

THE INFLUENCE OF SOCIAL MEDIA PROMOTION, CUSTOMER ORIENTATION, AND MENU INNOVATION ON THE BUSINESS SUCCESS OF MEATBALL STALLS IN LHOKSEUMAWE CITY

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Abstract

This study examines the influence of social media promotion, customer orientation, and menu innovation on the business success of bakso (meatball) stalls in Lhokseumawe City, Indonesia. A quantitative survey design was employed, involving 80 stall owners selected through purposive sampling. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the aid of SmartPLS software. The results show that social media promotion has a positive but statistically insignificant effect on business success ($t = 1.461$; $p = 0.144$), largely because most owners have not yet used social media optimally. In contrast, customer orientation ($t = 5.344$; $p = 0.000$) and menu innovation ($t = 5.544$; $p = 0.000$) both exert a significant positive effect on business success, with menu innovation emerging as the strongest predictor (path coefficient = 0.578). The model explains 73.0% of the variance in business success ($R^2 = 0.730$) and demonstrates strong predictive relevance ($Q^2 = 0.617$). These findings imply that the success of small culinary enterprises such as bakso stalls depends more on owners' ability to understand customer needs and to continuously innovate their products than on digital promotion alone.

Keywords: Business Success, Culinary MSME, Customer Orientation, Menu Innovation, Social Media Promotion

1. INTRODUCTION

The culinary industry has grown rapidly in recent years and has become one of the most important sectors driving Micro, Small, and Medium Enterprises (MSMEs). In Indonesia, the food and beverage sector is the largest contributor to the national MSME base, accounting for more than 30% of all business units. This vast market potential opens wide opportunities, yet culinary entrepreneurs also face considerable challenges, including intensifying competition, limited capital, and weak business management. In practice, not all culinary MSMEs are able to survive in the long run. Prior studies indicate that approximately 60% of small businesses fail within their first three years of operation, a condition generally attributed to ineffective marketing strategies, limited understanding of consumer needs and preferences, and low levels of innovation in product and service development (Mohammed, 2023).

One culinary business that is close to the community and highly favored is the bakso (meatball) stall. The proliferation of bakso stalls indicates a significant market opportunity, yet competition among them in Lhokseumawe City has become increasingly intense in terms of price, taste, service quality, and menu variety. A preliminary observation conducted by the researcher between November 2025 and January 2026 on approximately 80 bakso stalls in Lhokseumawe found that around 30 stalls (37.5%) were experiencing a decline in customer visits, with several nearly ceasing operations. This information was obtained through direct observation and brief interviews with business owners. The pre-survey results show that bakso stalls are spread across several sub-districts, including Banda Sakti, Muara Satu, Muara Dua, Blang Mangat, and Dewantara, with the majority concentrated in Banda Sakti and Muara Satu as centers of community activity. Nevertheless, not all of these stalls enjoy a high level of customer visits, indicating underlying problems in business management, particularly with regard to marketing strategy,

customer understanding, and product innovation (Brynjolfsson & Hitt, 2000). Digital transformation has become one of the main pillars in the development of MSMEs, including the culinary sector. Social media functions not only as a communication tool but also as an effective marketing instrument for increasing business visibility and reaching a wider market (Chaffey et al., 2019; Tuten & Solomon, 2020). Platforms such as Instagram, Facebook, TikTok, and WhatsApp Business allow business owners to convey product information quickly, build interaction with customers, and strengthen competitiveness (Dwivedi et al., 2023). Prior research shows that social media promotion has a significant effect on consumer purchase decisions (Akar & Topçu, 2011) and that effective use of social media can accelerate business growth through direct interaction with customers (Stephen, 2016).

Field observation, however, reveals that many bakso stall owners in Lhokseumawe still rely on word-of-mouth promotion and either have no social media account at all or maintain one that is rarely updated, with unattractive content and slow responses to customer messages. As a result, information about their products fails to reach a wider pool of potential customers. Beyond promotion, business success is also shaped by the owner's ability to understand and respond to customer needs. Customer orientation is a strategic approach in which a business consistently focuses on understanding and fulfilling consumer needs, wants, and expectations (Narver & Slater, 1990; Slater & Narver, 2023). In the context of bakso stalls, customer orientation includes understanding taste preferences, providing responsive service, and addressing customer feedback effectively, all of which strengthen long-term relationships and encourage repeat purchases (Morgan & Hunt, 2020).

