

## Creativity, Innovation and Promotion Variables as Determinants of Culinary Business Success in OKU Regency

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### ARTICLE INFO

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DOI: [10.32832/jm-uika.v12i3.4702](https://doi.org/10.32832/jm-uika.v12i3.4702)

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Article history:

Received:

04 May 2021

Accepted:

08 August 2021

Available online:

01 October 2021

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Keywords:

Creativity, Innovation, Promotion, and Business Success

### ABSTRACT

*The objective of this research was to examine the effects of creativity, innovation, and promotion variables as determinants of culinary business success in the Ogan Komering Ulu (OKU) regency. The research design was survey research with a quantitative approach. The population of this research consisted of culinary businesses in the OKU regency. The sample of this research is 97 culinary businesses domiciled in Ogan Komering Ulu regency by using a non-probability sampling method. The research instrument used a questionnaire and the analytical method used was multiple regression. The results of the partial test, it was obtained: (1) The results of the t-test obtained t-count 2.032 with a significance of 0.04 which means that creativity has a positive and significant effect on business success. (2) The results of the t-test for innovation obtained tcount 5.412 with a significance of 0.00 which means that innovation has a positive and significant effect on business success. (3) The results of the promotion t test obtained tcount 7.396 with a significance of 0.00 which means that promotion has a positive and significant effect on business success. (4) Simultaneously obtained F count of 156.227 with a significance of 0.000. This research focused on creativity, innovation and promotion as independent variables and business success as the dependent variable.*

## 1. INTRODUCTION

Law of the Republic of Indonesia Number 20 of 2008 on Micro, Small, and Medium Enterprises emphasizes that Micro, Small, and Medium Enterprises (MSMEs) are business activities capable of expanding employment and providing the economic services for society widely, and also play roles in equalizing and increasing people's income, encouraging economic growth, and realizing national stability. Small and Medium Enterprises (SMEs) also play an essential role in improving the community's economy at the city and regency levels. The reason is that SMEs are large enough producer and consumer entities so that the money in the community experiences a turnover from and by the SMEs themselves. Small and medium enterprises (SMEs) have an important and strategic role in national economic development. In addition to playing a role in economic growth and employment, SMEs also play a role in distributing development results, Warcito (2020)

A form of SMEs is a culinary business. The development of culinary enterprises has grown rapidly, especially in big cities in recent years, due to the increasing needs of urban communities. Their increasingly busy work makes them more frequently order food from outside. Moreover, it is now supported by the development of the internet, making it easier for them to order food from anywhere. This community habit opens up business fields for those who want to pursue the culinary business world. The culinary business can reap profits of tens of millions to hundreds of millions of rupiah. This data is similar to that held by the Indonesian Creative Economy Agency (*Bekraf*). The Deputy Chairman for Capital Access of *Bekraf*, Fadjar Hutomo, on the same occasion, said that the culinary business made the largest contribution to the creative economy sector. Fadjar explained three sectors of the 16 sectors that had contributed 30 percent to the creative economy. The three sectors are culinary, fashion, and handicrafts. Culinary contributes up to 34 percent (Puput, CNN Indonesia, 2017).

Ogan Komering Ulu regency, which relatively has both small and medium enterprises, becomes one of some areas that develop SMEs in the Culinary Sector, such as Restaurants, Cafes, Meatball, and others. However, it is known that the businesses sometimes fluctuate, to determine their competitive ability, they must keep abreast of developments by developing creativity, innovation, and promotion in maintaining and improving the businesses. Based on data sources at The Department of Cooperatives and SMEs in Ogan Komering Ulu Regency, the SMEs in Culinary Sector have increased every year.

