

Understanding Customer behaviors of Online Food Delivery for maximum selling- a Case Study on Go-food and Grab-food platform used by Anasuki Nuggets Business

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Abstract

Pandemic covid-19 has become huge power that cannot be denied to digital acceleration in all human aspects of life. The big impact in the food Industry was found in the huge increase of online food delivery trends. In Indonesia, since the pandemic and quarantine era, the trend has kept rising. This becomes an opportunity for food or culinary business to make them catcher to their potential customers. The location of business become less important, which customers could reach the business easily through their fingers. Nevertheless, some right strategy needs to implement to gain maximum profit. A special delivery platform could have different characteristics from the other one. This research examines the specific strategies that could be implemented in go-food and grab-food platforms. This research using a case study in a small culinary business specializing in authentic fusion snacks called Anasuki Nuggets. This research analyzed the customer behavior of these platform users to maximum sales. The result shows that both platforms have different user behaviors that have to handle differently. The differences found include customers' preferred time to order, intention, the decision to buy, and review parameters. The result could give a brief understanding of online food delivery tenants, especially small businesses. The research's results help to understand more about customers' preferences to implement the right strategy for their businesses.

Keywords

Online Food Delivery, Food Business Digitalized, Culinary Business Strategy, Creativepreneurship

1. Introduction

At the time of the pandemic in Indonesia, there were many significant changes in almost all aspects of the industry as well as from people's habits, this also of course also occurred in the food industry, which underwent changes to become digital, namely online food delivery, online food delivery services (Go-food and Grab-food) during this pandemic are also favored by many people in Indonesia because they can answer consumer problems during this pandemic, besides that online food delivery services (Go-Food and Grab-food) are of course just offering a solution for consumers so they can avoid queues at restaurants, there is no time to cook, satisfy the desire for food that cannot be cooked and the covid situation is not getting better to be able to eat on the spot.

This is of course an opportunity for food industry players, especially MSMEs to be able to join as online food delivery partners (Go-food and Grab-food) because according to data from the Minister of Cooperatives and Small and Medium Enterprises, 99% of the economic structure in Indonesia comes from from Micro, Small and Medium Enterprises (MSMEs), (Dwi Aditya Putra, 2021). MSMEs play an important role in economic recovery after being able to contribute 61.7% of the country's Gross Domestic Product (GDP). Other official data notes that micro and small businesses in Indonesia have the absorption capacity of 60 million workers or about of the workforce in Indonesia (Abdul Kadir 2021). From this data, it is undeniable that a business like yours has a crucial role in the revival of the national economy. That is why online food delivery in Indonesia (Go-food and Grab-food) always wants to support business actors with various supporting equipment needed to grow. However, business situations are not always predictable. According to a survey from the Indonesian Institute of Sciences (LIPI), almost 95% of MSMEs experienced a decline in income during the COVID-19 pandemic crisis. Yes, such a large number, but there is still a great chance to be able to bounce back from the current covid-19 pandemic. By developing digital technology such as this online food delivery service (Go-food and Grab-food).

Based on Gojek's internal data, from March to August 2020 there were 62.4% of respondents who used online channels to sell their products, with 34.3% of them using social media and online delivery services. Not a few of them are also trying various new online sales channels. Knowing that having an online presence is quite powerful, of course, MSME owners are encouraged to be willing and able to digitize their business. Basically, digitization is not just an online presence, but also digitalization in terms of payment systems, operational logistics, customer management, to inventory management, in order to increase business effectiveness and efficiency. With digitalization, MSMEs can help Indonesia reduce 1.5% of the economic burden on GDP in the midst of the COVID-19 pandemic (Eisya A. Elok Sari, 2020). A study reported that the government recorded that there were 2.7 million MSMEs digitizing their business from May 14 to October 15, 2020 (during the pandemic). Although this figure exceeds the government's target, the number of businesses that have been digitized is only around 16% when compared to the total MSME players in Indonesia. (Fahmi Ahmad Burhan, 2021)

The Anasuki nuggets business has also developed towards digitization, for example becoming an online food delivery service partner (Go-food and Grab-food) which is an important channels in selling Anasuki Nuggets online during the current COVID-19 pandemic situation. And this research is also intended to be able to discuss more deeply about consumer behavior towards the use of online food delivery application services (Go-food and Grab-food) with the aim of being able to increase sales to the maximum, this will be discussed entirely from sales data and research Anasuki Nuggets based on online food delivery applications (Go-food and Grab-food).

