“The impact of marketing innovations and business plans on business sustainability during the COVID-19 pandemic”

AUTHORS
Zakiyah Zahara
Muslimin Muslimin
Pricylia Chintya Dewi Buntuang

ARTICLE INFO
Zakiyah Zahara, Muslimin Muslimin and Pricylia Chintya Dewi Buntuang (2022). The impact of marketing innovations and business plans on business sustainability during the COVID-19 pandemic. Innovative Marketing, 18(3), 121-135. doi:10.21511/im.18(3).2022.11

DOI
http://dx.doi.org/10.21511/im.18(3).2022.11

RELEASED ON
Thursday, 08 September 2022

RECEIVED ON
Sunday, 19 June 2022

ACCEPTED ON
Thursday, 25 August 2022

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JOURNAL
“Innovative Marketing ”

ISSN PRINT
1814-2427

ISSN ONLINE
1816-6326

PUBLISHER
LLC “Consulting Publishing Company “Business Perspectives”

FOUNDER
LLC “Consulting Publishing Company “Business Perspectives”

NUMBER OF REFERENCES
76

NUMBER OF FIGURES
1

NUMBER OF TABLES
7

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Abstract

During the COVID-19 pandemic, businesses experienced various challenges, resulting in economic decline. The pandemic also threatened their sustainability. Thus, business actors have to consider this condition seriously. This study aims to analyze the impact of marketing innovations and business plans on business sustainability during the COVID-19 pandemic. The paper used quantitative methods. The population included 689 micro and small enterprises affected by COVID-19 in Palu City, Indonesia. It involved 253 respondents as samples selected using the Slovin formula with an error rate of 5%. Data analysis consisted of descriptive statistical testing and multiple linear regression. The findings showed that marketing innovations and business plans significantly affected business sustainability during the COVID-19 pandemic both simultaneously and partially. Then, simultaneously, it was indicated by the value of $F_{\text{count}} > F_{\text{table}}$ (10.615 > 3.031) at a significance alpha (α) of 0.05 or $\text{Sig. } F < 0.05$. The significance value of 0.000 is smaller than the alpha (α) significance of 0.05, meaning it is significant. Partially, the business plan variable showed that $t_{\text{count}}$ was higher than $t_{\text{table}}$ (2.780 > 1.650). The significance value was 0.006, which is smaller than the alpha (α) significance of 0.05, meaning it is significant. The marketing innovation variable showed that $t_{\text{count}}$ was higher than $t_{\text{table}}$ (3.878 > 1.650). The significance value obtained was 0.000, which is smaller than the alpha (α) significance of 0.05, meaning it is significant.

INTRODUCTION

The sustainability of businesses during the COVID-19 pandemic is essential. The pandemic has worsened the economic and social conditions (Wells et al., 2020). The downturn caused by the pandemic has changed various aspects of life beyond what humans think, especially for entrepreneurs. Government policies have severely disrupted business operations in various countries, including Indonesia. The pandemic has closed many types of businesses in Indonesia (Velarosela, 2021), and 46% of businesses were temporarily closed (Prakos, 2021). Because of the very low business sustainability during the COVID-19 pandemic, many businesses are completely or temporarily closed.

Many businesses were closed during the pandemic due to poor planning and marketing systems, causing it difficult to survive. A business plan is needed for sustainability, including the company’s marketing system. Business plans can see opportunities and needs more broadly and can be measured (Ferreira et al., 2017). Thus, companies should have it. Besides, the marketing system needs to be developed through
marketing innovation. Companies have to be able to adapt to the conditions caused by the pandemic. Companies with mature business plans and marketing innovation will automatically be able to maintain their sustainability, even though the pandemic cannot be controlled optimally.

Current conditions show that many business actors in various countries, such as Japan (Press, 2021), China, and other developed countries, have returned to work. However, it has not yet occurred in Indonesia, where many companies find it challenging to start their operation again, even though the government has launched stimuli to help the affected companies. It indicates that many companies or businesses in Indonesia do not have a good business plan. Besides, limitations in innovation make it difficult for companies to compete with other companies that have a high level of innovation in developed countries. This becomes the main problem in this study that raises significant questions regarding the impact of marketing innovations and business plans on business sustainability during the COVID-19 pandemic.

1. LITERATURE REVIEW AND HYPOTHESES

1.1. Business plan

Businesses or business actors need to think thoroughly about the future of their businesses through business plans and strategies. A business plan is realistic planning and determination for an optimal outcome, including consumer services (Hervert-Escobar & Alexandrov, 2018; Jimenez et al., 2019). This means that business plans need to consider both internal and external aspects. Planning in a business is vital to reveal threats and opportunities to improve the core business and achieve a superior position in the future market amidst the dynamics of tight competition (Schwarz et al., 2019). Business planning should be dynamic following the conditions of ongoing business activities, which need improvement and adjustment at any time. This improvement aims to get a more tested framework as a guideline for running a business in the future (Fani & Subriadi, 2019).

