Middle of Covid 19 Conditions: Studies on Small and Medium Enterprises (MSMEs) In Bandung City

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ABSTRACT

The condition of the Covid 19 pandemic, which has not yet subsided, is indeed bad news for business actors, because people's purchasing power has decreased. The effect of this condition will be felt by MSME actors. But deciding to vacuum or even close the business until an indefinite time limit is also not the right decision. The purpose of this research is to know the role of brand image, promotion and facilities in business development amidst the conditions of the Covid pandemic 19. This research method uses descriptive and verification methods with a quantitative approach. Data collection was carried out by distributing questionnaires to 70 MSMEs in the city of Bandung. The data obtained were analyzed using SPSS 26.0. The results of this study indicate that the Brand Image, Promotion and Facilities together influence business development. With a good brand image will affect the promotion which is carried out which promotion will be successful with the support of adequate promotional support facilities so that it will result in an increase in product sales.

Keywords

Brand image, promotion, facilities and business development

Introduction

The negative impact due to the Covid 19 outbreak has hampered the growth of the MSME business, where is pandemi Covid 19 hit hard on the Micro, Small and Medium Enterprises (UMKM) sector. Data from the Department of MSME Development and Consumer Protection at Bank Indonesia revealed that as many as 72 percent of MSME actors were affected by the Covid-19 pandemic. MSME players experienced a decline in sales, distribution of capital, and all were affected.

Of all the MSME players, the three sectors most affected by the pandemic were agriculture, exports, and tourism supporting crafts. In addition, 153 agricultural MSME players had an impact, while the export sector was 83 MSME and 429 MSME players in the handicraft sector supported tourism.

The income of Micro, Small and Medium Enterprises in Bandung decreased significantly due to the Covid 19 pandemic.

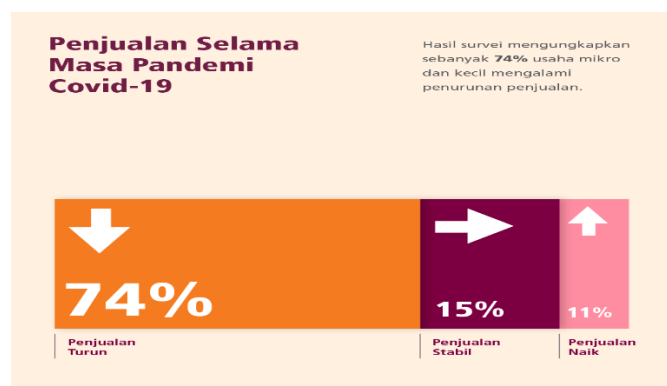


Figure 1. Data on MSME Sales during the Covid pandemic 19

From the data above, it can be seen that MSME sellers during the Covid 19 pandemic fell by 74%. This condition is very difficult for MSMEs

Although in the midst of the Covid-19 pandemic, the enthusiasm of economic actors in the micro, small and medium enterprises (MSMEs) sector continues to increase.

For this reason, there is a need for adaptation and adjustment of business patterns in the midst of the

Covid-19 pandemic so that MSME players can develop their businesses.

In an effort to survive and continue to develop business amid the Covid 19 pandemic that has not subsided. It is important for MSMEs to maximize the Brand Image of their products so that they attract more potential buyers. Because with the brand image that is good in the eyes of consumers make it easier to market the product. Other than that, the efforts of MSMEs to influence prospective buyers through the use of all elements or marketing mix will produce promotional appeal that makes consumers more interested in buying goods or services offered (Putra & Kusuma, 2015).

The results of research from Iranita stated that the promotional factor is the only strong factor in influencing online purchasing behavior during the COVID-19 period. Apart from that utilizing digital technology is one of the keys so that businesses can continue to survive during the COVID-19 pandemic. For this reason, facilities that support digital technology users must be available adequately. This study aims to determine the role of Brand Image, Promotion and Facilities on MSME Business Development in the city of Bandung.

Literature Review

Brand Image

For Dawn Dobni et al. (1990), "Brand Imagery describes the extrinsic properties of the product or service, including the ways in which the brand attempts to meet customers psychological or social needs". It means that Brand Image describes the extrinsic nature of a product or service, including the way in which the brand tries to meet the psychological or social needs of customers.

Kotler and Keller (2012) define brand image is "Perception and beliefs held by consumers as reflected in the associations held in consumers' memory". It means a set of perceptions and beliefs that customers have about a brand that is reflected through associations that exist in the customer's memory.

In Kotler and Keller (2012), Brand Image is a representation of the overall perception of a brand and is formed from information and past experiences with that brand. The image of the brand is related to attitudes in the form of beliefs and preferences for a brand. Consumers who have a positive image of a brand are more likely to make purchases

Setiadi, 2003 stated that brand image is a brand association that is interconnected and creates a series in the memory of consumers. Brand image that is formed in the minds of consumers. Consumers who are accustomed to using certain brands tend to have consistency with brand image.