In addition to promotion and customer orientation, business success is also influenced by the owner's capacity to develop and refresh the products offered so that they remain aligned with market taste. Menu innovation is the process of developing and renewing food products to adapt to shifting market tastes while creating differentiation from competitors (Harrington et al., 2021). In the culinary business, menu innovation may include new flavor variants, unique ingredient combinations, distinctive presentation, and thematic menu offerings, all of which strengthen an enterprise's image as a culinary innovator. Research on the culinary sector shows that menu innovation can increase customer visits and sales (Lee & Hwang, 2022); for bakso stalls specifically, innovation may take the form of cheese-filled meatballs, spicy variants, diverse broth options, and additional toppings or package menus tailored to customer needs.

Although prior studies have examined the influence of digital promotion, customer orientation, and product innovation on business performance, most of this research has focused on modern restaurants, medium-to-large enterprises, or platform-based businesses, and on intermediate outcomes such as purchase decisions, customer loyalty, or marketing performance rather than on business success as a more holistic indicator. Bakso stalls, as small-scale culinary enterprises, have distinct characteristics—particularly limited resources and relatively simple management practices—that make them worthy of separate investigation. This study was therefore conducted to address this gap by directly analyzing the influence of social media promotion, customer orientation, and menu innovation on the business success of bakso stalls in Lhokseumawe City.

Based on this background, the research problems are formulated as follows: (1) Does social media promotion influence the business success of bakso stalls in Lhokseumawe City? (2) Does customer orientation influence the business success of bakso stalls in Lhokseumawe City? (3) Does menu innovation influence the business success of bakso stalls in Lhokseumawe City? Accordingly, this study aims to analyze the influence of social media promotion, customer orientation, and menu innovation on the business success of bakso stalls in Lhokseumawe City. Theoretically, this study is expected to enrich the literature on entrepreneurship and small-business marketing strategy. Practically, it is expected to provide insight for business owners, academics, and future researchers in formulating strategies to strengthen the success of culinary MSMEs.

2. LITERATURE REVIEW

2.1 Social Media Promotion

Promotion is broadly defined as a set of strategic activities undertaken by an organization to raise brand awareness, build interest, and influence consumer behavior through communication channels such as advertising, sales promotion, and public relations (Kotler & Keller, 2016). Social media marketing, encompassing platforms such as Facebook, Instagram, TikTok, and WhatsApp, has become an essential element of contemporary business practice, enabling low-cost promotion capable of reaching a broad audience while conveying substantial product information (Andriani et al., 2023). In small culinary businesses, promotion functions as an external factor shaping consumer decisions, generally following the AIDA (attention-interest-desire-action) model, and is typically adapted to resource constraints through the use of local social media or price-based promotion (Mothersbaugh et al., 2023). Based on the foregoing, social media promotion in this study is defined as the marketing communication activities carried out by

MSME owners whether conventional or digital to attract, retain, and grow their customer base. Following Bilgin (2018), social media promotion is measured through four indicators: interaction, trendiness, customization, and electronic word of mouth (e-WOM). These are reinforced by Rajalakshmi and Thabassum (2024), who identify brand reputation, product reviews, and visual appeal as key determinants, and by Deepika et al. (2025), who add interactivity, customization, e-WOM, and entertainment value as factors shaping the effectiveness of social media promotion among MSMEs.

2.2 Customer Orientation

Customer orientation reflects a firm's ability to understand customers' needs, wants, and preferences, and to use this understanding to guide operational and strategic decisions (Homburg et al., 2022). For small and medium enterprises, customer orientation is particularly important because limited resources compel owners to retain existing customers by creating relevant value (Prapriani & Sugiarto, 2020). Nurfarida (2021) notes that customer orientation guides business owners in identifying customer needs, responding to shifting preferences, and building sustainable relationships that improve business performance. In this study, customer orientation is defined as an MSME owner's ability to understand customer needs and desires, respond to feedback, and prioritize customer satisfaction in managing the business, measured through four indicators adapted from Qhozi (2025) and Wahyudiono (2023): understanding of customer preferences, responsiveness to complaints, frequency of communication with customers, and personalization of customer service.