1.1 Objectives

1. To be able to find out consumer behavior towards the use of online food delivery applications (Go-food and Grab-food) in the Anasuki nugget business.
2. In order to find out how to increase sales in online food delivery applications (Go-food and Grab-food) in the anasuki nugget business.
3. To find out which online food delivery applications (Go-food and Grab-food) are preferred for use by consumers in Indonesia in the Anasuki nugget business.
4. Factors that support consumers in buying food products when opening online food delivery applications (Go-food and Grab-food) in the Anasuki nugget business.
5. Factors that support consumers to want to order food products again through online food delivery applications (Go-food and Grab-food) in the anasuki nugget business.

2. Literature Review

The crisis period that occurred during 2020 and 2021 greatly destroyed various industries due to COVID-19, but on the other hand was able to create a more resilient and sustainable business. The Minister of Cooperatives and MSMEs said that the stay at home economy would become a new MSME landscape. According to Kotler and Keller (2009), consumer behavior is a study of how individuals, groups and organizations choose, buy, use and place goods, services, ideas or experiences to satisfy their desires and needs. It's not just business owners who adapt, so do customers (Mentari Dwi Gayati, 2020). In this study, Anasuki Nuggets' business also saw an opportunity during this pandemic, then what Anasuki Nuggets will discuss in more depth is to find out consumer behavior towards the use of online food delivery applications (Go-food and Grab-food) which will be discussed in more detail regarding busy sales hours where there are certain hours where consumers order a lot of food products in the Anasuki Nuggets business, this affects the hours, weekends or weekdays and holidays, the second is the use of promotions by consumers, namely the majority of users prefer to use what promotions and why many users want to use the promotion, the third is consumer habits in ordering Anasuki Nuggets products which always have an average order of 2 to 4 food items in one transaction, as well as gender data that affects purchasing factors in this Anasuki Nuggets business.

According to Basu Swastha (2000:10), consumer behavior is the activities of individuals directly involved in obtaining and using goods and services, including the decision-making process on the preparation and determination of such activities. The purchasing decision process of each consumer varies because it is influenced by factors that determine consumer decisions consisting of environmental influences, individual differences and consumer psychological processes and marketing strategies. (Engel, et al., 2002). According to Setiadi (2003) culture is the determinant of one's desire and behavior that is most fundamental in decision making and purchasing behavior. As for how Anasuki Nuggets increases sales in online food delivery applications (Go-food and Grab-food) by having more items at lower prices, and sorting items for each category in ascending price order to encourage consumers to shop more, Introduce best-selling combo packs and add entrees, side dishes, drinks and desserts to increase the number of orders. For drinks, clearly state the brand, variant, package size, packaging format and price for clarity to consumers then include photos and food descriptions on food items to encourage more clicks and sales always keep the menu short, as sales tend to decline for long list of items. Focus on what sells best Consider reducing menu items that take a long time to prepare (>20 minutes), or items that can't be brought in for a long time. Another factor is to always check that food is packaged properly to ensure customer satisfaction and repeat purchases. When packing food (especially those containing liquids), make sure it is tightly closed, or use spill-free containers to avoid spills during shipping. Separate cold and hot food to ensure optimal temperature. when consumed. According to Kotler (2009), social classes are relatively homogeneous and enduring groups in a society, organized hierarchically and whose membership has similar values, interests, and behaviors. According to Setiadi, N.J (2003), motivation is a willingness to issue a high level of effort towards the goals to be achieved, conditioned by the ability of efforts to meet an individual's needs. According to Engel, et al. (1993 in Sumarwan, 2003), attitudes show what consumers like and dislike. Furthermore Sumarwan (2003), stated that attitude is an expression of consumer feelings about an object whether liked or not, belief in the various attributes and benefits of the object.