According to Durianto et al., 2004, brand image is one of the most important factors in building a business, because the brand image itself is a belief or reminder of consumers to determine the products or services they will use. The existence of a strong and good brand image in the minds of consumers can help a company much more. developed and known by many people. Swastha (2007) argues promotion is a one-way flow of information or persuasion designed to direct a person or organization to actions that create exchanges in marketing. According to Kotler (1992), promotion includes all marketing mix tools whose main role is to make more persuasive communication.

Tjiptono (2008) argues that promotion is a form of marketing communication. The marketing communication is a marketing activity that seeks to spread information, influence / persuade, and / or remind the target market of the company and its products to be willing to accept, buy, and be loyal to the products offered by the company concerned.

For Gitosudarmo (2000), "Promotion is an activity aimed at influencing consumers so that they can become acquainted with the products offered by the company to them and then they become happy and buy the product".

While the definition in my opinion, promotion is a form of effort to notify, offer or give in any form in

order to influence the public to find out about the products or services we offer and with promotions we can increase sales volume.

Facilities (Technology Utilization)

The definition of a facility is everything in the form of objects or money that can facilitate and facilitate the implementation of a particular business (Sam, 2012). There is also an understanding of facilities according to the opinion of experts including Daradjat (2008) who argues that facility means anything that can facilitate efforts and facilitate work in order to achieve a certain goal.

Meanwhile, according to Arikunto, (2006), facilities mean anything that can facilitate and facilitate the implementation of any business.

Definition of business facilities is the main means and means of supporting the place of business. Examples of business facilities are machines, office space, work equipment, parking lots, etc. To make it easier for us to take the entrepreneurial example of making chips, the business facilities are: simple factory buildings, storage places and equipment such as pans, buckets, oil barrels, scales, sieves, baskets etc.

Facility is anything that can facilitate and facilitate the implementation of an activity or business. In my opinion, what is meant by facility is a facility available to assist in the implementation of a job. With the facilities, the work being done will be easier and faster with the facilities provided or with existing facilities.

Business Development

According to Foedz, (2005), business development is defined as the implementation of trade by a group of people who are structured to make a profit by producing and selling goods / services to meet consumer needs.

According to Brown and Petrello (1976), business development is defined as an institution that produces goods and services needed by society. If

the need increases, then business institutions will also increase and develop in order to meet these needs while making a profit.

According to Hughes and Kapoor (2010), the definition of business development is human business activities structured to create and sell goods / services for a profit.

According to Mussleman and Jackson (1992), the definition of business development is an activity to fulfill the needs and wants of the economy of the community and companies created to participate in these activities.

For Affuah (2004), business development is a set of activities carried out to create by developing and transforming various resources into goods / services desired by consumers.

In Glos et al. (1980), business development is the sum of all activities organized by people involved in commerce and industry who provide goods and services for the needs of maintaining and improving their standards and quality of life.

Research Framework

From the description of the literature review above, the research framework is illustrated in the following picture of the research paradigm.

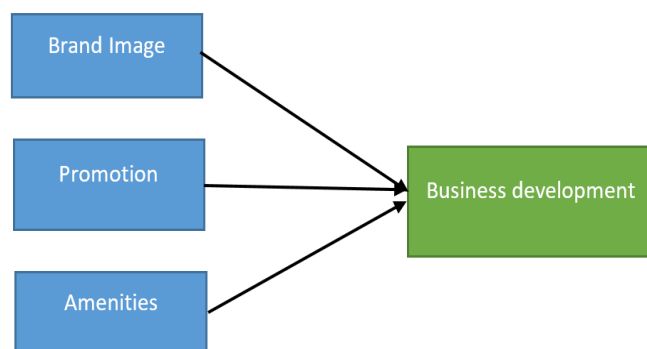


Figure 1. Research paradigm

Research Hypothesis

Based on the research framework above the hypotheses for this study are:

1. Brand Image affects business development
2. Promotion has an effect on business development
3. Facilities affect business development
4. Brand Image, Promotion and Facilities influence business development.

Methodology

This study uses a survey method, which is used for analysis with a quantitative approach. The aim is to determine the effect of business development strategies from Brand Image, Promotion, and Facilities for business development strategies.

The independent variables in this study are Brand Image (X1), Promotion (X2), and Facilities (X3). According to Sugiyono (2018), these variables cause changes or changes in the dependent variable. While the dependent variable of this study is the ability (Y), where the dependent variable is the variable that is the result of the independent variable.

Collecting data for this study using a questionnaire distributed to 70 MSME players in the city of Bandung. The sampling method used in this research was simple random sampling (random) with an error rate of 5%. Complaints and analysis of data collected using SPSS for Windows series 26 software.

Results and Discussion

Respondent Description

Respondents of this study were MSME actors in the city of Bandung. Where are these MSMEs whose businesses are still operating even though the Covid 19 pandemic is still increasing. The number of samples of this study was 70 MSME actors consisting of 40 men and 30 women.

