Survival Strategies and Online Marketing in the Time of the COVID-19 Pandemic of Bandung City SME: A Case Study of the Cibaduyut Shoe Center

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Abstract

This study aims to describe and analyze survival strategies and online marketing strategies for small shoe businesses during the COVID-19 pandemic in Bandung. This study uses a qualitative method with a case study approach. Data were obtained by interviewing knitting business actors and related parties as key informants. The results showed that the COVID-19 pandemic had a negative impact on small shoe businesses in the shoe center of Bandung city. As a strategic step in the midst of a pandemic, business people use a survival strategy, by not increasing selling prices, but reducing profit targets, in the online marketing strategy of knitting small businesses using strategies: e-commerce, digital marketing, improving product and service quality, and customer relations. The implementation of this strategy is driven by an entrepreneurial spirit, flexibility, responsiveness to changes and technological developments, and the ability to collaborate with various stakeholders. This research shows that small businesses that implement survival strategies and online marketing are able to survive and improve business performance.

Keywords: survival strategies; online marketing; small businesses; COVID-19

1. Introduction

Small and medium enterprises (SMEs) play an essential role in economic development and growth (Keskin et al., 2010, Abdurohim, 2021). They are considered the backbone of the national economy (Bhatt et al., 2020; Okofo-Darteh & Asamoah, 2020), both in developing and developed countries. SMEs are important because these business groups absorb the most labor (Chowdhury, 2011; Organisation for Economic Co-operation and Development (OECD)., 2020). This is in line with what was stated (Palanimally, 2016); SMEs employ 59% of the workforce in Malaysia. In Indonesia in 2018, the number of MSMEs and workers were 64,194,057 units and 116,978,631 employees, respectively, but only 293 units made export sales; this is because MSMEs are still faced with obstacles related to financing, marketing, and raw materials. (Ministry of Cooperatives & SMEs, 2019). In addition, MSMEs are the most critical pillar in the Indonesian economy, with a contribution to GDP of 61.07% or worth 8,573.89 trillion rupiah. Donations to the Indonesian economy include the ability to absorb 97% of the total workforce and can collect up to 60.4% of the total investment. The COVID-19 crisis has affected economic development and threatened companies worldwide (Gavurova et al., 2020). The OECD further stated that the COVID-19 condition significantly impacted MSMEs (Lembaga penelitian di Indonesia (LPI), 2019), and the MSME sector was most exposed to the outbreak's risks and primary victims of the epidemic (Gavurova et al., 2020). In addition, MSMEs in Pakistan are also experiencing financial impacts, supply chain disruptions, and decreased demand, sales, and profits (Shafi et al., 2020).

Shoe SMEs have contributed to the economy of the city of Bandung, which was founded in 1960 and is located in the shoe center area; now, entering the third generation, almost 90% of the population as business actors are the backbone of the local community. Society, where the existence of COVID 19 is currently making it difficult to run their business. This is what the author pays attention to. Due to these challenging conditions, MSMEs must take strategic options to survive a pandemic (Rafzan. et al., 2019). Therefore, a survival strategy is an option in difficulty in supplying raw materials and declining sales (Abdurohim, 2021). Shafi et al., (2020) stated that MSMEs must adopt specific measures to help them get through the ongoing crisis.

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The use of digital technology is an essential issue in increasing the growth of SMEs. The practical and efficient use of Information Technology can increase the productivity of SMEs, which can directly improve the performance of their respective businesses. According to the (World Trade Organization (WTO), 2020), producers and customers must consider online transactions (Yahaya, 2018). Using this strategy to deal with the current COVID-19 pandemic is the best solution for MSMEs because the online promotion of goods and services makes it easy to reach customers by introducing or selling these products without meeting in person (Mandasari & Pratama, 2020). Survival strategies and online marketing are choices for achieving business goals and developing SME products or services so that they become more competitive (Fitriasari, 2020).