2.3 Menu Innovation

Menu innovation is a form of product innovation in the culinary field, focused on developing, modifying, or creating new menu items to enhance product value and appeal. It encompasses not only the introduction of new food variants but also recipe modification, ingredient changes, presentation, and portion adjustments to align with current trends and consumer preferences (Lin et al., 2023). For small and medium culinary enterprises, continuous menu innovation is a key strategy for differentiating a business from its competitors and adapting more effectively to shifts in consumer taste (Suranta & Da Silva, 2024). Izzudin and Yuniawan (2024) show that menu innovation strengthens a culinary business's ability to offer new variants or modify existing menus, thereby increasing appeal, perceived value, and purchase decisions. In this study, menu innovation is measured through four indicators: frequency of new-menu additions, flavor development or adjustment, menu uniqueness relative to competitors, and menu conformity with customer taste (Izzudin & Yuniawan, 2024; Suranta & Da Silva, 2024; Lin et al., 2023).

2.4 Business Success

Business success occurs when an enterprise achieves the goals set by its owner, in both financial and non-financial terms. Success is reflected not only in the magnitude of profit but also in the enterprise's ability to survive, grow, and retain customers over the long term (Rahayu & Day, 2021). Tambunan (2022) similarly defines business success as the outcome of efficient and effective resource management directed toward achieving business objectives, while in the culinary sector success depends heavily on stable sales, growth in customer numbers, and the ability to endure intensifying competition (Hapsari, 2023). Drawing on Munizu (2019), Tambunan (2022), and Susanto (2025), this study measures business success through four indicators: business revenue, sales volume, growth in the number of customers, and business sustainability.

2.5 Previous Research

Table 1 summarizes previous studies that inform this research and highlights the similarities and differences with the present study.

Table 1. Summary of Previous Research

Author (Year)	Variables	Key Findings	Relation to This Study
Qhozi et al. (2025)	Customer Orientation → Marketing Performance	Customer orientation has a significant positive effect on marketing performance.	Same predictor (customer orientation), but this study uses business success instead of marketing performance and focuses on bakso stalls.
Dwivedi et al. (2023)	Social Media Marketing → Business Performance	Social media marketing positively affects small-business performance.	Same construct (social media), but this study specifically examines a small local culinary object with a broader success indicator.
Deepika et al. (2025)	SMM Activities → Loyalty & Purchase Intention	Interactivity and e-WOM significantly affect loyalty and purchase intention.	Same promotion-related indicators; dependent variable differs (loyalty/purchase intention vs. business success).
Rajalakshmi & Thabassum (2024)	Brand Reputation, Visual Appeal → Purchase Decision	Brand reputation and visual appeal significantly affect purchase decisions.	Same promotion factors; this study adds customer orientation and menu innovation and targets business success.
Izzudin Yuniawan (2024)	Menu Innovation → Purchase Decision	Menu innovation positively affects purchase decisions.	Same predictor (menu innovation); dependent variable differs (purchase decision vs. business success).
Suranta & Da Silva (2024)	Menu Innovation → Competitiveness	Menu innovation improves the competitiveness of traditional culinary MSMEs.	Same predictor; this study uses business success as the outcome.
Wahyudiono (2023)	Customer Orientation → MSME Performance	Customer orientation significantly affects food-MSME performance.	Same predictor; object differs (general food MSMEs vs. bakso stalls specifically).
Lin et al. (2023)	Menu Innovation → Business Performance	Menu innovation positively affects performance in food SMEs.	Same predictor; international context and broader business scale compared with local bakso stalls in this study.

Source: Compiled by the author, 2026.

2.6 Conceptual Framework

The conceptual framework explains the relationship between the independent variables social media promotion (X1), customer orientation (X2), and menu innovation (X3) and the dependent variable, business success (Y). A conceptual framework should be grounded in strong theory, supported by prior empirical findings, and capable of explaining the relationships between variables in a logical and measurable manner (Hair et al., 2022; Sugiyono, 2021). Figure 1 presents the conceptual framework used in this study.