Business planning is a dominant mediator variable affecting the excellent performance of a business and is followed by resource support (Cheah et al., 2019). A business needs a management tool or a business plan, especially for new businesses (Karlsson & Honig, 2009). This indicates that business plans are critical, especially for a new business because they can direct the business related to internal and external aspects for their future development. Developing countries generate many businesses each year (McKenzie & Sansone, 2019). A new business requires a plan to achieve the predetermined goals (Schwetje & Vaseghi, 2007). A business plan plays a role in the success of a start-up business (Haag, 2013). In the plan outlined, a company described many strategies that are to be implemented. A business plan is a written document that meets various aspects (Fernández-Guerrero et al., 2012). These aspects cover the objectives, economic feasibility, finance, business administration, and others. A good business plan includes all of them starting from the objectives to the desired future (Blackwell, 2011), but many businesses fail because the owners do not effectively elaborate it (Haag, 2013). This means that the business will not run well if the business actor does not carry out all the planned strategies. Therefore, all businesses or business actors must implement all aspects outlined in a business plan.

1.2. Marketing innovation

Marketing innovation is vital and has become the current concern of all businesses or business actors as the COVID-19 pandemic has changed all aspects of businesses. The latest studies suggest that marketing innovation is vital in technology and product innovation (Grimpe et al., 2017; Lee et al., 2019). Innovation plays a role in improving performance and achieving a company’s competitive advantage (Naidoo, 2010). Marketing innovation can increase competitiveness in supporting economic growth (Medrano-Sáez & Olarte-Pascual, 2012). Further, innovation also plays a
vital role in the competitive market (Gupta et al., 2016; Zakerian et al., 2017). Marketing innovation is vital in creating business opportunities to stay ahead in a more competitive global competition. A competitive business can encourage economic growth, so marketing innovation is required, especially during uncertain business conditions. Marketing innovation can make a business grow and be more competitive.

Today’s business development is fast and needs to be followed up quickly to adapt to recent occurrences. Various methods are used to market businesses, including marketing innovation (Contò et al., 2015). Innovation for each company is different (O’Dwyer et al., 2011) and the difference can be the knowledge of human resources. Knowledge of technology can encourage human resources in a company to innovate (Galende, 2006). However, there is limited empirical evidence on the impact of marketing innovation on the sustainability of a business during an economic crisis (Augusto & Coelho, 2009; Chen, 2006; Naidoo, 2010). However, marketing innovation has widely been accepted as a strategy to get into the market and develop company products (Contò et al., 2015). Besides, companies need to introduce new sales methods as part of marketing innovation (Nieves & Diaz-Meneses, 2016).

Marketing innovation affects company values (Tang et al., 2021) because company performance can be generated from innovation skills (Sok et al., 2013). This shows that innovation is vital for business continuity. Furthermore, innovation and sustainability positively affect company performance (Du et al., 2022). Innovation is needed in companies, especially related to the market economy system. Product innovation and production processes are often carried out in a market economy system and there is also innovation in product marketing (Chen, 2006). This means that innovation provides many benefits for companies in developing their performance and maintaining business continuity as innovation can cover products, production, and marketing.

1.3. Sustainability

The COVID-19 pandemic has brought major changes to businesses around the world affecting business sustainability. Business sustainability has existed since the 21st century (Hoffman, 2018; Ng & Rezaee, 2015). Since the global economic crisis that occurred in 2007–2009, business sustainability has always been a great concern to business actors (Rezaee, 2016) as it has become a social and economic issue (Dyllick & Muff, 2016) so that it is considered crucial (Tur-Porcar et al., 2018). Indeed, business sustainability has been a concern for a long time. During a global health crisis, which affects almost all businesses, it is necessary to think about business sustainability together.

However, business sustainability is sometimes challenging to understand, although it has become a model for carrying out management strategies (Bansal & DesJardine, 2014). Business sustainability is increasingly difficult during the COVID-19 pandemic due to government policies related to social restrictions, which affect businesses. Each business needs sustainability, but many of them cannot survive over time (Ortiz-Villalos & Sotoca, 2018). Thus, business sustainability still becomes a concern for business actors (Høgevold & Svensson, 2012). All business actors need to rethink business sustainability, especially related to the health crisis caused by the COVID-19 pandemic.

