THE INFLUENCE OF PRODUCT QUALITY, BUSINESS COMPETENCE AND TRAINING ON THE DEVELOPMENT OF A SNACK FOOD BUSINESS IN THE CITY OF BANDUNG

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ABSTRACT

The emergence of the COVID-19 pandemic has greatly impacted the economy and people's lifestyles. Now doing business is an option for some people to find income, either main or additional income. One type of business that is increasingly mushrooming in the culinary business, including packaged snacks or snacks. But the snack food business is not an easy business to manage. In developing the snack food business, the company must try to understand consumer desires and improve the quality of the product. For this reason, the company's management excellence is needed to manage the business with competitive sharpness that must be built systematically. The purpose of this study was to determine the effect of product quality, business competence, training on snack food business development in the city of Bandung. This research method is a descriptive and verification method. With this type of quantitative research. The sample of this study amounted to 75 snack food business actors in the city of Bandung. The research data was obtained by using a questionnaire to the snack food business actors. The data obtained were processed using SPSS 25.0. The results showed that Product Quality, Business Competence, and Training together had a significant effect on Business Development. Therefore, to develop a business, it is necessary to pay attention to product quality, business capabilities, and the need for training to improve the ability to run a business.

Keywords: Product Quality, Business Capability, Training, and Business Development

I. INTRODUCTION

The end of 2019 was the beginning of a blow to the whole world, including the State of Indonesia, with the Covid-19 pandemic, all economic activities continued to weaken. The impact began to be felt when entering early 2020, this is a new virus that originated from Wuhan, China. Economic conditions that have entered globalization are a manifestation of world economic developments that affect the global economy. The existence of a global economic crisis encourages people to work hard to improve their quality of life.

This virus infects the respiratory tract with general symptoms of fever, cough, and difficulty breathing (Yuliana, 2020. With so many cases due to this virus, the government issued a strict policy by establishing Regulation no. 21 of 2020 concerning Large-Scale Social Restrictions. Because these regulations have an impact on all sectors and aspects in it, one of which is in the economic sector, of course, the economic actors who have the most impact with the existence of these regulations, in this case, especially traders from the microeconomic sector.

The role of small businesses in the Indonesian economy is felt to be very important. Small businesses in Indonesia are the subject of discussion and the government's attention because these small companies have spread everywhere and can provide potential job opportunities. Economists have long realized that the small industrial sector is one of the factors driving Indonesia's economic growth. Small industries contribute to development in various ways, create job opportunities, for the expansion of the workforce for urbanization, and provide flexibility of needs and
innovation in the economy as a whole (Tiktik Sartika, 2004: 3. Small business is an alternative form of strategy to support the development of the Indonesian economy.

Snacks are food products that are favored by various groups of people of all ages. Along with the increasing development of the times and the increasing level of activity, these snacks can be used as alternative foods to meet temporary energy needs.

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During the period of large-scale social restrictions (PSBB, people's interest in products that help and accompany them when doing activities and enjoying time at home also increases. Snacks are one of the most sought-after by the public. The general snack market in Indonesia is around Rp. 238 trillion, while for biscuits it is more than Rp. 22.6 trillion. But the snack food business is not an easy business to manage.

In developing the snack food business, the company must try to understand consumer desires and improve the quality of the product. For this reason, the company's management excellence is needed to manage the business with a sharp competitive edge that must be built systematically.

Product quality is an important thing that every company must strive for if they want their products to compete in the market. The existence of a reciprocal relationship between companies and consumers will provide opportunities to know and understand what are the needs and expectations that exist in consumer perceptions.

Quality is the totality of features and characteristics that enable a product to satisfy stated or unstated needs (Kotler, 2007; Kennedy et al., 2020; Coelho et al., 2020; Yangin et al., 2020. Product quality is also defined as the overall combination of product characteristics resulting from marketing, engineering, production, and maintenance that makes the product usable to meet customer or consumer expectations (Wijaya, 2011.

At present industry in every field is dependent on a large number of conditions that burden production in a way that has never been experienced in previous periods. In addition, with the increasingly stringent competence of snacks in the city of Bandung, small business actors are needed training and development so that products can be more competitive.

**Research Formulation**

1. Based on the description of the background above, the formulation of the problem in this study is as follows:

2. How is the influence of product quality on the development of a snack business in the city of Bandung?

3. How is the influence of business competence on the development of the snack food business in the city of Bandung?

4. How is the effect of training on the development of a snack business in the city of Bandung?

5. How is the influence of product quality, business competence, and training on the development of a snack business in the city of Bandung?