Instrument Test Results

Validation test

The results of the validity test using the SPSS for Windows 26.0 series showed that all the questions used were valid. Because each item the value of the corrected item and total correction has a value greater than the minimum standard of 0.3. And the corrected Item-Total Correlation value of each item has a value that is greater than the minimum standard of 0.165 or the calculated r value of each item has a value greater than the r table.

Reliability test

The results of the reliability test for all the research questionnaire questions for the Brand Image variable showed that the Cronbach's Alpha value was $0.738 > 0.600$. This means that the Brand Image questionnaire in this study is reliable. Meanwhile, the promotional variable question Cronbach's Alpha value is $0.737 > 0.600$. This means that the Promotion questionnaire in this study is reliable. Likewise, the question of Facility variable Cronbach's Alpha value is $0.727 > 0.600$. The question of the variable facility questionnaire in this study is reliable. And the questionnaire questions for Business Development show a Cronbach's Alpha value of $0.745 > 0.600$. This means that the Business Development questionnaire in this study is reliable.

Test Hypothesis

Partial hypothesis testing (t test)

Following are the results of data processing using SPSS 26, the partial hypothesis test results can be seen in Table 1:

Table 1. Hypothesis test results partially
Coefficients^a

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Beta		
	Std. Error			

	(Constant)	.625	.553		1,248	.200
1	Brand Image	.329	.098	.298	3,597	.001
	Promotion	.327	.112	.327	3,243	.001
	Amenities	.253	.115	.224	2,879	.000

a. Dependent Variable: Business Development

Source: Data Processing, 2021

The results of hypothesis testing in Table 2 show that the tcount for the variable Brand Image (X1) of 3.597. This value is compared with the t-table value for the two-party test of 1.994. From the values above the variable t count training (X1) of 3.597 > t table 1.994, thus there is an influence significant Among Brand Image (X1) on Business Development (Y).

The tcount value for the variable Promotion (X2) of 3,243. This value is compared with the t table value in the table obtained by the t table value for two-party testing of 1.994. From the values above, it can be seen that the tcount of the variable Promotion (X2) of 3,243 > t table of 1,994. Thus, there is influence significant Among facilities (X2) for MSME Business Development (Y).

The tcount value for the variable Amenities (X3) is 2,879. This value is compared with the t-table value, the t-table value for the two-party test is 1.994. From the values above, the tcount is variable Amenities (X3) 2,879 > t table 1,994. Thus, there is influence significant Among motivation (X3) towards MSME Business Development (Y).

Simultaneous Hypothesis Testing (Test F)

Following are the results of data processing using SPSS 26, the simultaneous hypothesis test results can be seen in Table 2:

Table 2. Simultaneous hypothesis test results

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19,247	3	6,416	24,810	.000b
	Residual	20,050	73	.282		
	Total	39,297	76			

a. Dependent Variable: Business Development

b. Predictors: (Constant), Brand Image, Promotion, Facilities.

Source: Data processing, 2021

Based on Table 2, it can be seen that the Fcount value is 24.810. This value will be compared with the Ftable value in the distribution table F. With $\alpha = 0.05$, $df_2 = nk-1 = 76-2-1 = 73$, a Ftable is obtained of 2.73. Thus, $F_{count} 24.810 > F_{table} 2.73$ so that H_a is accepted and H_0 is rejected. This shows that there is an influence significant between Brand Image (X1), Promotion (X2) and Facilities (X3) on Business Development (Y).

Discussion

From the results of the Hypothesis Test, it is known that Brand Image, Promotion and Facilities when used together are very influential on MSME Business Development amid the current conditions of the Covid 19 Pandemic. Instead of Brand Image, Promotion, and Facilities individually. The results of this study produce new findings, that by maximizing a good brand image in the eyes of consumers, Brand Image makes consumers remember our products, becomes the main choice of consumers, stabilizes and increases sales, has many loyal customers. and carrying out vigorous promotions by maximizing the use of the facilities owned will help develop the business of MSME entrepreneurs amid the Covid 19 Pandemic.

Conclusion

1. Brand Image believes in developing UMKM businesses in the city of Bandung so that by utilizing a good brand image in the eyes of consumers, MSMEs entrepreneurs in the city of Bandung can develop their business.
2. Promotion has a significant effect on MSME Business Development in the city of Bandung. By doing vigorous promotion of UMKM entrepreneurs in the city of Bandung can develop their business.
3. Facilities have a significant effect on MSME Business Development in the city of Bandung. By utilizing facilities that are supported by technology will help MSME entrepreneurs in the city of Bandung in developing their business.
4. Brand Image, Promotion, and Facilities have a significant effect on the ability of MSMEs in Business Development. By utilizing the Brand Image, Promotion and Facilities together will

have a big impact on the business development of MSME entrepreneurs in the city of Bandung.

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