Business sustainability is a tool to achieve organizational goals that are carried out to achieve the vision and mission (Pojasek, 2007). Business sustainability does not always refer to business operations. However, it considers networks, supply chains, and others (Høgevold & Svensson, 2012) as business sustainability is indicated by questions about what has been considered previously (Dyllick & Muff, 2016). Based on this definition, business sustainability needs to consider all aspects of achieving the predetermined goals broadly. Today’s business companies have also considered focusing on sustainability (Colbert & Kurucz, 2007). Currently, business sustainability is used to maintain the company through the ability to meet short-term needs and prepare for future needs (Bansal & DesJardine, 2014).

Thus, this study investigates the effect of business plans and marketing innovation on busi-
ness sustainability during COVID-19 and how companies implement business plans and marketing innovation before and during the COVID-19 pandemic. It is important to perform as the COVID-19 pandemic has greatly affected the survival of companies in various countries (Wang et al., 2020). Therefore, business actors or companies must consider this condition if they want to survive a crisis or pandemic and adopt it as an experience to face more complex crises in the future.

1.4. Relationship between business plans, marketing innovation, and sustainability

Business innovations are varied. Many different terms have been used to define business innovation (O’Dwyer et al., 2009). Business innovation for companies is vital because it functions to maintain business competitiveness in the digital economy era (Micle et al., 2021). Each business has risky activities, such as uncertainty in starting a business, so it is necessary to plan a sustainable business through innovation that can later play a role in business creation (Pisano et al., 2015). It means that in starting or creating a business, it is necessary to have planning oriented to the ability of the business to survive and innovate. In this case, businesses can change their marketing mix and adapt them to the current marketing conditions by incorporating elements that can support the business (O’Dwyer et al., 2009).

For example, in the current pandemic, entrepreneurs can change their marketing models and practices from traditional to digital marketing systems to make businesses survive and compete. It clearly shows that business planning is vital, especially in uncertain conditions. Moreover, innovation in marketing practices is needed to make the business survive. At the beginning of innovations, companies have to be able to identify opportunities, develop and evaluate ideas, develop business plans, and create new concepts about products (Cooper & Kleinschmidt, 1986; Gassmann, 1997; Khurana & Rosenthal, 1997; Kim & Wilemon, 2002; Tidd & Bodley, 2002; Ullman, 1992). Innovation practitioners and researchers strongly agree with that idea (Sandmeier et al., 2004) because it can make companies more attractive to customers (McEvily et al., 2004; Mostafa, 2005).

Business competitiveness is achieved through developing new products and strategies (Ungerman et al., 2018). Marketing innovation is one of the factors for companies to compete (Ungerman et al., 2018). Pisano et al. (2015) explain that entrepreneurs have to be able to understand business models fundamentally and even have to create innovative business models to survive. The goal of creating a business plan for entrepreneurs is to avoid the possibility of business failure by designing a business model that can adapt to market opportunities (Pisano et al., 2015). Each business has a control and management system related to innovation to forecast sales in its business plan (Havlicek et al., 2013). The innovation center in a company needs to implement best practices, requiring technology and business plan development (McAdam et al., 2005).

The literature review showed that marketing innovations and business plans are important for business development. Innovations can provide new marketing models, while business plans can direct business operations. In addition, innovations and business plans are managed for business sustainability. This study aims to analyze the impact of marketing innovations and business plans on business sustainability during the COVID-19 pandemic. The impact can be seen simultaneously and partially.

1.5. Hypotheses

The hypotheses in this study cover simultaneous and partial effects (Figure 1):

H1: Business plan and marketing innovation simultaneously have a significant effect on business sustainability.

H2: Business plan partially has a significant effect on business sustainability.

H3: Marketing innovation partially has a significant effect on business sustainability.
2. METHODOLOGY

This quantitative study performed hypotheses testing. The population of this study was 689 micro and small enterprises in Palu City, Central Sulawesi Province, that were affected by COVID-19. The sample was selected from the population using the Slovin formula with a standard error of 5%, which involved 253 respondents. The sample criteria were businesses or entrepreneurs with a business plan implementing marketing innovation during the pandemic.

The data were collected using a questionnaire with statements related to research variables (business plan, marketing innovation, and sustainability). The questionnaire results were tabulated and followed by validity and reliability testing. The test aims to determine the level of validity and consistency of the research questionnaire (Heale & Twycross, 2015). The level of validity covers low (< 0.3), medium (0.3-0.5), and high (> 0.5) levels (Ghozali, 2011; Heale & Twycross, 2015), while reliability is seen from Cronbach's alpha (α) of > 0.7 (LoBiondo-Wood & Haber, 2013).