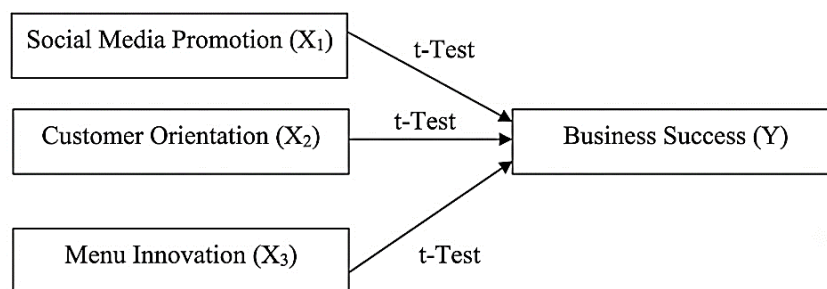


Figure 1. Conceptual Framework

Source: Developed by the author based on Hair et al. (2022) and Sugiyono (2021), 2026.

2.6.1 The Effect of Social Media Promotion on Business Success

Social media promotion is a digital marketing strategy that utilizes online platforms such as Instagram, Facebook, and TikTok as marketing communication channels. Its effectiveness is shaped by the level of interactivity between business and consumer, the ability to personalize content, the entertainment value of the message, and the spread of information through electronic word of mouth (e-WOM). Deepika et al. (2025) find that interactivity and e-WOM significantly increase purchase intention and build customer loyalty, while Rajalakshmi and Thabassum (2024) show that brand reputation built through social media and the visual appeal of promotional content significantly contribute to business success.

2.6.2 The Effect of Customer Orientation on Business Success

Customer orientation reflects how a business understands customer needs, wants, and preferences and uses this information for business decision-making. Homburg et al. (2022) describe customer orientation as the systematic collection and use of customer information to create superior value. Qhozi et al. (2025) find that culinary SMEs that concentrate on understanding customer needs significantly improve marketing performance ($\beta = 0.62$, $p < 0.01$), while Christian (2023) finds that seafood stalls responsive to customer feedback are better able to retain existing customers ($r = 0.58$).

2.6.3 The Effect of Menu Innovation on Business Success

Continuous menu innovation increases purchase intention, customer satisfaction, and repeat purchases, ultimately contributing to higher sales and business sustainability (Lin et al., 2023). Izzudin and Yuniawan (2024) show that menu innovation positively and significantly affects purchase decisions and perceived value in culinary businesses, as consumers tend to prefer establishments offering diverse and innovative menus over those with a monotonous offering. Suranta and Da Silva (2024) further show that menu innovation strengthens the competitiveness of traditional culinary SMEs by broadening market segmentation and attracting new consumers.

2.7 Research Hypotheses

Based on the theoretical review, prior studies, and the conceptual framework described above, the following hypotheses are proposed:

- H1: Social media promotion has a positive and significant effect on the business success of bakso stalls in Lhokseumawe City.
- H2: Customer orientation has a positive and significant effect on the business success of bakso stalls in Lhokseumawe City.
- H3: Menu innovation has a positive and significant effect on the business success of bakso stalls in Lhokseumawe City.

3. METHOD

3.1 Research Object and Location

This study investigates the perceptions of bakso stall owners in Lhokseumawe City regarding social media promotion, customer orientation, menu innovation, and business success. The research was conducted between February and May 2026. Lhokseumawe City was selected because it hosts a considerable number of bakso stalls spread across strategic locations, exhibits a high level of inter-stall competition that makes promotion, customer

orientation, and menu innovation strategically relevant, and has not yet been extensively studied with respect to the determinants of bakso-stall business success.

3.2 Population and Sample

The population of this study consists of bakso stall owners in Lhokseumawe City, whose exact number and characteristics could not be precisely determined. A non-probability, purposive sampling technique was therefore employed, with the following criteria: (1) the respondent is the owner or operator of a bakso stall in Lhokseumawe City; (2) the respondent has managed the business for at least one year; and (3) the respondent established the bakso stall in question. Because the exact population size was unknown, the sample size followed the guideline proposed by Hair *et al.* (2019), which recommends a sample of 5 to 10 times the number of indicators in the research model. With 16 indicators used in this study, the minimum required sample size was $5 \times 16 = 80$ respondents, which was fully achieved.

3.3 Data Sources and Measurement

This study relies on primary data collected directly from respondents through a structured questionnaire distributed via Google Forms and complemented by brief face-to-face interviews. All constructs were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree), as presented in Table 2.

Table 2. Likert Scale

No	Category	Symbol	Score
1	Strongly Disagree	SD	1
2	Disagree	D	2
3	Neutral	N	3
4	Agree	A	4
5	Strongly Agree	SA	5

Source: Yukongdi and Shrestha (2020).

