

Cogent Business & Management

Social media, saving the F&B business in the Covid-19 era?

--Manuscript Draft--

Full Title:	Social media, saving the F&B business in the Covid-19 era?
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Abstract:	<p>Covid-19 has caused an economic recession, including uncertainty over the food and beverage sector. One of the layers of business that is vulnerable to pandemic attacks is cafés and restaurants. Recently, many café and restaurant businesses have been closed as a series of polemics that have resulted in operational cost losses. At the same time, the government issued regulations related to tightening regional quarantines. Automatically, these rules stimulate a transition in reforming innovation. Responding to the opposite situation, this paper is committed to investigating the effects of product delivery innovation, cashless payments, and social media engagement on marketing performance. The object of this study is oriented towards 146 cafés and restaurants spread across many major cities in Indonesia. The online survey is centered on the owner and barista. Systematics and data interpretation via SEM-PLS. Unfortunately, the empirical output proves that product delivery innovation and cashless payments have no impact on marketing performance. Uniquely, social media engagement actually has an impact on marketing performance. Besides that, product delivery innovation and cashless payments through the role of social media engagement have an impact on marketing performance. The emergence of Covid-19 in Indonesia presents that social media trends can develop a harmonious relationship between producers and customers. Going forward, the findings of this study have the ambition to promote a more complex literary lens.</p> <p>Recently is not applicable if you are referring to Covid</p> <p>Rephrase</p> <p>Rephrase</p>

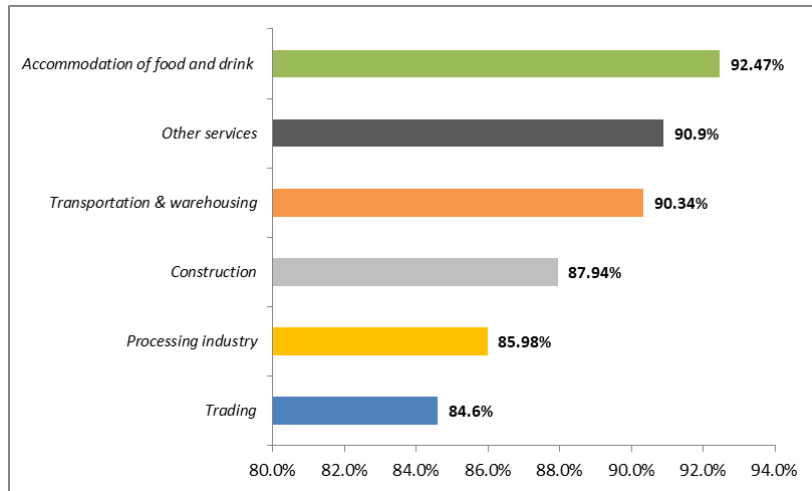


Figure 1. Percentage of decrease in turnover based on business structure

Source: Katadata (2020)

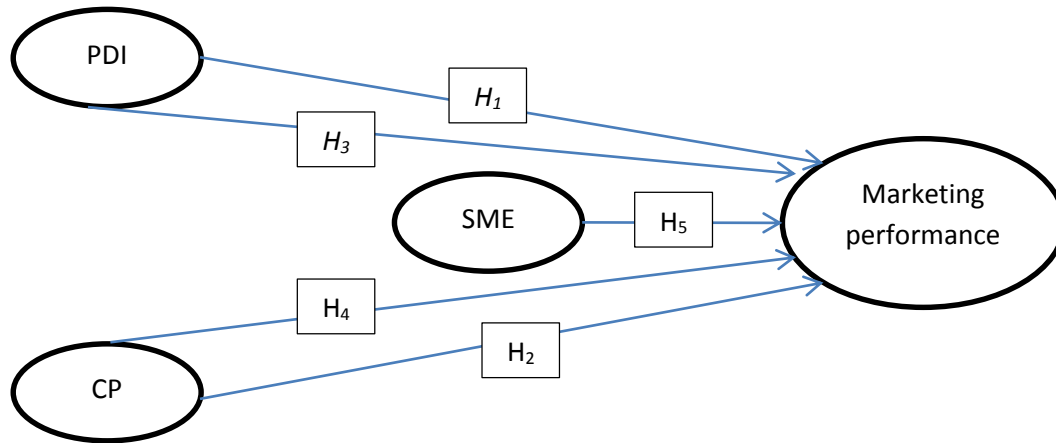


Figure 2. Hypothetical framework

Source: Own.

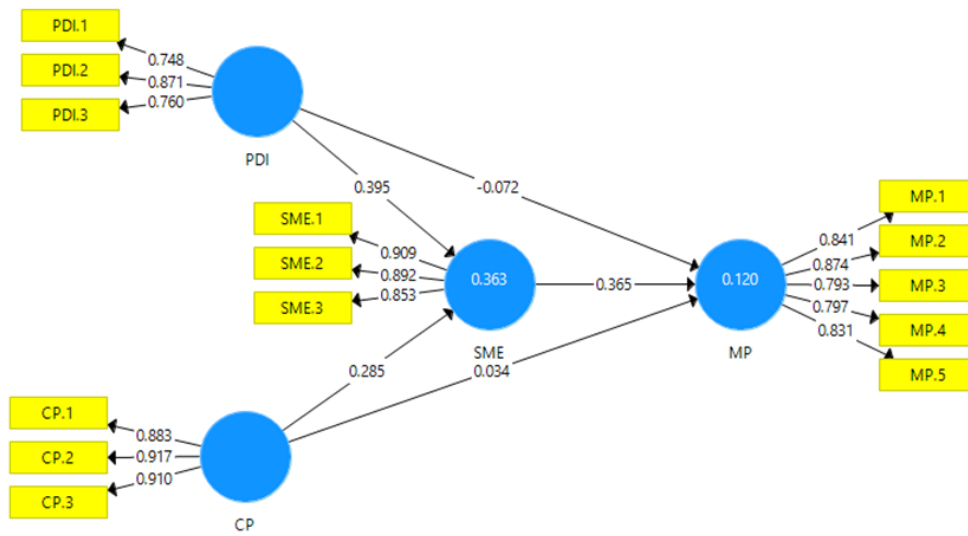


Figure 2. Output of SEM and proving the hypothesis

Source: Own.

Table 1. Scheme and variable limits

Variables/abbreviations	Type	Measurement	Literatures
Product Delivery Innovation (PDI)	Exogenous	Various product delivery innovations by cafes or restaurants to continue to exist serving buyers.	Martins & Ledimo (2015), Negruşa et al. (2017), Reguia (2014)
Cashless Payment (CP)	Exogenous	Manufacturing of non-cash payments owned by cafes or restaurants to facilitate purchase transactions.	Kumari & Khanna (2017), Tee & Ong (2016)
Social Media Engagement (SME)	Intervening	A social media network regularly managed by cafes and restaurants to keep in touch with consumers.	Di Gangi & Wasko (2016), Eslami et al. (2022), Trunfio & Rossi (2021)
Marketing Performance (MP)	Endogenous	Marketing performance at cafes and restaurants includes: turnover, consumers, customer satisfaction, repurchases, and average consumer purchases.	Brunswick (2014), Frösén et al. (2013), Mone et al. (2013), Wijayanti et al. (2022)

Table 2. Position of respondents in business (n = 146)

Items	F	%
Owner's family	16	11
Barista	30	20.5
Business development lead	1	0.7
Founder	1	0.7
General manager	2	1.4
Employee	31	21.2
Cashier	1	0.7
Head of restaurant	1	0.7
Kitchen	6	4.1
Manager	20	13.7
Marketing	1	0.7
Owner	31	21.2
Purchasing	1	0.7
Secretary	1	0.7
Sosial media specialist	1	0.7
Supervisor	2	1.4

Table 3. Origin of business units

Provinces	F	%
Bali	1	0.7
Bangka Belitung	1	0.7
Banten	13	8.9
DI Yogyakarta	13	8.9
DKI Jakarta	24	16.4
West Java	20	13.7
Central Java	34	23.3
East Java	6	4.1
West Kalimantan	18	12.3
East Kalimantan	10	6.8
NTB	1	0.7
Riau	2	1.4
South Sulawesi	1	0.7
Central Sulawesi	1	0.7
South Sumatra	1	0.7
Maluku	2	1.4

Table 4. Business experience

Duration	F	%
3 years	35	24
4 years	27	18.5
5 years	27	18.5
6 years	11	7.5
7 years	15	10.2
8 years	9	6.2

Table 5. Cafe and restaurant employees

Employee	F	%
< 5	88	60
6–10	47	32
11–15	6	5
16–24	5	3

Table 6. Turnover before the pandemic

Turnover	F	%
< 10 million	33	22.6
10–25 million	50	34.2
26–50 million	32	21.9
51–100 million	17	11.6
101–300 million	9	6.2
>300 million	5	3.4

Table 7. Post-pandemic turnover

Turnover	F	%
< 10 million	55	37.7
10–25 million	46	31.5
25–50 million	24	16.5
51–100 million	13	8.9
101–300 million	5	3.4
>300 million	3	2.1

Table 8. Turnover analysis

Turnover	F	%
Up	4	2.7
No changes	80	54.8
Down	62	42.5

Table 9. Use of social media

Social media	F	%
Facebook	65	17.6
Instagram	142	38.4
WhatsApp	64	17.3
Twitter	23	6.2
Youtube	15	4.1
TikTok	58	15.7
LinkedIn	3	0.8

Table 10. The most influential social media

Social media	F	%
Facebook	10	6.8
Instagram	113	77.4
Whatsapp	5	3.4
Youtube	1	0.7
TikTok	17	11.6

Table 11. Follower intensity

Followers	F	%
<1,000	46	31.5
1,001–10,000	62	42.5
10,001–100,000	23	15.8
100,001–1,000,000	12	8.2
> 1,000,000	3	2.1

Table 12. Number of posts

Social media	F	%
<100	67	45.9
101–500	48	32.9
501–1,000	17	11.6
> 1,000	12	8.2

Table 13. The average number of “likes”.

Social media	F	%
<100	76	52.1
101–500	56	38.4
501–1,000	11	7.5
> 1,000	3	2.1

Table 14. Average number of accounts commenting

Social media	F	%
<100	126	86.3
101–500	17	11.6
501–1,000	2	1.4
> 1,000	1	0.7

Table 15. Crosstab between fluctuations in turnover and the number of followers

			Followers					Total
			<1,000	1,001–10,000	10,001–100,000	100,001–1,000,000	> 1,000,000	
Turn-over	Up	N	1	3	0	0	0	4
		%	25%	75%	0%	0%	0%	100%
	No changes	N	28	32	11	7	2	80
		%	35%	40%	14%	9%	2%	100%
	Down	N	17	27	12	5	1	62
		%	27%	44%	19%	8%	2%	100%
Total		N	46	62	23	12	3	146
		%	32%	43%	16%	8%	2%	100%

Tabel 16. Crosstab between turnover fluctuations and the most popular social media

			Social media					Total
			Facebook	Instagram	WhatsApp	Youtube	TikTok	
Turn-over	Up	N	0	3	0	0	1	4
		%	0%	75%	0%	0%	25%	100%
	No changes	N	5	65	3	0	7	80
		%	6.3%	81.3%	3.8%	0%	8.8%	100%
	Down	N	5	45	2	1	9	62
		%	8.1%	72.6%	3.2%	1.6%	14.5%	100%
Total		N	10	113	5	1	17	146
		%	6.8%	77.4%	3.4%	0.7%	11.6%	100%

Table 17. Direct relationship between variables

Effect	Coefficient	T-statistics	ρ
PDI -> MP	-0.072	0.516	0.606
CP -> MP	0.034	0.367	0.714
SME -> MP	0.365	3.545	0.000

Source: Own.