The data analysis of descriptive statistical testing and multiple linear regression used Statistical Product and Service Solutions (SPSS). The descriptive statistical test aims to explain the results of respondents’ responses related to the statements in the questionnaire. In contrast, the multiple linear regression determines the effect of the independent variables on the dependent variable.

3. RESULTS

3.1. Validity and reliability

The tested variables for validity and reliability were business plans, marketing innovation, and sustainability.

![Figure 1. Research model](http://dx.doi.org/10.21511/im.18(3).2022.11)
The data in Table 1 shows that the items of business plans, marketing innovation, and sustainability obtained a corrected item-total correlation value higher than 0.3. Thus, it can be concluded that all items are declared valid with a strong level. Meanwhile, for reliability, all items obtained a value of Cronbach’s alpha (α) higher than 0.7, so all items are declared reliable.

3.2. Descriptive statistics

The descriptive statistics test is to describe the characteristics of each statement item. The results show the highest and lowest responses to conclude each statement item on the research variable (Table 2).

Table 2 shows that during the COVID-19 pandemic, the businesses in Palu City focused on business strategies covering business plans having an analysis of the sales promotion that will be carried out (mean value 3.5494). Next, they used a business plan analyzing a business strategy that has not been fulfilled/implemented well and presenting a solution (mean value 3.6364). Finally, there was a business plan analyzing the level of business productivity and the extent to which the business succeeds (mean 3.5968). These results show the importance of a business plan to be owned by each business entity. A business plan describes the extent of business productivity and how the business will achieve predetermined targets with all kinds of risks. When a business plan is implemented properly, it will be able to position the business better. This is very useful during the COVID-19 pandemic to support business actors in facing the problems. These problems can be used as guidelines for analyzing and implementing strategic steps during the pandemic.

Moreover, Table 3 presents the results of descriptive statistics on marketing innovation.

Table 2. Descriptive statistics for business plans

| No. | Dimension         | Statement                                                                                     | Item | N  | Mean  |
|-----|-------------------|-----------------------------------------------------------------------------------------------|------|----|-------|
| 1.  | Executive summary | My business plan has a brief overview of the current business.                                | 1    | 253| 3.4545|
|     |                   | My business plan can create an engaging first impression for the readers.                     | 2    | 253| 3.2925|
|     |                   | My business plan reviews in detail business concepts, market analysis, business strategy, and plan implementation. | 3    | 253| 3.2213|
| 2.  | Business concept  | My business plan provides a background of the business.                                       | 4    | 253| 3.2490|
|     |                   | My business plan presents the programs I will carry out in the future.                       | 5    | 253| 3.4743|
|     |                   | My business plan has a target market and market growth analysis and meets consumer needs.     | 6    | 253| 3.4190|
| 3.  | Market analysis   | My business plan has a market need analysis that has not been fulfilled.                     | 7    | 253| 3.4032|
|     |                   | My business plan has a target market analysis (in specific populations).                      | 8    | 253| 3.3202|
|     |                   | My business plan analyzes the demand for the products/services I offer.                       | 9    | 253| 3.3834|
|     |                   | My business plan has the sales promotion analysis that will be carried out.                  | 10   | 253| 3.5494|
|     |                   | My business plan has a business strategy analysis that has not been fulfilled/implemented well and presents the solution. | 11   | 253| 3.6364|
| 4.  | Business strategy | My business plan analyzes the level of business productivity and the extent to which the business gets success. | 12   | 253| 3.5968|
|     | Financial plan    | My business plan can show the projected income of the business.                               | 13   | 253| 3.6364|
|     |                   | My business plan presents the investments I have made for this business.                     | 14   | 253| 3.4348|
|     |                   | My business plan has an analysis of income and expenses.                                      | 15   | 253| 3.4822|
| 5.  | Operations plan   | My business plan describes how the new investment in the business can be integrated with all workers/employees. | 16   | 253| 2.9644|
|     |                   | My business plan has clear directions regarding the working procedures of the old/new employees. | 17   | 253| 3.2885|
|     |                   | My business plan can describe the space, work equipment, and employee duties in detail.       | 18   | 253| 3.3518|
| 6.  | Implementation plan| My business plan is very dynamic.                                                              | 19   | 253| 3.4229|
|     |                   | My business plan has the appropriate marketing plan to deal with competitors.                | 20   | 253| 3.3636|
|     |                   | My business plan has clear targets for implementing each plan according to the specified time and budget. | 21   | 253| 3.1265|

