

THE INFLUENCE OF DIGITAL MARKETING AND DIGITAL PAYMENT ON PURCHASE DECISION OF GEN Z AT MSMEs FLAMBOYAN STREET FOOD MANADO*PENGARUH PEMASARAN DIGITAL DAN PEMBAYARAN DIGITAL TERHADAP KEPUTUSAN PEMBELIAN GEN Z DI UMKM STREET FOOD FLAMBOYAN MANADO*

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Abstract: In today's digital era, digitalization is a crucial part of daily life, especially in business. It includes digital marketing and payments, which have become essential for companies to compete and adapt. Both digital marketing and digital payments enhance operational efficiency and create new opportunities for growth and innovation. This is particularly beneficial for MSMEs looking to expand their market reach and meet modern consumer needs. This study aims to find out how digital marketing and digital payments affect the purchasing decisions of Gen Z in Flamboyan Street Food MSMEs in Manado. Data were gathered using a quantitative method, by distributing questionnaires via Google Forms to 100 Gen Z respondents. The study examines the influence of digital marketing strategies and the convenience of digital payments on purchase decisions. The findings indicate that both factors significantly impact purchasing decisions. This highlights the need for businesses to incorporate digital technology in their marketing and transaction processes to attract young consumers. The research suggests that MSMEs should leverage digital marketing and payment tools to boost sales within the Gen Z market.

Keywords: Digital Marketing, Digital Payment, Purchase Decision

Abstrak: Di era digital saat ini, digitalisasi merupakan bagian penting dari kehidupan sehari-hari, terutama dalam bisnis. Hal ini mencakup pemasaran digital dan pembayaran digital, yang telah menjadi hal yang penting bagi perusahaan untuk bersaing dan beradaptasi. Pemasaran digital dan pembayaran digital tidak hanya meningkatkan efisiensi operasional, tetapi juga menciptakan peluang baru untuk pertumbuhan dan inovasi. Hal ini sangat bermanfaat bagi UMKM yang ingin memperluas jangkauan pasar dan memenuhi kebutuhan konsumen modern. Penelitian ini bertujuan untuk mengetahui bagaimana pemasaran digital dan pembayaran digital mempengaruhi keputusan pembelian Gen Z pada UMKM Jajanan Kaki Lima Flamboyan di Manado. Dengan menggunakan metode kuantitatif, data dikumpulkan melalui penyebaran kuesioner melalui google form terhadap 100 responden Gen Z. Penelitian ini menguji pengaruh strategi pemasaran digital dan kenyamanan pembayaran digital terhadap keputusan pembelian. Temuan menunjukkan bahwa kedua faktor tersebut secara signifikan mempengaruhi keputusan pembelian. Hal ini menyoroti perlunya bisnis untuk menggabungkan teknologi digital dalam proses pemasaran dan transaksi mereka untuk menarik konsumen muda. Penelitian ini menunjukkan bahwa UMKM harus memanfaatkan pemasaran digital dan alat pembayaran untuk meningkatkan penjualan di pasar Gen Z.

Kata Kunci: Pemasaran Digital, Pembayaran Digital, Keputusan Pembelian.

INTRODUCTION

Research Background

The digitization process has increased in many sectors and industries due to technological advancements, including the micro, small, and medium enterprises (MSMEs) sector. To develop and survive in competitive dynamics, MSMEs will need the right information technology (Oktaviani and Rustandi, 2018). Advancements in information technology provide opportunities, especially for MSMEs (Micro, Small, and Medium Enterprises), to easily, safely, and effectively conduct financial transactions from anywhere (Octavina and Rita, 2021).

Digital innovation for MSMEs is aimed at enhancing the efficiency of business processes (Ramdani, Raja, and Kayumova, 2021). Businesses are gradually transitioning from traditional marketing models to digital marketing strategies (Saputra and Ardani, 2020). According to Lim (2015), digital marketing is very important because it can reduce time and costs, facilitate communication with customers, and reach more customers, increasing organizational flexibility. Optimizing digital marketing is one of the steps that can be taken by MSMEs actors. This is especially true in the areas of increasing social media advertising, online advertising, video advertising, and website management (Batubara, Maharani, and Makhрани, 2022).