3.4 Operational Definition of Variables

Table 3. Operational Definition of Variables

Variable	Definition	Indicators	Scale
Social Media Promotion (X1)	A marketing strategy using social media platforms such as Facebook, Instagram, and TikTok to introduce a product, service, or brand.	Interaction; Trendiness; Customization; Electronic word of mouth (e-WOM) (Bilgin, 2018)	Likert 1–5
Customer Orientation (X2)	A way of thinking and acting in business whereby every decision and activity is directed toward customer needs, wants, and satisfaction.	Understanding of customer preferences; Responsiveness to complaints; Frequency of communication; Personalization of service (Qhozi, 2025; Wahyudiono, 2023)	Likert 1–5
Menu Innovation (X3)	The process of creating or developing new menu items that differ from existing ones to provide variety, attract customers, and keep pace with market trends.	Frequency of new-menu additions; Flavor development; Menu uniqueness; Conformity with customer taste (Izzudin & Yuniawan, 2024; Suranta & Da Silva, 2024; Lin <i>et al.</i> , 2023)	Likert 1–5
Business Success (Y)	A condition in which a business performs better or shows improvement compared with the previous period, in terms of revenue, profit, scale, or overall business development.	Business revenue; Sales volume; Growth in number of customers; Business sustainability (Tambunan, 2022; Susanto, 2025)	Likert 1–5

3.5 Data Analysis Technique

Descriptive statistical analysis was employed to characterize respondents and to summarize response tendencies for each research variable (Ghozali, 2018). The main analytical technique used to test the hypothesized relationships is Structural Equation Modeling based on Partial Least Squares (PLS-SEM), processed using SmartPLS software. PLS-SEM was selected because it is suitable for relatively small samples and complex models, does not require normally distributed data, and can accommodate both reflective and formative constructs (Cheung et al., 2024). The evaluation of PLS-SEM comprises two stages. The measurement model (outer model) was assessed through convergent validity (outer loading > 0.7 and Average Variance Extracted/AVE > 0.5), discriminant validity (Fornell-Larcker criterion and cross loading), and reliability (Cronbach's alpha > 0.60 and composite reliability > 0.70) (Hair et al., 2021). The structural model (inner model) was evaluated through model fit indices (SRMR and NFI), the coefficient of determination (R^2), predictive relevance (Q^2), and effect size (f^2). Hypothesis testing was conducted through a bootstrapping procedure, with a relationship considered significant if the t-statistic exceeds 1.96 or the p-value is below 0.05 (Hair et al., 2021).

The structural model of this study can be expressed as follows:

$$BS = \beta_1 PMS + \beta_2 CO + \beta_3 MI + \varepsilon$$

where BS is Business Success (dependent variable); PMS is Social Media Promotion; CO is Customer Orientation; MI is Menu Innovation; β_1 to β_3 are the regression coefficients of the respective independent variables; and ε is the error term.

4. RESULTS AND DISCUSSION

4.1 Respondent Characteristics

Questionnaires were distributed to and collected from 80 bakso stall owners in Lhokseumawe City between 15 March and 20 April 2026, yielding a 100% response rate. Table 4 summarizes the demographic and business characteristics of the respondents.

Table 4. Respondent Characteristics

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	52	65.0
	Female	28	35.0
Age	≤ 25 years	11	13.75
	26–35 years	31	38.75
	36–45 years	24	30.0
	≥ 46 years	13	16.25
Business Age	≤ 2 years	23	28.75
	3–5 years	30	37.5
	6–10 years	19	23.75
	≥ 11 years	8	10.0
Number of Employees	1–3 persons	51	63.75
	4–6 persons	24	30.0
	≥ 7 persons	5	6.25

Source: Primary data, 2026.

The majority of respondents are male (65.0%) and aged between 26 and 35 years (38.75%), an age range in which many owners are investing effort to build a stable financial future. Most respondents have operated their business for 3 to 5 years (37.5%) and employ between one and three workers (63.75%), reflecting the generally small operational scale typical of bakso stalls in Lhokseumawe City.

4.2 Descriptive Statistics of Research Variables

Respondents' answers were scored on the five-point Likert scale described earlier. Table 5 presents the mean score for each variable.