Source: SPSS output.
Table 3 shows that business actors have to be able to change the marketing mix that has been stated in the business plan during the pandemic. The marketing mix elements need to be adapted to the type of business and the conditions. Product, price, promotion, and place are the four elements commonly referred to as the 4Ps (Grabara, 2021). In terms of product, business actors have to look at the position of their products on the market, whether still in demand during the pandemic or need to be replaced. For example, businesses in the health industry will get the maximum profit during the pandemic. However, other industries, like culinary, need to readjust to consumer needs, such as producing healthy foods or changing ingredients. Then, in terms of price, it is also important to look at the market conditions. During the pandemic, the economic conditions of the target market decreased significantly, so there must be an adjustment to the selling price of a product so that consumers can still afford it. Then, in the promotion, the promotion method and cost need to be changed or adjusted (Grabara, 2021).

During the pandemic, consumers tend to use electronic/digital platforms in terms of purchasing behavior. This has to be responded to by initiating promotion through social media such as Facebook, WhatsApp, and Instagram. Information technology and social media have become a promotional medium in the 4.0 era where social communities are facilitated to share tweets, feeds, and stories; these can be perfect promotional media. Then, from the aspect of the place, it is difficult to change places due to costs. Therefore, the increased costs should be avoided during the pandemic. This can be addressed by the use of technology such as online service platforms like Grab, Gojek, or Maxim for takeaway orders. Business actors can also use their social media to promote their place of business with interesting content. It is crucial to notice that business actors must take the initiative to innovate to survive in any conditions, especially in the COVID-19 pandemic. Therefore, innovation in marketing is essential.

Next, the results of descriptive statistics on sustainability can be seen in Table 4. It shows the highest mean value for item number 49 on the preparedness dimension, which states that the crisis resulted in preparedness in all respects (mean value of 4.1107). This means that to be able to sur-
vive in a crisis or the COVID-19 pandemic, business actors have to prepare all aspects affecting the business operations, including business planning as a guideline for any conditions. Indeed, there are uncertain conditions for a business, especially during the COVID-19 pandemic. Policies issued by the government will affect the cycle of business actors and consumers. Therefore, a business plan has to be able to guide or direct businesses with the appropriate strategy by considering the available resources. The availability of a business plan or prepared project will make a business more directed. However, the lowest mean value in the project dimension stated that an entrepreneur has not carried out the initiative regarding the prepared projects (mean value of 3.2688). This means that business actors still lack the initiative to take actions during the pandemic. This is because of dependence on directions and subsidies from the government, as well as low awareness of the importance of having a business plan. A business plan becomes a guideline and projection for running a business as it has projected all forms of risks and strategies to overcome them with the available capital and resources. Therefore, it can be a measure and a benchmark for business actors regarding their capability and readiness to face business risks.

Concerning business sustainability, the preparedness dimension shows that the crisis resulted in varied resource decision-making (mean value of 3.9684); and an entrepreneur can complete the planned initiatives/projects (mean value of 3.9368). Meanwhile, on the plan dimension, descriptive statistics show that an entrepreneur develops the steps, thinks broadly and deeply, and views the future (mean value 3.9249). This shows that business actors recognize the importance of business planning and marketing innovation to support the sustainability of their business. However, they still need socialization and guidance to create a business plan to be more focused on planning and executing appropriate marketing innovations. Therefore, both government and business actors need to play their roles in this case. Besides, business actors have to make more innovations for their businesses.

### 3.3. Hypotheses testing

The research hypotheses cover the results of multiple linear regression and the t-test. Multiple linear regression is to answer the hypotheses simultaneously and partially from the independent variable (X) to the dependent variable (Y). The independent variables consist of business plan (X1), marketing innovation (X2), and sustainability (Y). The simultaneous hypotheses test (F test) was by comparing the value between $F_{\text{count}}$ and $F_{\text{table}}$, and the result can be seen in Table 5.