**Table 1.** The Development Data of Culinary SMEs OKU Regency in 2014 – 2019

| No | Year | Total |
|----|------|-------|
| 1  | 2014 | 2.715 |
| 2  | 2015 | 3.032 |
| 3  | 2016 | 3.180 |
| 4  | 2017 | 3.326 |
| 5  | 2018 | 3.526 |
| 6  | 2019 | 3.554 |

Source: The Department of Cooperatives and SMEs of OKU Regency 2020

Based on the data in **Table 1**, the SMEs in the culinary sector in Ogan Komering Ulu Regency from 2014 to 2019 experienced an increase. So, from these data, the culinary business in Ogan Komering Ulu Regency is the business that people most choose. It cannot be denied that the obstacles that usually must be faced by a culinary business in Ogan Komering Ulu Regency are a competition between culinary business actors. Competition becomes a common thing that is felt by culinary businesses or other businesses. The emergence of competition makes every business actor able to withstand the rigors of market competition and choose a strategy to run a business so that the business which is carried out continues and generates profits. A company or business is said to be successful if it gets a profit. Although profit is not the only aspect that is judged on the success of a business or business, advantage or profit is an important factor because profit is the goal of people who start a business. If in a company or business there is a decrease in profits or unstable profits, then the company or business will find it difficult to operate its business activities and maintain its business. Business success is the main goal of a company or business in which all activities in it are aimed at achieving success or success. The company implements its strategy in order to get new customers or customers and also to anticipate changes that occur. Without the support of the right strategy, the company will find it difficult to survive in the midst of competition. Starting from this, the company demands to be able to formulate a good marketing strategy. Companies need to make marketing strategies that are creative and in tune with changing environmental conditions. The competition that occurs today is very different from the competition in the past so that its marketing programs also need to be adjusted. Creativity in making marketing programs is the key to the company's success in the era of globalization. It can be said that the company's success in improving its performance depends on creativity, innovation and its ability to choose promotional media according to consumer desires.

Currently, the success of small and medium enterprises (SMEs) in increasing the growth of the company is still very dependent on the entrepreneurial ability of the owner. Only the owners (owners) who have creativity and strong innovation power are able to bring improvements to the company. The owner's inability to maintain his strength in the face of the existing challenges will actually affect the company's performance decline and failure. Therefore, in facing the globalization era later, the company's dependence on the creativity and innovation of its owners must be accompanied by the company's ability to formulate its strategy and implement the strategy properly. Strategy can be seen as a company's response, both short-term and long-term, in facing challenges and opportunities due to environmental changes that occur. Business success is also synonymous with constant promotional media used by the company. a form of promotion that is easily understood by consumers at this time will make consumers loyal to the products produced by restaurants.

Baldacchino (2009) that the essence of entrepreneurs is the ability to create something new and different through creative thinking and innovative action to create opportunities. The ability to develop new ideas and new ways of solving problems and finding opportunities is creativity, while the ability to apply creativity in order to solve problems and find opportunities is innovation. A part from the creativity and innovation that an entrepreneur must have, another factor that can be maximized to achieve a business/business's success is selecting promotional media. Kotler and Armstrong (2015) said that "the media can determine whether or not a

message is delivered to the target (consumers) because the media is the most important part of advertising." To increase the success of a business, the used media must be precise and following the needs.

Based on the background stated above, the problem statements are formulated as follow: Is there any significant effect of creativity, innovation and Promotion on the success of the culinary business in OKU Regency?

## **2. LITERATURE REVIEW**

### **Creativity**

Creativity is the art of building new and meaningful relationships between previously unrelated things in relevant and trustworthy ways and good taste (Granot, 2011). Creativity is also a process that can be developed and improved. Capabilities and talents are the basics, but knowledge from the environment will affect someone's creativity. So far, there is a wrong assumption about creative people. There is an assumption that only smart people or geniuses have creativity. Campbell (2012) in Alkhusani dan Rida (2021) states that creativity is an activity that produces results that are new, innovative, unprecedented, fresh, interesting, strange, surprising and useful. Creative people always work systematically by presenting relevant data and information. Business creativity keeps business thriving and alive. According (Nnadi, 2014) Business creativity keeps business thriving and alive. Creative and innovative business succeeds as stimulating creative problem solving and creativity will:

1. Propel innovation forward
2. Lead to improvement in solving problems
3. Increased productivity
4. Give a business the competitive edge

### **Innovation**

Innovation is a strategic lever for business transformation, change, profitability, management, and overall sustainability. It is also a lever that empowers, engages, and enables individuals to deliver profound system, culture, people, product, and process change. It leads to increased organizational competitiveness, reach, engagement, faster business growth, and increased business value (Nnadi, 2014). Innovation is the key function of entrepreneurship. Nnadi (2014) sees innovation as a means via which entrepreneurs endow existing resources with better potential to create wealth and a way to create new wealth-producing resources. Innovation is the perceptual and conceptual and would-be entrepreneurs ask, listen and go out and seek for it. They look at people and at figure and analytically create an innovation that satisfies the opportunity. Elsewhere, Schumpeterian views innovation as a criterion of entrepreneurship whose defining characteristics is doing new things that have not been done. This new way is a creative response to situations that had three key characteristics. First characteristics are that the creative response can never be understood practically. Secondly, it shapes the course of subsequent events and outcomes. Thirdly, it deals with the quality of personnel.

