

**MSME MARKETING STRATEGY IN THE COVID-19 PANDEMIC OUTBREAK
(CASE STUDY IN ANDALAS STEAK BANDAR LAMPUNG)**

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Abstract: *Based on the results of observations, the average MSME felt a decrease in turnover during the Covid-19 pandemic. This happens because of the reduced activities carried out outside the home, difficulties in obtaining raw materials due to transportation constraints, and the decline in public confidence in products that are outside the home. Another finding based on observations, not all MSMEs have to close their businesses, some MSMEs still survive despite experiencing a decline in sales turnover. As well as making products adjustments and carrying out several marketing strategies to maintain their business. This research aims to find out what marketing strategy is applied by Andalas Steak SMEs during the covid-19 pandemic, the obstacles faced, and the solutions for Andalas Steak. This is descriptive research with a qualitative approach. The descriptive qualitative method was chosen because the research carried out was related to ongoing events and related to current conditions. The results showed that Andalas Steak exerts the 4P Marketing Mix which consists of a product strategy, a price strategy, a promotion strategy, and a place strategy. The obstacles faced by Andalas Steak are a lot of competition with the same menu and people's purchasing power has decreased due to the declining economy. To counter those hindrances, Andalas Steak enforces healthy cash flow, maximizes social media, maximizes delivery services, and improves product quality and innovation.*

Keywords: *Marketing Strategy, MSME, Covid-19 Pandemic*

1. Introduction

Indonesia is dominated by Micro, Small, and Medium Enterprises (MSMEs) which are the backbone of the national economy and are seriously affected not only in terms of their production and income but also by the number of workers that must be reduced due to this pandemic. Many shopping centers, restaurants, and other industries have to close due to large-scale social restrictions (PPKM) to break the spread of COVID-19, many MSME industries have been affected by a decline in sales and disrupted the marketing process to a significant point.

Based on the observations, the average MSME felt a decrease in turnover during the Covid-19 pandemic. This occurred because of the reduced activities carried out outside the home, difficulties in acquiring raw materials due to transportation constraints, and the decline in public confidence in products that are outside the home. Another finding based on observations, not all MSMEs have to close their outlets, some MSMEs still survive despite experiencing a decline in sales turnover. As well as making products adjustments and carrying out several marketing strategies to preserve their business.

Marketing needs serious attention from MSMEs. Especially in the process of appointing the marketing strategy to penetrate the market. Moreover, increasingly fierce competition as it is today, the ability to seize market share will affect the survival of MSMEs themselves. This circumstance is no exception to be faced by Andalas Steak. A managerial position in it requires the formulation of the precise marketing strategy as a top priority to face competition to develop the market.

There are several studies on MSME during the pandemic outbreak, for instance, Gregorius Rio Alfrian and Endang Pitaloka (2020) suggest four survival strategies for MSMEs, namely, 1) digital marketing, 2) strengthening human resources, 3) carrying out creative innovations and 4) improving services to consumers. While Maskarto Lucky Nara Rosmadi (2021) stated that the use of the internet and social media is an appropriate strategy amid the covid-19 pandemic. However, it requires no small amount of expense as well as human resources who have expertise in information technology.

Furthermore, research by Ika Fitriyani, et al (2020) indicate that in realizing and developing the sustainability of MSMEs after the COVID-19 pandemic, it is necessary to achieve a mature strategy and provide expected results in strengthening business management in the fields of marketing, finance, human resources, and operations. The strategy applied is the 5Ps strategy, namely position, plan, perspective, project and prepare as an effort to create a more effective and efficient business existence.

What distinguishes this research from previous research is that this research focuses on one MSME, namely Andalas Steak Bandar Lampung in order to determine the most effective strategy used during the pandemic.

The objectives of this research are:

- a. To find out what marketing strategies are being implemented by Andalas Steak SMEs during the covid-19 pandemic.
- b. To find out what are the obstacles faced by Andalas Steak in implementing marketing strategies to survive during the covid-19 pandemic.
- c. To find out what Andalas Steak's solution is in dealing with the covid-19 pandemic to maintain business.

2. Research Methods

This is descriptive research with a qualitative approach. The descriptive qualitative method was chosen because the research was related to ongoing events and related current conditions. This research took place at Andalas Steak Restaurant, Sultan Agung Street No. 1 Wayhalim Permai, Bandar Lampung. Data collection technique: The observation method is supported by systematic data collection and recording of the object to be studied. Face-to-face interview with Mrs. Warsiyah as Manager of Andalas Steak and several consumers to gather relevant data. Documentation is a record of events that have passed in the form of words, pictures, or monumental works of someone.