Digital payments are a way to make transactions such as payments, transfers, or make other transactions. Various technological advances have an impact on the payment system, one of which is business transactions (Putritama, 2019). The payment system is one of the pillars that can support financial statements which previously used physical money, but now uses a digital payment system, also known as electronic money (Tarantang et al. (2019).

In this ever-growing digital era, generation Z has become a significant group who spends more time online compared to previous generations, presenting a valuable opportunity for MSMEs to connect with them through digital platforms. With their strong technological skills, Generation Z significantly impacts purchasing decisions and plays a key role in the adoption of digital marketing and digital payment systems today. Through digital marketing, sellers can engage directly with Generation Z, respond to their questions, offer support, and build stronger relationships, ultimately influencing their purchasing decisions.

This study finds gap in research by Fauzi et al (2023) that the relationship between digital marketing variables and purchase decisions shows valuable positive relation and Al-Azzam and Al-Mizeed (2021) demonstrated that digital marketing, such as social media marketing and mobile marketing, has a profound impact on consumer purchasing decisions. Meanwhile, Omar and Atteya (2020) found that digital marketing channel has a negative impact on consumer decisions through all the stages of the consumer buying decision process in the Egyptian market. Apriandi, et al (2023) found that digital payments have a significant effect on purchasing decisions in small and medium businesses in the culinary while Ginting (2024) found that digital payment variables do not have a significant influence on the Decision of UMKM buyer.

In the context of digital marketing, traders at Flamboyan Street Food use social media such as Instagram, TikTok, and WhatsApp to promote products, making it easier for Gen Z to get information. In addition, Gen Z also prefers digital payment over cash because of its convenience. This study aims to determine how much influence the use of digital marketing and digital payment in the interests and purchasing decisions of generation Z in Flamboyan Manado MSMEs and through this research can provide recommendations for effective digital marketing and digital payment strategies to attract generation Z as MSMEs consumers in Flamboyan Manado. This study aims to determine how much influence the use of digital marketing and digital payment in the interests and purchasing decisions of generation Z in Flamboyan Manado MSMEs and through this research can provide recommendations for effective digital marketing and digital payment strategies to attract generation Z as MSMEs consumers in Flamboyan Manado.

Research Objectives

1. To know the influence of Digital Marketing on Purchase Decision of Gen Z at MSMEs Flamboyan Street Food Manado.
2. To know the influence of Digital Payment on Purchase Decision of Gen Z at MSMEs Flamboyan Street Food Manado.
3. To know the influence of Digital Marketing and Digital Payment on Purchase Decision of Gen Z at MSMEs Flamboyan Street Food Manado.

LITERATURE REVIEW

Digital Marketing

Digital marketing is a collection of techniques, strategies, and tools used to market goods and services on the internet, such as email, blogs, social networks, websites, mobile, and SEO (Almaazmi et al., 2020). In the current era of industrial revolution, all business people must adapt to a rapidly changing business environment by relying on digital technology.

Digital Payment

Digital payments are usually made by cash, check, or credit card. Money transfer applications, network infrastructure, and protocols governing system usage are the main components of digital payment systems (Darma

and Noviana, 2020). Digital payments make buying and selling transactions and payment systems more efficient, effective, and cost-effective.

Purchase Decision

Purchase decision refers to the process by which consumers evaluate various preferences before making a purchase. According to Saputra and Fadhilah (2022), a purchase decision is a person's decision to buy a brand they like from various brands.

Previous Research

Victoria (2022) aimed to assess the potential influence of electronic payment instruments and digital marketing on the consumption trend. The methodological approach is based on general scientific methods and procedures for scientific knowledge of economic processes. The dialectic method, induction and deduction were used in the text of the article, applying logical and comparative analysis. Following the results of the research, it has been established that entrepreneurs who aspire to a favorable brand image must constantly approach the consumer by applying creative ways of the digital world.