## Promotion

Marketing a product requires communication tools or media to introduce the product to the target market (Krämer *et al.*, 2017; Varadarajan, 2020). This communication tool to connect producers and consumers is called promotion. Promotion is an activity carried out by a company that aims to inform, persuade, influence, and remind consumers to buy products from the company. Promotions can be defined as a form of marketing communication, marketing communication is a marketing activity that seeks to disseminate information, influence / persuade and / or alerting the target market for the company and its products to be willing to accept, purchase, and loyal to the products offered by the company (Brata *et al.*, 2017). Through promotion, SMEs can communicate and provide explanations and convince potential customers about their goods and service. Its primary goal is to get attention, educate, remind, and convince potential customers. Promotional elements such as advertising, sales promotion, sales force, and public relations are believed to improve sales performance as part of an integrated marketing program (Rehman and Ibrahim, 2011).

## Business Success

Business success is the success of the business in achieving its goals (Suryana, 2011). Success is defined as something specific related to performance. Performance represents the objective dimension of success, being a form of success in a multidimensional, qualitative, and quantitative manner. Such categories limit success and predetermined performance and show that small companies can achieve the stated goals and the unsatisfactory with good, high, optimal levels of performance with growth and development, thus making a multidimensional expression of success. The success of the business depends on many factors, including the ability of entrepreneurs to run a business, marketing strategies, the nature and type of business, financial support, know-how management, the use of modern technology, market access and networks, government policies and support, a favorable external environment, owner's qualities, etc. (Islam & Al-Mukit, 2016).

## Hypothesis Development

According to Amin & Jaya, (2019) The ability to develop new ideas and new ways of solving problems and finding opportunities is creativity, while the ability to apply creativity in order to solve problems and find opportunities is innovation. Creativity is what will spur entrepreneurs to innovate Based on the description above, Hypothesis 1 can be made: creativity had a positive and significant effect on business success.