Data analysis: Data collection is the first step in qualitative research which is carried out during data collection and after data collection is completed within a certain period. Data Reduction is summarizing, focusing on the important thing that needs to be recorded carefully and in detail. Data Display, after the data is reduced, the next step is to display the data. Concluding, the last step in qualitative data analysis is drawing conclusions and verification.

3. Results and Discussion

3.1. Andalas Steak MSME Marketing Strategy during the Covid-19 Pandemic

Andalas Steak's marketing strategies in maintaining its business during the COVID-19 pandemic are:

a. Product Strategy

The products offered by Andalas Steak are various steak menus such as ribs, tenderloin, sirloin, chicken steak, and Andalas steak. On top of that, Andalas steak present other menus such as tongseng, rib soup, fried rice, fried chicken,

During the Covid-19 pandemic, Andalas Steak released a product innovation in the form of rice chicken crispy steak which is suitable for all groups, especially school and college students because this product includes a complete package. With a special manufacturing process of good quality, the steaks in Andalas are in demand by the public.

According to Mrs. Warsiyah as Andalas Steak manager, she said:

"Andalas Steak always develops product quality and creates innovations such as crispy rice chicken, because the average consumer is students."

This is based on marketing theory by Philip Kotler where the formulation of a product strategy does not only consider solutions to customers but offers flexible benefits and creates creative innovations. Manufacturers no longer act as satisfying customer wants and needs, but have played a role as creators of customer wants and needs.

From the perspective of Sharia, a product to be marketed or exchanged must be a product that is halal and has good quality, not the other way around to get as much profit as possible and lower product quality. The quality of the product to be marketed must also obtain mutual agreement between the two parties, the seller and the buyer.

Andalas Steak products are steaks made from halal and good quality meat and also offered many types of steak, namely ribs, chicken steak, sirloin steak, tenderloin steak, and Andalas steak.

b. Price Strategy

Price is an element of the marketing mix that has an important role for a company, because price occupies a particular position in the marketing mix, and is closely related to other elements. Some of the factors that need to be considered in implementing a pricing policy are setting a product base price, price discounts, shipping costs, and others related to prices.

In a fiercely competitive market, entrepreneurs can set prices concerning the market price, namely whether to follow prices below the market or above the market.

In Islam, the foundation of pricing is the price value of a product which is not set many times over after deducting production costs. This indicates that the price concept in the Sharia is not merely based on profit but is also based on people's purchasing power and the benefit of the people, therefore, the concept of excessive profits from setting high prices is not justified.

Imposing the right price stipulate marketing activities run well and optimal for the goods offered. During the Covid-19 pandemic, Andalas Steak also carried out a price strategy in the form of discounts or price cuts to attract consumers. The provisions regarding this discount are as follows:

- 1) 20% discount, every Monday to Thursday.
- 2) 30% discount, every Friday for chicken steak valid until 6 pm.
- 3) For weekends, regular prices.

Mrs. Warsiyah as manager of Andalas Steak said:

"The discount was given because at the beginning of COVID-19 very few people bought steak, so the income of Andalas Steaks fell drastically. If the price is not lowered, it will likely threaten our business. Therefore, to attract consumers, we provide discounts. Giving a discount still earns profit, because it is useless if we give a discount but we don't get a profit even though we get a small profit, the transaction must continue so that Andalas Steak can survive amid a pandemic."

The price applied for Andalas steak is very varied and the price of each food and drink is listed on the menu, making it easier for consumers to compare with other places. The price is affordable make everyone can enjoy it.

This is as in determining prices to achieve the general goal of survival, in this case, the goal is to specify the lowest possible price with the intention that the products offered are sold in the market, with a note that prices are cheap but still in favorable conditions and able to increase profits.

c. Place Strategy

The place discussed is not a location or place of business, but a place where consumers meet with product offerings or transactions occur. In this context, more emphasis is placed on the distribution strategy. The product distribution system can establish a competitive advantage for a business. A competent entrepreneur will comprehend that the stronger the distribution network of a product, the more competitive advantage will be.

The Sharia perspective in marketing channels or company locations can be anywhere as long as the place is not the place where the existence is disputed. However, implicitly emphasizes the company's closeness to the market.