Table 5. Descriptive Statistics Summary

Variable	Number of Items	Mean Score	Category
Social Media Promotion	4	3.90	Good
Customer Orientation	4	4.37	Good
Menu Innovation	4	3.94	Good
Business Success	4	4.02	Good

Source: Data processed, 2026.

Overall, respondents' assessments of all four variables fall into the “good” category. Customer orientation obtained the highest mean score (4.37), reflecting owners' strong emphasis on understanding customer needs, responding to feedback, and maintaining good relationships with customers, whereas social media promotion recorded the lowest mean score (3.90), consistent with the finding that many owners have not yet optimized their use of digital promotional tools.

4.3 Measurement Model (Outer Model) Evaluation

Convergent validity was assessed using outer loading and Average Variance Extracted (AVE) values, following the rule of thumb of outer loading > 0.7 and AVE > 0.5 (Hair et al., 2021). Initial testing showed that two items of the Customer Orientation construct (OP1 = 0.587 and OP2 = 0.352) fell below the required threshold and were consequently eliminated. After elimination, all constructs achieved an AVE above 0.5, as shown in Table 6.

Table 6. Outer Loading and AVE after Item Elimination

Variable	Item	Outer Loading	AVE
Social Media Promotion	PMS1 / PMS2 / PMS3 / PMS4	0.781 / 0.905 / 0.832 / 0.932	0.747
Customer Orientation	CO3 / CO4	0.812 / 0.695	0.571
Menu Innovation	MI1 / MI2 / MI3 / MI4	0.900 / 0.811 / 0.586 / 0.916	0.662
Business Success	BS1 / BS2 / BS3 / BS4	0.900 / 0.868 / 0.894 / 0.861	0.776

Source: Data processed, 2026.

Discriminant validity was confirmed using both the Fornell-Larcker criterion, in which the square root of each construct's AVE exceeded its correlation with other constructs, and cross-loading analysis, in which every indicator loaded more strongly on its own construct than on any other. Reliability testing further showed that all constructs achieved Cronbach's alpha above 0.60 and composite reliability above 0.70 (Table 7), confirming that the measurement instrument is both valid and reliable.

Table 7. Reliability Statistics

Construct	Cronbach's Alpha	Composite Reliability (rho _a)	Composite Reliability (rho _c)	AVE
Menu Innovation	0.821	0.865	0.884	0.663
Business Success	0.904	0.908	0.933	0.776
Customer Orientation	0.700	0.720	0.730	0.571
Social Media Promotion	0.887	0.924	0.922	0.747

Source: Data processed, 2026.

4.4 Structural Model (Inner Model) Evaluation

Model fit was assessed using the Standardized Root Mean Square Residual (SRMR) and Normed Fit Index (NFI). The model produced an SRMR of 0.129 and an NFI of 0.787; while the SRMR value exceeds the commonly recommended threshold of 0.08, the NFI approaches an acceptable level, indicating that the model is reasonably adequate for exploratory PLS-SEM analysis, though not fully optimal by strict goodness-of-fit standards.

The coefficient of determination (R^2) for Business Success was 0.730 (adjusted $R^2 = 0.720$), indicating that social media promotion, customer orientation, and menu innovation jointly explain 73.0% of the variance in business

success, a strong level of explanatory power (Hair et al., 2021), with the remaining 27.0% explained by factors outside the model. The predictive relevance (Q^2_{predict}) value was 0.617, well above zero, confirming that the model possesses strong predictive relevance.

Table 8. R^2 , Q^2 , and Effect Size (f^2)

Indicator	Value	Interpretation
R^2 (Business Success)	0.730	Strong explanatory power
Adjusted R^2	0.720	—
Q^2_{predict} (Business Success)	0.617	Strong predictive relevance
f^2 Social Media Promotion → Business Success	0.074	Small effect
f^2 Customer Orientation → Business Success	0.361	Large effect
f^2 Menu Innovation → Business Success	0.804	Large effect

Source: Data processed, 2026.

4.5 Hypothesis Testing

Hypothesis testing was carried out through bootstrapping, with significance determined by a t-statistic above 1.96 or a p-value below 0.05 (Hair et al., 2021). The results are presented in Table 9.

Table 9. Bootstrapping Results (Hypothesis Testing)

Path	Path Coefficient	t-Statistic	p-Value	Decision
Social Media Promotion → Business Success	0.161	1.461	0.144	H1 Rejected
Customer Orientation → Business Success	0.344	5.344	0.000	H2 Accepted
Menu Innovation → Business Success	0.578	5.544	0.000	H3 Accepted

Source: Data processed, 2026.

