

Offline VS Online Sales Contribution at Street Toast Outlets

Bukhari¹, Difi Dahliana^{2*}, Raisa Radhiati³, Hafizah Aziza⁴

Antasari State Islamic University, Banjarmasin, Indonesia

*Email: difidahliaana@uin-antasari.ac.id

ABSTRACT

This study compares the volume and Gross Profit of street food toast sales between offline and online channels. This study compares the contribution of sales volume and Gross Profit on the two channels. The research method used is descriptive quantitative, which includes analysis of sales data from several street food outlets in the East Banjarmasin district, both offline and online. The study's findings show that offline sales contribute more to overall sales volume and Gross Profit than online sales. Some of the reasons for this are the experience of direct interaction, lower prices and costs, and more trust and quality of food when buying directly. Nonetheless, online sales are still crucial in reaching a broader market. Optimizing the strength of the two sales channels is proposed to increase Gross Profit and profits.

INTRODUCTION

The rapid development of internet technology has changed the lifestyle of communicating and socializing (Muna, 2019). The development also had an impact on trading methods and online sales. Technological development and the internet have also changed people's consumption patterns, including how they buy food. In these changes, street vendors are trying to adapt to technological developments. They began to use online platforms to sell, such as those carried out by street food sellers in Banjarmasin.

Online sales allow merchants to reach a broader range of consumers without geographical and time restrictions and offer convenient transactions (Anggraini, 2017). On the other hand, offline selling is still the primary method for many street vendors. Direct selling allows for direct interaction between sellers and buyers, creating a personal relationship and trust. In addition, direct purchases often provide a richer sensory experience, such as the aroma and appearance of the product that the consumer can directly feel. However, offline sales have limitations in terms of market reach and are often influenced by weather and location factors (Aufa, 2021).

This study will analyze the difference in the sales results of street bread through the two methods, considering factors such as Gross Profit and sales volume. This study will use sales data from several toast sellers operating both online and offline in the East Banjarmasin District area, which has a more significant number of sellers than other areas in Banjarmasin. Thus, it is hoped that this research can provide more in-depth insights into the effectiveness of each sales method and help street vendors choose the optimal sales strategy.

LITERATURE REVIEW

Sales that are carried out traditionally (offline) and digitally (online) have their advantages (Nur & Dahliana, 2023). Offline sales have advantages that online sales do not, and vice versa. According to Lee et al. (2021), online and offline sales can significantly increase restaurant revenue. Restaurants that successfully integrate these two sales models tend to have a wider market reach and can meet the needs of various consumer segments.

Offline food sales still maintain a strong position in the culinary industry. Offline selling, which involves direct interaction between sellers and buyers, has long been the primary method in business transactions. According to Kotler and Keller, offline sales have an advantage in building personal relationships and trust between sellers and buyers (Kotler & Keller, 2016). Selling in physical stores also allows customers to see, touch, and try on products before purchasing, increasing customer satisfaction and reducing product return rates. Direct interaction with restaurant staff, the atmosphere of the place, and the quality of the food served directly are essential factors in creating a satisfying dining experience (Li et al., 2023).

Online sales also play an essential role in developing businesses in the culinary sector. Selling food through online platforms benefits business actors (Lahagu & Lahagu, 2024). Online platforms make it easier for consumers to access various food options without leaving the house (Suhairi et al., 2024). In addition, the platform also provides features such as reviews and ratings that help consumers make decisions. A study by Kim et al. (2020) showed that online sales can increase the visibility of small and medium-sized restaurants, allowing them to compete with large restaurants. However, online sales also have challenges. For example, the quality of food deteriorating during delivery, unstable internet networks, and commission fees charged by the platform to restaurants are often an additional burden (Annaraud & Berezina, 2020; Zhang et al., 2022).

