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## The Impact of Marketing Mix Elements on Customer Loyalty for Food Delivery Services in Rembau, Negeri Sembilan

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### Abstract

**Introduction:** This research conducted to know the impact of Marketing Mix elements toward customer loyalty in Online Food Delivery Service Company in Rembau, Negeri Sembilan, Malaysia. The data gathered using simple random sampling method and distribute questionnaires to 215 respondents who reside in Rembau, Negeri Sembilan. The data then being analyzed by SPSS software.

**Methodology:** In order to achieve the objectives of the study, the researcher used the quantitative approach to measure the casual relationship between the variables of the study, which are the marketing mix elements and customer loyalty in Rembau, Negeri Sembilan. SPSS software is being used for data analysis.

**Result:** The results showed that marketing mix Place and People simultaneously having significant impact toward customer loyalty of Online Food Delivery Service company in Rembau, Negeri Sembilan. However, the other three of marketing mix element which is product, price and promotion are not significant toward customer loyalty of Online Food Delivery Service company in Rembau, Negeri Sembilan.

**Keywords:** Customer loyalty, Customer Satisfaction, Marketing Mix, Online Food Delivery Service.

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## 1.0 Introduction

The Malaysian food and beverage (F&B) industry is a fast-growing industry and there is an emerging new wave within this industry, which is the online food delivery (OFD) service (Chai & Yat, 2019). Online food delivery service has become widely used by the Malaysian and it has become a common platform due to the rapid growth of internet users and also, the service is very convenient to the users where the customers can make the orders from a variety of restaurants with a single tap on their smart phones (Kapoor & Vij, 2018). Online food delivery service is categorized under an online-to-offline (O2O) service where the platforms of online food delivery service will gather many restaurants and serving as a liaison between restaurants and consumers (Ahmad & Lasi, 2020).

The first OFD service company in Malaysia is Food Panda and they are getting the first mover's advantage (Mahfuz, 2019 and Ahmad & Lasi 2020). Few years back, online food delivery services are famous among the millennial and become a trend in urban area. But now, these services have been widely used across the country, including the rural area. The target users for online food delivery platforms are large, and the top two categories are college students and white collars (Lan et al., 2016 and Nayan & Hasan, 2020).

New customers of online food delivery service apps are mainly attracted by the advantages offered by these apps. By utilizing OFD service apps, customers are able to look up all nearby restaurants, see the menu options, and select the food or beverages that they want. Furthermore, these apps have been equipped with digital payment to make purchasing even easier (Prasetyo et al., 2021).

The implementation of MCO has greatly influenced the online behaviour of users throughout this study period (Lasi et al., 2021). The market of online food delivery service is highly competitive, and the online food delivery platforms facing the great competition (Lan et al., 2016). Thus, companies should arrange marketing mix well to attract customers and create customer loyalty (Sudari et al., 2019). Effective marketing mix managements will helps business to achieve their goals by successfully managing the company's budget and resources (Išoraitė, 2016). Moreover, marketing mix is used by the management of organizations in order for to remain in the global competitive environment as marketing is the channel between organization and the customers. In marketing, there are many strategies, and all these strategies aim to promote the organization's products and services to reach a larger target market and also to satisfy the customers and lead to customer loyalty (Lasi et al., 2021). Retaining existing customers can improve the business process. One of the top marketing strategies nowadays is Marketing Mix Elements. These elements have developed through time from one element to multiple elements, starting from 4Ps to 7Ps (Thabit & Raewf, 2018).

The purpose of this study is to determine the impact of marketing mix elements on customer loyalty in food delivery services measures in the rural area, Rembau, Negeri Sembilan, Malaysia. This study will analyses factors affecting customer satisfaction and loyalty towards food delivery services, and what are the most significant factors, out of five variables that become the most influential factors for the business growth of OFD services.

