The Impact of Promotion Strategies in GoFood Platform to Customer Decision : Case Study of Eatzy Indonesia

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Keyword	Abstract
	The growth of internet users in Indonesia is increasing from year to year, almost half of the Indonesian population are internet users. With this data, many entrepreneurs are adapting to existing developments by carrying out their business activities or selling by utilizing developing technology, especially the internet or what we often refer to as online activities. From the data obtained, Indonesia has a high transaction value for the online food industry which reaches 78.4 trillion rupiah. There are 3 major players in the online food industry in Indonesia, and GoFood is one of the largest online food delivery platforms in Indonesia that has many users. Eatzy Indonesia as a company engaged in the food industry wants to expand its sales channels to online means. Seeing the potential, Eatzy Indonesia partnered with GoFood to sell its retail food products through the platform. As a new partner of GoFood, Eatzy Indonesia needs to know effective ways to get sales, one of which is by utilizing the promotional features provided by GoFood. Therefore, this study aims to analyze the effect of promotional strategies on customer decisions for GoFood's new partner, Eatzy Indonesia. This study will analyze 144 respondents using quantitative methods with Multiple Linear Regression as a data processing method using SPSS software. The result is that the promotional strategies provided by GoFood (GoFood Search Ads, GoFood Category Ads, and GoFood Menu Discounts) have a positive influence on customer decisions.

INTRODUCTION

According to VOI.id in January 2022, the number of internet users in Indonesia was reported to have grown to 204.7 million users (VOI.id, 2022). These numbers represent that more than half Indonesia's population are internet users. The Internet has a lot of functions to be used by every person in this country. Nowadays entrepreneurs started to sell their products with delivery services that are served by online (online food delivery) platforms to adapt with current conditions and compete with their competitors in the market (Yeo, 2017). Based on data shown by CNBC Indonesia, Indonesia is poised to get online food transaction value up to IDR 78.4 Trillion rupiahs (CNBC Indonesia, 2022). This number shows that the food industry that leverages online food delivery will have grown significantly since it is in line with food industry growth in Indonesia (LanX, 2022).

The growth of online food delivery service in Indonesia has occurred rapidly in the last 4 years since the come up of two big players such as Gojek and Grab that dominate the market share of this industry (Eka, 2021). Based on the Momentum Works report, the value of Indonesian gross transactions in online food delivery platforms touch IDR 67.89 trillion rupiahs. This is the highest value of ASEAN countries (Annur, 2023). According to research that has been done by Tenggara strategics, there are 3 big players in the online food delivery industry in Indonesia that are

Gofood, Grab Food, and Shopee Food. Since the pandemic came, there has been rapid growth of online food delivery services in Indonesia. It's shown that 64% users often do the food transaction because of the great services from the platform. On top of that, online food delivery has become part of people's lives in Indonesia. Most users utilize this platform to support their productivity. Online food delivery gives great consumer satisfaction so that they will utilize this platform continuously (Tenggara Strategics, 2022)

Based on research created by Foodizz and Deka Insight, from the top 3 big online food delivery players in Indonesia which is GoFood, Grab Food, and Shopee Food, the most used platform in this country is GoFood platform (Javier, 2021). GoFood has been chosen by users since the platform gives users satisfaction to do transactions with a lot of menu variation, guarantee product hygiene and safety use during the purchase process (Tenggara Strategics, 2022). Based on those data, Eatzy Indonesia as a business in the food industry sees the big opportunity to scale their business to get new sources of income on GoFood platform.

Promotion is an activity to inform buyers about product existence on the market or certain marketing activities established by the company, for example by giving purchase bonuses or price cuts when orders touch the minimum number. Some of the opinions above can be defined that promotion is a company communication way to encourage or attract potential customers to purchase products or services being marketed. Or it can also be concluded that promotion is a company communication tool that is compelling, so that customers have attention to purchase products that are marketed and offered (Watson & Dibbs, 2020). It can be also defined as a tool used to inform, influence, and persuade customers to buy products or services offered by the company (Kommuri, 2020). Promotion is a part of the marketing mix that can be carried out by marketers (Alexandra, 2020).