Table 18. Indirect relationship between variables

Effect	Coefficient	T-statistics	ρ
PDI -> SME -> MP	0.144	2.458	0.014
CP -> SME -> MP	0.104	2.264	0.024

Source: Own.

Social media, saving the F&B business in the Covid-19 era?

Abstract

Covid-19 has caused an economic recession, including uncertainty over the food and beverage sector. One of the layers of business that is vulnerable to pandemic attacks is cafés and restaurants. ~~Recently, many café and restaurant businesses have been closed as a series of polemics that have resulted in operational cost losses. At the same time, the government issued regulations related to tightening regional quarantines. Automatically, these rules stimulate a transition in reforming innovation. Responding to the opposite situation,~~ this paper is committed to investigating the effects of product delivery innovation, cashless payments, and social media engagement on marketing performance. The ~~object~~ of this study is oriented towards 146 cafés and restaurants spread across many major cities in Indonesia. The online survey is centered on the owner and barista. ~~Systematics and data interpretation via SEM-PLS. Unfortunately,~~ the empirical output proves that product delivery innovation and cashless payments have no impact on marketing performance. Uniquely, social media engagement actually has an impact on marketing performance. Besides that, product delivery innovation and cashless payments through the role of social media engagement have an impact on marketing performance. The emergence of Covid-19 in Indonesia presents that social media trends can develop a harmonious relationship between producers and customers. Going forward, the findings of this study have the ambition to promote a more complex literary lens.

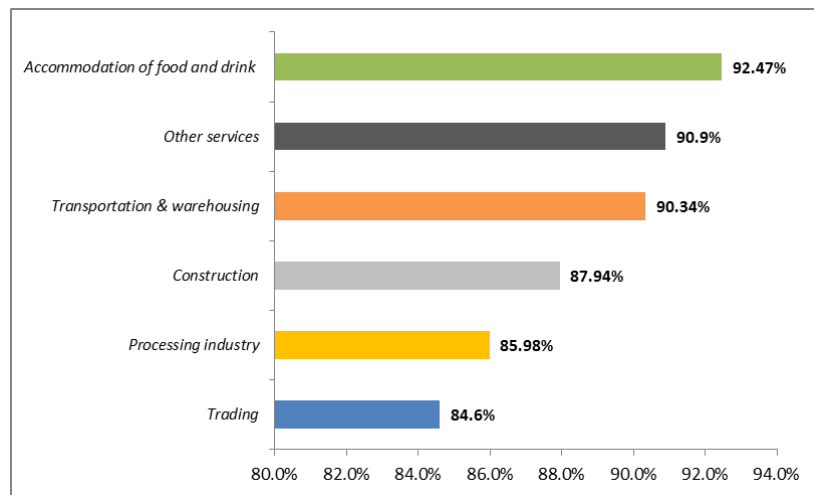
Keyword: *cashless payment, social media engagement, food and beverages, marketing performance, product delivery innovation.*

1. Introduction

The Covid-19 pandemic, which began in early 2020, has disrupted systems in almost all parts of the world, including Indonesia. ~~There is only an option to prevent the spread of the infection and that is routine restrictions within the scope of schools, offices, campuses, companies and public zones (Fitriadi et al., 2022).~~ To protect the health of the population, the Indonesian government has implemented a mobility lockdown at the local–regional–border–national level since March 2020. Most activities **are** carried out online, and this is articulated by stopping the flow of transportation between regions and between countries. At its peak, it also drastically worsens the turnover of the business mix. Figure 1 below describes the collapse of several business foundations that have so far been very dependent on turnover.

Suggestion to rephrase

1 In July 2020, the average growth in 6 business fields whose turnover was hit by the
2 pandemic reached 88.71%. In detail, the macroeconomic slowdown reduced turnover
3 by 92.47% in the food and beverage accommodation cluster (rank 1). This discrepancy
4 was also seen in other service clusters, where turnover decreased quite markedly to
5 90.9% (rank 2). Then, in rank 3, transportation and warehousing: 90.34%, rank 4:
6 87.94% construction, rank 5: 85.98% processing industry, and rank 6: 84.6% trade.
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Figure 1. Percentage of decrease in turnover based on business structure

32 Source: Katadata (2020)

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36 The consequences of the economic disruption have caused café and restaurant
37 businesses to seek alternative solutions ~~to continue to exist~~. There are 2 ideal
38 strategies that are possible. One of them is optimizing social media, so that you can get
39 closer to customers through the introduction of a product and facilities. Another
40 anticipation is channeling service innovation in the form of "product delivery" which is
41 claimed to guarantee security for cafe-restaurant customers. Then, also increasing take
42 away services whose management is in partnership with online food delivery (OFD)
43 such as: GoFood, Grab, and Shopee, or bridging services delivered by producers
44 themselves to consumers.
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53 Expanding online-based take away services requires cafés and restaurants to
54 provide cashless payments, which in practice are realized with e-wallets, such as OVO,
55 Funds, GoPay, Shopeepay, and various payment media. In addition, payments also
56 start m-banking for customers who do not have e-wallets.
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1 Marolt et al. (2020) argued that social media engagement correlates with
2 marketing performance in the case of large companies. In line with other publications
3 highlighted by Mohammad (2020) and Garg et al. (2020) that marketing performance
4 is largely determined by customer engagement. Simple evidence that is applied in
5 studying customer engagement is social media. In the context of cashless payments
6 and marketing performance, Odior & Banuso (2013), Akhalumeh & Ohioka (2012), and
7 Tunji (2013) stated that cashless payments improve marketing performance in various
8 business sectors. What is also fundamental when talking about the relationship
9 between product delivery innovation (PDI) and marketing performance. PDI, which
10 focuses on OFD to supporting cafés and restaurants to boost their marketing
11 performance (Alalwan, 2020; Chavan et al., 2015; and Keeble et al., 2020).

12 Referring to the dynamics of Covid-19 which are traps, worries, and contact with
13 entrepreneurship, few publications have discussed the relationship between PDI,
14 cashless payments, and social media engagement on marketing performance. For this
15 reason, seeing the gap in the unequal study, this paper took the initiative to evaluate
16 the contribution of PDI, cashless payments, and social media engagement in building
17 marketing performance that focuses on cafés and restaurants. Specifically, the
18 element being explored is social media engagement as a reinforcement of the
19 relationship between PDI and cashless payments on marketing performance.

20 **2. Literature review**

21 **2.1. Marketing performance**

22 From a theoretical point of view, company value is indicated by performance
23 (Ratnasari et al., 2020). Performance often represents the impact of the company's
24 strategy. Company strategy is always directed at performance, whether identified from
25 marketing, human resources, or finance (Ferdinand & Zuhroh, 2022). Setiawan &
26 Ferdinand (2021) concluded that inclusive marketing performance, synergizes at the
27 level of sales, growth, and market share dominance. On the other hand, Saeko (2012)
28 argues that marketing performance can bring business success from the sales, market
29 and financial pillars.

1 Gao (2008) relates marketing performance to changes in 3 dimensions:
2 effectiveness, efficiency, and adoption. From the perspective of effectiveness and
3 efficiency, it includes the company's marketing methods to get revenue, market
4 growth, and market share. On the one hand, adaptability in the market is the key that
5 companies must emulate to quickly capture any shifts, needs, and market tastes
6 induced by external and internal factors.

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12 Concretely, Covid-19 provides challenges and opportunities for businesses to
13 catch up with the market, especially cafés and restaurants as types of businesses that
14 are critically affected (e.g. Lee & Ham, 2021; Sardar et al., 2022). New colors are
15 urgently needed, considering policy renovations considering they have loyal customers
16 or predicting the addition of new customers followed by an impressive number of
17 transactions (Norris et al., 2021; Pan & Ha, 2021; Suh et al., 2022).

26 **2.2. Social media engagement**

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28 Basically, customer engagement serves to strengthen the emotional connection
29 between companies and customers to maintain business performance (Brodie et al.,
30 2013). So et al. (2014) explained about customer engagement as a related component
31 between companies and customers in marketing. Hollebeek et al. (2014) added that
32 social media customer engagement is the integration between customers and
33 companies that is inherent in terms of communication, experiences, and online
34 communities on social media. To bind consumer loyalty, marketing planning is needed
35 in customer engagement. From the definitions above, it is verified that customer
36 engagement is placed on the company's priority scale.

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Social media engagement is one of the company's movements to gain customer sympathy through content uploaded by the creative team on social media. In general, effective social media engagement can be seen from the likes, comments, and shares of its followers. In content that is live interaction, the level of enthusiasm is reflected by those who are connected or joined in the content.

Academic texts that discuss social media engagement on marketing performance are explored by Bilgin (2018), Cao et al. (2021), Lee & Park (2022), Muchardie et al.

1 (2016), and Tajvidi & Karami (2021). From social media, there are positive sensations
2 that are poured out by consumers in assessing a product, so this will determine the
3 prestige of the company. Conversely, if communication is built in a bad habitat, it is
4 connected explosively, which in the end thwarts marketing preferences.
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10 **2.3. Cashless payment**

11 In the last decade, Indonesian people have become accustomed to non-cash
12 payment instruments (Roy et al., 2020). Since Bank Indonesia launched the "National
13 Non-Cash Movement (GNNT)", the cashless payment method has become increasingly
14 popular in Indonesia (Hamsal, 2016; Wasiaturrahma et al., 2019). Cashless payments
15 make transactions safer, more practical, easier, and more efficient (Yang et al., 2021).
16 The forms of cashless payments are e-wallets, m-banking and payments via cash
17 deposit machines (Yakean, 2020).
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26 E-wallet or digital wallet is a financial platform, which does not have an accessible
27 physical form and does not focus on electronic devices such as smartphones. Payment
28 using an e-wallet is considered a digital portrait that is quite expansive, because every
29 transaction benefits from convenience, flexibility, and high protection. In Indonesia,
30 reputable e-wallets include: GoPay, OVO, ShopeePay, LinkAja, Dana and GrabPay.
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36 During the pandemic, several businesses in Europe, especially cafés and
37 responders instructed cashless payments for every transaction and this was actively
38 responded by consumers (e.g. Kotkowski & Polasik, 2021; Wisniewski et al., 2021). The
39 reason is, this method has boosted online marketing carried out by many sellers to
40 benefit customers in terms of energy and time efficiency, while maintaining marketing
41 performance.
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47 The use of cashless payments for marketing has been tested in Malaysia (Lu &
48 Kosim, 2022; Rahman et al., 2020; Rahman et al., 2022), Nigeria (Wali et al., 2014), and
49 Indonesia (Istijanto & Handoko, 2020), Taiwan (Liu et al., 2022). The findings show that
50 progressive cashless payments are able to improve marketing performance in selected
51 business sectors, including the café and restaurant business.
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2.4. Product delivery innovation

To detect marketing progress, one of the things that must be done by café and restaurant businesses during a pandemic is to combine product delivery with sales levels that distribute services to customers in the midst of Covid-19. Besides the minimal freedom, there is also concern over exposure to the virus, which at any time threatens to threaten the lives of buyers. Even though some customers do not pay attention to health protocols when enjoying café and restaurant dishes in open or closed spaces, this does not rule out the possibility of violating the authority and actually causing havoc. This dilemma must be considered by café and restaurant owners in developing delivery services. So far, in Indonesia, the innovations that have been made are joining OFD, for example: GoFood, Shopee, and Grab (Candra et al., 2021; Kartono & Tjahjadi, 2021; Kurniasari et al., 2022; Salma & Rachmawati, 2022).