## **2 Literature Review & Hypotheses Development**

### **2.1.1 Marketing Mix Elements**

According to Harsono (2017) and bin Abdul Lasi & Man (2020) , having a good product (Product), reasonable price (Price), accessible location (Place) and effective promotion strategy (Promotion), the companies will have the ability to influence the consumers to learn and purchase their product, and thus increasing the chance of creating a loyal customer. According to Chai and Yat (2019), with a rapid development of internet and e-commerce market, the food delivery services have boomed. Currently, people are getting busy with works, study and family. Hence, food delivery services has become a trend and making people's life much easier (Ghazalle & Lasi, 2021).

According to Hooi et al (2021), the increases in number of the food delivery service companies in Malaysia shows that the consumers are adopting positively in this service. There are many food delivery services available in Malaysia such as GrabFood, Lalamove, SmartBite, Foodpanda, HomeTaste, and The Naked Lunchbox. (Chai and Yat, 2019). Nowadays, restaurant availability is not the only factor that influences customer satisfaction when using OFD service apps. Other factors, such as ease of use, navigational design, and performance expectancy, will also influence customer satisfaction. As many customers are already familiar with the OFD service app, they become adapted to the apps without experiencing technical issues and thus, technical issues are decreasing (Prasetyo et al., 2021).

Significant competition in food delivery service companies has caused the company to think critically about how they can compete effectively (Lasi et al., 2021). As a result, marketing mix strategies will play an important role, to effectively target the customers and increase the sales. The company may explore new market, reaching customers and adding the brand value through marketing. Moreover, people are easily getting attracted to the services when the company are able to reach their attention through good and creative marketing, thus, impacting the brand loyalty. (Taufik et al, 2020)

The marketing mix is a set of controllable and tactical marketing tools that the firms use to reach their objectives; develop marketing strategies and lastly, received a desired

response from their target market (Lasi et al., 2021). Marketing mix term was first used by Neil H. Borden. Next, the term gained more recognition when Jerome McCarthy draws the attention to the fact that these essential elements consist of price, product, place, and promotion, known as 4Ps. Later on, Booms and Bitner introduces 7Ps marketing mix, consists of additional elements which are Physical Evidence, Process and People. Marketing mix is a tool to help marketing planning and execution, and will influence the demand of the products (Altay et al., 2021 and Abdul lasi & Salim 2020). According to Grönroos (1994) and supported by (bin Abdul Lasi & Man, 2020), the main reasons why marketing mix is considered as a powerful concept because it makes marketing seem easy to handle and it separate marketing from other activities in the organization.

Online food delivery service has the potential to grow because it can offer convenience for the customers to get various types of foods and beverages. The existence of an online food delivery service can help Food and Beverage businesses to increase their income, maximize business potential, help in promotion activities, and expand the coverage area. Also, most of the Small and Medium Enterprise (SME) have collaboration with the OFD service platform; where the apps offer a complete system in placing orders, such as product listing, product filtering, pricing, and many payment methods (Savitri et al., 2020 and M. B. Abdul Lasi & Rahim, 2021). This paper has focused on five marketing mix elements. In this research, the 5P's (Product, Promotion, Place, Price and People) of marketing mix elements will be discussed below:

Table 1: The criteria for creating marketing mix for online food delivery service.

<b>Marketing Mix Elements</b>	<b>Criteria</b>
Product	Product quality Wide range and categories The reputation of the store
Price	Price relative Discount Delivery costs
Promotion	Advertising Public relations

	Sales Promotion
Place	Working hours Market supply The effectiveness of reverse logistics
People	The attitude of customer service representative The attitude of courier Online ratings and review

Source: Adapted from Altay et al. (2021)

### 2.1.2 Product

Kotler emphasizes that the product is “anything offered to a market for attention, acquisition, use, or consumption that might satisfy a need or want.” On the contrary, a service can be defined as “any activity or benefit that one party can offer to another that is essentially intangible and does not result in ownership of anything” (Kotler, 2010). Thus, online food delivery is a service product.