**Research purposes**

1. Knowing the effect of product quality on the development of the snack food business in Bandung.

2. Knowing the effect of business competence on the development of snack food businesses in the city of Bandung.

3. Knowing the effect of training on the development of a snack business in the city of Bandung.

II. LITERATURE REVIEW

Product quality

According to Yanto (2017), product quality is an attempt to meet or exceed consumer expectations, where a product has the quality that is by predetermined quality standards, and quality is an ever-changing condition because consumer tastes or expectations for a product are always changing. According to Montung, et al (2015, product quality is an activity of procuring goods that are by the business undertaken by the company with good quality or quality. According to Yafie, Suryayono, & Abdillah (2016, product quality is one of the main positioning tools for marketers. Product quality has a direct influence on customer satisfaction. Based on the above understanding, product quality is a product meet customer expectations and demands. With good quality, it will form a good characteristic in the eyes of customers.

Kotler and Keller (2009: 8) states that there are nine-dimensional factors that can be measured product quality, including (1) Shape (2) Features (3) Performance quality (4) Quality impression (5) Durability (6) Reliability (7) Ease of repair (8) Style (9) Design

Business Competence

According to Arifin (2010:98, Business Competence is the ability to take the factors of production used to produce new goods and services. According to Anwar (2014: 46, someone who has knowledge, skills, and individual qualities which include attitudes, motivations, values and behaviors needed to carry out work or activities. According to Priansa (2016: 254, Business Competence is a map of employee capacity on the attributes of the work they carry out which is a collection of abilities, skills, maturity, experience, effectiveness, efficiency, and success in carrying out job responsibilities. According to Wibowo (2014: 271, From some of the definitions above, business competence is the ability of employees to carry out their work properly according to their abilities and a statement of what a person should do in the workplace to demonstrate his knowledge, skills, and attitudes according to standards.

Indicators of Business Competence According to Suryana (2013: 95, include: (1 Competence in Practice (2 Competence in marketing (3 Competence in Managing Finance (4 Competence in Personal Relations

Training

Training needs to be carried out so that employees are able and ready to be placed in certain positions within the company, which means they can work and willing to comply with all the rules that have been set by the company. The definition of training according to Kasmir (2016) Training is a process to form and equip employees by adding skills, abilities, knowledge, and behavior, meaning that training will shape employee behavior as expected by the company. According to Hamali & Buddhastuti (2019, training is a series of individual activities in systematically increasing skills and knowledge so that they can have professional performance in their fields. Training is a learning process that allows employees to carry out their current work according to standards.

Based on the above understanding, training is a process to improve skills and knowledge by company standards. The factors that influence training according to Mangkunegara (2016 are individual differences in employees, relationship with job analysis, motivation, active participation, selection of upgrading participants, training and development methods. The factors regarding training according to Kasmir (2016 are (1 training participants (2 instructors/trainers (3 training materials (4 training locations (5 training environment (6 training time.

Business development

In general, the business development of a company has a certain simplified pattern, such as from the start of a business. Some companies start with relatively small business units by serving a relatively narrow marketing area. At first, the company also produced a limited range of products and was only supported by limited capital. Therefore, new businesses have a relatively weak market position due to their low market share. No wonder if at first, a new company started with an effort to survive. Only then, slowly followed by efforts to develop a company that is fully geared towards increasing sales and market share.
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According to Dedi Haryadi (2001:15, what is meant by business development refers to the process (stages of the development of a business unit or small business group from the pioneering process (establishment to the condition as last observed. According to Donalt L. Kirkpatrik in the book Adam I. Indra Wijaya, (2000: 228, what is meant by business development is a gradual, systematic process to improve knowledge, skills, attitudes, the work performance of people who hold responsibility business managerial, managerial development, in general, is known as an effort to improve organizational performance and growth.

The development of small and medium enterprises is the ability of a small entrepreneur to socialize himself to the needs of market share so that there is an improvement in the standard of living of an entrepreneur (Endang Purwanti, 2012: 21.

**Hypothesis**

The hypotheses of this research are:

1. Product quality has a significant effect on the development of the snack food business in the city of Bandung
2. Business competence has a significant effect on the development of the snack business in the city of Bandung
3. Training has a significant effect on the development of the snack business in the city of Bandung
4. Product Quality, Business Competence, and Training have a significant effect on the development of the snack food business in the city of Bandung.

**Research Framework**

The research framework for this research is depicted in the following figure:

To clarify the formulation of the hypothesis above, the following is presented a relationship scheme:

the hypothesis:

![Figure 1. Research Framework]
III. MATERIALS AND METHODS

This research uses an explanatory research type or explanatory research type. Explanatory is research that explains the causal relationship between variables through hypothesis testing. This research method is a descriptive and verification method. With this type of quantitative research.

Collecting data in this study using questionnaires, interviews, and literature studies with data collection instruments in the form of questionnaires. The sample of this study amounted to 75 snack entrepreneurs in the city of Bandung. The data obtained were analyzed using SPSS 25.0.

IV. RESULTS AND DISCUSSIONS, CONCLUSION

Research result.

Validation Test

The following are the results of the Validation test for this research instrument.

