

ANALYSIS OF RETURN ON INVESTMENT (ROI) OF PAID ADS AND DETERMINANT FACTORS OF CAMPAIGN SUCCESS IN CAFES IN PALANGKA RAYA CITY

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Abstract. The use of Paid Ads on digital platforms (such as Google Ads and Social Media Ads) has become a vital component of business marketing strategy in the modern era, including the culinary sector. For cafes in Palangka Raya City, optimizing paid advertising is crucial to compete and attract customers amid high local competition. However, campaign effectiveness is often not accurately measured, leading to inefficient budget allocation. This study aims to analyze the Return on Investment (ROI) of Paid Ads and identify the key factors that most significantly influence campaign success in a number of cafes in Palangka Raya City. The research will employ descriptive and causal quantitative methods. Data will be collected through a comparative case study of advertising performance data (cost, impression, click-through rate, and sales conversion) and a survey directed at cafe owners or managers. Statistical analysis will be used to calculate the real ROI value of the paid advertising campaigns conducted and to test the relationship between independent variables (such as audience targeting, ad content quality, and budget) and campaign success variables (ROI and increase in visits/sales). The results of this study are expected to provide an empirical contribution by presenting a model of paid ad success determinants relevant to the Palangka Raya culinary market context. The resulting recommendations can be utilized by cafe business actors to design and optimize digital advertising campaigns to achieve maximum ROI.

Keywords: Campaign Success Café; Digital Marketing; Paid Ads; Palangka Raya City; Return on Investment (ROI).

1. INTRODUCTION

Digital transformation has significantly reshaped marketing strategies across various business sectors, including the food and beverage industry. One of the most widely adopted digital marketing strategies today is Paid Advertising (Paid Ads) through platforms such as Instagram Ads, Facebook Ads, and Google Ads. Paid Ads enable businesses to promote their products to highly targeted audiences based on location, interests, demographics, and user behavior. Their effectiveness makes Paid Ads more efficient than traditional promotional methods, especially for micro, small, and medium enterprises (MSMEs). According to the We Are Social Report (2024), more than 77% of internet users in Indonesia regularly encounter digital advertisements, indicating that Paid Ads have become an essential component of modern marketing strategies.

In Palangka Raya City, the café industry has experienced rapid growth in recent years. Cafés today serve not only as places to eat and drink but also as social spaces, work environments, and gathering spots for creative communities. This development has intensified competition among café businesses, requiring more effective marketing strategies to attract and retain customers. Two cafés actively utilizing Paid Ads in Palangka Raya are Café Edaizu and Volte Coffee. Both cafés consistently run paid advertising campaigns on Instagram to increase reach, engagement, and customer interest. However, the effectiveness of these Paid Ads has not yet been examined through academic analysis.

One of the major challenges in assessing the effectiveness of Paid Ads lies in measuring the Return on Investment (ROI). Ideally, ROI is calculated using financial data such as advertising costs and the resulting increase in revenue. However, within MSME contexts such as cafés in Palangka Raya, financial records—particularly revenue documentation—are often incomplete, making it difficult to calculate financial ROI accurately. Therefore, in digital advertising contexts, ROI can also be assessed using campaign performance indicators, such as improvements in reach, engagement, customer interest, and influence on purchasing decisions. This approach has been widely adopted in digital marketing research to evaluate advertising effectiveness when detailed financial data are unavailable. Consequently, ROI can still be analyzed based on campaign outcomes and the perceived benefits derived from advertising expenditures.

In addition to ROI, the success of paid advertising campaigns is determined by several key factors. These include content quality, which influences visual appeal and message clarity; audience targeting accuracy, which determines whether advertisements reach relevant potential customers; and budget efficiency, which ensures that advertising expenditures generate optimal results. These three factors play a crucial role in shaping the overall success of Paid Ads campaigns. However, research specifically examining the relationship between these factors and the ROI of Paid Ads in local cafés remains limited, particularly in developing cities such as Palangka Raya.

Previous studies on Paid Ads predominantly focus on large corporations, e-commerce businesses, or MSMEs in metropolitan areas. The scarcity of research addressing the effectiveness of Paid Ads, digital campaign ROI, and determinants of advertising success in smaller cities highlights a research gap. To date, no comprehensive study has analyzed the ROI of Paid Ads in local cafés such as Edaizu and Volte Coffee while also examining the roles of content quality, audience targeting accuracy, and budget efficiency.