A survival strategy is an effort that is managed in the hope of surviving an unfavorable situation and ensuring every need is met while waiting for improvement (Bamidele, 2018) defined as all the means taken by a person or group of business actors to maintain the existence of material and non-material values. Small businesses' survival strategy depends on their adaptation level (Schindelhütte & Morris, 2001). The concept of this strategy in a company is often associated with the operational sector (Hitt & Ireland, 1997). Runaway, Za et al., (2019) report that the survival strategy is categorized into two, the survival strategy by increasing the selling price of products to respond to rising raw material prices, and the strategy of not increasing the selling price of the product, is a survival strategy but lowers the quality of raw materials. Online marketing strategy is advertising products or services on the internet to develop customer relationships, create loyalty, build strong brands, and generate profits (Lammennett, 2014; Isoraiite & Miniotiene, 2018). Online marketing strategies include e-commerce, digital marketing, product and service quality improvement, and customer relationship marketing (Schwarz, & Grabowska, 2015).

E-commerce is a business process involving technology that connects companies, customers, and the public through electronic transactions (Yadiati & Me-biryani, 2019). Therefore, online customer service allows buying and selling goods and services. This model type is called electronic transaction, described as selling, buying, and marketing products using electronics (Isoraiite, & Miniotiene, 2018). E-commerce has a positive and significant effect on MSMEs' marketing performance and income (Hariandi et al., 2019; Septyanto & Dewanto, 2016; Ramanathan et al., 2012).

Digital marketing means advertising activity on the internet, including social media or other devices. Hongshuang and Kannan (2016), defines digital marketing as an adaptive process and enabling technology that enables companies to collaborate or partner with clients to communicate, deliver and preserve the values of both parties. This way, customers from anywhere in the world can access information about products and services at any time, thereby increasing the probability of making a purchase (Cetina et al., 2012). It also increases sales revenue, especially when clients can read reviews from other customers about specific products and comment on their personal experiences (Bala & Verma, 2018). In this context, marketing rules have been redefined worldwide, significantly changing how customers respond to brands (Sheh, 2011). Digital marketing helps companies or businesses promote and advertise their products and services, expanding new markets previously closed or restricted due to limited time, distance, and particular communication methods (Gielens et al., 2019). This positively and significantly impacts MSME sales (Fawzeea et al., 2019).

Improving the Quality of Products and Services is described as the product's ability to meet customers' needs and desires (Kotler & Armstrong, 2012). According to Kotler and Keller (2016), it is the totality of features and characteristics of a product or service that depend on its ability to meet stated or implied needs. Kotler and Keller (2016) define this quality as a feature or characteristic of a product or service that affects the ability to satisfy tangible and intangible needs. Razak et al., (2016) stated that product quality is the extent to which the product meets its respective specifications and the ability of a particular brand or product to perform its intended function. This quality indicates the power of a product to perform its function, including overall durability, reliability, accuracy, ease of operation, and repair, as well as other attributes (Kotler & Armstrong, 2012). Product quality means a dynamic condition related to products, people or labor, processes, tasks, and environments that meet or exceed customer expectations (William et al., 2016). Widowati (2017) states that the product's condition is based on an assessment of its conformity with the measurement standards that have been set. Russel (1996) says that the benefits of product quality include improving the company's reputation, reducing costs, increasing market share, global impact, responsibility, and product appearance. Product quality is defined as the product's ability to meet customer needs and desires (Kotler & Armstrong, 2012). Meanwhile, service quality is defined as a dynamic condition related to products, people, processes, and the environment that meet or exceed customer expectations (Yuwita & Nugroho, 2020). Wali and Nwokah (2018) report that service quality meets customer needs and desires, including excellent delivery to match their expectations. Furthermore, Wali and Nwokah (2018) state that service quality controls the expected level of excellence or service efficiency to meet customer desires and expectations. The quality of products and services significantly affects
Customer Relationship Marketing offers opportunities for successful competition and ways to learn about customers (Mohamud, 2019). They maintain positive customer relationships to satisfy customers and create value for the business (Hassan et al., 2015; Kebede & Tegegne, 2018). Customer relationship marketing is one aspect that strengthens generic business strategies to gain a sustainable competitive advantage (Jamart & Kupka, 2009). Ngala and Orwa, 2016; Indra and Ervina, 2020, stated that a marketing strategy aims to establish long-term relationships or maintain solid and mutually beneficial relationships between service providers and customers, thus leading to repeat transactions and customer loyalty. Furthermore, customer relationship marketing means understanding each customer closely by creating two-way communication and managing mutually beneficial relationships between clients and companies (Soliman, 2011). This strategy aims to create, maintain, and enhance strong relationships with customers (Kotler & Armstrong, 2012). It further ensures that customers are satisfied and helps companies attract new clients, retain existing ones, and maintain their loyalty (Ahadmotlaghi & Pawar, 2012; Kumudha & Bhunia, 2016). The main goal of customer relationship marketing is the process of transitioning from focusing on a single transaction to developing long-term profitable customer relationships (Kampani, 2020). Customer relationship marketing is designed to build and retain committed customers who benefit the company and, at the same time, minimize the time and effort spent on them (Aka et al., 2016). It is a business orientation that focuses on maintaining good relationships with existing customers and building close and mutually beneficial relationships between these businesses and their clients to recreate transactions and build customer loyalty (Kotler & Armstrong, 2012). Nurmartiani et al., 2020; Hadiyati and Lukiyanto, 2019, reported that customer relationship marketing has a positive and significant effect on improving marketing performance.