METHODS

This research is a field study. The subject studied in this study is a street food outlet in East Banjarmasin District, which combines offline and online sales. Of the 24 outlets, seven outlets meet these criteria. This study's data processing and analysis methods used quantitative and qualitative descriptive approaches. First, qualitative data collection was carried out. The data needed to analyze the contribution of sales channels to sales volume and Gross Profit is quantitative data obtained from toast sales records. At this stage, quantitative descriptive analysis is applied, where offline and online sales data are calculated as a percentage or contribution to the overall volume and Gross Profit. After the quantitative data analysis results are known, the second data collection stage is carried out to deepen the research results. In the second stage, data was collected through interviews with seven outlet owners and seven consumers. A qualitative descriptive analysis was applied, consisting of data reduction stages, data presentation, verification, and conclusion.

RESULTS AND DISCUSSION

This research involved seven toast outlets in the East Banjarmasin sub-district. All toast outlets studied are strategically crowded with motorists, open every day from Monday to Sunday from 16.30 to 22.30 WITA, and apply a combination of offline and online sales.

Table 1. Contribution to Sales Volume and Daily Gross Profit

	Sales Volume		Gross Profit	
	Sum	Contribution	Sum	Contribution
Offline	154 pieces	74%	Rp2.050.000	76%
Online	53 pieces	26%	Rp655.000	24%
Total	207 pieces	100%	Rp2.705.000	100%

Source: *Author's compilation*

The table above shows that offline sales contribute more to toast outlets' sales volume and daily gross profit. Offline sales contributed 73% to sales volume and 76% to daily gross profit. Meanwhile, online sales only contributed 27% to sales volume and 24% to daily gross profit.

The results of this study show that the sales volume and gross profit of street food outlets offline are greater than online. Furthermore, this impacts offline sales' contribution to volume, and overall gross profit is also greater than online sales. This condition provides exciting insights into the street food industry's consumer behavior and market dynamics.

Several factors can explain why offline toast sales contribute more than online sales. The first factor is the consumer experience. Buying toast directly from street vendors often involves aroma, scenery, and direct interaction with the seller, which can increase consumer satisfaction (Li et al., 2023). This experience is challenging to replicate in online purchases, where consumers cannot experience or see the food-making process firsthand.

The second is the price factor. Offline sales at street vendors often have lower operational costs than online sales, which may involve packaging, shipping, and platform commission costs (Zhang et al., 2022). As a result, selling prices at street outlets may be more competitive, attracting more price-sensitive consumers.

The third factor is trust and the quality of food. Toast consumers may prefer to buy directly from street vendors who are their subscribers, which are easily accessible to them to get fresher food. Consumers may feel worried about product quality or delivery timeliness (Annaraud & Berezina, 2020). Delivery can take a long time, affecting the food's quality, even though toast tastes more delicious when it is still warm.

Although these findings show the contribution of offline sales to the continuity of the street food toast business, it is essential to note that online sales also offer significant advantages because online sales can reach a broader market and allow consumers to buy more easily without having to leave their homes (Suhairi et al., 2024). Online sales platforms can increase visibility and enable small restaurants to compete with large ones (Kim, 2020). Therefore, the outlet should maintain online toast sales through platforms such as Go Food, Grab Food, Shopee Food, and Maxim.

Street food outlets have to optimize both sales channels. Street food outlets can combine the power of offline and online sales (Liao et al., 2024). For example, they can use online platforms to promote and attract new customers while maintaining the quality and experience that makes offline sales successful. Additionally, loyalty programs or special discounts for online customers can help increase sales volume on those channels. By

leveraging the advantages of each sales channel and overcoming the existing challenges, street food outlets can increase their gross profit and business profits.

CONCLUSION

The results of this study show that the sales of toast at offline street outlets are greater than online, which also impacts offline sales contribution to the volume and overall gross profit. This finding provides insight into the street food industry's consumer behavior and market dynamics. Some factors that explain this include a richer consumer experience when buying directly, lower operating costs, and better trust and quality of food when purchasing directly. However, online sales have advantages, such as a more comprehensive market reach and consumer convenience. Therefore, optimizing both sales channels, offline and online, is essential. Street food outlets should leverage the strengths of each channel with strategies such as online promotions and loyalty programs to increase gross profit and business profits.