Based on this context, the present study aims to analyze the Return on Investment (ROI) of Paid Ads utilized by cafés in Palangka Raya City and to identify the key determinants of Paid Ads campaign success, namely content quality, audience targeting accuracy, and budget efficiency. The findings of this study are expected to contribute theoretically to the digital marketing literature and provide practical insights for café businesses in designing more effective paid advertising campaigns.

A. *Problem Formulation*

1. How is the Return on Investment (ROI) generated from the use of Paid Ads in cafés in Palangka Raya City, particularly at Café Edaizu and Volte Coffee?
2. What factors determine the success of Paid Ads campaigns in cafés in Palangka Raya City, including content quality, audience targeting accuracy, and budget efficiency?
3. How do the Paid Ads campaign outcomes of Café Edaizu and Volte Coffee differ in terms of ROI and the key determinants of campaign success?

B. *Research Objectives*

1. Analyze the Return on Investment (ROI) of Paid Ads campaigns conducted by Café Edaizu and Volte Coffee in Palangka Raya City.
2. Identify and examine the key determinants of Paid Ads campaign success, namely content quality, audience targeting accuracy, and budget efficiency.
3. Compare the effectiveness and outcomes of Paid Ads campaigns between Café Edaizu and Volte Coffee based on ROI and the identified determinants of campaign success.

2. LITERATUR RIVIEW

2.1 Return on Investment (ROI)

Return on Investment (ROI) is an indicator used to measure the level of return generated from an investment relative to the costs incurred. According to Kotler and Keller (2016), ROI reflects the extent to which marketing activities yield profits compared to the expenses spent. In the

context of digital marketing, ROI is not only calculated based on revenue growth but also evaluated through marketing performance indicators such as reach, impressions, interactions, clicks, and customer interest. In Paid Ads campaigns, ROI can be assessed through various digital campaign outcomes, including: increased engagement rate, growth in audience reach, click-through rate (CTR), increased consumer interest, and cost effectiveness (cost per result). Thus, ROI in Paid Ads can be understood as the comparison between the outcomes generated and the advertising costs spent, expressed either in financial terms or through campaign performance indicators.

2.2 Paid Advertising (Paid Ads)

Paid Advertising (Paid Ads) is a paid promotional model on digital platforms such as Instagram Ads, Facebook Ads, Google Ads, and TikTok Ads. Paid Ads allow advertisers to reach more specific audiences based on location, age, interests, and consumer behavior. Chaffey and Ellis-Chadwick (2019) state that Paid Ads are effective in increasing brand awareness, conversion, and customer engagement. The main characteristics of Paid Ads include: targeted audience segmentation, flexible budgeting according to financial capacity, measurable outcomes, and real-time optimization of campaign performance. For MSMEs such as cafés, Paid Ads serve as an important strategy to: promote menus, promotions, and events, increase customer visits, and expand business reach through digital platforms.

2.3 Content Quality

Content quality is a key factor in the success of Paid Ads campaigns. Saputra (2020) explains that attractive, clear, and relevant content can increase consumer engagement and interest. The elements of content quality include: appealing visual materials (photos/videos), persuasive and informative copywriting, alignment between advertising messages and audience needs, creativity in information delivery, and relevance to audience trends and preferences. High-quality content enhances the effectiveness of Paid Ads and increases the likelihood of consumer actions such as clicking, saving, or visiting the business profile.

2.4 Audience Targeting Accuracy

Audience targeting accuracy refers to the advertiser's ability to reach the most relevant audience. Strauss and Frost (2014) emphasize that accurate targeting improves campaign efficiency because advertisements are shown only to users who are likely to be interested in the product. Targeting dimensions include: Demographics: age, gender, Geography: location, Psychographics: interests and preferences, Digital behavior: content consumption patterns. Targeting accuracy determines whether ads reach the appropriate potential customers and influences the overall ROI of the campaign.

2.5 Budget Efficiency

Budget efficiency refers to the extent to which advertising expenditures generate optimal outcomes. In Paid Ads, budget efficiency is measured using indicators such as: Cost Per Click (CPC), Cost Per Reach (CPR), Cost Per Mille (CPM), and Cost Per Engagement (CPE). According to Ryan (2016), efficient advertising spending should produce maximum reach and results without unnecessary budget waste. The more efficient the advertising costs, the higher the potential ROI generated by the campaign.