The product is the key element of any marketing mix. Nguyen et al. (2018) stated in their study, the product element may refer to product variety and product assortment as the product variety significantly affects the perceptions and satisfaction of customers who make a purchase online (Nguyen et al., 2018). Another study stated that not only the variety of products will affect consumers’ purchasing behaviour, but the product availability also positively impact the consumers’ purchasing behaviour (Gul & Gunery, 2016).

Therefore, while developing a service, it is important that the benefits offered by the service follows the customer’s perspective (Kushwaha et al., 2015). Hence, we propose the first hypothesis of the study:

***H1. Product has a positive and significant impact on customer loyalty in online food delivery service.***

### 2.1.3 Price

Fixing the product's price is a difficult job and the marketers need to consider many factors such as the need of a product, cost involved, consumer's ability to pay, government restrictions and prices charged by competitors for

comparable products. In fact, pricing is a very critical decision zone as it has its impact on the need for the product and also on the profitability of the organization (Singh, 2012 and Lasi & Basiran, 2021).

The pricing for the service in online are important and it has to become more convenient for the customer's ability, so that he/she can afford it and be convinced by the service. Moreover, the price competitions among the companies that sell online are high; hence the importance of standardization of prices is critical (Allen & Fjermestad, 2001). Glanz et al. (2012) and supported by (Yunos, and Abdul Lasi, 2020), stated that discounts and coupons are considered among pricing strategies. By using the price promotions, the shopping platforms' price images can be changed, and companies' perceived value can be increased.

One recent study found that the customer satisfaction in OFD system in rural area can be ensured with three factors, which are a regular menu, good delivery services, and affordable prices. Not only that, keeping the price constant and focus more on introducing new varieties in the services will lead to sustainability. The OFD service provider might lose customers if the prices were increased. Conversely, they would not be able to meet their operating costs if they reduce the prices (VakadaeRamkumar et al., 2021).

Thus, companies today must shape their value propositions even more carefully and treat their profitable customers well (Kotler, 2010). Therefore, we can assume the following hypothesis:

***H2. Price has a positive and significant impact on customer loyalty in online food delivery service.***

#### **2.1.4 Place**

Kotler and Armstrong (2010), defined place or distribution as “a set of interdependent organizations involved in the process of making a product available for use or consumption by consumers”.

Place element of marketing mix also covers the mobile applications for online shopping platforms. One of the most significant features of the place element is maximizing the availability of sales channels. When examining online food delivery service platforms, the days and hours that the platform provides delivery services to customers can be evaluated within the place element (Altay et al., 2021).

***H3. Place has a positive and significant effect on customer loyalty in online food delivery service.***

### **2.1.5 Promotion**

According to Al Badi (2018), promotion is one of the most powerful elements in the marketing mix where it communicates and persuades the target market to buy the company's products by identifying the needs of the target segment. The promotion concept includes all marketing activities used to inform, persuade, and remind the target market about the company and its products or services, in such a way as to build a favourable image in the mind of the customer.

Išoraitė (2016) quoted that “the promotion of the marketing mix is a tool that helps disseminate information, encourage the purchase and affects the purchase decision process”. Promotion helps to increase consumer awareness about the products; thus leads to the increase in sales and helps building brand loyalty. The examples of promotion are advertising, sales promotion, personal selling, public relations and direct marketing (Išoraitė, 2016).

Promotion is an attractive activity which includes offering, selling, and recognizing the products to the target consumers that can encourage the consumers to buy and consume the products (Sudari et al., 2019).

Thus, we propose the following hypothesis:

***H4. Promotion has a positive and significant effect on customer loyalty in online food delivery service.***

### 2.1.6 People

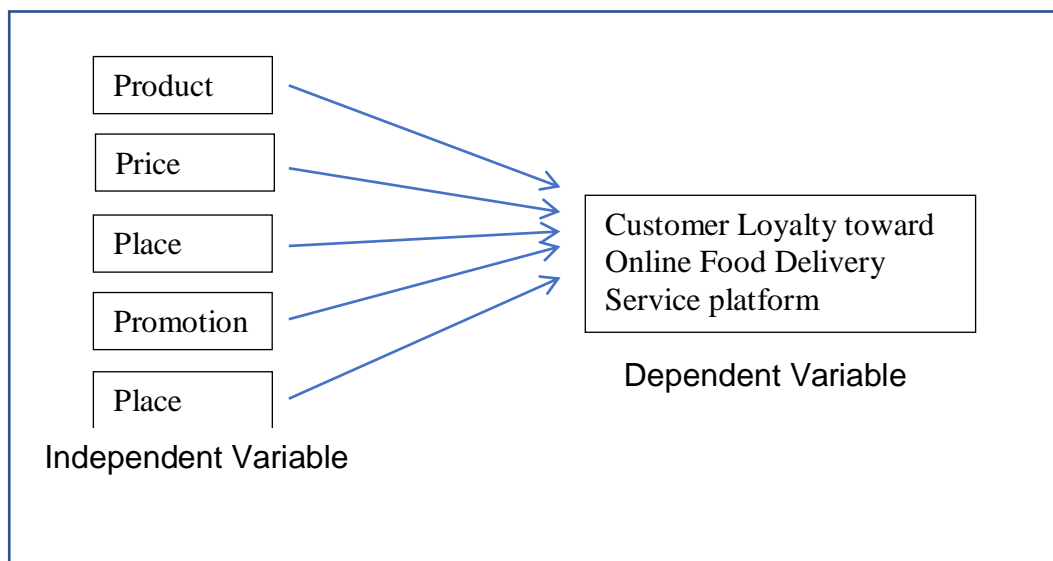
According to Al-Qarni et al. (2103), people under marketing mix plays an important roles in service organizations, especially for delivery service. During the delivery process, the participants will have interactions with the customers. The staffs and particularly customer contact staffs play crucial roles in delivering a high quality service and contributing to overall customer satisfaction. The role of people in service delivery varies considerably across service contexts. In OFD service, the riders and runners are considered to be very importance.

According to Savitri et al. (2020), people involve in good delivery service can influence consumer perceptions. Moreover, the service can be influenced by the availability of drivers or rides in the ordering process through the application and the driver’s attention to consumers by providing information if an order is not available. Moreover, mood, character and behaviour adopted during a service delivery affect the quality perceived by the customer. If the offering expects to satisfy more consumers simultaneously, they can influence their experience with each other. Thus, we propose the following hypothesis:

***H5. People has a positive significant impact on customer loyalty in online food delivery service.***

### 2.2 Research Framework

Figure 1: Conceptual Framework of the Study





### **3.0 Methods and Data Collection**

This study is conducting a descriptive research and research design that is exploratory research. This study is using quantitative approach to analyse the relationship between marketing mix elements (product, place, promotion, price and people) on customer loyalty for online food service delivery industry in Rembau, Negeri Sembilan. The method to conduct this exploratory research is secondary data analysis by applying the cross-section study; in which the data is collected in one month. For sampling, this study is using a probability sampling technique, which involves random selection, and allows the study to make strong statistical inferences about the whole group. The population of this study is targeting the Rembau district population who has used the online food delivery service platform in the past years or recently. However, this study is not limited to any specific food delivery provider. Hence, 215 respondents were collected for this study.

### **4.0 Data analysis and Results**

#### **4.1 Demographic Profile – Frequency Tables**

Based on the Table 2, the researchers found that male participant reached 56.3% with 121 respondents, while the female participant was 43.7% with 94 respondents. For the race, Malay participant is reached 76.3% with 164 respondents; Chinese participant was 9.8% with 21 respondents; Indian participant was 7.4% with 16 respondents and others participant was 6.5% with 14 respondents. The majority of the respondents were in the age group category of 31 to 40 years old (40%; 86 respondents). Meanwhile, the least age group category was 18 to 21 years old (10.2%; 22 respondents). Age group 22 to 30 years old has 24.7% with 53 respondents and age group 41 years old and above has 25.1% with 54 respondents. Next, the occupation position of the respondents shows that 67.4% (145 respondents) are working while 15.3% (33 respondents) are self-employed. The frequency statistics also show that 11.6% (25 respondents) are students and the remaining 5.6% (12 respondents) are under others category. The married status of the respondents' frequency analysis indicated that 68.4% (147 respondents) are married and 22.3% (48 respondents) are single while the rest is in the relationship

status category 9.3% (20 respondents). The majority of the respondents were in the household income category of 3000-5000 (35.3%; 76 respondents). Meanwhile, the least household income category was <1000 (14%; 30 respondents). Household income category 1000-3000 has 25.6% with 55 respondents and household income category >5000 has 25.1% with 54 respondents.