REFERENCES

- Anggraini, T. (2017). Analisis Perbandingan Strategi Pemasaran Online dan Offline Pada Toko Alea Pasar Tradisional Modern (PTM) Kota Bengkulu ditinjau dari Ekonomi Islam [Diploma, IAIN Bengkulu]. <http://repository.iainbengkulu.ac.id/828/>
- Annaraud, K., & Berezina, K. (2020). Predicting satisfaction and intentions to use online food delivery: What really makes a difference? *Journal of Foodservice Business Research*, 23(4), 305–323. <https://doi.org/10.1080/15378020.2020.1768039>
- Aufa, Q. (2021). Efektifitas Metode Pemasaran secara Online dan Offline terhadap Hasil Penjualan (Studi pada Toko Helm Kafana Store). UIN Walisongo. [UIN Walisongo]. <https://eprints.walisongo.ac.id/id/eprint/12573/>
- Kim, R. Y. (2020). The Impact of COVID-19 on Consumers: Preparing for Digital Sales. *IEEE Engineering Management Review*, 48(3), 212–218. *IEEE Engineering Management Review*. <https://doi.org/10.1109/EMR.2020.2990115>
- Kotler, P., & Keller, K. L. (2016). *Marketing Management*. Pearson.
- Lahagu, M. K., & Lahagu, S. (2024). Sistem Informasi Pemesanan Makanan Online Dengan Aplikasi Good Food. *Pondasi: Journal of Applied Science Engineering*, 1(3), Article 3.
- Lee, S. Y., Son, Y., & Oh, W. (2021). Effectiveness of Integrated Offline-and-Online Promotions in Omnichannel Targeting: A Randomized Field Experiment. *Journal of Management Information Systems*, 38(2), 484–516. <https://doi.org/10.1080/07421222.2021.1912935>
- Li, Y., Geng, L., Chang, Y., & Ning, P. (2023). Research online and purchase offline: The disruptive impact of consumers' online information on offline sales interaction. *Psychology & Marketing*, 40(12), 2642–2652. <https://doi.org/10.1002/mar.21902>
- Liao, S.-H., Hu, D.-C., & Liu, H.-L. (2024). Offline-to-online and online-to-offline (a reciprocal O2O model): Re-patronage in an omni-channel. *International Journal of Retail & Distribution Management*, 52(3), 341–354. <https://doi.org/10.1108/IJRDM-06-2023-0420>
- Muna, F. N. (2019). Pengaruh Pembelian Online dan Pembelian Offline Terhadap Keputusan Pembelian dengan Minat sebagai Variabel Intervening (Studi Kasus pada 3Second Yogyakarta) [Universitas Islam Indonesia]. <https://dspace.uui.ac.id/handle/123456789/16201>

- Nur, M. A., & Dahliana, D. (2023). Pengaruh Customer Review Dan Harga Terhadap Keputusan Pembelian Konsumen Muslim Shopee Di Banjarmasin. *Jurnal Ilmiah Ekonomi Islam*, 9(2), Article 2. <https://doi.org/10.29040/jiei.v9i2.7102>
- Suhairi, S., Siregar, C., Khinaya, M., & Batubara, P. A. (2024). Strategi Promosi Online dalam Meningkatkan Daya Saing di Era Digital. *Jurnal Pendidikan Tambusai*, 8(1), 5498–5501. <https://doi.org/10.31004/jptam.v8i1.13252>
- Zhang, P., Ju, S., & Huang, H. (2022). Can a Restaurant Benefit from Joining an Online Take-Out Platform? *Mathematics*, 10(9), Article 9. <https://doi.org/10.3390/math10091392>