Next, we discuss the consumer's favorite application based on the level of use, user convenience and why many consumers prefer the application over the other application. In this regard, Anasuki Nugget also discusses more deeply about the factors that support consumers in buying food products when opening online food delivery applications (Go-food and Grab-food). Which can be explained in general as follows, food reviews are very influential on consumer interest, especially consumers who have never tried the product before, because with food reviews, it can convince new consumers to be able to try and dare to buy the product, then those who the second is of course an attractive photo display, indirectly many consumers are more interested in seeing photos of food menus because they can be evocative and can be visually imagined how the picture is, this must also be equipped with clear descriptions and easy to understand by consumers in order to know what menu which is sold. The third is how the suitability of prices can affect the menu of food offered, it turns out that this also affects consumers, so they must set the price of the product according to the menu offered. From reviews, appearances, descriptions, price compatibility, then there is the last factor that affects consumers, namely the taste of the food, if the taste of the food is good then the quality of the food is very good and in accordance with the price, consumers are not shy about being able to give good reviews to the business. made, this of course has an impact on potential consumers who are new or will want to buy and can retain loyal consumers who like the food products sold.

After discussing the factors in purchasing food from online food delivery applications (Go-food and Grab-food), it's time for Anasuki nuggets to discuss in general in this section how to make consumers able to order again, here are seven factors that Anasuki nuggets can discuss in general at In this section, the first thing is that you must offer the right price with the product being sold, if the price is indeed expensive, try to explain in the description what materials

are used, whether the quality is very good, so it affects the selling price. Then you have to use promos for consumers to be interested in trying this, it has an effect on both new consumers and loyal consumers, because with promotions, consumers can feel the benefits or savings in their shopping. Then you can present a combo package, this combo package means that one menu has a complementary or free menu, for example, buy one get one free, or buy one free drink / dessert / complement / combo menu consisting of the same two menus. Next, the fourth is to make a good menu, which is a short menu, prioritize the most important menu or item at the top, usually the best seller menu or featured menu, then the name of the menu is short and easy to understand by consumers regarding the products being sold. Another factor is making item descriptions sound delicious, such as this comparison of “fried bananas” “crispy fried bananas” “favorite fried bananas in town” this can influence consumers to dare to try or order again because they already know the quality of the taste. And of course the last but important thing is to make sure to send food on time and maintain quality, because consumers don't want to wait very long for a food, because they can't wait to eat their food and make sure the quality of food is always maintained so that consumers can order come back and be a loyal customer. According to Assael (1992 in Setiadi, 2003), consumer learning is a change in behavior that occurs as a result of his past experiences. Consumer Behavior is the activities of individuals who are directly involved in obtaining and using goods and services including the decision-making process on the preparation and determination of such activities (Swastha et al., 2000).

3. Methods

Therefore, the Anasuki Nuggets business uses qualitative analysis data in order to obtain accurate data based on existing data through the online food delivery service application in this study, namely the Go-food and Grab-food applications. In qualitative research, data is obtained from various sources, using various data collection techniques (triangulation), and is carried out continuously until the data is saturated. Continuous observations resulted in high data variation. So that the data analysis technique used has no clear pattern.

Bogdan (in Sugiyono, 2018, p. 334) states that data analysis in qualitative research is the process of systematically searching and compiling data obtained from interviews, field notes, and other materials so that they are easier to understand, and the findings can be informed to the public. others.

The qualitative data analysis technique according to Sugiyono (2018, p. 335) is inductive, namely an analysis based on the data obtained, then a certain relationship pattern is developed or becomes a hypothesis, then based on the hypothesis, the data is sought again and again until it can be concluded whether the hypothesis can be accepted or rejected. If based on data collected repeatedly using triangulation techniques, it turns out that the hypothesis is accepted, then the hypothesis develops into a theory.

According to Sugiyono (2018, p. 336) the process of data analysis in qualitative research is carried out before entering the field, while in the field, and after finishing in the field. Qualitative research has conducted data analysis before the researchers went to the field. The analysis is carried out on the data from the preliminary study, or secondary data, which will be used to determine the focus of the research. While in the field or during data collection, qualitative research has also carried out analysis. For example, at the time of the interview, the researcher has analyzed the answers of the interviewees, if the answers are not satisfactory, the researcher will continue the question again until the data that is considered credible is obtained.

Miles and Huberman (in Sugiyono, 2018, p. 337) suggest that qualitative data processing methods or techniques can be carried out through three stages, namely data reduction, data display, and conclusion drawing/Verification.