As shown in Table 9, social media promotion has a path coefficient of 0.161 with a t-statistic of 1.461 (< 1.96) and a p-value of 0.144 (> 0.05), indicating that its effect on business success is not statistically significant; H1 is therefore rejected. Customer orientation shows a path coefficient of 0.344 with a t-statistic of 5.344 and a p-value of 0.000, confirming a significant positive effect; H2 is accepted. Menu innovation shows the strongest effect, with a path coefficient of 0.578, a t-statistic of 5.544, and a p-value of 0.000; H3 is accepted.

5. Discussion

5.1 The Effect of Social Media Promotion on Business Success

Contrary to the findings of Rajalakshmi and Thabassum (2024) and Deepika et al. (2025), who report that social media promotion significantly improves business performance through interactivity, visual appeal, and e-WOM, this study finds that social media promotion does not significantly affect the business success of bakso stalls in Lhokseumawe City. This outcome is largely attributable to the fact that most owners have not yet optimized their use of social media: many either lack an account altogether or maintain one that is rarely updated and poorly managed, with inconsistent content, unattractive visuals, and low levels of customer interaction. Many owners continue to rely primarily on traditional, word-of-mouth promotion. This finding is consistent with Purwana et al. (2017), who note that most MSME actors have yet to maximize their use of social media or fully grasp digital strategy, and with Wardhana (2015), who observes that digital marketing does not automatically translate into improved performance unless supported by an appropriate strategy. This suggests that social media promotion holds potential value for bakso stalls, but only if content quality, consistency, and customer interaction are substantially improved.

5.2 The Effect of Customer Orientation on Business Success

Customer orientation is found to have a significant positive effect on business success, consistent with Qhozi et al. (2025) and Wahyudiono (2023), who report that customer orientation significantly affects MSME performance, and with Christian (2023), who shows that responsiveness to customer needs strengthens customer retention and performance. This finding supports H2: the greater an owner's orientation toward customers, the greater the business's success. Owners capable of understanding customer needs, wants, and preferences are better positioned

to deliver services that meet expectations, respond constructively to feedback, and sustain positive relationships with customers, all of which contribute to higher loyalty and repeat purchases.

5.3 The Effect of Menu Innovation on Business Success

Menu innovation is found to have the strongest positive and significant effect on business success among the three predictors examined, consistent with Lin et al. (2023), Izzudin and Yuniawan (2024), and Suranta and Da Silva (2024), who report that menu innovation significantly strengthens performance and competitiveness in culinary businesses. This confirms H3 and indicates that product variety plays a decisive role in attracting customer interest. Owners who continuously create new menu items, follow prevailing trends, and adapt offerings to consumer taste tend to outperform competitors who do not innovate; such variety keeps customers engaged and encourages repeat purchases, ultimately strengthening the enterprise's competitive position.

6. CONCLUSION

Based on the data analysis and hypothesis testing, three conclusions can be drawn. First, social media promotion does not have a significant effect on the business success of bakso stalls in Lhokseumawe City; this finding indicates that current promotional efforts through social media have not yet been effective, largely because of limited engagement, inconsistent content, and suboptimal platform use. Second, customer orientation has a significant positive effect on business success, confirming that an owner's ability to understand and respond to customer needs is a key determinant of enterprise performance. Third, menu innovation has the strongest significant positive effect on business success, underscoring the central role of continuous product development and differentiation in sustaining competitiveness.

Overall, these findings indicate that customer orientation and menu innovation play a decisive role in the business success of bakso stalls in Lhokseumawe City, whereas social media promotion, although potentially valuable, does not directly translate into greater success unless implemented with a more strategic and consistent approach. Business owners are therefore encouraged to prioritize a deeper understanding of customer needs and continuous, creative menu development, while treating social media as a complementary rather than a stand-alone strategy. Local government agencies may support this process through entrepreneurship training and product-innovation capacity building, and future research should consider incorporating additional variables, such as service quality, price perception, and business location, together with a broader sample and geographic scope, to strengthen the generalizability of these findings.

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**THE INFLUENCE OF SOCIAL MEDIA PROMOTION, CUSTOMER ORIENTATION, AND MENU INNOVATION
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