METHOD

This research will use quantitative approach with experimental design to gain primary data from GoFood platform and quantitative research by spreading surveys to respondents. Quantitative methods place an emphasis on precise measurements and the statistical, mathematical, or numerical analysis of data gathered through surveys, polls, and other types of research, as well as the manipulation of statistical data that has already been obtained using computing methods. Quantitative research focuses on collecting numerical data and using it to understand a specific event or generalize it across groups of individuals (Babbie, 2017).

The population in this study were GoFood service users. In this study, samples were taken using non-probability sampling methods and using purposive sampling techniques. Factors weighing sample selection: (1) GoFood service users (2) Male and Female (3) Aged 16 to 48 years (4) Domiciled in Bandung City. In determining the sample size referring to Alshibly (2023), based on these provisions, the number of samples used in this study was at least 100 GoFood service user respondents.

To collect data for this research, it will be distributed using an online questionnaire in the form of google from. In analyzing the research data, it was carried out using the Multiple Linear Regression analysis method with SPSS software.

RESULTS
### 3.1 Descriptive Analysis
3.1.1 Age

Usia Isi dengan angka saja, misal jika Anda berusia 35 tahun, isi "35" saja.
144 responses
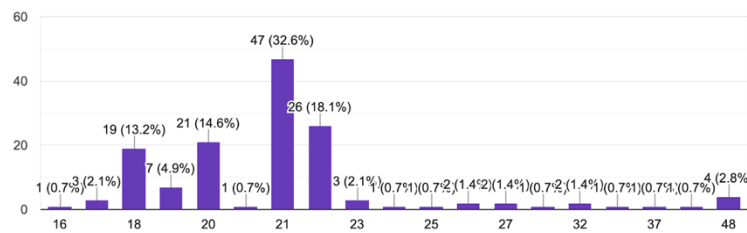
Out of the total 144 respondents, the age distribution revealed that 133 respondents (92.36%) identified in the age range of 16-26 years old, 6 respondents (4.17%) at range of 27-37 years old, and 5 respondents (3.47%) at range of 38-48 years old. This age breakdown offers important information about the sample's makeup and enables a study of the factors affecting customers' buying decisions based on their age.

3.1.2 GoFood order history

Kapan terakhir kali anda membeli produk makanan melalui aplikasi Gofood?
144 responses
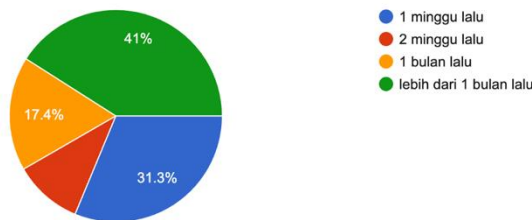
This GoFood historical order data shown that most of the respondent ordering food on GoFood platform more than a month ago with 41%, while 31.1% respondents ordering food from GoFood in the last a week and the rest of respondents ordering food in the last month with 17.4% and in the last 2 weeks with 10.4%. This data will allow researchers to analyze that the respondents or customers' representation still have a buying power on GoFood platform.

3.1.3 GoFood order history

Frekuensi pembelian produk makanan melalui aplikasi Gofood dalam 1 bulan
144 responses
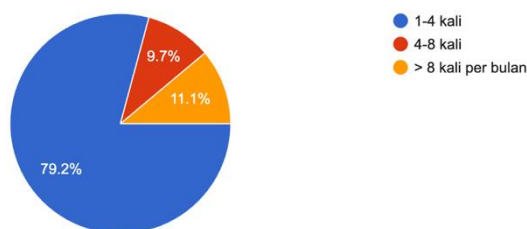
The data shown on the chart represent customers' frequencies on buying products how many times in a month. And the data said that most of the respondents order food from GoFood platform 1-4 times in a month with 79.2% of the population, 4-8 times order in a month with 9.7% and more than 8 times order with 11.1% of population. This data will allow researchers

to analyze the frequency of customers on ordering food based on the promotional strategy on GoFood platform.