Data reduction. The data obtained from the field is certainly quite a lot and in a form that is not as consistent as quantitative data. Therefore, data reduction can be carried out which means summarizing, choosing the main things, focusing on the important things, looking for themes and patterns and discarding what is not needed.

After being reduced, the next step is to display or present the data in order to have clearer visibility. The presentation of the data referred to here can be as simple as a table with a neat format, graphs, charts, pictograms, and the like. Through the presentation of the data, the data is organized, arranged in a pattern of relationships, making it easier to understand.

The third step in the analysis of qualitative data according to Miles and Huberman is drawing conclusions and verification. The initial conclusions put forward are tentative in nature, and will change if strong evidence is found to support the next stage of data collection. But if the evidence is valid and consistent when the researcher returns to the field to collect data, then the conclusions put forward are credible conclusions.

4. Data Collection

Data collection in this study can be explained as follows, in general all data from the Anasuki nuggets business is based on sales data of Anasuki nuggets through online food delivery, namely Go-food and Grab-food and there is also

supporting data in this data collection is through Go-food internal data. food and Grab-food as a general comparison of the condition of the food industry in Indonesia, especially data on consumer behavior in the Anasuki Nuggets business.

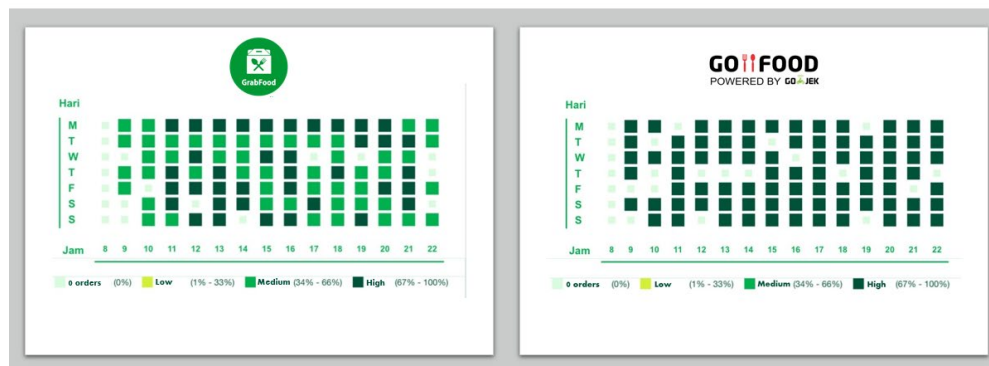
5. Results and Discussion

In this section, the Anasuki Nuggets business focuses on five objectives that have been explained in the previous research points, the first will discuss how consumer behavior in the use of online food delivery applications is on Go-food and Grab-food by using tables, data, statistics or images as supporting data in this section.



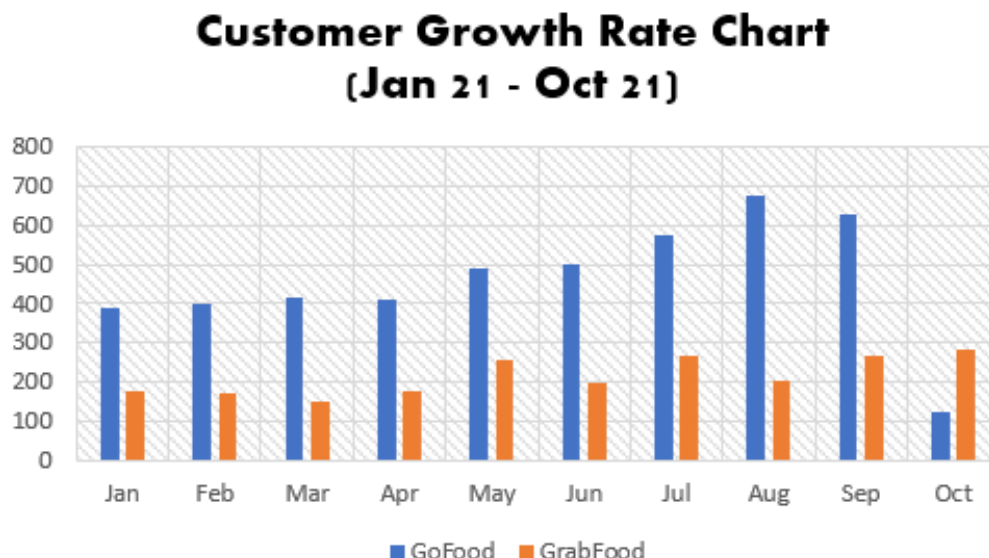
Picture 1. The main demographics of food delivery service users, both go-food and grab-food