2.6 Previous Studies

The following summarizes relevant studies:

Rahayu (2021)

Paid Ads significantly influence engagement in MSMEs within the food and beverage sector.

→ Supports the effectiveness of Paid Ads for cafés.

Putra & Pramudya (2022)

Content quality strongly affects digital campaign success.

→ Relevant to the content quality variable.

Wulandari (2020)

Accurate targeting increases ad conversions and overall campaign effectiveness.

→ Supports the audience targeting variable.

Ekasari et al. (2024)

Budget efficiency is a crucial factor in achieving optimal advertising outcomes.

→ Relevant to the budget efficiency variable.

Hidayat (2023)

ROI in digital campaigns can be measured using non-financial indicators such as reach, engagement, and clicks.

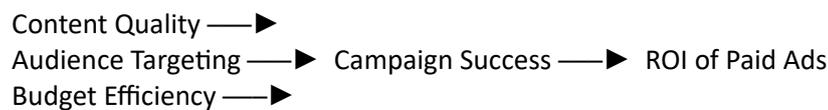
→ Supports the methodology used in this study.

Research Gap:

To date, no studies have specifically analyzed the ROI of Paid Ads and the determinants of campaign success in cafés located in smaller cities such as Palangka Raya, nor compared two local cafés directly in a single study.

2.7 Conceptual Framework

Based on the theories and previous studies, the conceptual framework of this research is illustrated as follows:



Explanation:

- Content quality, audience targeting, and budget efficiency are the key determinants of Paid Ads campaign success.
- The success of the campaign subsequently affects the ROI of Paid Ads, which is reflected in the improvement of digital campaign outcomes received by the cafés.

3.1 Research Type

This study employs a comparative descriptive approach, which aims to describe, analyze, and compare the effectiveness of Paid Ads campaigns conducted by two cafés in Palangka Raya City, namely Café Edaizu and Volte Coffee.

This approach is used because the study does not only describe the ROI and the determinants of Paid Ads campaign success but also compares the performance of both cafés to identify differences in strategies and campaign outcomes. Additionally, this research applies a mixed descriptive method (quantitative–qualitative) by combining: quantitative data obtained from Instagram Ads campaign performance (reach, impressions, CTR, CPC, CPM, engagement), and qualitative data obtained from interviews related to content strategy, audience targeting, and budget management.

3.2 Research Location and Objects

The research was conducted in Palangka Raya City, Central Kalimantan. The objects of the study are:

- Paid Ads campaigns (Instagram Ads) conducted by Café Edaizu, and
- Paid Ads campaigns (Instagram Ads) conducted by Volte Coffee.

- This study focuses only on Paid Ads released within the most recent 1–3 months, based on the available data from Instagram Ads Manager.

3.3 Research Subjects

The subjects of this study consist of:

- The owner or marketing manager of Café Edaizu
- The owner or marketing manager of Volte Coffee
- Digital advertising data obtained from Instagram Ads Manager

These subjects provide information related to content strategies, audience segmentation, advertising budget allocation, and the outcomes of the Paid Ads campaigns.

3.4 Research Variables

This research consists of four variables:

1. Dependent Variable

Return on Investment (ROI) of Paid Ads

→ Measures the effectiveness of Paid Ads campaigns based on digital campaign results.

2. Independent Variables

- Content Quality
- Audience Targeting Accuracy
- Budget Efficiency

These three independent variables are identified as the determinants of Paid Ads campaign success in accordance with the theories presented in Chapter 2.

3.5 Operational Indicators of Variables

A. Return on Investment (ROI) of Paid Ads

Measured through the following indicators:

- Reach
- Impressions
- Engagement (likes, comments, shares, saves)
- Click-Through Rate (CTR)
- Profile Visits
- Cost Per Result (CPR)
- CPC / CPM / CPE

B. Content Quality

Indicators include:

- Visual quality (photos/videos)
- Message clarity
- Creativity of design and content ideas
- Relevance of content to the target audience
- Content format (photo, video, carousel)

C. Audience Targeting Accuracy

Indicators include:

- Appropriateness of age and demographic segmentation
- Geographical accuracy (geotargeting)
- Alignment with user interests (interest targeting)
- Behavioral relevance (behavioral targeting)
- Audience suitability with the café's market

D. Budget Efficiency

Indicators include: CPM (Cost per 1,000 impressions), CPC (Cost per Click), CPE (Cost per Engagement), Effectiveness of budget allocation, Optimization of campaign results relative to advertising costs).