This research will elaborate on survival strategies and online marketing during the COVID-19 pandemic. Several studies have reviewed some survival strategies SMEs have switched to using digital technology, including social media, to survive. (Harianto & Sari, 2021; Klyver, & Nielsen, 2021; Kumar, et al 2021; Nadyan, Selvia & Fauzan, 2021). While this research is more on efforts to strengthen survival and online marketing strategies during the COVID-19 pandemic through; e-commerce, digital marketing, improving product and service quality improvement, and customer relations, which focuses on small shoe businesses in the city of Bandung. This study aims to describe and analyze survival strategies and online marketing strategies implemented by small shoe businesses in the face of the COVID-19 pandemic in the city of Bandung.

2. Research Method and Materials

The approach in this research is a descriptive and exploratory study using qualitative methods. The research was conducted descriptively to obtain an overview, while exploratory analysis was carried out by exploring the phenomenon by the research objectives. A case study approach is used to carefully investigate a particular program, event, activity, process, or group of individuals, with the investigation limited by time and activities. In addition, complete information is collected using various data collection procedures based on a predetermined time (Creswell, 2010). The research objectives are 1) survival strategies that include increasing and not increasing product prices, 2) online marketing strategies, namely e-commerce, digital marketing, improving product and service quality, and customer relationship marketing. The choice of location in the city was carried out by considering three relevant factors, namely 1) data richness, 2) ignorance, and 3) suitability (Neuman, 1997). Sources of information include small shoe businesses, stakeholders, and key informants. Furthermore, data were collected from 10 key informants involved in the Shoe Business Center and seven stakeholders, including one respondent from the Office of Cooperatives, Micro, Small, and Medium Enterprises in the Bandung City Office, namely the Head of the Office. In addition, one informant came from a small shoe business association, the other partnered with a small business (agent or raw material supplier), one from Shipping Services, and three customers. Data was obtained through observation, interviews, and document review by the research objectives. Data validity using three of the eight strategies proposed by Creswell (2010). While the process data analysis table is described in the table 1.

This research is planned to be carried out for 8 (months) to answer problems and achieve research objectives. The following is the research flow chart in the figure 1.
1. Data Reduction

The data obtained from interviews, surveys of craftsmen, direct observations in the field, and so on certainly have a complex form. All data obtained are grouped into very important, less important, and unimportant data. Data in the insignificant data group is then safe to be discarded or not used. So that the remaining data that is important and less important. Researchers can also discard less critical data, which only leaves essential data. According to research needs, this data becomes more straightforward and is considered capable of representing all the data obtained. So that it is easier to be processed to the next stage so that it becomes round, clear information, and answers a problem.