Understanding the service landscape food delivery Indonesia, Family with children are the main consumers of food delivery service Indonesia's population is one of the youngest in the world, and it is common for Indonesian families to live under one roof. Food delivery more prominent among middle class families with children, and most ordered by those aged between 25-44 years. The reason they use this food delivery service is because they avoid queues at restaurants and then there is no time to cook. The third is to satisfy the desire for food that cannot be cooked, during COVID-19 many consumers have also opted for ordering through online food ordering services on average. >Rp. 71,000 per order. This data was obtained through Kantar's online survey with 4,190 food delivery consumers in Indonesia, Sep 2020 - Mar 2021



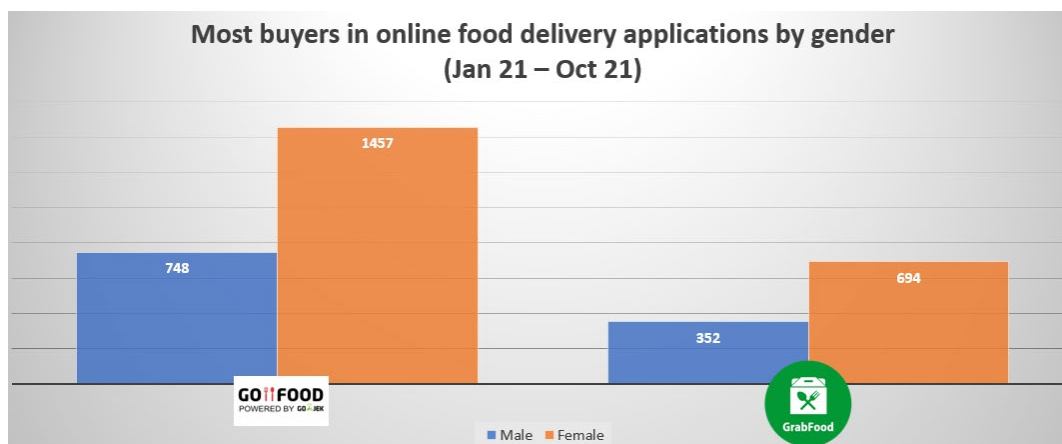
Picture 2. Heat Map data Go-food and Grab-food

This table depicts the average hourly orders per watch. This range is based on the order quantity and the time of the order. Refer to the legend to understand the time spans marked with different colors. (Right: GrabFood data and Left: GoFood data) from this it can be seen that there are differences in consumer habits that are clearly visible from go-food and grab-food, it can be seen that the busy day of grab-food occurs today and starts at 11 am to 20 pm and on the following days tends to be quite dense and there is a density at certain hours, consumers even during peak hours always order an average of 2-4 orders because they want to use existing promotions so many consumers buy them on Mondays and during peak hours on days Friday. While on go-food, it can be seen that the density every day starts at 9 am and continues until 10 pm, this increase can also be seen on Friday and peaks on Saturday regarding the density of orders that occur, consumers also buy on average 2-4 products to get attractive promos during these hours.