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Coefficient Validity</th>
<th>Limit Value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>KP1</td>
<td>0.671</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP2</td>
<td>0.659</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP3</td>
<td>0.561</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP4</td>
<td>0.614</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP5</td>
<td>0.593</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP6</td>
<td>0.571</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP7</td>
<td>0.664</td>
<td>0.300</td>
<td>VALID</td>
</tr>
<tr>
<td>KP8</td>
<td>0.541</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KU1</td>
<td>0.839</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KU2</td>
<td>0.806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KU3</td>
<td>0.737</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KU4</td>
<td>0.667</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-1</td>
<td>0.632</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-2</td>
<td>0.636</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-3</td>
<td>0.734</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-4</td>
<td>0.654</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-5</td>
<td>0.843</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-6</td>
<td>0.689</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU1</td>
<td>0.644</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU2</td>
<td>0.659</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU3</td>
<td>0.753</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU4</td>
<td>0.811</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU5</td>
<td>0.643</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU6</td>
<td>0.764</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS, 2021

From table 1 above, it can be seen that all question items have a correlation value (r count > than (r table. So it can be concluded that the question items in the table above are declared VALID and can be used to measure the variables studied.

Reliability Test.

The following are the results of the reliability test for the research instrument.
Table 2. Reliability Test Results

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Coefficient</th>
<th>Reliability</th>
<th>Limit Value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product quality</td>
<td>0.751</td>
<td></td>
<td>0.700</td>
<td>RELIABLE</td>
</tr>
<tr>
<td>Business Competence</td>
<td>0.751</td>
<td></td>
<td>0.700</td>
<td>RELIABLE</td>
</tr>
<tr>
<td>Training</td>
<td>0.779</td>
<td></td>
<td>0.700</td>
<td>RELIABLE</td>
</tr>
<tr>
<td>Business development</td>
<td>0.801</td>
<td></td>
<td>0.700</td>
<td>RELIABLE</td>
</tr>
</tbody>
</table>

Source: SPSS, 2021

Based on the table above, the value of Cronbach's Alpha in the table above is 0.700, which means that the questions in the table above are RELIABLE.

**TEST – F**

Table 3. F, Test Result

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>304,365</td>
<td>3</td>
<td>101.455</td>
<td>15.213</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>460.156</td>
<td>69</td>
<td>6.669</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>764,521</td>
<td>72</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. TotalY
b. Predictors: (Constant, TotalX3, TotalX2, TotalX1

Based on the table above, the significance value of F count = 15.213 > Ftable = 1.39 with significance = 0.000 < 0.05. it means that H0 is rejected, H1 is accepted, thus the variables X1, X2, and X3 affect the Y variable.

**TEST – T**

Table 4. T, Test Results

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant</td>
<td>3.009</td>
<td>3.474</td>
<td>.866</td>
<td>.390</td>
</tr>
<tr>
<td>TotalX1</td>
<td>.368</td>
<td>.127</td>
<td>.355</td>
<td>2.892</td>
</tr>
<tr>
<td>TotalX2</td>
<td>.363</td>
<td>.146</td>
<td>.282</td>
<td>2.492</td>
</tr>
<tr>
<td>TotalX3</td>
<td>.122</td>
<td>.134</td>
<td>.110</td>
<td>.912</td>
</tr>
</tbody>
</table>

a. TotalY

Source: Data processed, 2021

Based on the table above, the significance value of T count = 2.892 < T table = 1.99495, with a significance of = 0.005 > 0.05. it means that H0 is accepted, H1 is rejected, thus the product quality variable (X1 does not affect business development (Y. 

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Based on the table above, the significance value of T count = 2.492 > T table = 1.99495, with a significance of = 0.015 < 0.05. It means that H0 is rejected, H1 is accepted, thus the business competence variable (X2) affects business development (Y).

Based on the table above, the significance value of T count = 0.912 > T table = 1.99495, with significance = 0.365 < 0.05. It means that H0 is rejected, H1 is accepted, thus the training variable (X1) affects business development (Y).

### V. DETERMINATION COEFFICIENT TEST

#### Table 5. Results of the Coefficient of Determination

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.631a</td>
<td>.398</td>
<td>.372</td>
<td>2.582</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant, TotalX3, TotalX2, TotalX1)

From the output above, it is found that the variables X1, X2, and X3 have an effect of 39.8% on the Y variable, while 60.2% are influenced by other variables not examined. Because the value of R square is below 5% or tends to approach the value of 0, it can be concluded that the ability of the independent variables in explaining the variation of the variables is very limited.

### Discussion

From the results of the F test, it was found that Product Quality (X1), Business Competence (X2), and Training (X3) had a significant effect on Business Development. Meanwhile, from the results of the T-test, the results of Product Quality (X1) are more influential on Business Development after that, Business Competence (X2) and followed by Training (X3). The results of this study are the same as the results of research conducted by Christiana et al, 2014 where Business Competence affects Business Development.

### VI. CONCLUSION

The conclusion of this research is, individually the variables of product quality, business competence, training have a significant effect on business development. And together the variables of Product Quality, Business Competence, and training have more influence on Business Development. This shows that using these three variables will have a very large impact on the development of snack food businesses in the city of Bandung.

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