*Table 2: Demographic Profile of Respondents*

Demographic	Option	Frequency	Percentage
Gender	Female	94	43.7%
	Male	121	56.3%
	Total	215	100%
Race	Malay	164	76.3%
	Chinese	21	9.8%
	Indian	16	7.4%
	Others	14	6.5%
	Total	215	100%
Age Group	18-21 years	22	10.2%
	22-30 years	53	24.7%
	31-40 years	86	40%
	41 years and above	54	25.1%
	Total	215	100%
Occupation	Working	145	67.4%
	Student	25	11.6%
	Self employed	33	15.3%
	Others	12	5.6%
	Total	215	100%
Marital Status	Married	147	68.4%
	In a relationship	20	9.3%
	Single	48	22.3%
	Total	215	100%
Household Income	<1000	30	14%
	1000-3000	55	25.6%
	3000-5000	76	35.3%
	>5000	54	25.1%
	Total	215	100%
How often do you order food online?	Extremely often	19	8.8%
	Moderately often	92	42.8%
	Slightly often	88	40.9%
	Not at all	16	7.4%
	Total	215	100%

Source: Developed for this research using SPSS

#### 4.2 Model Measurements - Scale Validity & Reliability

According to Table 3, the value of (AVE) is greater than 0.5 for Product, Price, Place and People latent variables whereas the value of AVE for Promotion is 0.438. The values of CR are above the criteria of 0.7, which shows that the qualified components maintain good reliability. Furthermore, Fornell and Larcker said that if AVE is less than 0.5, but composite reliability is higher than 0.6, the convergent validity of the construct is still adequate (Fornell & Larcker, 1981). In “Cronbach's  $\alpha$ ” test of reliability, all latent values are greater than 0.7, and this evidence is enough to decide that the study material has good reliability. According to Table 3, the values of AVE root square are greater than inter-structure correlations. So, we can conclude that the measurement model has good reliability and its validity is constructive and reliable to indicate the variables of the study.

Table 3: Measurement of underlying variables model

Reliability Statistics							
Latent variables	Items	Factor Loading	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items	Average Variance Extracted	Composite Reliability
Product	ProductQ1	0.847	0.962	0.962	5	0.7283	0.9306
	ProductQ2	0.864					
	ProductQ3	0.856					
	ProductQ4	0.854					
	ProductQ5	0.848					
Price	PriceQ1	0.761	0.923	0.924	4	0.6088	0.8616
	PriceQ2	0.797					
	PriceQ3	0.775					
	PriceQ4	0.787					
Promotion	PromotionQ1	0.694	0.898	0.898	5	0.4384	0.7950
	PromotionQ2	0.631					
	PromotionQ3	0.635					
	PromotionQ4	0.677					
	PromotionQ5	0.671					
Place	PlaceQ1	0.601	0.783	0.788	3	0.5751	0.7989
	PlaceQ2	0.785					
	PlaceQ3	0.865					
People	PeopleQ1	0.875	0.942	0.942	5	0.7080	0.9236
	PeopleQ2	0.868					
	PeopleQ3	0.868					
	PeopleQ4	0.820					

	PeopleQ5	0.772					
Customer Loyalty	CL1	0.853	0.943	0.943	5	0.672033017	0.91098048
	CL2	0.840					
	CL3	0.828					
	CL4	0.800					
	CL5	0.776					