Andalas Steak location on Sultan Agung Street No. 1 Wayhalim Permai, Bandar Lampung. It is very strategically located in the center of Bandar Lampung, on the side of the main road close to toll roads, shopping centers, with a large parking lot, making it easier for delivery services for consumers.

Mrs. Warsiyah said:

"The location of our restaurant is quite strategic, making it easier for consumers to find our place. And also for consumers who cannot come to the location, we provide delivery services using grab or gojek application. In shipping products to reach consumers, we continue to use the COVID-19 health protocol in terms of presentation and packaging so that the product is safe and not contaminated with the virus."

Tina, one of Andalas Steak's customers said:

"Because the location of Andalas Steak is strategic and close to my house in Way Halim. And if you can not get to the location, you can order via Gojek application."

This is as according to Kotler & Armstrong the place strategy includes the company's activities to make the product available for consumers to get the product. Strategic place no longer considers distribution channels and compose comfort and convenient spot for customers, but is more than that, namely the delivery flexibility desired by customers such as the accuracy of goods delivery, payment methods, and others.

d. Promotion Strategy

Promotion is a marketing mix activity that is as pivotal as other activities. In this case, the entrepreneur tries to promote all goods and services directly or indirectly. Without promotion, customers are unable to recognize the products or services offered. Therefore, promotion is the most effective means to attract and retain consumers.

Promotion in the perspective of Sharia is an effort to convey valid information on goods and services to potential consumers. In this regard, Islamic teachings place great emphasis on avoiding fraud and providing incorrect information for potential customers.

Hence, the public comprehends and be more familiar with the products marketed by Andalas Steak, promotional policies contain activities that can provide information about products, target markets, and distribution channels. The forms of promotion used by Andalas Steak are:

1) Advertising

Advertising is an effective means of promotion in introducing and asserting attributes related to a product to the wider community because its reach is broad and communicative. In this case, Andalas Steak carries out advertising through local radio, banners, pamphlets, and social media such as Instagram, Facebook, and WhatsApp. Encourage convenient access for anyone who wonders about their product information.

2) Sales Promotion

Andalas Steak has a marketing that is responsible to promote and explain to buyers how the advantages of the products offered. In this case, Andalas Steak has a sales promotion innovation namely every purchase of rice chicken crispy steak getting free sweet iced tea and every purchase of two Andalas steaks free onion rings.

Rahma Zikra one of the consumers said:

"I often get discounts, and yesterday I bought two steaks and I was given free onion rings". This sales promotion is a form of direct persuasion through the use of incentives that can be arranged to increase the number of goods purchased by consumers.

3.2. Obstacles faced by Andalas Steak in implementing a marketing strategy to survive during the covid-19 pandemic

A company must have experienced obstacles, both small and large. This can be resolved with the existing management in the company. If the obstacles faced are not resolved properly, it will have a systematic impact on the growth and survival of the company, which is no exception for Andalas Steak.

Mr. Masduki as head of operations said:

"There is a lot of competition with the same menu, people's purchasing power has decreased because the economy has declined. We have not got regular customers because we are relatively still new. And from the financial side, a significant decline in turnover was felt."

3.3. Andalas Steak's solution in dealing with the covid-19 pandemic

The COVID-19 pandemic presents challenges as well as opportunities for MSMEs to maintain their existence. Challenges mean the need for short-term solutions for MSMEs. Opportunity is defined, short-term solutions need to be followed by long-term solutions, especially if it is associated with the digital era to support economic activity. Some solutions are:

a. Keeping sound cashflow

Cash flow is one of the most important elements in business. So a business must be able to manage cash properly and optimally. If not, then the business risk will go bankrupt, for that it is important to keep cash flow conditions in balance.

b. Maximizing social media

The social distancing as an effort to reduce the spread of the Covid-19 virus incites social media as the most crowded place visited. Therefore, it is necessary to maximize social media

to introduce products. Starting from content, captions, hashtags need to be considered to capitalize on the online market.

c. Improving product quality and innovation

Nurture quality at affordable prices. Always improve quality by making questionnaires to customers for constructive criticism and improve service to customers that they are comfortable and satisfied.

4. Conclusion

In conclusion, Andalas Steak uses the 4P Marketing Mix which consists of a product strategy, price strategy, promotion strategy, and place strategy. The obstacles faced by Andalas Steak are fierce competition with the same menu, people's purchasing power has decreased due to the declining economy. From the financial side, there was also a significant decline in turnover. To counter those hindrances, Andalas Steak preserves healthy cash flow, maximizes social media, maximizes delivery services, and improves product quality and innovation.

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