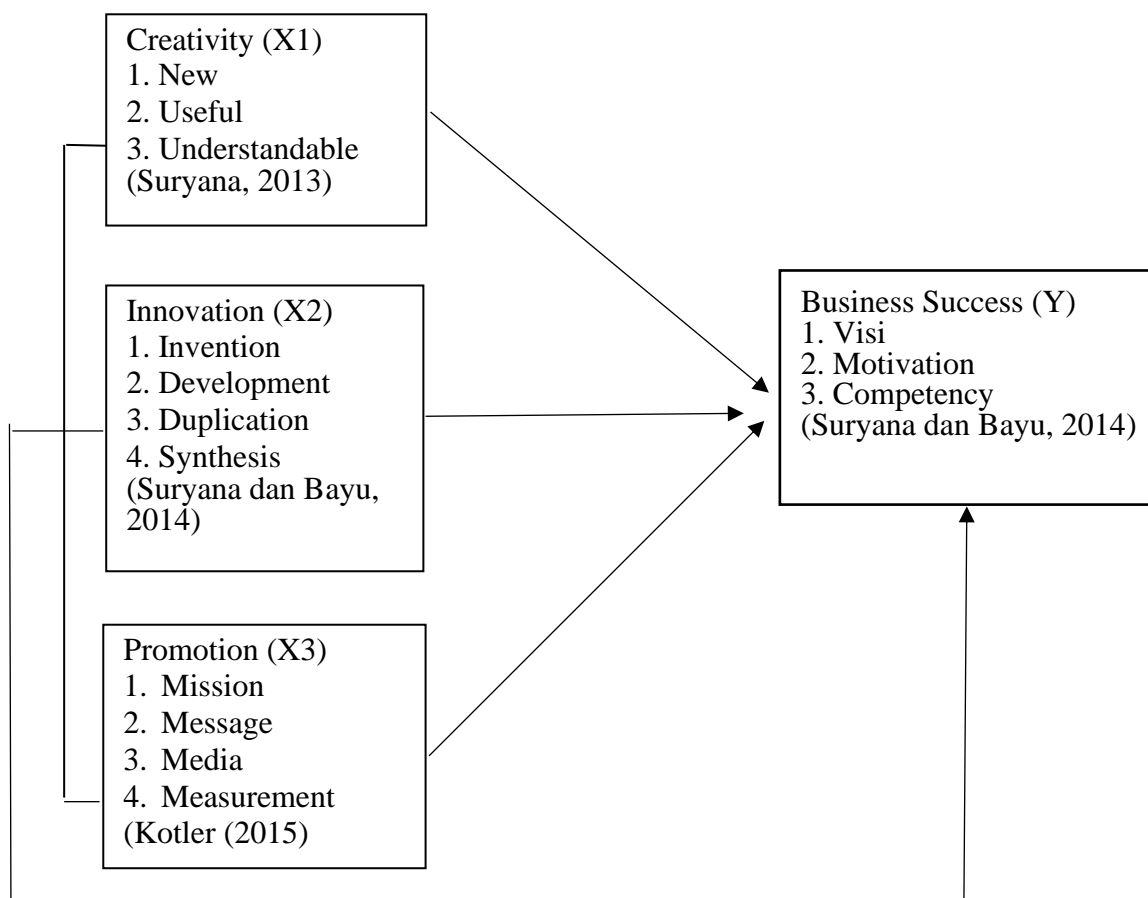
The results showed that business success is determined by its ability to innovate (Rahab, 2012). Simultaneously, creativity and innovation are also able to provide a positive and significant influence in efforts to improve the performance of SMEs. The same results appeared with a study by Sajjad *et al.*, (2012) who argued that innovation enterprise lies at the core of numerous essential level headed discussions, including those around propelling and developing firms, local financial improvement, choosing the proper partners to take thoughts to business sectors. Research on continuous innovation was carried out by Soca (2011). The results of his research stated that constant innovation and outstanding customer service, in the long run, will

create and maintain superior performance. The research results by Wahab *et al.* (2018) showed that innovation has a significant influence on the success of SMEs. Based on the description above, Hypothesis 2 can be made: innovation had a positive and significant effect on business success.

According to Perreault *et al.* (2009), promotion communicates information from sellers to buyers or other parties in channels to influence attitudes and behavior. The more vigorous promotional activities are carried out, the more interested and influenced consumers will buy the company's products in the end. Research conducted by Bakhtiari (2014) showed that promotion had a significant effect on business success. Kotler (2015), also said that "the media can determine whether or not a message is conveyed to the target (consumer) because the media is the most important part of advertising". To increase the success of a business / business, the media to be used must be appropriate and in accordance with what is needed. Based on the description above, Hypothesis 3 can be made: promotion had a positive and significant effect on business success.

### Conceptual Framework

Referring to the theoretical framework regarding the relationship between variables as described in the formulation of the hypothesis, the conceptual framework in this research is as follows:



**Figure 1.**Conceptual Framework

Source : Sugiyono, 2013

### 3. RESEARCH METHODS

#### *Types of Research*

This research uses quantitative methods and with an associative approach. According to Sugiyono (2013) quantitative methods can be interpreted as research methods that take place on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, quantitative/statistical data analysis, with the aim of testing predetermined hypotheses.

#### *Research Population and Sample*

The population is the whole objects or subjects in an area that meets specific requirements related to the research problem or the entire unit or individual within the scope studied (Martono, 2012). The population in this research was the number of all culinary businesses in 2019 in the Ogan Komering Ulu regency, which are registered at the Department of Trade and Industry, totaling 3554 businesses.

A research sample is a part or a representative of a research population. It is called a research sample if we intend to generalize the results of sample research. Based on the population above, the number of samples will be determined used as research respondents. Total sample size set based on the Slovin formula (Sugiyono, 2013), namely:

$$n = \frac{N}{1+N(e)^2} \dots\dots\dots(1)$$

In which:

- n = number of samples
- N = total population
- E = deviation rate of 10% (0.1)

In research, the critical value used was 10% because a sufficient number of samples was obtained in research, and it was a suitable standard for social research. The total population of this research consisted of 3554 people (culinary business owners in Ogan Komering Ulu regency) with a critical value (e) of 10%. So that, the sample value (n) used is:

#### **Slovin Formula**

$$n = \frac{3554}{1+3554(0,1)^2} = 97.263$$

So, the number of samples of this research was 97 people.