2. Data Presentation

After completing the reduction stage, it enters the data presentation stage or data display. As the name implies, at this stage, the researcher can present data that has been reduced or simplified in the previous step. The data presentation is shown in the form of a descriptive narrative. So that the data set can be more easily conveyed to others; it also contains explicit information, and readers can quickly get that information.

3. Conclusion Drawing

Data compiled and grouped is then presented with a technique or pattern that can be concluded. This conclusion becomes information shown in the research report and placed in the closing section. Namely, in the conclusion section, the readers of the research report can also find these conclusions. The process of concluding can only be done when all the varied data is simplified, compiled, or displayed using certain media; then, it can be understood easily.

3. Results and Discussion

3.1. Analysis of the Impact of the COVID-19 Pandemic and Analysis of Survival Strategies during the COVID-19 Eradication Period on Leading Small Businesses at the Cibaduyut Shoe Center

3.1.1. Survival Strategy

The COVID-19 pandemic has made it difficult for small shoe businesses to get raw materials. The price of raw materials also continues to increase. Most small shoe businesses experienced a 50% decline in sales; some even stopped operating because their capital was used to meet their daily needs. Some of them sell hand sanitizers or other medical devices. This is in line with the results of research conducted by Milzam (2020). The impact of the pandemic led to a 53.5% decline in MSME income, mass layoffs, and business closures (Fitriasari, 2020). According to Raffles et al. (2020), the challenges faced by SMEs during quarantine are characterized by operational (i.e., working and supply chain disruptions, difficulties in predicting the future direction of the business) and financial problems (such as cash flow problems access to stimulus packages, and bankruptcy risk). These problematic conditions forced small shoe business actors to be flexible and adaptive to changes in the external environment, thereby accelerating action by implementing a survival strategy to ensure the continuity and profitability of their business. This is in line with Sutisna (2018) research, which states that flexibility is the dominant factor in the shoe business. Risnawati, Za. at al (2019) categorizes survival strategies into two: increasing and not increasing product selling prices. Harari (2020) also stated that the COVID-19 pandemic is a big crisis for this generation and is expected to take years to recover. For these reasons, it is necessary to
make efforts to respond to this crisis, both internally and externally. Regarding this, Ifekwem and Adedamola (2016) state that SMEs are considered sustainable when they can overcome challenges in both the internal and external business environment.

The results showed that increased raw material prices led to different decisions regarding implementing survival strategies in small shoe businesses. However, this is to research conducted by Harari (2020), which states that a company's findings must be made based on existing conditions, as reported by Store, Parida, and Wincen (2018). Defensive strategies refer to several different efforts, and in situations such as the COVID-19 pandemic, SMEs need to adapt and improve their system (García-Vidal et al., 2020). A small number of business actors implement a survival strategy by increasing the selling price of their products to respond to the increase in the price of yarn raw materials. It is known that most small shoe business actors choose not to increase the selling price of their products but instead decide to lower the quality of raw materials from level one to level two, which causes a decrease in operating profit. This is in line with research conducted by Risnawati, Za. at al (2019), who reported that the survival strategy was categorized into two, namely increasing and not increasing the selling price of the product. Business actors stated that they had to focus on the problems (Sugianto et al., 2020; Official et al., 2020). The strategy adopted by most SMEs in dealing with the COVID-19 pandemic, especially in Indonesia, is cost reduction (Shafi, 2020). Sugianto and Prayer (2020) stated that the pandemic had forced business actors to make specific changes. Sarasvathy (2001) also reports that survival strategies should focus on problem-solving actions.

Bandung is the capital city of West Java province and is located close to Jakarta (Rosyidie et al., 2012). The city is known as the center of Indonesian fashion because of its many boutiques, distributions, and fashion industry. Bandung is one of the largest cities in Indonesia, which tends to develop towards a metropolitan city like Jakarta. Bandung has many potentials, which is also the city's identity compared to other cities. One of them is the Cibaduyut area, known as the shoe industry's center.