Source: Developed for this research using SPSS

Table 4: Correlation Matrix for Customer Loyalty

		Correlations					
		product	price	promotion	place	people	cl
product	Pearson Correlation	1					
	Sig. (2-tailed)						
price	Pearson Correlation	.811**	1				
	Sig. (2-tailed)	<.001					
promotion	Pearson Correlation	.574**	.639**	1			
	Sig. (2-tailed)	<.001	<.001				
place	Pearson Correlation	.792**	.751**	.638**	1		
	Sig. (2-tailed)	<.001	<.001	<.001			
people	Pearson Correlation	.786**	.692**	.498**	.816**	1	**
	Sig. (2-tailed)	<.001	<.001	<.001	<.001		
cl	Pearson Correlation	.756**	.662**	.456**	.760**	.967**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for this research using SPSS

By implementing Pearson Correlation, Table 4 displays the outcome of the correlation analysis of the 5IVs and Customer Loyalty. The range of correlation coefficient between Customer Loyalty and 5IVs is covered from 0.967 to 0.456 as People enjoy the strongest correlation whilst the weakest correlation falls to Promotion.

In overview, majority of the independent variables have significant positive correlations as the  $P < 0.01$  with customer loyalty. When Pearson's  $r$  is close to 1, this means that there is a strong relationship between the two variables. This means that changes in one variable are strongly correlated with changes in the second variable. When Pearson's  $r$  is positive (+), this means that as one variable increases

in value, the second variable also increases in value. Similarly, as one variable decreases in value, the second variable also decreases in value. This is called a positive correlation. Sig (2-Tailed) value will tell if there is a statistically significant correlation between the two variables. If the Sig (2-Tailed) value is greater than 0.05, there is no statistically significant correlation between the two variables. That means, increases or decreases in one variable do not significantly relate to increases or decreases in the second variable. If the Sig (2-Tailed) value is less than or equal to .05, there is a statistically significant correlations between the two variables. That means, increases or decreases in one variable do significantly relate to increases or decreases in the second variable.

### 4.3 Multiple Regression Model Result

The study uses multiple linear regressions to define whether there is any significant influence from independent variables to the dependent variable. Researcher used statistical calculation from SPSS. The summary results of the SPSS calculation as follows:

Table 5: Multiple Regression Model Result

Coefficients <sup>a</sup>									
Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Tolerance	VIF
1 (Constant)	.160	.079		2.020	.045	.004	.317		
product	.020	.033	.021	.601	.549	-.046	.085	.234	4.275
price	.017	.028	.019	.603	.547	-.039	.073	.285	3.505
promotion	-.017	.021	-.019	-.790	.431	-.059	.025	.526	1.902
place	-.096	.037	-.094	-2.611	.010	-.169	-.024	.231	4.325
people	1.023	.033	1.022	31.281	<.001	.959	1.088	.278	3.600

a. Dependent Variable: cl

Source: Developed for this research using SPSS

From the result in Table 5, the researcher can construct a conclusion of the test result as follow:

1. Table 5 indicate that the regression coefficient of Product is 0.549 which is more than alpha (0.05). It means that Product is not significant influence Customer Loyalty in Online Food Delivery Service in Rembau.

2. Table 5 indicate that the regression coefficient of Price is 0.547 which is more than alpha (0.05). It means that Price is not significant influence Customer Loyalty in Online Food Delivery Service in Rembau.
3. Table 5 indicate that the regression coefficient of Promotion is 0.431 which is more than alpha (0.05). It means that Promotion is not significant influence Customer Loyalty in Online Food Delivery Service in Rembau.
4. Table 5 indicate that the regression coefficient of Place is 0.010 which is less than alpha (0.05). It means that Place is significantly affecting Customer Loyalty in Online Food Delivery Service in Rembau.
2. Table 5 indicate that the regression coefficient of People is <0.001 which is less than alpha (0.05). It means that Place is significantly affecting Customer Loyalty in Online Food Delivery Service in Rembau.

In conclusion, from all the 5 independent variables which are product, price, promotion, and people, only place and people are significantly influence Customer Loyalty in Online Food Delivery service in Rembau, Negeri Sembilan.