According to See-Kwong et al. (2017), the completeness of OFD services can provide convenience for consumers and benefit business owners. OFD services also solve the problem of the buying process in restaurants and cafes, where consumers are faced with remote locations at the same time (Chai & Yat, 2019; Yeo et al., 2017; Gupta & Paul, 2016). Apart from collaborating with OFD, other applications designed by cafes and restaurants also accommodate drive-in services or change dining chairs in an open space, and manage food delivery services themselves.

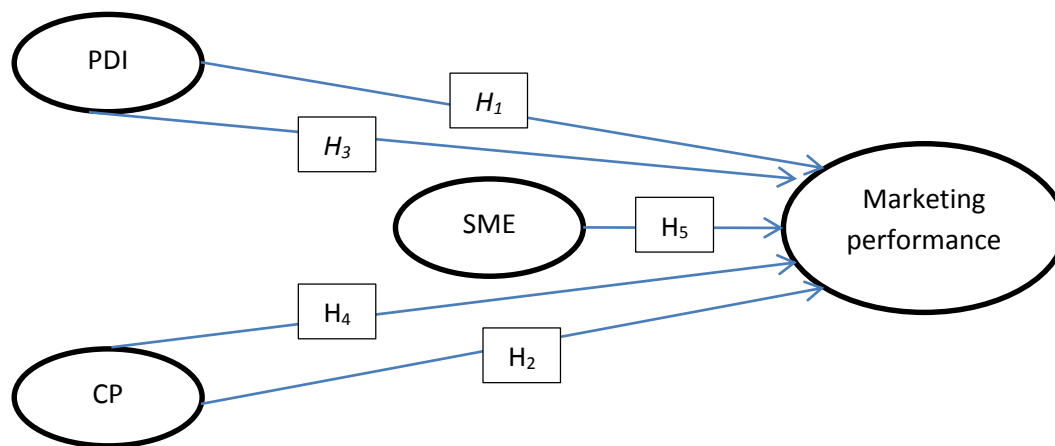
Chen et al. (2009), Davcik & Sharma (2017), Gómez-Prado et al. (2022), Montero et al. (2017), and Shin et al. (2022), studied that PDI has a positive influence on marketing performance. Dramatically, PDI's emphasis on OFD applications that have a competitive advantage can expand product segments, one example is marketing performance capabilities.

3. Conceptual framework

Vigilance against Covid-19, which brings health ratings to the public, especially the background to changes in consumer behavior towards purchasing food and beverage products. At the contiguous time, autonomy limits social activities by the government,

1 reforming business policies to create new formats that are more creative amid
2 restrictions and controls that trigger the burden of loss.

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5 Lockdown control has made culinary connoisseurs, who initially mostly visited
6 cafés and restaurants, have stopped for an unspecified period. As a result, the business
7 layer does not serve consumers in the café and restaurant environment. For this
8 reason, it is necessary to check and diversify business patterns that meet lockdown
9 standards without ignoring mass crowds in the near. As an illustration, dine-in service,
10 placing open garden facilities, or drive-in. So, for direct service, selective control of
11 equipment and product hygiene supervision is required. For consumers who join
12 product delivery services, product ordering and delivery is supported by an online
13 application. In fact, cafés and restaurants are also assisted by payment methods via m-
14 banking and e-wallet.



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42 **Figure 2. Hypothetical framework**

43 Source: Own.

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45 Too to education provided by the government, concern is also present from
46 business people who learn about all the drastic changes and contain fast jumps.
47 Concern during the pandemic which slowed down the economy, also dragged people's
48 mobility which is now dominantly done at home, instead integrating them into social
49 media networks that encourage café and restaurant businesses to be active on social
50 media through the launch of the latest products. In fact, among business people, they
51 are also creating new scenarios in product offerings, which allow food and drink
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1 products to be only targeted on social media. Cafés and restaurants develop social
2 media as the main communication standard that channels to potential customers.

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5 The new version of product delivery and cashless payment procedures
6 incorporated in an intense communication package on social media can stimulate the
7 marketing performance of cafés and restaurants consistently. ~~By still balancing~~
8 turnover, wallet share, and customer status. The chronology above forms the basis for
9 the conceptual framework of this research, which is detailed in Figure 2.

10
11 Referring to references written by previous papers and current problems, the
12 following hypothetical assumptions are made:

13
14 H₁: Product delivery innovation have a significant effect on marketing performance.

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16 H₂: Cashless payments have a significant effect on marketing performance.

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18 H₃: Product delivery innovation have a significant effect on marketing performance
19 through social media engagement as an intervening variable.

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21 H₄: Cashless payments have a significant effect on marketing performance through
22 social media engagement as an intervening variable.

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24 H₅: Social media engagement have a significant effect on marketing performance.

25 26 27 28 29 30 31 32 33 34 **4. Methodology**

35 36 **4.1. Database and analysis**

37
38 The characteristics of this study are quantitative, which concentrates on solving
39 and proving the designed hypothesis formula. The mechanism in the data description
40 uses a statistical tool, i.e. the Structural Equation Model–Partial Least Square (SEM–
41 PLS) ~~which~~ functions to analyze a series of quantitative data collected from surveys. In
42 ~~the study capacity, the variable model is modified into 3 items: exogenous,~~
43 ~~intervening, and endogenous variables.~~ Each variable has a classification. Specifically,
44 product delivery innovation and cashless payments function as exogenous variables
45 that affect endogenous variables (marketing performance). Then, the next target is to
46 estimate the two linkages through social media engagement, which acts as an
47 intervening variable.

1 Systematically, the survey data were selected in the questionnaire materials which
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 3 were distributed to the sample units. The sample mechanism in the data description
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 5 uses a statistical tool, for at least 3 years, which means that restaurants and cafés have
 6
 7 survived since the Covid-19 attack in early 2020. Respondents accessed the survey
 8
 9 online. In principle, the simple random sampling method is focused on meeting the
 10
 11 sample criteria and informants who are willing to fill out the questionnaire. The survey
 12
 13 process was conducted from June 2022 to August 2022. The valid sample size is 146
 14
 15 restaurants and cafés.
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 18 **4.2. Variable attribute**
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20 In detail, the instrument is a questionnaire to measure respondents' perceptions
 21
 22 of the variables studied. This questionnaire is divided into 3 pillars: the first part is a
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 24 profile, the second part is a question about the use of social media as a café or
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 26 restaurant marketing communication tool, and the third part describes questions to
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 28 assess perceptions of research variables.
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 32 **Table 1. Scheme and variable limits**
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Variables/abbreviations	Type	Measurement	Literatures
Product Delivery Innovation (PDI)	Exogenous	Various product delivery innovations by cafes or restaurants to continue to exist serving buyers.	Martins & Ledimo (2015), Negruşa et al. (2017), Reguia (2014)
Cashless Payment (CP)	Exogenous	Manufacturing of non-cash payments owned by cafes or restaurants to facilitate purchase transactions.	Kumari & Khanna (2017), Tee & Ong (2016)
Social Media Engagement (SME)	Intervening	A social media network regularly managed by cafes and restaurants to keep in touch with consumers.	Di Gangi & Wasko (2016), Eslami et al. (2022), Trunfio & Rossi (2021)
Marketing Performance (MP)	Endogenous	Marketing performance at cafes and restaurants includes: turnover, consumers, customer satisfaction, repurchases, and average consumer purchases.	Brunswick (2014), Frösén et al. (2013), Mone et al. (2013), Wijayanti et al. (2022)

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 56 In the first portion, the questions are in the form of an open question, then the
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 58 second question is in the form of multiple choice, and the third is a perception
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1 question using a semantic differential scale of 1 (very irrelevant to what is being done)
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3 to 10 (very relevant to what is being done). In the SEM–PLS landscape, the proportion
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5 of variables uses indicators derived from theoretical experience and researchers'
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7 observations. Table 1 above represents operational variables.
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10 **5. Results**

11 **5.1. Respondent profile**

12 To evaluate the characteristics used frequency distribution instrument. Here, the
13 profiles of respondents are based on position, regional background, year of
14 establishment, number of employees, turnover, and use of social media. Each is
15 explained in Table 2 to Table 14.
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24 **Table 2. Position of respondents in business (n = 146)**

25 Items	26 F	27 %
28 Owner's family	16	11
29 Barista	30	20.5
30 Business development lead	1	0.7
31 Founder	1	0.7
32 General manager	2	1.4
33 Employee	31	21.2
34 Cashier	1	0.7
35 Head of restaurant	1	0.7
36 Kitchen	6	4.1
37 Manager	20	13.7
38 Marketing	1	0.7
39 Owner	31	21.2
40 Purchasing	1	0.7
41 Secretary	1	0.7
42 Sosial media specialist	1	0.7
43 Supervisor	2	1.4

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53 Of the 146 respondents, it was generally dominated by owners (21.2%), while
54 employees who did not mention specific positions were 21.2%, and café baristas
55 (20.5%). Interestingly, among them, many held positions as business development
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1 leads, cashier founders, restaurant heads, purchasing, secretaries, and social media
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3 specialists reaching 0.7% (see Table 2).
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7 **Table 3. Origin of business units**

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Provinces	F	%
Bali	1	0.7
Bangka Belitung	1	0.7
Banten	13	8.9
DI Yogyakarta	13	8.9
DKI Jakarta	24	16.4
West Java	20	13.7
Central Java	34	23.3
East Java	6	4.1
West Kalimantan	18	12.3
East Kalimantan	10	6.8
NTB	1	0.7
Riau	2	1.4
South Sulawesi	1	0.7
Central Sulawesi	1	0.7
South Sumatra	1	0.7
Maluku	2	1.4

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36 In Table 3, café and restaurant businesses are spread across Indonesia, mostly
37 operating in Central Java (23.3%). The second highest is 16.4% coming from the center
38 of the Indonesian capital, namely DKI Jakarta and the third is in West Java (13.7%).
39 Broadly speaking, this business incubator is still concentrated in Java. However,
40 referring to Till's situation, the number of cafés and restaurants does attract investors,
41 especially the millennial generation who are growing in this business.
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50 **Table 4. Business experience**

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Duration	F	%
3 years	35	24
4 years	27	18.5
5 years	27	18.5
6 years	11	7.5
7 years	15	10.2

Duration	F	%
8 years	9	6.2

Table 4 illustrates business consistency with reference to the duration of the condition. The cafés and restaurants that are the object of this study are aged between 3–8 years, where the average age of the youngest and the most is 3 years (24%). The rest are businesses within the span of 4–5 years (18.5%), and 10.2% have experience managing a business of around 7 years.

Table 5. Cafe and restaurant employees

Employee	F	%
< 5	88	60
6–10	47	32
11–15	6	5
16–24	5	3

Interestingly, the average number of employees employed in the café and restaurant business is no more than 5 employees (60%). This indicates that the business experience is still young and still in the process of growing. Only 32% of them have 6–10 employees. Interestingly, 5% of businesses are assisted by 11–15 employees and 3% of business operations are managed by 16–24 employees (see Table 5).