Furthermore, the development of the Cibaduyut area has resulted in the growth of the Cibaduyut road as a trading area in line with the community's need for the products produced. The emergence of Cibaduyu road as a commercial area has caused the place to be turned into an active open space with various activities within the region. Historically, Cibaduyut's footwear industry and trade have been developing for a long time. Initially started around 1920, some residents who work daily in a shoe factory in Bandung City; after having skills in making shoes, they stopped as workers. Based on the results of interviews with prominent figures, Cibaduyut footwear entrepreneurs, before the Japanese occupation in 1940, had developed several shoe artisans in Cibaduyut, as many as 89 people. This is inseparable from the increasing orders because it is considered that Cibaduyur shoe products have excellent quality to meet consumers' tastes at that time. After Indonesia became independent in the 1950s, the number of footwear business units grew to 250. With this large number of business units, the Cibaduyut area has become known as a footwear production center. In 1978, the central government, through the Ministry of Industry in collaboration with the Research Institute for Economic and Social Information Education (LP3ES), conducted an assessment for the guidance and development of the Cibaduyut shoe center.

The results of the study recommended the construction of a service center for coaching facilities or the so-called Center Service Facility (CSF) and better known to the shoe business community with shoes from the Technical Service Unit (UPT) for leather goods. In the 1980s, with the BIPIK project being rolled out from the Ministry of Industry, various facilities and infrastructure were provided to UPT Shoes in Cibaduyur in the form of building facilities, machinery, and equipment as training programs to develop Cibaduyut shoe artisans.

3.2. Analysis of the Development of Defensive Strategies and Online Marketing of Leading Small Businesses at the Cibaduyat Shoe Center, Bandung City, West Java

3.2.1. Online Marketing Strategy

Based on the study's results, small shoe businesses experienced a 50% decrease in sales turnover by an average of 50% due to the crisis. Syafi (2020) stated that the decline in sales was more significant, relatively above 60%. This is due to fewer external activities and difficulties obtaining raw materials due to transportation constraints. As is known, the small shoe business is one of the pillars of the economy of Bandung because it tends to create jobs and contribute to the gross domestic product of the local government. Of the spread of COVID-19, small businesses have been severely affected, as shown by the decline in sales and delays in the production process, layoffs of employees, and business closures (Shafi, 2020). The pandemic also causes financial problems, supply chain disruptions, and decreased demand,
sales, and profits (Fitriasari, 2020; Mirzam., 2020; Sahoo & Ashwani, 2020; Ivanov, 2020). In addition, more than two-thirds of SMEs stated that they could not survive if the restrictions lasted more than two months. The findings show that not all tiny shoe businesses experienced a 50% decrease in sales because some were relatively stable in achieving turnover due to adjusting to conditions and demands related to handling the pandemic. Given the current pandemic conditions, SMEs need to change their offline marketing strategy to online (Donthu, & Gustafsson, 2020; Patma et al., 2020). Furthermore, they must take advantage of this condition by strengthening their online marketing policies (Sugiyanto, 2020). Promotion through online media makes it easy to reach customers by introducing or selling products without meeting them in person (Mandasari & Pratama, 2020). MSMEs also need to implement online marketing strategies such as e-commerce, digital, and customer relationship marketing, as well as improve the quality of products and services to survive (Numartiani et al., 2020; Schwarz & Grabowska, 2020).

Figure 2. Research findings, analysis of the impact of the COVID-19 pandemic and analysis of survival strategies during the COVID-19 pandemic

3.2.2. E-Commerce

This research shows that about 20% or 34 small shoe business actors use e-commerce platforms such as Shopee, Lazada, Buka, Tokopedia, and Blibli. This is also by research conducted by Mandasari and Pratama (2020). The use of e-commerce media is currently the best solution for MSMEs because it makes it easier for customers and producers to make transactions. Most business actors who do not use e-commerce say they don't have time because they usually focus on the production process. They also say offline transactions are more convenient because customers generally order products in person. The OECD (2020) states that another reason for the reluctance of SMEs to use e-commerce tools is the lack of technical knowledge because they find it difficult to access and adopt the technology.