3.2 Multiple Linear Regression
3.2.1 Validity Test

The right state of the Bivariate Pearson formula is employed for the validity test if the correlation coefficient is higher than the R-table. Listed below is a table:
Validity Table

Variable	Label	R Table	Correlation coefficient	Notes
Iklan Pencarian GoFood (X1)	X1.1	0.1367	0.357	Valid
	X1.2	0.1367	0.610	Valid
Iklan Kategori GoFood (X2)	X2.1	0.1367	0.438	Valid
	X2.2	0.1367	0.759	Valid
Discount Menu GoFood (X3)	X3.1	0.1367	0.514	Valid
	X3.2	0.1367	0.554	Valid
	X3.3	0.1367	0.496	Valid
Customer Decision (Y)	Y.1	0.1367	0.610	Valid
	Y.2	0.1367	0.717	Valid
	Y.3	0.1367	0.598	Valid

The R table has a value of 0.1367 (n = 144, 5% significance level). The result validity test mentioned earlier shows that all correlation coefficients are higher than those listed in the R table. As a result, the validity test's conclusion is that all of the data are valid.

3.2.2 Reliability Test

Reliability Table (Cronbach's Alpha)

Reliability Statistics

Cronbach's Alpha	N of Items
.767	10

The purpose of the reliability test is to evaluate how accurate the survey respondents' responses were. If the value of the Cronbach's alpha should be greater than 0.6, so the data is reliable. The table revealed that all variable values gave alpha Cronbach's values greater than 0.6. So, the data in this research is reliable.

3.2.3 Classical Assumption Test

Before performing the regression analysis, the model must pass this test to be deemed reliable as a predictor. There are a number of tests, including normality, linearity, heteroscedasticity, and multicollinearity.

3.2.3.1 Normality Test

Kolmogorov-Smirnov Table

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		144
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.54692525
Most Extreme Differences	Absolute	.083
	Positive	.058
	Negative	-.083
Kolmogorov-Smirnov Z		.998
Asymp. Sig. (2-tailed)		.273

a. Test distribution is Normal.
b. Calculated from data.

Based on the Table, using the Kolmogorov Smirnov method, the significance of the normality test results is 0.273 where the results are greater than 0.05. Therefore, it indicates that the data follow a **normal distribution**.

3.2.3.2 Multicollinearity Test

This test establishes the correlation between two variables. In order to determine the correlation between the data, The VIF value should be less than 10, and the tolerance value should be greater than 0.10.

Coefficients Table

Coefficients[a]

Model		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		Beta			Tolerance	VIF
1	(Constant)		1.316	.190		
	X1	.230	3.236	.002	.768	1.303
	X2	.402	5.801	.000	.805	1.242
	X3	.293	4.523	.000	.921	1.085

a. Dependent Variable: Y

The table shows that all tolerance values are more than 0.1, whereas the VIF values for X1 (Iklan Pencarian GoFood), X2 (Iklan Kategori GoFood), and X3 (Diskon Menu GoFood) are all less than 10. so that it may be concluded that these data do not exhibit multicollinearity.

3.2.3.3 Linearity Test

Anova Table

ANOVA Table

			F	Sig.
Y * X1	Between Groups	(Combined)	8.912	.000
		Linearity	43.119	.000
		Deviation from Linearity	.360	.837
	Within Groups			
	Total			

ANOVA Table

			F	Sig.
Y * X2	Between Groups	(Combined)	11.295	.000
		Linearity	65.771	.000
		Deviation from Linearity	2.216	.045
	Within Groups			
	Total			

ANOVA Table

			F	Sig.
Y * X3	Between Groups	(Combined)	4.604	.000
		Linearity	31.725	.000
		Deviation from Linearity	1.214	.295
	Within Groups			
	Total			

Linearity Result

Variable	Linearity	Deviation from Linearity
Iklan Pencarian GoFood (X1)	0.000	0.837
Iklan Kategori GoFood (X2)	0.000	0.045
Discount Menu (X3)	0.000	0.295

According to the table, all of the Linearity values are less than 0.05, indicating that the data is linear, whereas the deviations from linearity are Linearity X1 = 0.837, X2 = 0.045 and X3 = 0.295. X1 and X3 shown have more than 0.05, therefore, it can be concluded that the independent variable and the dependent variable have a linear relationship. But for X2 it shows almost 0.05 with 0.045, it can be influenced by several factors such as not all of the respondents made the decision while exposed by Iklan Kategori GoFood but they still find another food on search page.