5.2. Turnover structure

Table 6 clarifies that the turnover before Covid-19, specifically in the 2019 period, concluded that café and restaurant turnover was in normal conditions. From the results of the interviews, 34.2% of cafés and restaurants had turnover in the range of IDR 10–25 million, 22.6% had turnover below IDR 10 million, 21.9% had turnover of IDR 26–50 million, and 11.6% of these businesses turnover of IDR 51–100 million. On the one hand, 6.2% of cafés and restaurants have a turnover of between IDR 101–300 million and 3.4% above IDR 300 million.

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Table 6. Turnover before the pandemic

Turnover	F	%
< 10 million	33	22.6
10–25 million	50	34.2
26–50 million	32	21.9
51–100 million	17	11.6
101–300 million	9	6.2
>300 million	5	3.4

Surprisingly, Table 7 finds that there has been a significant shift after Covid-19, which has had an impact on business pressure. Since early 2020 until now, 37.7% of respondents admit that their business turnover is no more than IDR 10 million. Turnover in the range of IDR 10–25 million reaches 31.5%, and IDR 25–50 million is 16.5%. Conversely, there are 8.9% who think that their turnover is still under control with a nominal value of IDR 51–100 million.

Table 7. Post-pandemic turnover

Turnover	F	%
< 10 million	55	37.7
10–25 million	46	31.5
25–50 million	24	16.5
51–100 million	13	8.9
101–300 million	5	3.4
>300 million	3	2.1

The presence of Covid-19 in Indonesia has weakened the business sector, including cafés and restaurants. ~~Yet, unexpectedly,~~ 42.5% of respondents stated that their turnover had decreased and most of them, or 54.8%, had stable turnover and only 2.7% whose turnover progressed.

Table 8. Turnover analysis

Turnover	F	%
Up	4	2.7
No changes	80	54.8
Down	62	42.5

The presence of Covid-19 in Indonesia has weakened the business sector, including cafés and restaurants. But, unexpectedly, Table 8 shows 42.5% of respondents who stated that their turnover had decreased and most of them, or 54.8%, had stable turnover and only 2.7% whose turnover progressed.

All respondents have introduced their products to bring a wider variety of products closer to consumers via social media popularity (see Table 9). The group that actively uses Instagram (38.4%) is more dominant than other types of social media such as Facebook (17.6%), WhatsApp (17.3%), TikTok (15.7%), Twitter (6.2%), YouTube (4.1%), and LinkedIn (0.8%).

Table 9. Use of social media

Social media	F	%
Facebook	65	17.6
Instagram	142	38.4
WhatsApp	64	17.3
Twitter	23	6.2
Youtube	15	4.1
TikTok	58	15.7
LinkedIn	3	0.8

From Table 10, it is evident that the social media that receives the most response from consumers is Instagram (77.4%). Concretely, Instagram is seen by consumers as the most easily understood and simple medium for displaying new products offered. Even though since the emergence of media such as TikTok "booming" until now, only 11.6% of respondents admitted that consumers prefer to channel communication about products. Others, such as Facebook (6.8%), WhatsApp (3.4%), and YouTube (0.7%), also serve to increase consumer knowledge to extract and exchange product information. In essence, Instagram as a medium has the most implications for the marketing performance of cafés and restaurants.

Table 10. The most influential social media

Social media	F	%
Facebook	10	6.8

Instagram	113	77.4
Whatsapp	5	3.4
Youtube	1	0.7
TikTok	17	11.6

Uniquely, since the respondents installed social media, it has triggered an impressive increase in followers. Based on the seven social media described above, the more often café and restaurant owners are active and interact with consumers, the more followers they add. In Table 11, it is shown that 42.5% of respondents said that their follower volume was: 1,001–10,000. Then, 31.5% of respondents stated that their followers were: <1,000, 15.8% who had followers: 10,001–100,000, 8.2% of respondents with followers: 100,001–1,000,000, and 2.1% of respondents whose followers: > 1,000,000.

Table 11. Follower intensity

Followers	F	%
<1,000	46	31.5
1,001–10,000	62	42.5
10,001–100,000	23	15.8
100,001–1,000,000	12	8.2
> 1,000,000	3	2.1

The number of posts uploaded is an indicator of how active the respondent is in communicating with the audience. From the survey, it is known that 45.9% until now have uploaded less than 100 content and 8.2% are very active on social media by uploading more than 1,000 content. Then, Table 12 also represents that there was a positive transition when 32.9% of respondents instructed the marketing division to continue being active on social media and this can be seen from 101 to 500 posts and 11.6% who were even more active through 501–1,000 posts.

Table 12. Number of posts

Social media	F	%
<100	67	45.9

101–500	48	32.9
501–1,000	17	11.6
> 1,000	12	8.2

Many followers do not guarantee that the uploaded content will get many likes, because most of the respondents, 52.1% answered that the content they uploaded was liked less than 100. And only 2.1% stated that the content was liked on average more than 1,000 (see Table 13). Then, there were 101–500 (38.4%) and 501–1,000 (7.5%) likes for the content presented by respondents.

Table 13. The average number of “likes”.

Social media	F	%
<100	76	52.1
101–500	56	38.4
501–1,000	11	7.5
> 1,000	3	2.1

Content uploaded by 86.3% of respondents has been commented on by less than 100 people and only 0.7% has been commented on by more than 1,000 people. In fact, from the uploaded content, as much as 11.6% responded to 101–500 social media. 1.4% of accounts commented on 501–1,000 posts (see Table 14).

Table 14. Average number of accounts commenting

Social media	F	%
<100	126	86.3
101–500	17	11.6
501–1,000	2	1.4
> 1,000	1	0.7

Table 15 reflects the cross-tab analysis, which concludes that the number of followers does not guarantee an increase in turnover. This is because cafés and restaurants with many followers above 100,000 actually experienced a 2% decline and stagnant marketing performance. In contrast to followers who are under 1,000,

turnover is actually at a "steady" level (35%). Café and restaurant businesses that have followers in the range of 1,001–10,000 have seen an increase in turnover even though Covid-19 hit Indonesia. Logically, there is no unidirectional relationship between follower volume and turnover, where this is represented by followers in 3 scopes: 10,001–100,000, 100,001–1,000,000, or > 1,000,000 whose consequence is contrast to turnover.

Table 15. Crosstab between fluctuations in turnover and the number of followers

			Followers					Total
			<1,000	1,001–10,000	10,001–100,000	100,001–1,000,000	> 1,000,000	
Turn-over	Up	N	1	3	0	0	0	4
		%	25%	75%	0%	0%	0%	100%
	No changes	N	28	32	11	7	2	80
		%	35%	40%	14%	9%	2%	100%
	Down	N	17	27	12	5	1	62
		%	27%	44%	19%	8%	2%	100%
Total		N	46	62	23	12	3	146
		%	32%	43%	16%	8%	2%	100%

Table 16. Crosstab between turnover fluctuations and the most popular social media

			Social media					Total
			Facebook	Instagram	WhatsApp	Youtube	TikTok	
Turn-over	Up	N	0	3	0	0	1	4
		%	0%	75%	0%	0%	25%	100%
	No changes	N	5	65	3	0	7	80
		%	6.3%	81.3%	3.8%	0%	8.8%	100%
	Down	N	5	45	2	1	9	62
		%	8.1%	72.6%	3.2%	1.6%	14.5%	100%
Total		N	10	113	5	1	17	146
		%	6.8%	77.4%	3.4%	0.7%	11.6%	100%

Surprisingly, based on Table 16 above, it was concluded that most of the respondents whose turnover increased (75%), remained (81.3%), or decreased (72.6%)

simultaneously admitted that Instagram social media had the most influence on running a business. On the one hand, business people who use Facebook, WhatsApp, and YouTube think that it has no impact on turnover.

5.3. Findings

Figure 3 describes the partial SEM output and mediates the link between product delivery innovation (PDI) and cashless payment (CP) on social media engagement (SME) and marketing performance (MP).

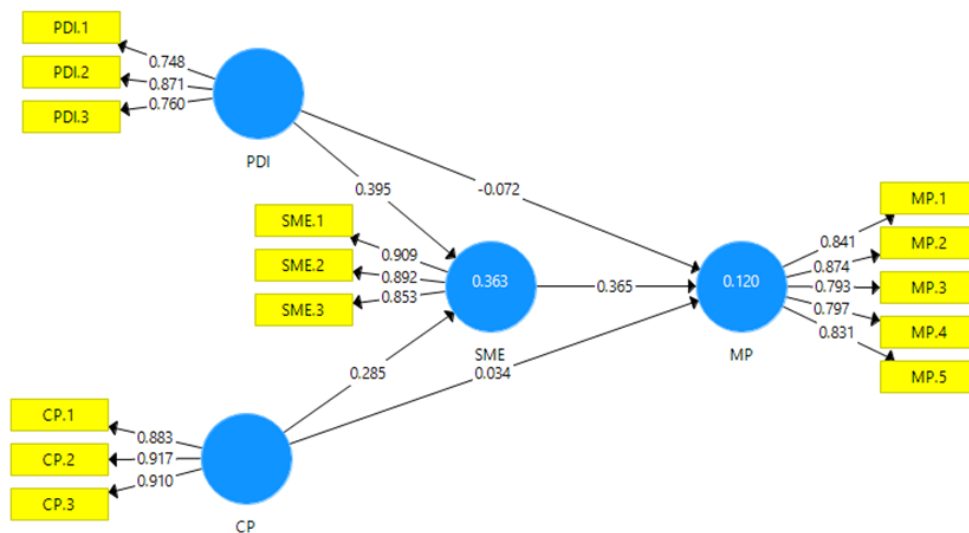


Figure 3. Output of SEM and proving the hypothesis

Source: Own.

The causality between PDI and MP yields a T-statistics score = 0.516 and probability = 0.606. The results of this test show that the T-statistics < 1.96 and $\rho > 0.05$. It was concluded that there was no significant effect of PDI on MP, so hypothesis 1 was rejected. This is consistent with the effect of CP on MP, where the T-statistics score = 0.367 and probability = 0.714. Thus, Table 17 finds that T-statistics < 1.96 with $\rho > 0.05$. There is no significant effect of CP on MP, which can be concluded if hypothesis 2 is rejected.

Table 17. Direct relationship between variables

Effect	Coefficient	T-statistics	ρ
--------	-------------	--------------	--------

PDI -> MP	-0.072	0.516	0.606
CP -> MP	0.034	0.367	0.714
SME -> MP	0.365	3.545	0.000

Source: Own.

What is interesting is the significant trend between SMEs and MPs. The T-statistics score = 3.545 and probability = 0.000. From the results of these statistics, the T-statistics score > 1.96 and $p < 0.05$. That is, there is a significant effect of SME on MP. The third hypothesis is accepted. The resulting coefficient score is positive (0.365). Thus, the better the SME, the more likely it is to increase MP in the long term.

Table 18. Indirect relationship between variables

Effect	Coefficient	T-statistics	p
PDI -> SME -> MP	0.144	2.458	0.014
CP -> SME -> MP	0.104	2.264	0.024

Source: Own.

Referring to Table 18, the relationship between PDI and CP to MP mediated by SME produces T-statistics scores = 2.458 and 2.264, then probabilities = 0.014 and 0.024. If the T-statistic > 1.96 and $p < 0.05$, then there is a significant influence between PDI and CP on MP through the role of SME. Hypotheses 4 and 5 are also accepted. The contribution coefficient of PDI = 0.144 and CP = 0.104 indicates that the more SME increases in each PDI and CP, the MP increases in a positive long period.