#### *Data Analysis Method*

Dataanalysis used was validity and reliability tests to describe the accuracy consistency of measuring instruments. Significance = 5%. Validity and reliability tests were carried out with SPSS software version 17.00 for Windows. Validity and reliability tests were conducted to determine the quality of the question items from the questionnaire to be used in a study. The results of the validity and reliability test of the question items will determine the quality of the research instrument, so that the validity and reliability test of the research instrument (questionnaire) is very important to do. Test validity is the extent to which a test can measure what we actually want to measure. all statement items have a calculated r value greater than r table then it can

be declared valid and true so that it can be concluded that each statement item can be used as a re-examination instrument. So the purpose of this validity test is to ascertain how well an instrument item is used to measure the concept that should be measured, then the instrument is considered valid.

Reliability test is the consistency and stability of a score. A questionnaire as a measuring tool is said to be consistent if in measuring something repeatedly it gives the same results with a note that the conditions at the time of measurement do not change. So consistency here means how the question item if measured more than once for an event with the same measuring instrument then the results will be relatively the same. The consistency of the answers is indicated by how high the Alpha coefficient (Cronbach) is. Alpha values between 0.8 to 1.0 are categorized as good reliability, alpha values between 0.60 to 0.79 are categorized as acceptable reliability, and alpha values less than 0.60 are categorized as poor.

The Analysis method used was multiple linear regression through the SPSS program. Test the effect of creativity (X1), innovation (X2), and promotion (X3) on business success (Y). The multiple regression equation is as follows :

#### **Multiple Regression Equation**

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \dots \dots \dots (2)$$

In which:

Y = business success in culinary business in OKU regency

a = constant value

$\beta_1 \dots \beta_3$  = Regression coefficient of each variable X1 = Creativity variable, X2 = Innovation variable, X3 = Promotion variable,

e = Standard error.

#### **4. RESULTS**

The results of the validity test for the variables of creativity, innovation, promotion and business success, based on the results data processing, all statement items have the value of calculated r is greater than r table then it can be declared valid and correct so it can be concluded that each statement item can be used as a research instrument.

The reliability test method used is Cronbach Alpha. To determine whether the instrument is reliable or not, certain limits such as 0.6 can be used. An instrument can be said to be reliable if the Cronbach Alpha coefficient is above 0.6, so it can be said that the instrument has high reliability (Pramesti, 2014). Based on the results, the reliability value of the questions on the questionnaire being tested shows the value of each variable, namely creativity, innovation, promotion and business success, which has a value above 0.6. This means that the correlation is in the very high category. Thus, it can be concluded that the questionnaire is reliable.

Multiple regression analysis method was used to see whether the variables of creativity (X1), innovation (X2), and promotion (X3) had an effect on business success (Y). Multiple linear regression analysis with the help of the Statistical Package for Social Science (SPSS) 17.0 for windows, as shown in **Table 2**.



**Table 2.** Recapitulation of Results of Multiple Linear Regression Analysis

| Model           | Unstandardized Coefficients |            | t     | Sig    | Description | Hypothesis Acceptance |
|-----------------|-----------------------------|------------|-------|--------|-------------|-----------------------|
|                 | B                           | Std. Error |       |        |             |                       |
| (Constant)      | -1,097                      | 1,347      | -,814 | 421    |             |                       |
| Creativity (X1) | ,132                        | ,065       | 2,032 | ,049*  | significant | accepted              |
| Innovation (X2) | ,202                        | ,037       | 5,412 | ,000*  | significant | accepted              |
| Promotion (X3)  | ,476                        | ,064       | 7,396 | ,000** | significant | accepted              |