3.2.4 Multiple Regression Analysis
3.2.4.1 F-Significance Test

Anova F-Test Result

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	289.797	3	96.599	39.521	.000[a]
	Residual	342.196	140	2.444		
	Total	631.993	143			

a. Predictors: (Constant), Discount menu, Category ads, Search ads
b. Dependent Variable: Customer decision

The value F table in this test is 2.434, and the F value from table above is 39.521. Because of 39.521 > 2.434, the F value is more significant than the F table. Also, the value of Sig is 0.000, which is less than 0.05. So, from that result the data is significant

3.2.4.2 R-Square test

R-Square Result

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.677[a]	.459	.447	1.563

a. Predictors: (Constant), Discount menu, Category ads, Search ads

The Adjusted R Square in the table above is 0.447, which indicates that three variables (Iklan Pencarian GoFood, Iklan Kategori GoFood, and Diskon Menu) can explain 44.7% of the Customer Purchase Decision. The remaining 55.3% is explained by other factors.

3.2.4.3 Multiple Regression Test

Multiple Regression Result

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.356	1.030		1.316	.190
	Search ads	.378	.117	.230	3.236	.002
	Category ads	.469	.081	.402	5.801	.000
	Discount menu	.291	.064	.293	4.523	.000

a. Dependent Variable: Customer decision

According to the table, the equation of multiple regression is:

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$

$Y = 1.356 + 0.378.X_1 + 0.469.X_2 + 0.291.X_3 + e$

Where :

Y   : Customer Decision
X1   : Iklan Pencarian GoFood
X2   : Iklan Kategori GoFood
X3   : Diskon Menu GoFood
Based on the above equation, it can be seen as:

1. Constant Value (β_0) = 1.356. It indicates that if every variable is zero, Customer Purchase Decision will equal 1.356.
2. Iklan Pencarian GoFood variable has a coefficient of 0.378. It indicates that the Customer Decision will increase 0.378 for each point of Iklan Pencarian GoFood variety.
3. Variable Iklan Kategori GoFood has a coefficient of 0.469. It indicates that the Customer Decision will increase 0.469 for each point of Variable Iklan Kategori GoFood.
4. Variable Diskon Menu GoFood has a coefficient of 0.291. It indicates that the Customer Decision will increase 0.291 for each point of Variable Diskon Menu GoFood.

3.2.4.4 Regression Coefficients (T-Test)

The T-test is employed to determine the relationship between an independent variable and a dependent variable. If the significance value is less than 0.05, the variable influences the dependent variable positively and significantly. T-values for each independent variable are calculated as follows:

1. Coefficient of Iklan Pencarian GoFood (X1) T-count = 3.236 and Sig. = 0.02. Where the significance value is less than 0.05, it can be concluded that the Iklan Pencarian GoFood (X1) has a statistically significant and positive influence on the customer decision (Y).
2. Coefficient of Iklan Kategori GoFood (X2) T-count = 5.801 and Sig. = 0.00. Where the significance value is less than 0.05, it can be concluded that the Iklan Kategori GoFood (X2) has a statistically significant and positive influence on the customer decision (Y).
3. Coefficient of Diskon Menu GoFood (X1) T-count = 4.523 and Sig. = 0.00. Where the significance value is less than 0.05, it can be concluded that the Diskon Menu GoFood (X3) has a statistically significant and positive influence on the customer decision (Y).

CONCLUSION

Based on the results of testing the hypothesis of the Iklan Pencarian GoFood variable (X1) on Customer Decisions (Y), the results show that Iklan Pencarian GoFood has a positive and significant effect, this is indicated by the path coefficient value of 0.378. Based on these results, it can be concluded that when the promotion provided increases, it will increase purchasing decisions by 0.378. On the other side, the Iklan Kategori GoFood has a coefficient of 0.469. It indicates that the Customer Purchase Decision will increase 0.469 for each point of Variable Iklan Kategori GoFood. And for Discount Menu GoFood has a coefficient of 0.291. So, it indicates that the Customer Decision will increase 0.291 for each point of Variable Diskon Menu GoFood.

Based on the research, the adjusted R Square in the table above is 0.447, which indicates that three variables (Iklan Pencarian GoFood, Iklan Kategori GoFood, and Diskon Menu) can explain 44.7% of the Customer Purchase Decision and it categories as high percentage. The remaining 55.3% is explained by other factors. This research aligns with research conducted by Fatuh (2017) that said Promotion has a significant effect on purchasing decisions, this can happen because the promotions carried out by the company are very good so that they can attract potential customers to use their products or services.

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