6. Discussions

Hypothesis 1 which reads that "product delivery innovation has an effect on marketing performance", but that is not proven. Since the arrival of the pandemic, many regulations have been issued by the government aimed at suppressing the spread of the virus. In fact, these rules essentially limit people's social contact, including implementation through monitoring the operating hours of cafés and restaurants, reducing visiting hours for each consumer, and limiting visitor capacity. To its peak, cafés and restaurants were literally not allowed to accept visitors at all. This polemic actually dampens the sustainability of the café and restaurant business. Many

1 of the cafés and restaurants were forced to close their business, because they
2 continued to suffer losses.
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5 This regulatory tendency which has lasted for about 2 years has also forced cafés
6 and restaurants to transform towards various innovations to survive, one of which is
7 changing innovation through product delivery. The popularized innovation is "eating
8 on the spot" according to health procedures during a pandemic. As a priority are drive-
9 in services, open gardens, channeling service equipment innovations so that the
10 quality of food products remains hygienic to consumers. The new foundation has also
11 joined forces with product delivery services including: GoFood, GrabFood,
12 ShopeeFood, and other trusted online applications, forming a special delivery fleet for
13 consumers who are not willing to order through delivery services.
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17 Unfortunately, this innovation has proven to have little impact on marketing
18 performance, because consumers are not fully informed about it. In another
19 perspective, such as social media, cafés and restaurants have not optimized their
20 business communication programs. Furthermore, respondents still rely on mainstream
21 media or do not even use media at all, relying on existing customers. At this point,
22 when there is a pandemic and mobility restrictions are imposed, they find it difficult to
23 introduce new innovations.
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27 The common thread, socialization through social media, is an effective thing in
28 dedicating sustainable marketing. In principle, social media plays a crucial role in
29 supporting the smooth running of business. This is proven in the fourth hypothesis
30 which concludes that product delivery innovation mediated by social media
31 engagement has a significant effect on marketing performance.
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35 Product delivery innovation developed by cafés and restaurants can improve the
36 marketing performance of cafés and restaurants through social media engagement. In
37 reality, innovation from cafés and restaurants is balanced by orientation to customers
38 or potential customers on social media. Why is it necessary? There are several
39 objectives that concentrate on these attributes:
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- 42 1. Getting attention from customers to encourage them to place orders;
 - 43 2. Get existing customer loyalty;
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- 1 3. Create communication about consumer preferences;
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- 3 4. Distributing consumer profile information;
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- 5 5. Make and explain promos that are relevant to customer desires.
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7 Social media trends to be close to customers include: consistently uploading
8 content that highlights the business, devising content that is suitable for customers,
9 monitoring how followers respond to uploaded content (number of likes, comments,
10 and shares), conducting live broadcasts on social media so that they can interact
11 directly with their followers, and distribute some vouchers for them.

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17 Innovations developed by cafés and restaurants in product delivery must be
18 mapped and communicated to the audience to get a positive response. After all, the
19 trick is using social media engagement as an efficient way to ensure customers can
20 enjoy products according to health procedures. In fact, contrary to product delivery
21 innovation, cashless payments will not function optimally on marketing performance if
22 it is not supported by social media engagement.

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28 The mission of product delivery innovation is so that consumers can safely
29 transact and enjoy menus in cafés and restaurants or from home, so it needs to be
30 equipped with easy non-cash payment facilities. Yet, this facility is not able to improve
31 the marketing performance of cafés and restaurants, if it does not involve intense
32 information. Therefore, social media as a communication channel is an option for cafés
33 and restaurants to communicate various products, promos and facilities provided for
34 the convenience of consumers.

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42 Many cafés and restaurants choose to partner with e-wallet providers: OVO,
43 ShopeePay, GoPay, Dana, and others. Too to this option making it easier for
44 customers, it also attracts consumers to make purchases because e-wallets provide
45 attractive discounts for consumers. As an illustration, payments via ShopeePay are
46 given a discount of up to 50% and a 60% discount from GoPay for purchasing certain
47 menus. This mechanism is very attractive to consumers. But, no matter how attractive
48 the e-wallet provider's facilities are, if cafés or restaurants don't communicate to
49 consumers, it can have an adverse effect on marketing performance.

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1 This digital era requires businesses to increasingly visualize their sophistication. By
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3 maximizing social media as a channel to establish closeness with consumers, this is in
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5 line with the 5th hypothesis which indicates that social media engagement has a
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7 positive effect on marketing performance.

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9 Referring to empirical reports, 100% of the cafés and restaurants that were
10
11 studied used social media as a communication channel to establish closeness with
12
13 consumers. Generally, 97% of café and restaurant businesses have activated Instagram
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15 and 78% of them stated that this instrument is very dominant in maintaining
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17 marketing performance, where the average follower is 1,000 to 100,000. This is a
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19 "captive market" with great potential for product expansion.

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21 The communication system on Instagram allows businesses to upload images and
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23 videos that create engaging and connected content to segments in an inclusive
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25 manner. With the power of social media, sparking consumer interest in the products
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27 offered. This is the reason why social media engagement has a significant influence on
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29 marketing performance.

30 31 **7. Conclusion, limitation, and suggestion**

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33 The primary aim of this paper is to dedicate the essence of product delivery
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35 innovation and cashless payments to social media engagement and marketing
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37 performance. The subject of study focuses on during the pandemic and after the
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39 pandemic, while the object is the café and restaurant business. Statistical results found
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41 that product delivery innovation and cashless payments had no significant effect on
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43 marketing performance. Then, social media engagement has a significant effect on
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45 marketing performance. Then, product delivery innovation and cashless payments
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47 supported by social media engagement have a significant effect on marketing
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49 performance.

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51 Even though the risk of the Covid-19 pandemic has decreased, this is still massive
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53 and cannot be separated from affecting the marketing performance of cafés and
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55 restaurants. Social media has become a necessity for every individual, especially
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57 consumers. Thus, business owners assume to create interesting content to get many
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1 followers. With a large volume of followers, it becomes an asset that can support
2 business continuity and always maintain marketing performance from time to time.

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5 Academic limitations refer to the distribution of questionnaires which are still
6 concentrated in a few regional clusters. Given that the respondents were addressed
7 online, the researchers could not control and only focused on café and restaurant
8 owners to participate. For this reason, future research directions are committed to
9 developing data patterns that make it more possible for café and restaurant
10 businesses to engage offline. In order for similar studies to have optimal empirical
11 studies, you can consider collaborating with consumers.

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14 The authors also recommend from a managerial perspective to improve
15 marketing channels to be more creative. This requires not only innovation in digital
16 terms, but more competent product development. Besides, given the intense market
17 competition and competition for consumers in each region, it also pays attention to
18 the quality of skilled services.

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Social media, saving the F&B business in the Covid-19 era?

Abstract

Covid-19 has caused an economic recession, including uncertainty over the food and beverage sector. One of the layers of business that is vulnerable to pandemic attacks is cafés and restaurants. Recently, many café and restaurant businesses have been closed as a series of polemics that have resulted in operational cost losses. At the same time, the government issued regulations related to tightening regional quarantines. Automatically, these rules stimulate a transition in reforming innovation. Responding to the opposite situation, this paper is committed to investigating the effects of product delivery innovation, cashless payments, and social media engagement on marketing performance. The object of this study is oriented towards 146 cafés and restaurants spread across many major cities in Indonesia. The online survey is centered on the owner and barista. Systematics and data interpretation via SEM-PLS. Unfortunately, the empirical output proves that product delivery innovation and cashless payments have no impact on marketing performance. Uniquely, social media engagement actually has an impact on marketing performance. Besides that, product delivery innovation and cashless payments through the role of social media engagement have an impact on marketing performance. The emergence of Covid-19 in Indonesia presents that social media trends can develop a harmonious relationship between producers and customers. Going forward, the findings of this study have the ambition to promote a more complex literary lens.

Keyword: cashless payment, social media engagement, food and beverages, marketing performance, product delivery innovation.

Social media, saving the F&B business in the Covid-19 era?

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Abstract

Covid-19 has caused an economic recession, including uncertainty over the food and beverage sector. One of the layers of business that is vulnerable to pandemic attacks is cafés and restaurants. Recently, many café and restaurant businesses have been closed as a series of polemics that have resulted in operational cost losses. At the same time, the government issued regulations related to tightening regional quarantines. Automatically, these rules stimulate a transition in reforming innovation. Responding to the opposite situation, this paper is committed to investigating the effects of product delivery innovation, cashless payments, and social media engagement on marketing performance. The object of this study is oriented towards 146 cafés and restaurants spread across many major cities in Indonesia. The online survey is centered on the owner and barista. Systematics and data interpretation via SEM-PLS. Unfortunately, the empirical output proves that product delivery innovation and cashless payments have no impact on marketing performance. Uniquely, social media engagement actually has an impact on marketing performance. Besides that, product delivery innovation and cashless payments through the role of social media engagement have an impact on marketing performance. The emergence of Covid-19 in Indonesia presents that social media trends can develop a harmonious relationship between producers and customers. Going forward, the findings of this study have the ambition to promote a more complex literary lens.

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1. Introduction

The Covid-19 pandemic, which began in early 2020, has disrupted systems in almost all parts of the world, including Indonesia. There is only an option to prevent the spread of the infection and that is routine restrictions within the scope of schools, offices, campuses, companies and public zones (Fitriadi et al., 2022). To protect the health of the population, the Indonesian government has implemented a mobility lockdown at the local–regional–border–national level since March 2020. Most activities are carried out online, and this is articulated by stopping the flow of

transportation between regions and between countries. At its peak, it also drastically worsens the turnover of the business mix. Figure 1 below describes the collapse of several business foundations that have so far been very dependent on turnover.

In July 2020, the average growth in 6 business fields whose turnover was hit by the pandemic reached 88.71%. In detail, the macroeconomic slowdown reduced turnover by 92.47% in the food and beverage accommodation cluster (rank 1). This discrepancy was also seen in other service clusters, where turnover decreased quite markedly to 90.9% (rank 2). Then, in rank 3, transportation and warehousing: 90.34%, rank 4: 87.94% construction, rank 5: 85.98% processing industry, and rank 6: 84.6% trade.

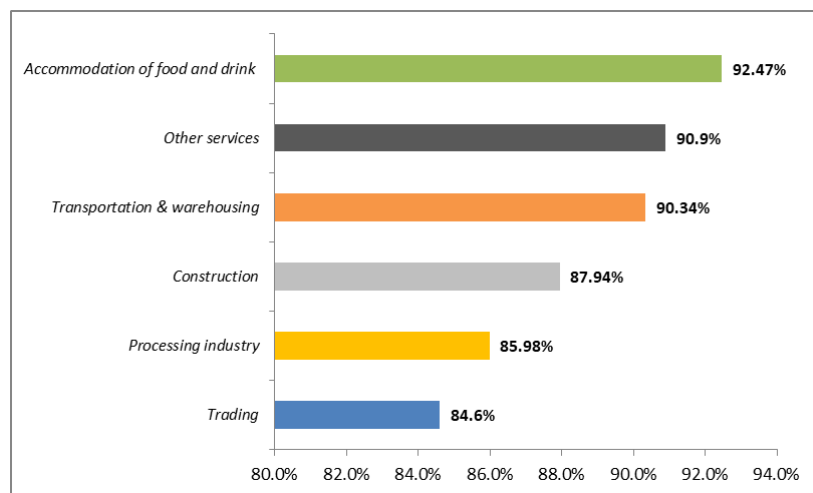


Figure 1. Percentage of decrease in turnover based on business structure

Source: Katadata (2020)

The consequences of the economic disruption have caused café and restaurant businesses to seek alternative solutions to continue to exist. There are 2 ideal strategies that are possible. One of them is optimizing social media, so that you can get closer to customers through the introduction of a product and facilities. Another anticipation is channeling service innovation in the form of "product delivery" which is claimed to guarantee security for cafe-restaurant customers. Then, also increasing take away services whose management is in partnership with online food delivery (OFD) such as: GoFood, Grab, and Shopee, or bridging services delivered by producers themselves to consumers.