Similarly, Elia et al. (2019) reported that SMEs fail to use online sales transactions because of their inability to use available online trading channels and their difficulties communicating well. Based on this, Patma et al. (2020) stated that due to the reluctance of SMEs to adopt e-commerce in their business systems, universities need to provide comprehensive training and assistance through information technology support to encourage financial reporting and marketing of IT-based products and services. Small shoe businesses using e-commerce platforms report that sales made through e-commerce have allowed them to learn a lot, including how to improve the quality of their products, packaging, and equipment or product accessories. Therefore, it is expected to improve their business performance in the future and increase their income. Tolstoy et al. (2020); Alderete (2020); and Septyanto & De-wanto (2016) stated that e-commerce has a positive and significant effect on the performance and income of MSMEs.

Further research shows that business actors who use e-commerce always think positively, work hard through independent learning, and collaborate with other parties. This is also to a study conducted by Sugiyanto (2020). In a situation like a pandemic, business people need to work hard and collaborate. Furthermore, it also shows that utilizing
e-commerce is a good choice because it serves as a learning process to improve product quality and quantity, reach new markets or customers and create new networks and relationships, as As'ad, Ahmad, and Sentosa. (2012). The adoption of e-commerce in SMEs contributes to increasing revenue and reducing costs; therefore, it is an efficient and effective tool used to promote business and attract more customers (As'ad, Ahmad, & Sen-tosa, 2012). It is recommended that the use of e-commerce platforms such as Shopee tends to create efficient transactions and effective promotions, so it is the right strategy to survive the COVID-19 pandemic.

3.2.3. Digital Marketing

The study results show that an average of 80% or 136 small shoe business actors use digital marketing, such as Facebook, Instagram, and Twitter, to promote their products. However, most do not regularly promote their products, such as updating photos and price information. For example, some Facebook and Instagram accounts use personal identities rather than product or business names. Other results show that out of 136 small business actors, only 20% or 27 have adopted digital marketing. They include business people with a high entrepreneurial attitude, such as daring to try, taking risks, and solid determination to develop their businesses during the COVID-19 pandemic. They also regularly promote their products by honing their creativity and innovation to update product photos and price information constantly. The findings of this study show that only a few small shoe business owners already have a website and business profile. In addition to online transactions, they already have an online store that requires a digital marketing implementation process assisted by administrators to monitor and share any information or transactions made by customers. In contrast, some small businesses have hired someone to handle the design. And photography. Some even have mini photo studios equipped with various equipment and accessories. Erlanitasari et al. (2019) stated that 36% of SMEs in Indonesia are still struggling with conventional marketing, while 37% only have essential online marketing capacities such as computers and broadband access, and the remaining 18% use websites. And social media. However, only 9% have advanced digital marketing capacity. Generally, SMEs use traditional digital technology (Castagna et al., 2020). One of the reasons is that the Bandung City government only provides little assistance in training on the use of IT-based management systems (Raharja & Nurasa, 2020; Patma et al., 2020). Moreover, these companies (SMEs) do not grow alone (Wach, 2020).

The results of this study indicate that digital marketing positively impacts small shoe businesses, namely increasing customer reach, sales, and income, apart from being a learning process in improving their business performance. This is also to research conducted by Fawzeea et al. (2019), which states that digital marketing has a positive and significant effect on the sales performance of MSMEs. According to Nuseir and Aljumah (2020), it affects the performance of SMEs. The use of digital marketing helps achieve business growth and sustainability (Dumitriu, 2019). However, this study shows that most small shoe business actors have not been able to promote their products and services through digital marketing.

On the other hand, only 20% or 27 of them use digital marketing intensively and seriously in dealing with the COVID-19 crisis. The results also show that product sales increase by implementing digital marketing, while growth and sustainability are also achieved. This is in line with research (Fawzeea et al., 2019), which states that digital marketing positively and significantly affects MSME sales.