Source : Processed primary data 2020 OKU

Based on the results of the regression analysis in **Table 2**, it can be formulated a multiple regression equation as follows:

$$Y = -1,097 + 0,132 X1 + 0,202 X2 + 0,476 X3 \dots\dots\dots(3)$$

From the multiple linear regression equation, it can be interpreted that: a = -1,097 is a constant value, which is an estimate of business success in the culinary business in OKU regency, if the independent variable consisting of creativity, innovation and promotion variables has a value equal to zero . b1 = 0.132 is the slope or direction coefficient of the creativity variable (X1) that affects business success in the culinary business, the regression coefficient (b1) is 0.132 with a positive sign. With these results means that business success in the culinary business will increase by 0.132, with the nature of the relationship in the same direction as the assumption that the other variables have a value equal to zero. b2 = 0.202 is the slope or direction coefficient of the innovation variable (X2) that affects business success in the culinary business in OKU regency, the regression coefficient (b2) is 0.202 with a positive sign. With these results means that business success the culinary business in OKU regency will increase by 0.202, with the nature of the relationship in the same direction as the assumption that the other variables have a value equal to zero. b3 = 0.476 is the slope or direction coefficient of the promotion variable (X3) that affects business success in the culinary business in OKU regency, the regression coefficient (b3) is 0.476 with a positive sign. With these results means that business success the culinary business in OKU regency will increase by 0.476, with the nature of the relationship in the same direction as the assumption that the other variables have a value equal to zero.

Based on **Table 2** above, the first hypothesis regarding the influence of creativity to business success evidenced by a significance value less than 0.05, which is 0.04 so that there is an influence between creativity on business success. Could concluded that the first hypothesis in this study is accepted. The second hypothesis regarding the influence of innovation to business success, this is evidenced by the value of significance is smaller than 0.05 which is equal to 0.00 so that there is an influence between innovation to business success. Could concluded that the second hypothesis in this study is accepted. The third hypothesis regarding the effect of

promotion on business success, this is evidenced by the significance value smaller than 0.05 that is equal to 0.00 so that there is an influence between promotions on business success.

**Table 3.**Result Of The Analysis F Test

| Nilai F hitung | Sig               | Description |
|----------------|-------------------|-------------|
| 156,227        | ,000 <sup>b</sup> | Significant |

Source: Processed primary data 2020 OKU

To find out the independent variables simultaneously (together) have an influence on the dependent variable or have no effect, the F test (F-test) is used by comparing the significance value with alpha ( $\alpha$ ). The test criteria are if Sig. > then Ho is accepted and Ha is rejected, whereas if Sig. < then Ho is rejected and Ha is accepted. As for knowing the results of the F test in this study, a comparison will be made between the values of sig. F with the level of significance ( $\alpha$ ), which can be seen in **Table 3**. Based on the results of the F test analysis in table 4 with a significance of 0.000, it can be seen that the significance level is smaller than. It can be concluded that the variables of creativity, innovation and promotion simultaneously have a significant effect on business success.

**Table 4.** Result Of The Coefficient of determination Test

| Model | R                 | R Square | Adjusted R Square | Std.Error The Estimate |
|-------|-------------------|----------|-------------------|------------------------|
| 1     | ,963 <sup>a</sup> | ,927     | ,921              | 1,66726                |

Source: Processed primary data 2020 OKU

Based on **Table 4** above, The multiple correlation coefficient R (multiple correlation) describes the strong relationship between the independent variables which include the variables of creativity, innovation and promotion together on the dependent variable, namely the success of the culinary business in OKU regency, which is 0.963 which has a positive value. This means that the relationship between all variables is very close because the R value is close to 1.

The coefficient of determination (R Square) states the proportion of the overall variation in the value of the dependent variable that can be explained by the independent variable, other than that the rest is explained by other variables. The results of the analysis of the coefficient of determination can be seen in **Table 4**. Based on **Table 4** above, it can be seen that the value of R square is 0.927 or 92.7% indicates that the variable business success can explain the variables of creativity, innovation and promotion, namely the percentage is only 92.7% while the remaining 7.3% is influenced by factors other factors outside the regression model.

### **Effect of Creativity, Innovation, and Promotion on Business Success**

Based on the results of inferential statistical analysis, it was found that creativity, innovation, and promotion affected business success. Each variable affected either partially or simultaneously. It means that if creativity, innovation and promotion improve, the success of the business

will also significantly increase. Small and medium enterprises should pay attention to creativity, innovation, and promotion as indicated by the research results.