Setiawati (2023) aimed to assess how online sales of fruits and vegetables are affected by digital marketing strategies, digital payment options, and pricing. This study uses quantitative data research. This research employs descriptive and verification analysis as its method of data analysis. SmartPLS is the technique used to verify data—an e-commerce fruit and vegetable consumer sample of 384 respondents. The study results indicate that digital payment and digital marketing variables significantly impact online vegetable and fruit purchasing decisions. Digital payment and digital marketing variables do not significantly affect the prices of vegetables and fruits in e-commerce. The variable of price does not act as a mediator in purchasing decisions.

Apriandi, et al (2023) aimed to see the relationship between the application of digital payment media and digital marketing for small and medium enterprises, especially in the culinary sector in the city of Subang. Why is this research being carried out in Subang, because there are not many small and medium entrepreneurs in the culinary sector in the city of Subang who have implemented digital payments and digital marketing in their businesses. The data in this research uses primary data obtained from 121 questionnaires to culinary business customers who make digital payments and search for information digitally before making a purchase. From the results of data processing, it is known that digital payments have a significant effect on purchasing decisions in small and medium businesses in the culinary, marketing using social media also has a significant effect, and together digital payments and marketing social media has a significant effect.

Conceptual Framework

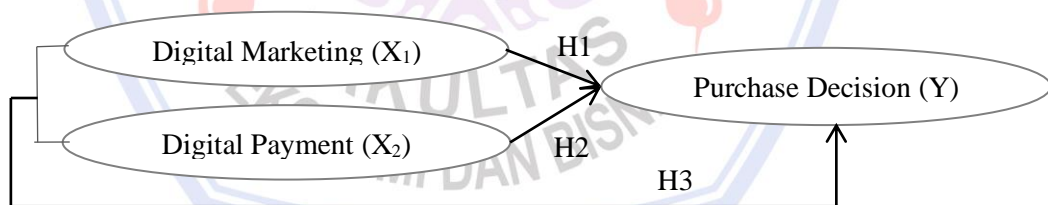


Figure 1. Conceptual Framework

Source: Literature Review

Research Hypotheses

- H₁: Digital Marketing has a positive effect on Purchase Decision of Gen Z at MSMEs Flamboyan Street Food Manado
- H₂: Digital Payment has a positive effect on Purchase Decision of Gen Z at MSMEs Flamboyan Street Food Manado
- H₃: Digital Marketing and Digital Payment simultaneously have a positive effect on Purchase Decision of Gen Z at MSMEs Flamboyan Street Food Manado

RESEARCH METHOD

Research Approach

This research using Quantitative approach, namely structured, organized, and clear research method in the process, from planning to completion. According to Siyoto and Sodik (2015), quantitative research is a

research that involves the use of various numerical data, starting from data collection, and data interpretation, to result analysis.

Population, Sample Size, and Sampling Technique

Population refers to the entire data set from which data for statistical analysis is obtained. The population referred to in this study is Generation Z in Manado. To pinpoint the sample size from an unknown population is using the formula from Leedy and Omrod (2005). From the stated formula, the minimum sample size for this research is 96.4 respondents, but for the purpose of this research, this study will use 100 respondents. The sampling technique uses purposive sampling with the following criteria: gen Z and those who ever come to Flamboyan.

Type of Data and Data Source

The research conducted uses quantitative data, namely data that is measured or used on a numerical scale. Where the data collected for this research is obtained through primary sources. For research purposes, the types of data sources that will be used in this research are primary and secondary data types. Gen z researchers in Manado served as the primary data source for this research, where respondents were randomly selected from a group of people who were considered representative of the entire research population. while Bibliographies and scientific articles were consulted as secondary sources for this research.

Data Collection Methods

Data collection is carried out by distributing digital questionnaires using specific indicators for each variable. Administered via platforms like Google Forms, respondents can easily access the survey link and respond in real time. The link is shared through channels such as WhatsApp and social media to ensure broader participation.