3.2.4. Product and Service Quality

In carrying out their business activities during the COVID-19 pandemic, small shoe businesses must implement e-commerce and promotion through digital marketing. On the other hand, they also need to improve the quality of their products and services to increase customer satisfaction and loyalty to the company (Letitia, 2015; Khan & Ghouri, 2018); Kotler & Armstrong (2012) stated that product quality is the ability of a product to meet customer needs and desires. While Wali and Nook-ah (2018) state that service quality is the level of excellence expected and its control to meet customer desires or expectations. The results showed small shoe business actors claimed to sell products based on orders from customers, including colors, sizes, quantities, and prices; after receiving orders, these business actors first designed the product and showed it to the customer. Once there is an agreement, the next step is the production process. Small shoe business actors stated that producing quality products is always customer-oriented to meet their needs and desires. This is in line with research conducted by Fitrani et al. (2020); Prihartono and Ali (2020) stated that producing quality products is a business strategy to achieve customer loyalty, thus causing them to repurchase the product because of its quality. Product quality has a significant effect on customer loyalty in seaweed processing centers. This is dominantly influenced by product quality (Rukaiyah, 2020).
Small shoe businesses admit that they rarely get complaints from their customers. However, they will replace the product ordered when there is a complaint and it is the company's fault. They also state that their customers are satisfied with the quality of their products. They have diverse customers, individuals, government agencies, and the private sector, and they have two product classes, standard, and premium. Unfortunately, not all small businesses produce premium products because they require computer-based machines to create various color and pattern combinations, such as batik patterns. Another way to improve product quality is to have a supervisor who oversees all activities, from purchasing and using raw materials to the production process and product quality control, to minimize errors or deficiencies in the production process. This is also following research conducted by Soundararajan & Reddy (2020). Quality control is to achieve productivity and quality improvement in SMEs.

The findings show that around 20% or 27 small business actors have responded to the pandemic by improving the quality of their services, including online sales using a hotline that is easily accessible to customers, delivery using online transportation, and courier service applications, namely Gojek and Grab, and delivery services such as JNE. According to business owners, service quality is an essential factor that must be achieved because customer satisfaction and loyalty are valuable assets in developing a business, especially during the COVID-19 pandemic. Therefore, this quality improvement needs to be prioritized. This finding is in line with research conducted by Letitia (2015), Khan and Ghouri (2018); Kotler and Armstrong (2012); and Wali and Noah (2018). It also shows that customers are satisfied with the quality of products and services. Some customers say they are loyal because they get excellent service and products that meet their expectations. Many new customers order the product because existing ones recommend it. Also, word-of-mouth publicity through digital media leads to strategic and financial advantages (Camilleri, 2018).

This study is similar to the research conducted by Chattopadhyay (2019) and Razak et al. (2016), which stated that improving the quality of products and services has a positive and significant effect on shaping customer satisfaction and loyalty in the MSME sector. Puspaningrum (2020) also reports that it affects business performance. Furthermore, Nugraheni et al. (2020) stated that SMEs have implemented specific strategies in dealing with the pandemic. Among them are improving the quality of products and services and utilizing technology to support their business activities.

3.2.5. Customer Relationship Marketing

The results of this study indicate that about 20% or about 27 small shoe business actors not only focus on creating new customers but also try to maintain and build good relationships with their clients and other parties, such as delivery service providers. This is in line with research conducted by Kotler and Armstrong (2012) and Tien et al. (2006), which states that for SMEs to increase their competitive advantage, strengthening customer management needs to be done effectively, primarily by increasing customer satisfaction and maintaining good relationships with them. During the current COVID-19 crisis, small shoe businesses stated that increasing online sales or a modern business must be complemented by good customer relations to prevent them from looking for other companies. Nugraheni et al. (2020) reported that SMEs must use technology to support their business performance to survive the pandemic. Meanwhile, Rosalina et al. (2017) stated that one of the modern business approaches is to consider customers before and after the transaction.