#### Table 4. Descriptive statistics for sustainability

| No. | Dimension | Statement | Item | N   | Mean |
|-----|-----------|-----------|------|-----|------|
| 1   | Position  | Entrepreneurs are aware of their position and role in the market. | 36   | 253 | 3.5771 |
|     |           | The running business has major competitors. | 37   | 253 | 3.7391 |
|     |           | The running business has a clear goal. | 38   | 253 | 3.8221 |
| 2   | Plan      | The entrepreneur should act to get through the crisis and get back to business when the crisis is over. | 39   | 253 | 3.8656 |
|     |           | The entrepreneur formulates the steps to take, thinks broadly and deeply, and takes a long view of the future. | 40   | 253 | 3.9249 |
| 3   | Perspective | Culturally, the running business has prepared for crisis. | 41   | 253 | 3.8577 |
|     |           | The ongoing crisis can unite employees. | 42   | 253 | 3.6640 |
|     |           | The ongoing crisis can separate employees. | 43   | 253 | 3.6166 |
|     |           | After the crisis ends, employers/employees will see the difference in the running of businesses. | 44   | 253 | 3.3043 |
| 4   | Projects  | Prioritize initiatives regarding future projects. | 45   | 253 | 3.3004 |
|     |           | Carry out initiatives on prepared projects. | 46   | 253 | 3.2688 |
|     |           | Coordinate initiatives regarding the project that will be carried out. | 47   | 253 | 3.8498 |
| 5   | Preparedness | The entrepreneur can complete planned initiatives/projects. | 48   | 253 | 3.9368 |
|     |           | The crisis produces preparedness in all aspects. | 49   | 253 | 4.1107 |
|     |           | The crisis results in varied resource decision-making. | 50   | 253 | 3.9684 |
Table 5. ANOVA\textsuperscript{b}

| Model     | Sum of Squares | df | Mean Square | F    | Sig.  |
|-----------|----------------|----|-------------|------|-------|
| Regression| 1237.026       | 1  | 618.513     | 10.615 | .000  |
| Residual  | 14566.484      | 250| 58.266      |       |       |
| Total     | 15803.510      | 252|             |       |       |

Note: a. Predictors: (Constant), Marketing Innovation, Business Plan. b. Dependent Variable: Sustainability.

Table 5 shows that $F_{\text{count}} > F_{\text{table}}$ at the significance alpha ($\alpha$) of 0.05 or Sig. $F < 0.05$. The results show that the significance value is 0.000, smaller than the significance alpha ($\alpha$) of 0.05, meaning it is significant. Based on these results, it can be concluded that H1 is accepted. It means that business plan and marketing innovation simultaneously and significantly affect sustainability. It is evidenced by the value of $F_{\text{count}}$ higher than $F_{\text{table}}$.

Then, the testing results of H2 and H3 can be seen in Table 6. The test was carried out by comparing the values of $t_{\text{count}}$ and $t_{\text{table}}$.

Table 6. Coefficients\textsuperscript{a}

| Model     | Unstandardized Coefficients | Standardized Coefficients | t    | Sig.  |
|-----------|-----------------------------|---------------------------|------|-------|
|           | B                           | Std. Error                | Beta |       |
| (Constant)| 35.417                      | 4.465                     | 7.932 | .000  |
| Business Plan | .105                      | .038                      | .169 | 2.780 | .006  |
| Marketing Innovation | .260                      | .067                      | .236 | 3.878 | .000  |

Note: a. Dependent Variable: Sustainability.

The business plan variable shows that $t_{\text{count}} > t_{\text{table}}$ (2.780 > 1.650). The results show that the significance value obtained is 0.006, smaller than the significance alpha ($\alpha$) of 0.05, meaning it is significant. Therefore, it can be concluded that the business plan has a significant effect on sustainability.

The marketing innovation variable shows that $t_{\text{count}} > t_{\text{table}}$ (3.878 > 1.650). The results show that the significance value obtained is 0.000, smaller than the significance alpha ($\alpha$) of 0.05, meaning it is significant. Therefore, it can be concluded that marketing innovation has a significant effect on sustainability.

3.4. Business problems, strategies, and actions during the pandemic

Business actors need to innovate due to government policies prohibiting business operations during the pandemic. Therefore, they have to change their business strategies. Digital marketing is the main alternative for running a business. This is a part of the innovation. The crisis caused by the COVID-19 pandemic resulted in innovation for human life (Ding & Li, 2021). The pandemic affects the business actors in Indonesia, including Palu City, which faces various problems in maintaining and developing businesses. The results of the investigation of the problems, strategies, and actions taken to maintain business during the pandemic are shown in Table 7.

Table 7. Problems, strategies, and actions during the pandemic

| No. | Problems | Strategies | Actions |
|-----|----------|------------|---------|
| 1.  | Capital  | Government | Tax deduction or exemption  |
|     |          |            | Loan interest exemption    |
|     |          |            | Subsidy                   |
|     |          |            | Credit relaxation          |
|     |          |            | WhatsApp                  |
|     |          |            | Instagram                 |
|     |          |            | Facebook                  |
|     |          |            | Website                   |
|     |          |            | Gojek                     |
|     |          |            | Maxim                     |
|     |          |            | Delivery service          |
| 2.  | Business closure | Online marketing |                |
|     |          |            | Supply chain innovation (cooperation) |
|     |          |            | Finding new network       |
| 3.  | Supply chain | Innovation and network |               |
|     |          |            | Business innovation       |
|     |          |            | Marketing strategies      |
|     |          |            | Application               |
|     |          |            | Merger                    |
| 4.  | Business sustainability | Business digitalization |               |

4. DISCUSSION

Each entrepreneur or business actor experiences uncertainty about business operations during the pandemic (Rakshit et al., 2021). The pandemic is a challenge as it dramatically affects both large and small businesses and causes many businesses to close (Dai et al., 2021). This condition challenges entrepreneurs to maintain business sustainability during crises. Reviewing the current business is crucial because sustain-
ability is highly determined by the company’s business plan and innovations in dealing with challenges.