Operational Definition and Indicators of Research Variable

Table 1. Operational Definition and Indicators of Research Variables

Variable	Operational Definitions	Indicators
Digital Marketing (X ₁)	Digital marketing is the use of digital channels, such as the Internet, social media, search engines, email, and mobile apps, to promote a product, service, or brand to consumers.	1. Search Engine Marketing 2. Social Media Marketing 3. Online Advertising Promotional
Digital Payment (X ₂)	Digital payments are electronic transfers of funds or the completion of transactions through mobile wallet methods, online banking, offering convenience, speed, and security.	1. Benefits and Advantages 2. Ease of Use 3. Trust
Purchase Decision (Y)	A purchase decision is the process by which a consumer identifies a need or desire, evaluates options, and selects a product or service to buy.	1. Product Selection 2. Brand Selection 3. Number of Purchase

Testing of Research Instruments

Validity and Reliability Test

Validity is the extent to which a measuring instrument can accurately measure according to its intended purpose. A test is said to be valid if it measures exactly what is intended (Mardapi, 2008).

According to Drost (2011), the reliability of data obtained from research instruments can be influenced by two types of errors: random error and systematic error. Random error arises from a range of unknown and uncontrollable external factors that can randomly affect some observations while leaving others unaffected.

Data Analysis

Test of Classical Assumptions

Normality Test

To ascertain if the data originates from a population with a normal distribution or not, the distribution normality test is performed (Widiyanto, 2013). The regression model satisfies the normalcy assumption and vice versa if the data spreads around the diagonal line and follows its direction or if the histogram graph displays a normal distribution pattern (Ghozali, 2011).

Heteroscedasticity Test

Heteroscedasticity is present if there is a distinct pattern, such as wavy, broadened, and narrower dots. There won't be any symptoms if there is no pattern. The Park, Black, and Glaciers tests can also be used to assess heteroscedasticity.

Multicollinearity Test

Multicollinearity Test is used to determine whether the regression model finds a correlation between the independent variables. For a good regression model, there should be no correlation among the independent variables. To determine whether there is multicollinearity in the model, the correlation matrix of each independent variable can be analyzed. The commonly used cutoff value is 0.10, which is equivalent to a VIF of 10 (Ghozali, 2011).

Multiple Linear Regression Analysis

Multiple regression analysis is a statistical method used to examine the relationship between independent and dependent variables. It helps determine how significant the impact of independent variables is.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$$

- Y : Purchase Decision
 α : Constant
 $\beta_1 - \beta_2$: Regression Coefficient (value of increase or decrease)
 X_1 : Digital Marketing
 X_2 : Digital Payment
 E : Error

Coefficient Correlation (R) and Coefficient of Determination (R²)

Coefficient of multiple correlation (R) is used to measure the strength of Relationship between dependent variables (Y) and independent variables (X). Coefficient determination is (R²) to show the percentage of Variability in Y that can be explained by regression equation.

Hypothesis Testing**T-Test**

According to Hutabarat (2022) states that the t-test is used as a statistical test tool to determine the value of the independent variable on the dependent variable using a partial system of evidence.

If Tcount (sig) > 0,05 then Ho is accepted and Ha rejected

If Tcount (sig) < 0,05 then Ho is rejected and Ha accepted.

F-Test

The statistical F test is performed to measure the effect of the independent variable on the dependent variable simultaneously. This test is performed by comparing the F-count d F-table. Sanusi, (2003)

If Fcount (sig) > 0,05 then Ho is accepted and Ha is rejected

If Fcount (sig) < 0,05 then Ho is rejected and Ha accepted

RESULT AND DISCUSSION**Result****Validity and Reliability Tests****Table 2. Validity Test Result**

Variable	Indicators	Pearson Correlation	Status
Digital Marketing (X1)	X _{1.1}	0.555	Valid
	X _{1.2}	0.738	Valid
	X _{1.3}	0.747	Valid
	X _{1.4}	0.672	Valid
	X _{1.5}	0.701	Valid
	X _{1.6}	0.632	Valid
Digital Payment (X2)	X _{2.1}	0.472	Valid