Entrepreneurship was a creative and innovative ability that was used as a basis, tips, and resources to find opportunities for success. The essence of entrepreneurship was the ability to create something new and different through creative thinking and acting innovatively to create opportunities. Product innovation that was supported by promotion by building a strong brand in the minds of consumers and strengthening business networks would be the main capital to build the competitiveness of creative SMEs. Demands for flexibility and speed in responding to market needs and desires would be a challenge for creative SMEs at present and in the future so that they could win the increasingly fierce competition (Rahab, 2012). This research was also supported by research by Saunila and Ukko (2013) in Sari, Y *et al.*, (2019). The success of an organization in almost all industries depends on their ability to innovate. Research by Wahab *et al.*, 2018 shows that innovation has a significant influence on the success of SMEs. Warcito's research, (2020) states that MSMEs as an important part of the people's economy have their own advantages compared to other institutional businesses, namely: (1) strengthening innovation and technology that facilitates product development, (2) small companies have close relationships, (3) the ability to absorb quite a lot of manpower, (4) flexibility in adapting very well to market situations that are always changing rapidly, and (5) the existence of managerial dynamism and a good entrepreneurial role.

Creativity has a direct positive and significant effect on the success of small and medium enterprises. An entrepreneur is required to always develop creative and innovative ideas in advancing his business to achieve business success. Capital is indeed an important factor in starting an enterprise and business, but capital is not only with the material but also by having creative and innovative ideas that can be an initial capital in building a business. In addition, an entrepreneur must also have critical thinking and creativity in creating something new. Ability and talents are also one of the assets of a person in starting a business because the talent we have makes an initial capital which can also be useful for starting a business. So, capital is not only in the form of material but also creative and innovative thinking as well as abilities and talents which are also the capital needed in running an enterprise and business. How important it is for someone to be able to think creatively and innovatively in entrepreneurship. Innovation and creativity are key inputs in attaining business success and growth in any society and economy that is in readiness to grow and progress to economic prosperity as they serve as the bedrock platform with a positive geometric effect on socio-economic growth and development that output sound and quality Intellectual capital service delivery, quality of life sustainability, effectiveness efficiency and productive growth of business entities (Hua *et al.*, 2015)

Besides, an entrepreneur must also choose a strategy in using promotional media. The company aggressively promotes one benefit to the target market, promotion is depicted the more intensity of the promotional efforts carried out by the company will provide more value to achieve business success. Promotion is essentially an art to persuade customers and potential consumers to buy more products produced by the company. The culinary business promotes its products through good and smooth communication through face-to-face (personal selling), namely

by word of mouth so that culinary business products can quickly be heard in the ears of consumers, so that consumers can continue to do the same thing, namely providing information about culinary business by word of mouth. Promotion by communicating directly and convincing consumers about the advantages of the company's products. Promotion is an important aspect when the company wants business success so that it can survive in every situation.

The results of the analysis can be seen that promotion has a greater influence on business success in culinary businesses in OKU regency. Based on the facts, it can be proven that the promotions carried out by business owners have a greater influence in supporting the marketing activities carried out. Promotions are carried out in the form of advertisements in online media, in the form of discounted prices and also provide economical packages in presenting menus that are liked by consumers. Technological developments also affect marketing efforts, namely through internet marketing (e-marketing). This marketing uses internet technology as a channel for delivering message content to many people simultaneously and instantly within a certain period of time. The increasing number of internet and social media users has become a huge opportunity for culinary business people to market their products. With the internet, product marketing can be more helpful, because the internet allows a more effective marketing process, faster response and lower costs. With low costs and rapid dissemination of information, it is expected to increase sales so that SMEs can achieve the targeted turnover. Through social media, culinary businesses can also communicate with consumers interactively. Marketers can also find out consumer responses to the products offered by looking at testimonials or posted comments. Good communication can strengthen good relations with consumers. This will indirectly be a separate satisfaction for consumers because consumers feel cared for. When consumers get satisfaction, consumers will give positive testimonials and then will recommend to others. Recommendations can be made through social media or word of mouth. This makes it a means of promotion.