Table 6: Multiple Regression Model Result

Coefficients <sup>a</sup>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	product	.234	4.275
	price	.285	3.505
	promotion	.526	1.902
	place	.231	4.325
	people	.278	3.600

a. Dependent Variable: cl

Source: Developed for this research using SPSS

According to Table 6, the results of multicollinearity test have a positive result. In order to verify that there is no multicollinearity problem in the study, the general value to measure Tolerance should be greater than 0.1 or close to 1; and the acceptable value for VIF should be less than 10 (Macawalang, 2019). From Table 6, VIF (Variance Inflation Factor) of every Independent Variable (product, price, promotion, place and people) has value less than 10, which is good. Next,

tolerance value of all independent variables also showing a good result as all the tolerance values are more than 0.1.

#### 4.4 Testing Hypothesis

##### 4.7.1 T-Test

T-Test is used to determine how much the influence of independent variables (Product, Price, Promotion, Place, People) through the dependent variable (Customer Loyalty). The result for the T-Test progress as follows:

Table 7: T-Test Result

Coefficients <sup>a</sup>			
Model			
		t	
		Sig.	
1	(Constant)	2.020	.045
	product	.601	.549
	Price	.603	.547
	promotion	-.790	.431
	Place	-2.611	.010
	People	31.281	<.001

a. Dependent Variable: cl

Source: Developed for this research using SPSS

##### i) Product

By using SPSS for the variable Product, researcher got the  $t_{\text{count}} = 0.601$  with  $t_{\text{table}}$  of 1.655 which mean  $t_{\text{count}}$  have less value than  $t_{\text{table}}$ . While, the  $t_{\text{significant}}$  is 0.549 and the value bigger than significance level of 0.05. From the result, researcher can conclude that there is no significant influence of Product towards Customer Loyalty in Online Food Delivery Service in Rembau. It can be interpreted that even the variety of options, ease of use apps, simple checkout option, interesting features and proper packaging of OFD service apps cannot guarantee to have a loyal customer. Another research title "The impact of Marketing Mix, Brand Awareness, and Word of Mouth towards customer loyalty on Onitsuka Tiger in Indonesia" by Macawalang (2019) supported this research.

##### ii) Price

By using SPSS for the variable Price, researcher got the  $t_{\text{count}} = 0.603$  with  $t_{\text{table}}$  of 1.655 which mean  $t_{\text{count}}$  have less value than  $t_{\text{table}}$ . While, the  $t_{\text{significant}}$  is 0.547 and the value bigger than significance level of 0.05. From the result, researcher can conclude that there is no significant influence of Price towards Customer Loyalty in Online Food Delivery Service in Rembau. It can be interpreted that even low price, voucher code, price reduction and cheaper delivery fee cannot guarantee to have a loyal customer. Another research title “The Impact of Marketing Mix On Customer Loyalty Towards Plaza Indonesia Shopping Center” by Tjan (2015) supported this research.

### **iii) Promotion**

By using SPSS for the variable Promotion, researcher got the  $t_{\text{count}} = -0.790$  with  $t_{\text{table}}$  of 1.655 which mean  $t_{\text{count}}$  have less value than  $t_{\text{table}}$ . While, the  $t_{\text{significant}}$  is 0.431 and the value bigger than significance level of 0.05. From the result, researcher can conclude that there is no significant influence of Promotion towards Customer Loyalty in Online Food Delivery Service in Rembau. It can be interpreted that even the promotion in social media, ads, and many more cannot guarantee to have a loyal customer. Another research title “The impact of Marketing Mix, Brand Awareness, and Word of Mouth towards customer loyalty on Onitsuka Tiger in Indonesia” by Macawalang (2019) supported this research.