	X _{2.2}	0.611	Valid
	X _{2.3}	0.543	Valid
	X _{2.4}	0.688	Valid
	X _{2.5}	0.664	Valid
	X _{2.6}	0.682	Valid
Purchase Decision (Y)	Y _{1.1}	0.690	Valid
	Y _{1.2}	0.750	Valid
	Y _{1.3}	0.833	Valid
	Y _{1.4}	0.679	Valid
	Y _{1.5}	0.798	Valid
	Y _{1.6}	0.684	Valid

Source: Data Processed, SPSS 26 (2024)

Based on table 4.1 shows the significant value that is used is 5% or 0,05. Which means all the statements or indicators that are used in the questionnaire for this research is valid, then can be used for future analysis.

Table 3. Reliability Test Result

Variable	Cronbach's Alpha	N of Items	Status
Digital Marketing (X1)	0.752	6	Reliable
Digital Payment (X2)	0.667	6	Reliable
Purchase Decision (Y)	0.833	6	Reliable

Source: Data Processed, SPSS 26 (2024)

From the table above Digital Marketing (X1) consists of 3 indicators, Digital Payment (X2) consists of 3 indicators, and the dependent variable Purchase Decision (Y) also consists of 3 indicators. Based on the table 4.2 the reliability test shows the Cronbach's Alpha of these 3 variables are reliable because the value of Cronbach's Alpha of every variable is above 0.60.

Results of Classical Assumption Testing

Normality Test

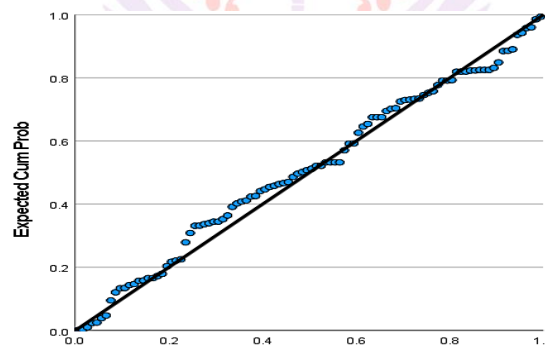


Figure 2. Normality Test Result

Source: Data Processed, SPSS 26 (2024)

The figure 2 show the result of P - P Plot or Normal Probability Plot. The figure shows that the point spread around the diagonal line and follows the direction Of the diagonal line, and it can be concluded that data normally distributed.

Multicollinearity Test

Table 4. Multicollinearity Test Result

Model	Collinearity Statistics		Status
	Tolerance	VIF	
Digital Marketing	0.812	1.231	No Multicollinearity
Digital Payment	0.812	1.231	No Multicollinearity

Source: Data Processed, SPSS 26 (2024)

Table 4 shows the results of Multicollinearity Test, Digital Marketing and Digital Payment has a Tolerance (T) value of 0.812 and Variance Inflation Factor (VIF) value of both independent variables is 1.231. It means multicollinearity is not occurred and can be used for future analysis.

Heteroscedasticity Test

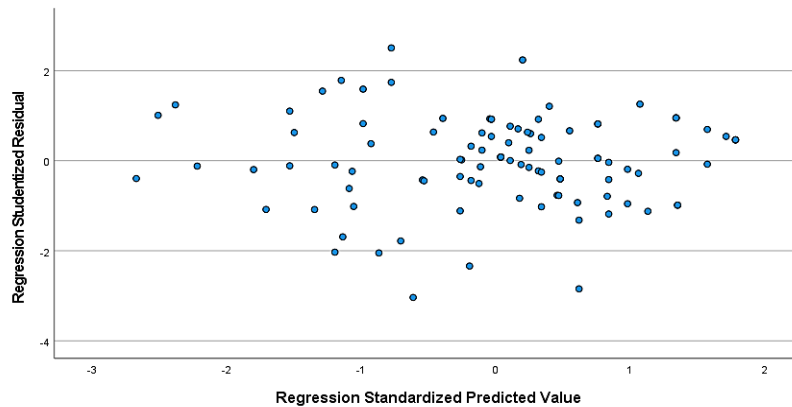


Figure 3. Heteroscedasticity Test Result

Source: Data Processed, SPSS 26(2024)

Figure 3 shows the result of the scatterplot, where the dots are spread above and below, the dots also do not spread form waves and do not form patterns. It means there is no Heteroscedasticity because the data dots spread above and below or around 0 on the Y axis.