In the current modernization, most business actors use social media-based marketing systems to attract potential customers, which will undoubtedly change the business plans that previously were more oriented toward attracting offline customers. Thus, a business plan must be dynamic to keep up with the developments and shifting needs of the business (Zeng et al., 2021). Business plans can be used to predict business sustainability in the future, but other indicators are indeed needed to support their effectiveness (McKenzie & Sansone, 2019). Meanwhile, marketing innovation in companies can support some elements that previously existed in the corporate environment (Gilmore, 2011). Business innovation requires ideas and development of business plans and product concepts to make a company attractive to its customers (Cooper & Kleinschmidt, 1986; Gassmann, 1997; Khurana & Rosenthal, 1997; Kim & Wilemon, 2002; McEvily et al., 2004; Mostafa, 2005; Sandmeier et al., 2004; Tidd & Bodley, 2002; Ullman, 1992).

The current pandemic has dramatically affected business practices (Ali et al., 2021). Many companies worldwide have been closed, including in Indonesia and Palu City. Thus, companies have to anticipate this condition by finalizing an innovative business and marketing plan due to changes in all business aspects during the pandemic. The results of this study indicate that business plans and marketing innovation have a significant effect on business sustainability. It means that business sustainability can be predicted and explained by a business plan and marketing innovation.

Furthermore, the results showed that a business plan has a close relationship with marketing innovation. Thus, these two variables are vital in maintaining business sustainability during a crisis or pandemic. Therefore, business establishments have to think about future business plans and forecasting conditions or risks so that businesses or business actors are ready to innovate and can minimize business downturn during a prolonged pandemic.

Meanwhile, Almaqtari et al. (2022) revealed that information technology management is important for business continuity during the pandemic. Akpan et al. (2021) also found that technological application during the pandemic not only creates a competitive advantage but also enables businesses to survive. The results of previous studies align with this study, indicating that Palu City business actors are trying to rethink their business plans. The application of technology is a significant concern for business actors. The pandemic has become a problem for business actors worldwide, forcing them to change their business plans. Due to government policies, the conventional marketing method is no longer valid during the COVID-19 pandemic. This forces business actors to apply technology in their business.

The goal of the application of technology is to make the business survive and then be able to compete with other businesses. The condition in Indonesia, especially in Palu City, is not much different from others due to the global impact of the COVID-19 pandemic. Lutfi et al. (2020) and Mandviwalla and Flanagan (2021) revealed that COVID-19 causes a major crisis affecting small businesses. The results of some previous studies and this study indicate that business actors need to rethink their business plans during the pandemic, and the application of technology plays a vital role in business sustainability.

Business plans are useful for communicating, managing finance, focusing, and preparing anything that is not known in advance (Haag, 2013). Meanwhile, research related to marketing innovation has broad approaches and views to solve the problem (Contò et al., 2015). Current conditions require companies to perform marketing innovation based on a business plan. A business plan is prepared with various considerations, including uncertainty, such as the current pandemic. A business plan can be developed to encourage business sustainability by changing marketing practices. For example, in the previous business plan, marketing practices were carried out conventionally, but in uncertain conditions due to the pandemic, innovation in marketing through a digital marketing system was needed. The marketing practices car-
ried out by entrepreneurs during the pandemic have been changed so that companies can be competitive. Marketing innovation is one of the factors for companies to compete (Ungerman et al., 2018). One form of innovation is developing technology and business plans (McAdam et al., 2005). It can be concluded that business plans and marketing innovation are related to maintaining and sustaining business, particularly during the pandemic.