### **iv) Place**

By using SPSS for the variable Place, researcher got the  $t_{\text{count}} = -2.611$  with  $t_{\text{table}}$  of 1.655 which mean  $t_{\text{count}}$  have less value than  $t_{\text{table}}$ . While, the  $t_{\text{significant}}$  is 0.010 and the value lower than significance level of 0.05. From the result, researcher can conclude that there is a significant influence of Place towards Customer Loyalty in Online Food Delivery Service in Rembau. It can be interpreted that options of OFD service platforms available can guarantee to have a loyal customer. Another research title “The Impact of Marketing Mix On Customer Loyalty Towards Plaza Indonesia Shopping Center” by Tjan (2015) supported this research.



## v) People

By using SPSS for the variable People, researcher got the  $t_{\text{count}} = 31.281$  with  $t_{\text{table}}$  of 1.655 which mean  $t_{\text{count}}$  have more value than  $t_{\text{table}}$ . While, the  $t_{\text{significant}}$  is  $<0.001$  and the value lower than significance level of 0.05. From the result, researcher can conclude that there is a significant influence of People towards Customer Loyalty in Online Food Delivery Service in Rembau. . It can be interpreted that customer service, runner service and many more can guarantee to have a loyal customer. Another research title “The influences of service marketing mix on customer loyalty towards Umrah travel agents: Evidence from Malaysia” by Othman et al. (2019) supported this research.

### 4.5 F-Test

The researcher uses F-Test to determine whether independent variables (Product, Price, Promotion, Place, People) have influence on the dependent variable (Customer Loyalty) or not. If F value  $>$  F table,  $H_0$  rejected, and  $H_a$  accepted. But, if F value  $<$  F table, then  $H_0$  accepted, and  $H_a$  rejected. The result for the F-Test (ANOVA) as follows:

Table 8: F-Test Result

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	107.971	5	21.594	632.183	$<.001^b$
	Residual	7.139	209	.034		
	Total	115.110	214			
a. Dependent Variable: cl						
b. Predictors: (Constant), people, promotion, price, product, place						

Source: Developed for this research using SPSS

The result of the F-Test shows  $F_{\text{count}} = 632.183$  with a significance level of  $<0.001$ . The  $F_{\text{count}}$  with value 632.183 is compared with  $F_{\text{table}}$  of 1.35 and it means that  $F_{\text{count}}$  has bigger value than  $F_{\text{table}}$ . Furthermore, compare to 0.05 of p value, the number of probabilities in this test is  $<0.001$  which is less than 0.05. Therefore, the researcher concludes Product, Price, Promotion, Place, and People have simultaneously significant influence towards Customer Loyalty in Online Food Delivery Service in Rembau.

## 5.0 CONCLUSION AND RECOMMENDATION.

The main purpose of the study is to find out if there is any impact of product, price, promotion, place and people towards customer loyalty in Online Food Delivery service in Rembau, Negeri Sembilan. The study focus on rural area and the result might be different for urban area. The researcher has conducted a statistical testing such as classical data assumption and multiple linear regression. The researcher collects the primary data using questionnaire and was spread to 215 respondents. The data that was gathered from the questionnaire is normally distributed and has been proved that there is no multicollinearity and heteroscedasticity in it. All of the data was being processed through multiple regression and the conclusion drawn by the researcher was as follow:

1. There is no significant influence of product, price and promotion towards customer loyalty on Online Food Delivery service platform in Rembau, Negeri Sembilan. It means that the product, price and promotion are not the main reason for the customer to be loyal.
2. There is a significant influence of place and people towards customer loyalty on Online Food Delivery service platform in Rembau, Negeri Sembilan. It means that the place and people are the main reasons for the customer to be loyal.

Based on the result of this study, two out of five independent variables which are Place and People have significant impact toward customer loyalty on Online Food Deliver service in Rembau, Negeri Sembilan. Therefore, this study could be a feedback for any OFD service platform to more focus on Place and People in their marketing management. The increase in number of the loyal customers, it means that more surplus for OFD service platform. For the researchers that are going to do the study in this kind of research, they should do the research with different variables and/or focus. If other researchers want to research about Customer Loyalty, then they should choose other variables besides Product, Price, Promotion, Place and People.

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