Expanding online-based take away services requires cafés and restaurants to provide cashless payments, which in practice are realized with e-wallets, such as OVO, Funds, GoPay, Shopeepay, and various payment media. In addition, payments also start m-banking for customers who do not have e-wallets.

Marolt et al. (2020) argued that social media engagement correlates with marketing performance in the case of large companies. In line with other publications highlighted by Mohammad (2020) and Garg et al. (2020) that marketing performance is largely determined by customer engagement. Simple evidence that is applied in studying customer engagement is social media. In the context of cashless payments and marketing performance, Odior & Banuso (2013), Akhalumeh & Ohioka (2012), and Tunji (2013) stated that cashless payments improve marketing performance in various business sectors. What is also fundamental when talking about the relationship between product delivery innovation (PDI) and marketing performance. PDI, which focuses on OFD to supporting cafés and restaurants to boost their marketing performance (Alalwan, 2020; Chavan et al., 2015; and Keeble et al., 2020).

Referring to the dynamics of Covid-19 which are traps, worries, and contact with entrepreneurship, few publications have discussed the relationship between PDI, cashless payments, and social media engagement on marketing performance. For this reason, seeing the gap in the unequal study, this paper took the initiative to evaluate the contribution of PDI, cashless payments, and social media engagement in building marketing performance that focuses on cafés and restaurants. Specifically, the element being explored is social media engagement as a reinforcement of the relationship between PDI and cashless payments on marketing performance.

2. Literature review

2.1. Marketing performance

From a theoretical point of view, company value is indicated by performance (Ratnasari et al., 2020). Performance often represents the impact of the company's strategy. Company strategy is always directed at performance, whether identified from marketing, human resources, or finance (Ferdinand & Zuhroh, 2022). Setiawan &

Ferdinand (2021) concluded that inclusive marketing performance, synergizes at the level of sales, growth, and market share dominance. On the other hand, Saeko (2012) argues that marketing performance can bring business success from the sales, market and financial pillars.

Gao (2008) relates marketing performance to changes in 3 dimensions: effectiveness, efficiency, and adoption. From the perspective of effectiveness and efficiency, it includes the company's marketing methods to get revenue, market growth, and market share. On the one hand, adaptability in the market is the key that companies must emulate to quickly capture any shifts, needs, and market tastes induced by external and internal factors.

Concretely, Covid-19 provides challenges and opportunities for businesses to catch up with the market, especially cafés and restaurants as types of businesses that are critically affected (e.g. Lee & Ham, 2021; Sardar et al., 2022). New colors are urgently needed, considering policy renovations considering they have loyal customers or predicting the addition of new customers followed by an impressive number of transactions (Norris et al., 2021; Pan & Ha, 2021; Suh et al., 2022).

2.2. Social media engagement

Basically, customer engagement serves to strengthen the emotional connection between companies and customers to maintain business performance (Brodie et al., 2013). So et al. (2014) explained about customer engagement as a related component between companies and customers in marketing. Hollebeek et al. (2014) added that social media customer engagement is the integration between customers and companies that is inherent in terms of communication, experiences, and online communities on social media. To bind consumer loyalty, marketing planning is needed in customer engagement. From the definitions above, it is verified that customer engagement is placed on the company's priority scale.

Social media engagement is one of the company's movements to gain customer sympathy through content uploaded by the creative team on social media. In general, effective social media engagement can be seen from the likes, comments, and shares

of its followers. In content that is live interaction, the level of enthusiasm is reflected by those who are connected or joined in the content.

Academic texts that discuss social media engagement on marketing performance are explored by Bilgin (2018), Cao et al. (2021), Lee & Park (2022), Muchardie et al. (2016), and Tajvidi & Karami (2021). From social media, there are positive sensations that are poured out by consumers in assessing a product, so this will determine the prestige of the company. Conversely, if communication is built in a bad habitat, it is connected explosively, which in the end thwarts marketing preferences.

2.3. Cashless payment

In the last decade, Indonesian people have become accustomed to non-cash payment instruments (Roy et al., 2020). Since Bank Indonesia launched the "National Non-Cash Movement (GNNT)", the cashless payment method has become increasingly popular in Indonesia (Hamsal, 2016; Wasiaturrahma et al., 2019). Cashless payments make transactions safer, more practical, easier, and more efficient (Yang et al., 2021). The forms of cashless payments are e-wallets, m-banking and payments via cash deposit machines (Yakean, 2020).

E-wallet or digital wallet is a financial platform, which does not have an accessible physical form and does not focus on electronic devices such as smartphones. Payment using an e-wallet is considered a digital portrait that is quite expansive, because every transaction benefits from convenience, flexibility, and high protection. In Indonesia, reputable e-wallets include: GoPay, OVO, ShopeePay, LinkAja, Dana and GrabPay.

During the pandemic, several businesses in Europe, especially cafés and responders instructed cashless payments for every transaction and this was actively responded by consumers (e.g. Kotkowski & Polasik, 2021; Wisniewski et al., 2021). The reason is, this method has boosted online marketing carried out by many sellers to benefit customers in terms of energy and time efficiency, while maintaining marketing performance.

The use of cashless payments for marketing has been tested in Malaysia (Lu & Kosim, 2022; Rahman et al., 2020; Rahman et al., 2022), Nigeria (Wali et al., 2014), and

Indonesia (Istijanto & Handoko, 2020), Taiwan (Liu et al., 2022). The findings show that progressive cashless payments are able to improve marketing performance in selected business sectors, including the café and restaurant business.

2.4. Product delivery innovation

To detect marketing progress, one of the things that must be done by café and restaurant businesses during a pandemic is to combine product delivery with sales levels that distribute services to customers in the midst of Covid-19. Besides the minimal freedom, there is also concern over exposure to the virus, which at any time threatens to threaten the lives of buyers. Even though some customers do not pay attention to health protocols when enjoying café and restaurant dishes in open or closed spaces, this does not rule out the possibility of violating the authority and actually causing havoc. This dilemma must be considered by café and restaurant owners in developing delivery services. So far, in Indonesia, the innovations that have been made are joining OFD, for example: GoFood, Shopee, and Grab (Candra et al., 2021; Kartono & Tjahjadi, 2021; Kurniasari et al., 2022; Salma & Rachmawati, 2022).

According to See-Kwong et al. (2017), the completeness of OFD services can provide convenience for consumers and benefit business owners. OFD services also solve the problem of the buying process in restaurants and cafes, where consumers are faced with remote locations at the same time (Chai & Yat, 2019; Yeo et al., 2017; Gupta & Paul, 2016). Apart from collaborating with OFD, other applications designed by cafes and restaurants also accommodate drive-in services or change dining chairs in an open space, and manage food delivery services themselves.

Chen et al. (2009), Davcik & Sharma (2017), Gómez-Prado et al. (2022), Montero et al. (2017), and Shin et al. (2022), studied that PDI has a positive influence on marketing performance. Dramatically, PDI's emphasis on OFD applications that have a competitive advantage can expand product segments, one example is marketing performance capabilities.

3. Conceptual framework

Vigilance against Covid-19, which brings health ratings to the public, especially the background to changes in consumer behavior towards purchasing food and beverage products. At the contiguous time, autonomy limits social activities by the government, reforming business policies to create new formats that are more creative amid restrictions and controls that trigger the burden of loss.

Lockdown control has made culinary connoisseurs, who initially mostly visited cafés and restaurants, have stopped for an unspecified period. As a result, the business layer does not serve consumers in the café and restaurant environment. For this reason, it is necessary to check and diversify business patterns that meet lockdown standards without ignoring mass crowds in the near. As an illustration, dine-in service, placing open garden facilities, or drive-in. So, for direct service, selective control of equipment and product hygiene supervision is required. For consumers who join product delivery services, product ordering and delivery is supported by an online application. In fact, cafés and restaurants are also assisted by payment methods via m-banking and e-wallet.

Too to education provided by the government, concern is also present from business people who learn about all the drastic changes and contain fast jumps. Concern during the pandemic which slowed down the economy, also dragged people's mobility which is now dominantly done at home, instead integrating them into social media networks that encourage café and restaurant businesses to be active on social media through the launch of the latest products. In fact, among business people, they are also creating new scenarios in product offerings, which allow food and drink products to be only targeted on social media. Cafés and restaurants develop social media as the main communication standard that channels to potential customers.

The new version of product delivery and cashless payment procedures incorporated in an intense communication package on social media can stimulate the marketing performance of cafés and restaurants consistently. By still balancing turnover, wallet share, and customer status. The chronology above forms the basis for the conceptual framework of this research, which is detailed in Figure 2.

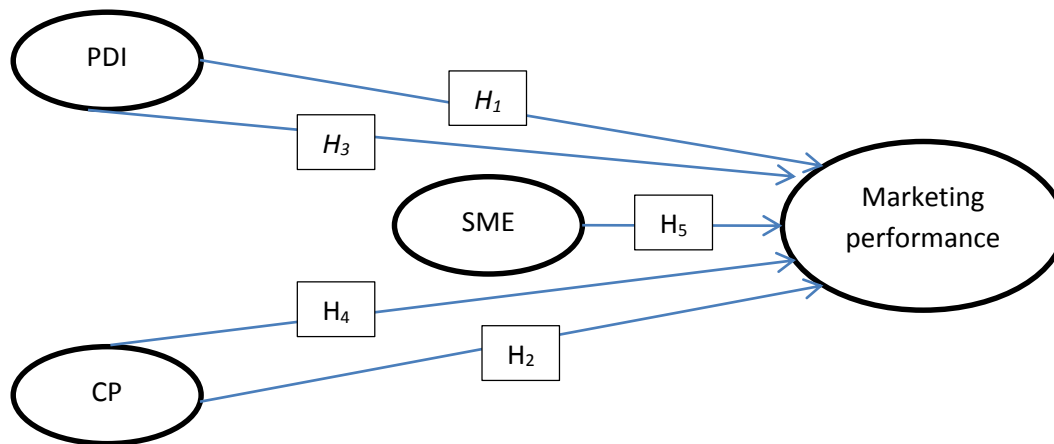


Figure 2. Hypothetical framework

Source: Own.

Referring to references written by previous papers and current problems, the following hypothetical assumptions are made:

H₁: Product delivery innovation have a significant effect on marketing performance.

H₂: Cashless payments have a significant effect on marketing performance.

H₃: Product delivery innovation have a significant effect on marketing performance through social media engagement as an intervening variable.

H₄: Cashless payments have a significant effect on marketing performance through social media engagement as an intervening variable.

H₅: Social media engagement have a significant effect on marketing performance.