Based on the results of the overall analysis, it can be seen that there is a relationship between creativity, innovation and promotion on business success. This fact can prove that the company's success in developing the market or expanding the market is influenced by the ability of business owners to carry out creativity, innovation and promotion of the products produced. Entrepreneurial business which is described by its capacity to plan ahead, its capacity to innovate and willingness to take risks, will make it easier for it to innovate, and also develop and grow successfully. The results of this study are also supported by the theory put forward by Ernani (2011) which states that entrepreneurship (entrepreneurs) tend to be oriented towards innovation (innovation) which is based on new ideas and market conditions that are not consumer-oriented, or which is controlled by estimates of wants and needs. market. Entrepreneurs (entrepreneurs) target their market through selection with a bottom-up approach and recommendations from consumers and other top-down influence groups that target and position the process. The ability of business owners to create innovation and creativity in production, as well as to carry out promotional efforts in marketing their products to culinary businesses in OKU regency has a positive impact on developing their businesses. Currently, culinary is the most desirable part for modern society to young people, this is proven by the establishment of many cafes and restaurants in OKU regency. This can also be seen from the increasing number of business people in the culinary field so that similar and mushrooming competition can be

seen in almost all corners of the OKU regency.

The rapid population and consumptive lifestyle make business progress rapidly and can continue to grow. Population density is one of the success factors in a culinary business, the denser a location, the greater the opportunity for the development of this business. This condition shows that the development of the culinary business in OKU regency is very potential because as long as humans still need food and drinks, the culinary business will continue to grow. Consumers will search for and carry out the purchasing decision process to fulfil what they need and want, especially in an increasingly modern era, sophisticated technology makes people think critically in determining their needs and desires. The world will continue to develop according to the times from traditional to international times, this tempts business beginners to open and develop their business in the market. With the government regulations regarding procedures for registering food and beverage service businesses that are increasingly clear, companies with the cafe concept are protected by the government, namely the Minister of Culture and Tourism Regulation Number PM.87/HK. 501/MKP/2010 concerning procedures for registering a food and beverage service business, states that what is included in the Tourism Business in the Food and Beverage Service Sector are Restaurants/Cafes, Restaurants, Bars, Food Sales Centres (Food Courts), Coffee Shops (Coffee Houses). Catering Services (Catering), Canteen/Cafeteria, Bakery, Coffee Shop, Mobile Restaurant (Restaurant Car) and Floating Restaurant. Culinary businesses in the OKU regency are also very diverse, ranging from cafes or coffee shops, restaurants, and food courts. This has an impact on the increasing number of business actors who continue to innovate and create new ideas that aim to attract consumers. In this case, the government plays an important role in helping the OKU regency to develop and progress.

Supporting facilities or infrastructure such as easily accessible roads, easy transportation facilities, as well as security and comfort for tourist visitors must be considered. The high number of businesses in OKU regency, namely cafes and restaurants, has a positive impact on consumers who come to make purchases, where business people are competing to market their products and services. This development is influenced by various factors such as demographics, rising economic levels and people's lifestyles. On the other hand, it is able to increase community innovation in creating creativity and ideas in the culinary business field. Several culinary business actors who create various kinds of local food ingredients have also sprung up, such as coffee drinks mixed with spices, such as ginger and lemongrass and several mixtures of sugar substitutes such as arena sugar or palm sugar. This of course has a positive impact on many parties, especially farmers.

Several types of contemporary food and drinks that are adopted from abroad, such as Korea, make the culinary variety that develops in the OKU regency is increasing. The response of consumers or the public to this culinary is also getting higher. This creates a huge opportunity for the community to continue to be creative with existing culinary types using local raw materials. This is also one way to promote the resources owned by the OKU regency.

## 5. CONCLUSION AND SUGGESTION

### Suggestions

**The company**, the following suggestions are given: Given the large role of promotion in increasing business success, it is recommended that the company use marketing strategies through effective promotional media through sponsorship of company activities and also because promotion is part of the marketing mix plays an important role in increasing business success, so the small and medium enterprises are more serious in carrying out promotions, where promotion is a means used to get consumers, the increase on sales, and to achieve business success.

**The government.** Empowerment of small businesses must consider the creativity, innovation, and promotion of a business manager/ owner, this will make entrepreneurial programs effective as government policy in paying attention to small and medium enterprises to improve the economy and also reduce the unemployment rate.

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