Multiple Linear Regression Analysis

Table 5. Multiple Linear Regression Analysis Result

Model		Coefficients ^a		Standardized Coefficients Beta
		Unstandardized Coefficients B	Std. Error	
1	(Constant)	5.698	3.178	
	Digital Marketing	.635	.074	.647
	Digital Payment	.021	.087	.175

a. Dependent Variable: Purchase Decision

Source: Data Processed, SPSS 26 (2024)

Using the data in the table, we can rearrange the multiple regression equation as follows:

$$Y = 5.698 + 0.635X_1 + 0.201X_2 + e$$

From the Regression Equation above, it can be concluded that:

- a) The constant of the multiple linear regression equation is 5.698 means has positive value, this explains that both independent variables Digital Marketing (X1) and Digital Payment (X2) are equal to O (zero), then Purchase Decision (Y) is 5.698. If the independent variables increase, then the dependent variable will be also affected.
- b) Regression coefficient of Digital Marketing (X1) value is 0.635, it explained that every one-unit increase in Digital Marketing(X1) while the other variable is assumed to be constant, and dependent variable Purchase Decision (Y) is increasing at 0.635.
- c) Regression coefficient of Digital Payment (X2) value is 0.201, it explained that every one-unit increase in Digital Payment (X2) while the other variable is assumed to be constant, and dependent Purchase Decision (X) is increasing at 0.201.

Coefficient of Determination (R²)

Table 6 shows a value of R square is 0.547, it can be explained both independent variables Digital Marketing (X1) and Digital Payment (X2) can influence dependent variables Purchase Decision (Y) at 0.547 or

54.70%, and the rest of it about 45.30% are influencing by the other variables which not explained on this research.

Table 6. Coefficient of Determination (R^2) Test Result

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.740 ^a	.547	.539	2.640

a. Predictors: (Constant), Digital Marketing, Digital Payment

b. Dependent Variable: Purchase Decision

Source: Data Processed, SPSS 26 (2024)

Hypothesis Test Results

Table 7. T-Test Result

Coefficients ^a			
	Model	T	Sig.
1	(Constant)	1.793	.076
	Digital Marketing	8.539	.000
	Digital Payment	2.304	.023

a. Dependent Variable: Purchase Decision

Source: Data Processed, SPSS 26 (2024)

To test the effect of each independent variable on the dependent variable partially, it can be done by using the t-test. The table 7 shows:

1. The t-count value of Digital Marketing (X1) is 8.539 with a significant value 0.000, which is below the value of a significant level 0.05. The value of t count is 8.539 which is greater than value which is 1.985, thus can be concluded that Digital Marketing (X1) has a significant influence on Gen Z Purchase Decision (Y) at Flamboyant Street Food partially is accepted.
2. The t count Value of Digital Payment (X2) is 2.304 with a significant value 0.023, which is below the value of significant level 0.05. The value of t count is 2.304 that is greater than t table value which is 1.985, thus can be concluded that Digital Payment (X2) has a significant influence on Gen Z Purchase Decision (Y) at Flamboyant Street Food partially is accepted.