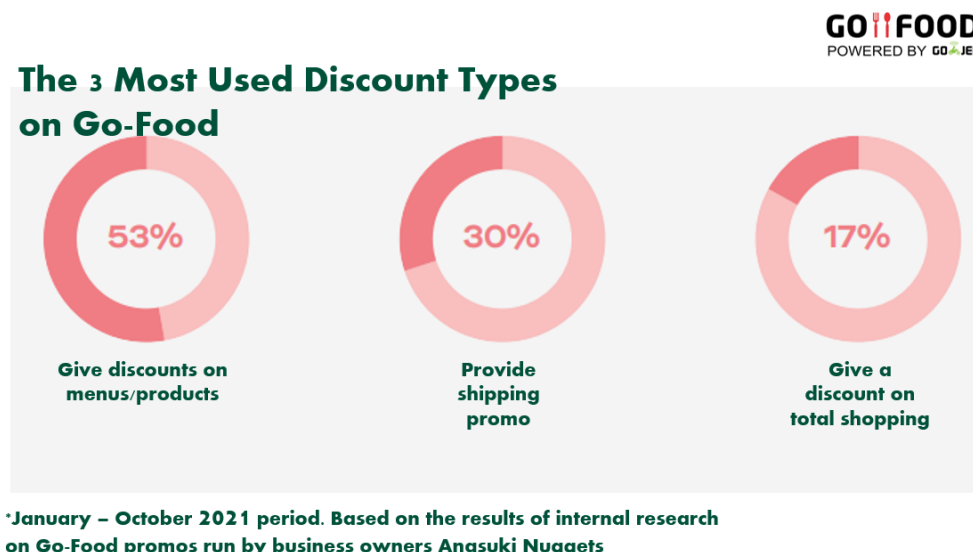
Picture 3: Customer growth rate chart

In this data, it can be seen that the comparison of two applications in the number of customer growth, which increased between June and August, then customers who used the go-food application tended to be more because the application existed earlier than the grab-food and go-food applications. It is also easy to use and has received world-class appreciation for UI and UX adaptation in response to COVID-19 based on UXAliance, Usaria and SomiaCX. In addition, this increase also occurred because of the promotions used, many consumers prefer to use promotions on go-food because they provide more and more frequent discounts, while for grab-food they also provide discounts but only for a limited period and for days. - Certain days, for example in the heatmap data, Monday is very busy because many customers want to buy products with promotions provided by Grab-Food and Anasuki Nuggets.



Picture 4. Most buyers in online food delivery applications by gender (Jan 21-Oct 21)

This data has something in common, namely that female users use online food delivery applications, especially during peak hours according to the previous heatmap data, it can be said that many female consumers prefer profitable promotions and on average buy 2-4 items of Anasuki products. to get a promotion. Meanwhile, male consumers buy a lot of it at less crowded hours and tend to buy only 1-2 Anasuki nuggets products and don't always use promotions outside these busy hours.



Picture 5: The 3 most used discount types on Go-food

From the heatmap, sales and gender data, now Anasuki Nugget can analyse what percentage of consumers use promotions, in the Go-Food application many consumers buy products because of menu discounts or products offered. Then the second factor is that consumers also want free shipping and tend to be cheap and the last is a total discount on shopping made by Anasuki nuggets. The total shopping discount is one of the favorites because business owners can determine the minimum purchase value so that the total transaction value increases. However, the provision of discounts, such as a 20% discount from Rp. 50,000 to Rp. 40,000, had the highest impact on increasing sales, then based on our internal data, more than 75% of customers surveyed admitted to buying products because the products offered were very attractive or have value for money. By giving this promo, in fact, it can make customers more loyal and want to buy again from businesses they previously knew.



Picture 6: The 3 most used discount types on Grab-food

In terms of promotions, consumers are more choose Buy 1 Free 1. If have a marketing budget remaining, join the campaign the promo if possible and Anasuki nuggets running promos at GrabFood experience 30–50% increase in sales.



Picture 6: What drives Indonesians people to trying a new restaurant ?

This factor is very important, especially for MSME entrepreneurs in the food sector, of course this factor greatly affects the success and increase in sales in the business and reaching new customers or keeping customers loyal to using the products sold. This data comes from the results of the analysis of the go-food and grab-food applications of Anasuki Nuggets' business.

6. Conclusion

The conclusion in this study is that the online food delivery business can see the uniqueness of consumer habits in ordering food products and other supporting factors in making decisions to buy products, in this case the purchase of Anasuki nuggets products, then there are points as a result of the research. Understanding Customer behaviors of Online Food Delivery for maximum selling- a Case Study on Go-food and Grab-food platform used by Anasuki Nuggets Business is as follows:

- Offer the right price
- Use promos to make customers interested (both independent promos and promos provided by go-food or grab-food)
- Comes with bundling or combo packages
- Short menu name
- Display food attractively, visualization of food products
- Clear description
- Deliver food on time, according to orders and maintain the quality of the food products

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