COVID-19 has caused many business changes, so it is necessary for businesses to rethink and innovate in digital technology and services to maintain their businesses. During the COVID-19 pandemic, digital technology has greatly helped business actors innovate (Bettiol et al., 2022). COVID-19 forces business actors on both the large and small scales to innovate through technology (Mention et al., 2020; Papadopoulos et al., 2020). Technological advances bring opportunities for businesses to grow and develop (Dalenogare et al., 2018) their products and services (Setiawan, 2019). Based on the results of this study, business actors in Indonesia face various problems during the pandemic, but they innovate with strategies and actions. In terms of business capital, the government helps business actors by cutting taxes, reducing loan interest, offering subsidies, and credit relaxation. In terms of business closure, business actors implement online marketing using WhatsApp, Instagram, Facebook, Website, Gojek, Maxim, and Couriers. Meanwhile, supply chain disruptions are handled with innovation and networking through supply chain innovation (cooperation) and looking for new networks. Then, business actors implement business digitalization, innovation, marketing strategies, applications, and even mergers regarding business sustainability issues.

Business actors change their strategies in various business aspects due to the uncertain conditions caused by COVID-19. Currently, business actors in Palu City have made changes to their marketing strategies to follow changes in the business plans. For example, they use digitalization, online promotions and sales, and even couriers to meet customer needs as a part of the marketing innovations.

The pandemic has changed all aspects that can support business continuity. Thus, changes are needed to make the business survive. Since the beginning of the pandemic in Indonesia, business actors have had difficulty maintaining business continuity. Moreover, the pandemic causes many businesses to close. Various government policies during the pandemic also indirectly encourage business actors to create innovations in marketing their products by utilizing information technology to make their businesses survive. Following the changes is a must for business actors in Palu City affected by the pandemic, and they also need to consider changing and adapting business strategies to the needs.

Before the COVID-19 pandemic, entrepreneurs focused on business concepts. Meanwhile, during the pandemic, they focus on business strategy. It means that the company tries to implement a new strategy to maintain sustainability. This study shows differences in respondents’ responses before and during the COVID-19 pandemic. In some dimensions, there are differences. For example, in the dimensions of marketing, an entrepreneur or business tries to improve products from all aspects, changes the marketing mix by adding a word-of-mouth promotion method, and changes the distribution channels. Then, in the customer focus, there is also a difference in which during the COVID-19 pandemic, entrepreneurs do not identify customer groups through a process of elimination, instead using more traditional strategies such as segmentation, targeting, and positioning. Meanwhile, before COVID-19, entrepreneurs eliminated customers but not during COVID-19 because there was a decrease in business income.

This study found that during a crisis, entrepreneurs or business actors need to innovate and change all aspects of their business. To increase the business income, they should not eliminate non-potential customers as their presence is significant for business sustainability. It can be applied at all levels of business because, in an uncertain crisis, the presence of customers is the capital to maintain and sustain the business. The implications of this study can be used as the basis for the government to adopt policies and for business actors to design business and marketing strategies for the short and long-term periods after the pandemic.
CONCLUSION

This study aims to analyze the effect of marketing innovations and business plans on business sustainability during the COVID-19 pandemic. This study explains that the pandemic condition is risky for business actors, so it is crucial for business actors to make changes in their business plans and make innovations in running their businesses. Previous studies have proven that marketing innovations and business plans influence business sustainability. This is in line with this study that the test results show that marketing innovation and business plans are essential in supporting business sustainability in uncertain conditions. The current condition is unpredictable for business actors. However, it can provide experience, including for the government in implementing strategies to advance business actors in Palu City, various regions, and even various countries.

This study found that in the current crisis conditions, business actors should change strategies for the sustainability of the business and no longer apply market segmentation as almost all aspects of the business have changed. For example, business actors do not only focus on their regular customers but try to attract new customers without determining the criteria as regular customers or not. These results are expected to contribute to business development during the pandemic and have an impact on the sustainability of the business.

AUTHOR CONTRIBUTIONS

Conceptualization: Zakiyah Zahara, Pricylia Chintya Dewi Buntuang.
Data curation: Zakiyah Zahara, Pricylia Chintya Dewi Buntuang.
Formal analysis: Zakiyah Zahara.
Funding acquisition: Zakiyah Zahara, Muslimin Muslimin.
Investigation: Zakiyah Zahara, Muslimin Muslimin.
Methodology: Zakiyah Zahara, Muslimin Muslimin, Pricylia Chintya Dewi Buntuang.
Project administration: Zakiyah Zahara, Muslimin Muslimin.
Resources: Muslimin Muslimin.
Software: Muslimin Muslimin, Pricylia Chintya Dewi Buntuang.
Supervision: Zakiyah Zahara, Muslimin Muslimin, Pricylia Chintya Dewi Buntuang.
Validation: Pricylia Chintya Dewi Buntuang.
Visualization: Pricylia Chintya Dewi Buntuang.
Writing – original draft: Zakiyah Zahara, Muslimin Muslimin.
Writing – review & editing: Pricylia Chintya Dewi Buntuang.

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