Hypothesis Test Results

Table 8. F-Test Result

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	817.898	2	408.949	58.662	.000 ^b
	Residual	676.212	97	6.971		
	Total	1494.110	99			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Digital Marketing, Digital Payment

Source: Data Processed, SPSS 26 (2024)

The table 8 shows the F value is 58.662 with a significance level of 0.000, because the significant level is less than 0.05 ($0.000 < 0.05$), the overall degree of freedom is 99 that consists of the degree of freedom in value in regression model is 2, and the degree of freedom residual is 97. If the value of F count is greater than F table ($58.662 > 3.09$) it can be concluded that the Digital Marketing (X₁) and Digital Payment (X₂) are simultaneously have a significant influence on Purchase Decision (Y) of Gen Z at Flamboyant Street Food Manado. Therefore, the alternative hypothesis is accepted.

Discussion

The Influence of Digital Marketing on Purchase Decision

Digital marketing is the use of electronic communication channels by marketers to support products and services in the marketplace. Specifically, digital marketing is defined as the process of selling and buying information, products, and services through computers or Internet networks (Rao and Ratnamadhuri, 2018).

Previously, businesses still applied traditional marketing methods by going around or selling products directly from door to door in several locations or neighborhoods. However, sales results from this method tend to be limited due to limited consumer reach due to less widespread information dissemination. This is in contrast to digital or online marketing, where a wider reach allows for more transactions. Other factors such as ease of payment and time efficiency also play a role in increasing sales. By utilizing social media such as Facebook, Instagram, YouTube, and WhatsApp Business, which can be accessed through smartphones, businesses can attract more consumers. Optimal use of social media allows businesses to feel the positive impact and monitor the development of their business, which is a major factor in business success (Junaidi et al., 2022)

Based on the t-test results, it shows that there is a significant influence Digital marketing on Gen Z purchasing decisions at Flamboyan street food Manado. Then it can be seen that digital marketing has a positive and significant impact on purchasing decisions. An increase in the digital marketing variable will lead to an increase in the purchasing decision variable. Advertising through digital marketing influences purchasing decisions and is highly valued by customers because of easy-to-understand information through interesting content, as well as the ability of consumers to interact with what is conveyed on social media. Digital visual engagement influences purchase intention. Digital marketing facilitates a closer relationship between marketers and consumers. This also relates to the purchasing decisions of Gen Z towards MSMEs Flamboyan Street food Manado where digital marketing is very influential on purchasing decisions from Gen Z which with the existence and development of digital marketing in the sales strategy of MSMEs Flamboyan will make it easier to get customers and customers will find it easier to get the latest information shared in various platforms from digital marketing because the higher the activity and effort put into digital marketing, the higher the resulting purchase decision.

The result of this study is supported by previous research by Al-Azzam and Al-Mizeed (2021) demonstrated that digital marketing, such as social media marketing and mobile marketing, has a profound impact on consumer purchasing decisions. Meanwhile, Omar and Atteya (2020) found that digital marketing channel has a negative impact on consumer decisions through all the stages of the consumer buying decision process in the Egyptian market. The implication this study creates various important implications for local MSMEs. Digital marketing increases brand awareness, encourages sellers to be more creative in following online consumption trends, and forces them to provide ease of digital transactions to remain competitive. In addition, Gen Z has higher quality expectations as they are influenced by online promotions. Overall, MSMEs that are able to adapt to digital trends will get a great opportunity to increase sales, but must be ready to face the challenges of competition and higher consumer demands.

The Influence of Digital Payment on Purchase Decision

Digital payments are financial transactions that occur through digital or online modes, without the exchange of physical cash. They involve the transfer of value from one payment account to another using digital devices or channels, such as bank transfers, mobile money, QR codes, credit, debit, and prepaid cards, and other electronic payment instruments. According to Puspita (2019), digital payments are technologies that share new thinking for citizens about non-cash payments much more instantaneously and conveniently in transacting. Digital payment has several benefits to various financial service users and providers, governments, electronic businesses, and the city economy as a whole. It enhances the financial access of individuals, reducing transaction costs and aggregate expenditure, which is essential to the growth of electronic businesses nowadays. The mode of payment that is offered to customers is important for a retailer's marketing and financial objectives and has direct implications for a firm's profitability (Grüschow et al., 2016).