4. Methodology

4.1. Database and analysis

The characteristics of this study are quantitative, which concentrates on solving and proving the designed hypothesis formula. The mechanism in the data description uses a statistical tool, i.e. the Structural Equation Model–Partial Least Square (SEM–PLS) which functions to analyze a series of quantitative data collected from surveys. In the study capacity, the variable model is modified into 3 items: exogenous, intervening, and endogenous variables. Each variable has a classification. Specifically, product delivery innovation and cashless payments function as exogenous variables

that affect endogenous variables (marketing performance). Then, the next target is to estimate the two linkages through social media engagement, which acts as an intervening variable.

Systematically, the survey data were selected in the questionnaire materials which were distributed to the sample units. The sample mechanism in the data description uses a statistical tool, for at least 3 years, which means that restaurants and cafés have survived since the Covid-19 attack in early 2020. Respondents accessed the survey online. In principle, the simple random sampling method is focused on meeting the sample criteria and informants who are willing to fill out the questionnaire. The survey process was conducted from June 2022 to August 2022. The valid sample size is 146 restaurants and cafés.

4.2. Variable attribute

In detail, the instrument is a questionnaire to measure respondents' perceptions of the variables studied. This questionnaire is divided into 3 pillars: the first part is a profile, the second part is a question about the use of social media as a café or restaurant marketing communication tool, and the third part describes questions to assess perceptions of research variables.

Table 1. Scheme and variable limits

Variables/abbreviations	Type	Measurement	Literatures
Product Delivery Innovation (PDI)	Exogenous	Various product delivery innovations by cafes or restaurants to continue to exist serving buyers.	Martins & Ledimo (2015), Negruşa et al. (2017), Reguia (2014)
Cashless Payment (CP)	Exogenous	Manufacturing of non-cash payments owned by cafes or restaurants to facilitate purchase transactions.	Kumari & Khanna (2017), Tee & Ong (2016)
Social Media Engagement (SME)	Intervening	A social media network regularly managed by cafes and restaurants to keep in touch with consumers.	Di Gangi & Wasko (2016), Eslami et al. (2022), Trunfio & Rossi (2021)
Marketing Performance (MP)	Endogenous	Marketing performance at cafes and restaurants includes: turnover, consumers, customer satisfaction, repurchases, and average consumer purchases.	Brunswick (2014), Frösén et al. (2013), Mone et al. (2013), Wijayanti et al. (2022)

In the first portion, the questions are in the form of an open question, then the second question is in the form of multiple choice, and the third is a perception question using a semantic differential scale of 1 (very irrelevant to what is being done) to 10 (very relevant to what is being done). In the SEM–PLS landscape, the proportion of variables uses indicators derived from theoretical experience and researchers' observations. Table 1 above represents operational variables.

5. Results

5.1. Respondent profile

To evaluate the characteristics used frequency distribution instrument. Here, the profiles of respondents are based on position, regional background, year of establishment, number of employees, turnover, and use of social media. Each is explained in Table 2 to Table 14.

Table 2. Position of respondents in business (n = 146)

Items	F	%
Owner's family	16	11
Barista	30	20.5
Business development lead	1	0.7
Founder	1	0.7
General manager	2	1.4
Employee	31	21.2
Cashier	1	0.7
Head of restaurant	1	0.7
Kitchen	6	4.1
Manager	20	13.7
Marketing	1	0.7
Owner	31	21.2
Purchasing	1	0.7
Secretary	1	0.7
Sosial media specialist	1	0.7
Supervisor	2	1.4

Of the 146 respondents, it was generally dominated by owners (21.2%), while employees who did not mention specific positions were 21.2%, and café baristas

(20.5%). Interestingly, among them, many held positions as business development leads, cashier founders, restaurant heads, purchasing, secretaries, and social media specialists reaching 0.7% (see Table 2).

Table 3. Origin of business units

Provinces	F	%
Bali	1	0.7
Bangka Belitung	1	0.7
Banten	13	8.9
DI Yogyakarta	13	8.9
DKI Jakarta	24	16.4
West Java	20	13.7
Central Java	34	23.3
East Java	6	4.1
West Kalimantan	18	12.3
East Kalimantan	10	6.8
NTB	1	0.7
Riau	2	1.4
South Sulawesi	1	0.7
Central Sulawesi	1	0.7
South Sumatra	1	0.7
Maluku	2	1.4

In Table 3, café and restaurant businesses are spread across Indonesia, mostly operating in Central Java (23.3%). The second highest is 16.4% coming from the center of the Indonesian capital, namely DKI Jakarta and the third is in West Java (13.7%). Broadly speaking, this business incubator is still concentrated in Java. However, referring to Till's situation, the number of cafés and restaurants does attract investors, especially the millennial generation who are growing in this business.

Table 4. Business experience

Duration	F	%
3 years	35	24
4 years	27	18.5
5 years	27	18.5
6 years	11	7.5

Duration	F	%
7 years	15	10.2
8 years	9	6.2

Table 4 illustrates business consistency with reference to the duration of the condition. The cafés and restaurants that are the object of this study are aged between 3–8 years, where the average age of the youngest and the most is 3 years (24%). The rest are businesses within the span of 4–5 years (18.5%), and 10.2% have experience managing a business of around 7 years.

Table 5. Cafe and restaurant employees

Employee	F	%
< 5	88	60
6–10	47	32
11–15	6	5
16–24	5	3

Interestingly, the average number of employees employed in the café and restaurant business is no more than 5 employees (60%). This indicates that the business experience is still young and still in the process of growing. Only 32% of them have 6–10 employees. Interestingly, 5% of businesses are assisted by 11–15 employees and 3% of business operations are managed by 16–24 employees (see Table 5).

5.2. Turnover structure

Table 6 clarifies that the turnover before Covid-19, specifically in the 2019 period, concluded that café and restaurant turnover was in normal conditions. From the results of the interviews, 34.2% of cafés and restaurants had turnover in the range of IDR 10–25 million, 22.6% had turnover below IDR 10 million, 21.9% had turnover of IDR 26–50 million, and 11.6% of these businesses turnover of IDR 51–100 million. On the one hand, 6.2% of cafés and restaurants have a turnover of between IDR 101–300 million and 3.4% above IDR 300 million.

Table 6. Turnover before the pandemic

Turnover	F	%
< 10 million	33	22.6
10–25 million	50	34.2
26–50 million	32	21.9
51–100 million	17	11.6
101–300 million	9	6.2
>300 million	5	3.4

Surprisingly, Table 7 finds that there has been a significant shift after Covid-19, which has had an impact on business pressure. Since early 2020 until now, 37.7% of respondents admit that their business turnover is no more than IDR 10 million. Turnover in the range of IDR 10–25 million reaches 31.5%, and IDR 25–50 million is 16.5%. Conversely, there are 8.9% who think that their turnover is still under control with a nominal value of IDR 51–100 million.

Table 7. Post-pandemic turnover

Turnover	F	%
< 10 million	55	37.7
10–25 million	46	31.5
25–50 million	24	16.5
51–100 million	13	8.9
101–300 million	5	3.4
>300 million	3	2.1

The presence of Covid-19 in Indonesia has weakened the business sector, including cafés and restaurants. Yet, unexpectedly, 42.5% of respondents stated that their turnover had decreased and most of them, or 54.8%, had stable turnover and only 2.7% whose turnover progressed.

Table 8. Turnover analysis

Turnover	F	%
Up	4	2.7
No changes	80	54.8
Down	62	42.5

The presence of Covid-19 in Indonesia has weakened the business sector, including cafés and restaurants. But, unexpectedly, Table 8 shows 42.5% of respondents who stated that their turnover had decreased and most of them, or 54.8%, had stable turnover and only 2.7% whose turnover progressed.

All respondents have introduced their products to bring a wider variety of products closer to consumers via social media popularity (see Table 9). The group that actively uses Instagram (38.4%) is more dominant than other types of social media such as Facebook (17.6%), WhatsApp (17.3%), TikTok (15.7%), Twitter (6.2%), YouTube (4.1%), and LinkedIn (0.8%).

Table 9. Use of social media

Social media	F	%
Facebook	65	17.6
Instagram	142	38.4
WhatsApp	64	17.3
Twitter	23	6.2
Youtube	15	4.1
TikTok	58	15.7
LinkedIn	3	0.8

From Table 10, it is evident that the social media that receives the most response from consumers is Instagram (77.4%). Concretely, Instagram is seen by consumers as the most easily understood and simple medium for displaying new products offered. Even though since the emergence of media such as TikTok "booming" until now, only 11.6% of respondents admitted that consumers prefer to channel communication about products. Others, such as Facebook (6.8%), WhatsApp (3.4%), and YouTube (0.7%), also serve to increase consumer knowledge to extract and exchange product information. In essence, Instagram as a medium has the most implications for the marketing performance of cafés and restaurants.

Table 10. The most influential social media

Social media	F	%
Facebook	10	6.8

Instagram	113	77.4
Whatsapp	5	3.4
Youtube	1	0.7
TikTok	17	11.6

Uniquely, since the respondents installed social media, it has triggered an impressive increase in followers. Based on the seven social media described above, the more often café and restaurant owners are active and interact with consumers, the more followers they add. In Table 11, it is shown that 42.5% of respondents said that their follower volume was: 1,001–10,000. Then, 31.5% of respondents stated that their followers were: <1,000, 15.8% who had followers: 10,001–100,000, 8.2% of respondents with followers: 100,001–1,000,000, and 2.1% of respondents whose followers: > 1,000,000.

Table 11. Follower intensity

Followers	F	%
<1,000	46	31.5
1,001–10,000	62	42.5
10,001–100,000	23	15.8
100,001–1,000,000	12	8.2
> 1,000,000	3	2.1

The number of posts uploaded is an indicator of how active the respondent is in communicating with the audience. From the survey, it is known that 45.9% until now have uploaded less than 100 content and 8.2% are very active on social media by uploading more than 1,000 content. Then, Table 12 also represents that there was a positive transition when 32.9% of respondents instructed the marketing division to continue being active on social media and this can be seen from 101 to 500 posts and 11.6% who were even more active through 501–1,000 posts.

Table 12. Number of posts

Social media	F	%
<100	67	45.9

101–500	48	32.9
501–1,000	17	11.6
> 1,000	12	8.2

Many followers do not guarantee that the uploaded content will get many likes, because most of the respondents, 52.1% answered that the content they uploaded was liked less than 100. And only 2.1% stated that the content was liked on average more than 1,000 (see Table 13). Then, there were 101–500 (38.4%) and 501–1,000 (7.5%) likes for the content presented by respondents.

Table 13. The average number of “likes”.

Social media	F	%
<100	76	52.1
101–500	56	38.4
501–1,000	11	7.5
> 1,000	3	2.1

Content uploaded by 86.3% of respondents has been commented on by less than 100 people and only 0.7% has been commented on by more than 1,000 people. In fact, from the uploaded content, as much as 11.6% responded to 101–500 social media. 1.4% of accounts commented on 501–1,000 posts (see Table 14).

Table 14. Average number of accounts commenting

Social media	F	%
<100	126	86.3
101–500	17	11.6
501–1,000	2	1.4
> 1,000	1	0.7

Table 15 reflects the cross-tab analysis, which concludes that the number of followers does not guarantee an increase in turnover. This is because cafés and restaurants with many followers above 100,000 actually experienced a 2% decline and stagnant marketing performance. In contrast to followers who are under 1,000,

turnover is actually at a "steady" level (35%). Café and restaurant businesses that have followers in the range of 1,001–10,000 have seen an increase in turnover even though Covid-19 hit Indonesia. Logically, there is no unidirectional relationship between follower volume and turnover, where this is represented by followers in 3 scopes: 10,001–100,000, 100,001–1,000,000, or > 1,000,000 whose consequence is contrast to turnover.