Research findings show that some shoe businesses specifically assign administrative staff to maintain and build online communication and respond quickly to complaints, questions, or other information that customers need, even though the features are relatively simple. This is in line with Rosalina et al. (2017), which state that the characteristics of MSME customer relationship marketing modeling in Banten do not require features like those of large companies. However, they need simple features that suit the needs of MSMEs and local languages to present a user-friendly impression to MSME actors. Furthermore, the study results show that several small shoe businesses have built and maintained good relationships with customers and other parties, online and offline, and building trust in other activities. This aims to increase satisfaction, strengthen customer loyalty, and of course, be able to achieve the sales targets that have been set. This is in line with research conducted by Farida and Yuniawan (2017), which states that customer relationship marketing has a positive and significant effect on improving the marketing performance of MSMEs. This strategy increases customer loyalty, serves as the most effective marketing activity targeted to retain the best customers, increases efficiency, reduces costs, and is a compelling investment to improve internal and external business processes (Gil-Gomez., 2020). In line with that, Tien and Chiu., (2006) stated that to increase the competitive advantage of SMEs, strengthening customer management needs to be done effectively, primarily by increasing customer satisfaction and maintaining good relationships with clients. The study further found that those with stable businesses implemented online survival and marketing strategies. These actors have an entrepreneurial attitude characterized by enthusiasm, hard work, flexibility, responsiveness to changes and technological developments, and the ability to collaborate.
Table 2. Research findings analysis of the development of leading small business survival strategies and online marketing

<table>
<thead>
<tr>
<th>No</th>
<th>Finding</th>
<th>Description of Research Findings</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Online Marketing Strategy</td>
<td>Promotion through online media makes it easier to reach customers in terms of introducing or selling products without meeting in person.</td>
</tr>
<tr>
<td>2</td>
<td>E-Commerce</td>
<td>20% or 34 small shoe businesses use e-commerce platforms such as Shopee, Lazada, Buka, Tokopedia, and Blibli</td>
</tr>
<tr>
<td>3</td>
<td>Digital Marketing</td>
<td>Digital marketing has a positive impact on small shoe businesses, namely increasing customer reach, sales, and revenue, apart from being a learning process in improving business performance.</td>
</tr>
<tr>
<td>4</td>
<td>Product and Service Quality</td>
<td>20% or 27 small business actors responded to the pandemic by improving the quality of their services, including online sales using a hotline that is easily accessible to customers, delivery using online transportation, and courier service applications, namely Gojek and Grab, and delivery services such as JNE.</td>
</tr>
<tr>
<td>5</td>
<td>Customer Relationship Marketing</td>
<td>The shoe business actor specifically assigns his administrative staff to maintain and build online communication and respond quickly to complaints, questions, or other information that customers need, despite the fact that the features are relatively simple.</td>
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</table>

4. Conclusion

The small shoe business in Bandung City has contributed and played an essential role in the regional economy. However, the current COVID-19 pandemic has hurt SMEs, as indicated by a decline in sales turnover. The government's social distancing rules have forced SMEs to formulate and adopt survival strategies. This shows that most small shoe businesses that adopt a survival strategy are a choice amid the scarcity of raw materials, where they need to adapt to the external environment to ensure their business continuity. It also refers to business continuity measures that focus on solving problems by not increasing the selling price of the product and reducing the profit target. In addition, they also implement online marketing strategies, including e-commerce, digital marketing, improving product and service quality, and customer relationship marketing, which positively impact small businesses' resilience during the COVID-19 crisis. The findings of this study indicate that most small businesses fail to implement this strategy due to limited facilitation, knowledge, and assistance from related parties. On the other hand, those who implement the system are driven by an entrepreneurial spirit, flexibility, responsiveness to changes and technological developments, and the ability to collaborate with various stakeholders. This research is limited because it only focuses on small-scale shoe businesses and does not examine the full scale of MSMEs. However, it provides valuable information regarding the implementation of survival strategies and online marketing during the COVID-19 pandemic. It is recommended that relevant stakeholders such as local governments and universities are advised to use the results of this study as a reference for further research and implementation of IT-based Small Business development programs through training, technical guidance, and business assistance, as well as facilitation needed by MSMEs in dealing with the pandemic. And it is recommended that more comprehensive research on MSMEs in the city of Bandung and local government policies in overcoming the limitations of raw materials and the application of information technology and online marketing for small businesses is recommended.

References


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