Based on the t-test results, it shows that there is a significant influence Digital payment of Gen Z on purchasing decisions at MSMEs Flamboyan street food Manado. Then it can be seen that digital payment has a positive and significant impact on purchasing decisions. An increase in the digital payment variable will lead to an increase in the purchase decision variable. The adoption of digital payments has had a significant impact on the purchasing behavior of generation Z at MSMEs Flamboyan Manado. The convenience, speed, and security offered by digital payment methods are important factors that influence their purchasing decisions. This is also related to Gen Z purchasing decisions for MSMEs Flamboyan Street Food Manado where digital payments are very influential on the purchasing decisions of Gen Z because based on the results that have been distributed as questionnaires to respondents who are Gen Z, the results tend to prefer to transact in business places that provide digital payment options. In addition to the various benefits and advantages that can be obtained such as being able to enjoy cashback, discounts, and loyalty programs that are often offered by digital payment service providers and can allow them to track and manage expenses more efficiently, supporting their financial literacy. In addition, the integration of digital payments with social media platforms makes it easier for Gen Z to shop while interacting

online. so in this case it can be concluded that digital payments not only offer convenience, but also empower Gen Z in managing their finances more intelligently and safely.

The result of this study is supported by previous research conducted by Apriandi, et al (2023) that digital payments have a significant effect on purchasing decisions in small and medium businesses in the culinary while Ginting (2024) found that digital payment variables do not have a significant influence on the Decision of UMKM buyer. The implication of using digital payments that influence Gen Z's purchasing decisions at Flamboyon Street Food Manado are by offering convenience and speed of transactions, which are in accordance with their practical lifestyle. Gen Z prefers merchants that provide this option, thus increasing purchase frequency. In addition, merchants that use digital payments are seen as more modern, while those that only accept cash risk losing customers. Cashback features and loyalty programs also increase customer loyalty. Overall, digital payments help MSMEs attract more buyers and increase sales among Gen Z.

The Influence of Digital Marketing and Digital Payment on Purchase Decision

Based on the previous explanation between Digital Marketing on Purchasing Decisions and Digital Payment on Purchasing Decisions, it can be concluded that the research findings indicate a significant influence Digital Marketing and Digital Payment on the purchasing decisions of Generation Z consumers at MSMEs Flamboyon Street Food in Manado. The F-test results that there is a significant influence Digital Marketing and Digital Payment of Gen Z on Purchasing Decisions at UMKM Flamboyon Street Food Manado. It can be concluded that both Digital Marketing (X1) and Digital Payment (X2) variables have a positive and significant influence on Gen Z purchasing decisions in MSMEs Flamboyon Street Food Manado. These results underscore the importance of digital strategies in capturing the Gen Z market for small and medium enterprises in the food sector. This research highlights how embracing digital marketing techniques and offering modern payment solutions can significantly influence the purchasing decisions of younger consumers in this particular context.

CONCLUSION AND RECOMMENDATION

Conclusion

1. Simultaneously, the results indicate that both Digital Marketing and Digital Payment simultaneously have significant impact on the Purchase Decision of Gen Z at MSMEs Flamboyon Street Food Manado.
2. Partially, the results indicate that Digital Marketing has a significant effect on the Purchase Decision of Gen Z at MSMEs Flamboyon Street Food Manado.
3. Partially, the results show that Digital Payment has a significant effect on the Purchase Decision of Gen Z at MSMEs Flamboyon Street Food Manado.

Recommendation

Based on the results in this study, this study provides suggestions to parties with an interest in this research:

1. Flamboyon Street Food MSMEs is recommended to enhance social media marketing by creating engaging, trend-based content, collaborating with local influencers, and offering promotions through digital payment platforms. Adapting quickly to market changes will help boost business growth.
2. Gen Z consumers is encouraged to improve digital literacy and analytical skills for smarter purchasing decisions. Providing feedback to MSMEs can also help enhance services.
3. Future researchers is suggested to explore additional factors affecting Gen Z's purchasing decisions, using qualitative or mixed methods to gain deeper insights into their motivations and preferences.

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