Table 15. Crosstab between fluctuations in turnover and the number of followers

			Followers					Total
			<1,000	1,001–10,000	10,001–100,000	100,001–1,000,000	> 1,000,000	
Turn-over	Up	N	1	3	0	0	0	4
		%	25%	75%	0%	0%	0%	100%
	No changes	N	28	32	11	7	2	80
		%	35%	40%	14%	9%	2%	100%
	Down	N	17	27	12	5	1	62
		%	27%	44%	19%	8%	2%	100%
Total		N	46	62	23	12	3	146
		%	32%	43%	16%	8%	2%	100%

Tabel 16. Crosstab between turnover fluctuations and the most popular social media

			Social media					Total
			Facebook	Instagram	WhatsApp	Youtube	TikTok	
Turn-over	Up	N	0	3	0	0	1	4
		%	0%	75%	0%	0%	25%	100%
	No changes	N	5	65	3	0	7	80
		%	6.3%	81.3%	3.8%	0%	8.8%	100%
	Down	N	5	45	2	1	9	62
		%	8.1%	72.6%	3.2%	1.6%	14.5%	100%
Total		N	10	113	5	1	17	146
		%	6.8%	77.4%	3.4%	0.7%	11.6%	100%

Surprisingly, based on Table 16 above, it was concluded that most of the respondents whose turnover increased (75%), remained (81.3%), or decreased (72.6%)

simultaneously admitted that Instagram social media had the most influence on running a business. On the one hand, business people who use Facebook, WhatsApp, and YouTube think that it has no impact on turnover.

5.3. Findings

Figure 3 describes the partial SEM output and mediates the link between product delivery innovation (PDI) and cashless payment (CP) on social media engagement (SME) and marketing performance (MP).

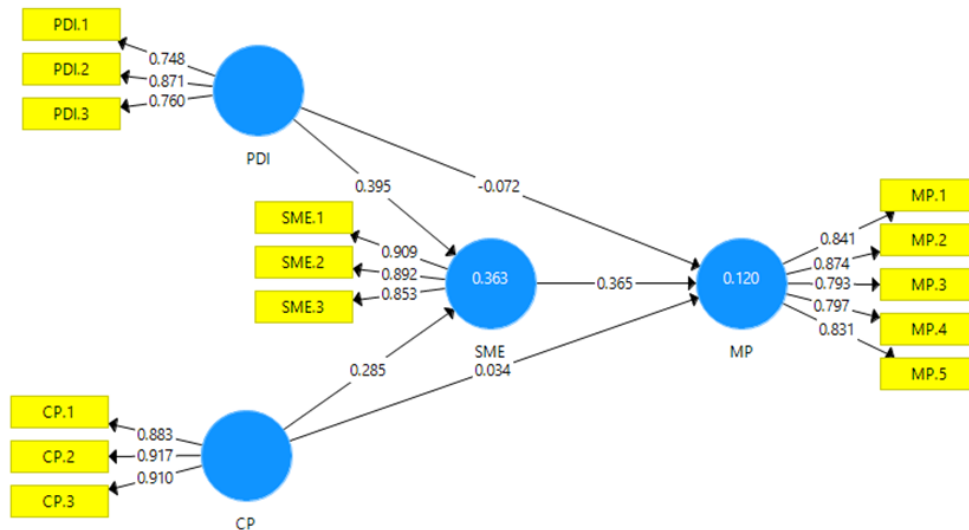


Figure 3. Output of SEM and proving the hypothesis

Source: Own.

The causality between PDI and MP yields a T-statistics score = 0.516 and probability = 0.606. The results of this test show that the T-statistics < 1.96 and $\rho > 0.05$. It was concluded that there was no significant effect of PDI on MP, so hypothesis 1 was rejected. This is consistent with the effect of CP on MP, where the T-statistics score = 0.367 and probability = 0.714. Thus, Table 17 finds that T-statistics < 1.96 with $\rho > 0.05$. There is no significant effect of CP on MP, which can be concluded if hypothesis 2 is rejected.

Table 17. Direct relationship between variables

Effect	Coefficient	T-statistics	ρ
--------	-------------	--------------	--------

PDI -> MP	-0.072	0.516	0.606
CP -> MP	0.034	0.367	0.714
SME -> MP	0.365	3.545	0.000

Source: Own.

What is interesting is the significant trend between SMEs and MPs. The T-statistics score = 3.545 and probability = 0.000. From the results of these statistics, the T-statistics score > 1.96 and $p < 0.05$. That is, there is a significant effect of SME on MP. The third hypothesis is accepted. The resulting coefficient score is positive (0.365). Thus, the better the SME, the more likely it is to increase MP in the long term.

Table 18. Indirect relationship between variables

Effect	Coefficient	T-statistics	p
PDI -> SME -> MP	0.144	2.458	0.014
CP -> SME -> MP	0.104	2.264	0.024

Source: Own.

Referring to Table 18, the relationship between PDI and CP to MP mediated by SME produces T-statistics scores = 2.458 and 2.264, then probabilities = 0.014 and 0.024. If the T-statistic > 1.96 and $p < 0.05$, then there is a significant influence between PDI and CP on MP through the role of SME. Hypotheses 4 and 5 are also accepted. The contribution coefficient of PDI = 0.144 and CP = 0.104 indicates that the more SME increases in each PDI and CP, the MP increases in a positive long period.

6. Discussions

Hypothesis 1 which reads that "product delivery innovation has an effect on marketing performance", but that is not proven. Since the arrival of the pandemic, many regulations have been issued by the government aimed at suppressing the spread of the virus. In fact, these rules essentially limit people's social contact, including implementation through monitoring the operating hours of cafés and restaurants, reducing visiting hours for each consumer, and limiting visitor capacity. To its peak, cafés and restaurants were literally not allowed to accept visitors at all. This polemic actually dampens the sustainability of the café and restaurant business. Many

of the cafés and restaurants were forced to close their business, because they continued to suffer losses.

This regulatory tendency which has lasted for about 2 years has also forced cafés and restaurants to transform towards various innovations to survive, one of which is changing innovation through product delivery. The popularized innovation is "eating on the spot" according to health procedures during a pandemic. As a priority are drive-in services, open gardens, channeling service equipment innovations so that the quality of food products remains hygienic to consumers. The new foundation has also joined forces with product delivery services including: GoFood, GrabFood, ShopeeFood, and other trusted online applications, forming a special delivery fleet for consumers who are not willing to order through delivery services.

Unfortunately, this innovation has proven to have little impact on marketing performance, because consumers are not fully informed about it. In another perspective, such as social media, cafés and restaurants have not optimized their business communication programs. Furthermore, respondents still rely on mainstream media or do not even use media at all, relying on existing customers. At this point, when there is a pandemic and mobility restrictions are imposed, they find it difficult to introduce new innovations.

The common thread, socialization through social media, is an effective thing in dedicating sustainable marketing. In principle, social media plays a crucial role in supporting the smooth running of business. This is proven in the fourth hypothesis which concludes that product delivery innovation mediated by social media engagement has a significant effect on marketing performance.

Product delivery innovation developed by cafés and restaurants can improve the marketing performance of cafés and restaurants through social media engagement. In reality, innovation from cafés and restaurants is balanced by orientation to customers or potential customers on social media. Why is it necessary? There are several objectives that concentrate on these attributes:

1. Getting attention from customers to encourage them to place orders;
2. Get existing customer loyalty;

3. Create communication about consumer preferences;
4. Distributing consumer profile information;
5. Make and explain promos that are relevant to customer desires.

Social media trends to be close to customers include: consistently uploading content that highlights the business, devising content that is suitable for customers, monitoring how followers respond to uploaded content (number of likes, comments, and shares), conducting live broadcasts on social media so that they can interact directly with their followers, and distribute some vouchers for them.

Innovations developed by cafés and restaurants in product delivery must be mapped and communicated to the audience to get a positive response. After all, the trick is using social media engagement as an efficient way to ensure customers can enjoy products according to health procedures. In fact, contrary to product delivery innovation, cashless payments will not function optimally on marketing performance if it is not supported by social media engagement.

The mission of product delivery innovation is so that consumers can safely transact and enjoy menus in cafés and restaurants or from home, so it needs to be equipped with easy non-cash payment facilities. Yet, this facility is not able to improve the marketing performance of cafés and restaurants, if it does not involve intense information. Therefore, social media as a communication channel is an option for cafés and restaurants to communicate various products, promos and facilities provided for the convenience of consumers.

Many cafés and restaurants choose to partner with e-wallet providers: OVO, ShopeePay, GoPay, Dana, and others. Too to this option making it easier for customers, it also attracts consumers to make purchases because e-wallets provide attractive discounts for consumers. As an illustration, payments via ShopeePay are given a discount of up to 50% and a 60% discount from GoPay for purchasing certain menus. This mechanism is very attractive to consumers. But, no matter how attractive the e-wallet provider's facilities are, if cafés or restaurants don't communicate to consumers, it can have an adverse effect on marketing performance.

This digital era requires businesses to increasingly visualize their sophistication. By maximizing social media as a channel to establish closeness with consumers, this is in line with the 5th hypothesis which indicates that social media engagement has a positive effect on marketing performance.

Referring to empirical reports, 100% of the cafés and restaurants that were studied used social media as a communication channel to establish closeness with consumers. Generally, 97% of café and restaurant businesses have activated Instagram and 78% of them stated that this instrument is very dominant in maintaining marketing performance, where the average follower is 1,000 to 100,000. This is a "captive market" with great potential for product expansion.

The communication system on Instagram allows businesses to upload images and videos that create engaging and connected content to segments in an inclusive manner. With the power of social media, sparking consumer interest in the products offered. This is the reason why social media engagement has a significant influence on marketing performance.

7. Conclusion, limitation, and suggestion

The primary aim of this paper is to dedicate the essence of product delivery innovation and cashless payments to social media engagement and marketing performance. The subject of study focuses on during the pandemic and after the pandemic, while the object is the café and restaurant business. Statistical results found that product delivery innovation and cashless payments had no significant effect on marketing performance. Then, social media engagement has a significant effect on marketing performance. Then, product delivery innovation and cashless payments supported by social media engagement have a significant effect on marketing performance.

Even though the risk of the Covid-19 pandemic has decreased, this is still massive and cannot be separated from affecting the marketing performance of cafés and restaurants. Social media has become a necessity for every individual, especially consumers. Thus, business owners assume to create interesting content to get many

followers. With a large volume of followers, it becomes an asset that can support business continuity and always maintain marketing performance from time to time.

Academic limitations refer to the distribution of questionnaires which are still concentrated in a few regional clusters. Given that the respondents were addressed online, the researchers could not control and only focused on café and restaurant owners to participate. For this reason, future research directions are committed to developing data patterns that make it more possible for café and restaurant businesses to engage offline. In order for similar studies to have optimal empirical studies, you can consider collaborating with consumers.

The authors also recommend from a managerial perspective to improve marketing channels to be more creative. This requires not only innovation in digital terms, but more competent product development. Besides, given the intense market competition and competition for consumers in each region, it also pays attention to the quality of skilled services.

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