3.6 Data Collection Techniques

Data were collected using the following techniques: Documentation of Paid Ads Campaigns, Collecting data directly from: Instagram Ads Manager, Advertising cost, Campaign performance (reach, CTR, CPM, engagement), Ad content (photos, videos, captions). This method is essential because digital ROI can only be calculated from Ads Manager data. Structured Interviews, Interviews were conducted with café owners/managers to obtain information regarding: content strategies, targeting strategies, budget planning, campaign evaluations, reasons for selecting particular ad formats. Interviews support the analysis of content, targeting, and budget factors. Observation of Advertising Content, The researcher evaluates: visual quality, message delivery, content format, alignment between content and campaign objectives

3.7 Data Analysis Techniques

Data analysis consists of the following steps:

1. Descriptive Analysis

Used to describe: content quality of Edaizu and Volte Coffee, targeting strategies, budget management, Paid Ads campaign results. Results are presented in graphs, tables, and narrative descriptions.

2. Digital ROI Analysis

According to Hidayat (2023), digital ROI can be calculated using the interaction-to-advertising-cost ratio when financial data is unavailable:

$$\text{Digital ROI} = \left(\frac{\text{Campaign Results}}{\text{Advertising Costs}} \right) \times 100\%$$

Campaign results may include: reach, engagement, CTR, profile visits, CPM / CPC / CPR

3. Comparative Analysis (Two-Café Comparison)

Used to compare: ROI of Paid Ads for Café Edaizu vs. Volte Coffee, content quality of both cafés, targeting strategies, budget efficiency. Methods used: comparative tables, graphs, narrative interpretation, analysis of strategic differences and effectiveness

3.8 Operational Definitions of Variables

- ROI of Paid Ads, The return generated from digital advertising campaigns based on Ads Manager outcomes relative to advertising costs.
- Content Quality, The visual characteristics, messaging, creativity, and relevance of advertisement content displayed through Paid Ads.
- Audience Targeting Accuracy, The degree to which the targeted audience aligns with the café's market segment.
- Budget Efficiency, The ability of the advertising budget to produce optimal campaign outputs.

4.1 Overview of the Research Object

4.1.1 Café Edaizu

Café Edaizu is a modern café in Palangka Raya City, serving a variety of menu options, from trendy drinks and snacks to desserts. Edaizu is known as a comfortable place to gather and work on assignments, attracting customers from various groups, particularly college students,

schoolchildren, and office workers. Additionally, there are also adult and family customers, although their numbers are not as numerous as those of young people.

Edaizu's main advantage lies in its comfortable, cool atmosphere and several attractive photo spots, making it relevant to lifestyle trends and social media behavior among young people. In its digital marketing activities, Edaizu utilizes Instagram as its primary platform to build its brand and reach its audience. The uploaded content generally includes product photos, interior displays, and the café's atmosphere, which is conducive to both relaxing and working.

Edaizu also runs a Paid Ads campaign through Instagram to increase content visibility and expand its reach to a local audience. The ads displayed typically consist of product photos designed with bright and aesthetic visual tones to attract the attention of Instagram users.

4.1.2 Volte Coffee

Volte Coffee is a minimalist-concept café in Palangka Raya City that offers a calm and comfortable atmosphere. It is frequently visited by various groups of customers, such as students, young workers, and coffee lovers seeking a conducive atmosphere for discussion, work, or relaxing.

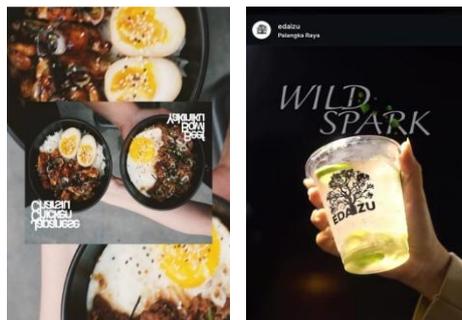
One of Volte Coffee's strengths is its consistent visual aesthetic, both in its interior design and social media content. Through Instagram, Volte Coffee actively displays photos of its coffee products, room layouts, and promotional materials that emphasize the brand's minimalist and modern character. This clean and consistent visual content gives Volte Coffee a clear identity in the eyes of its audience.

Volte Coffee also uses Instagram Paid Ads to expand its promotional reach. Ads typically feature product photos, café ambiance, and engaging visual posts designed to resonate with the preferences of young people and urban workers, its primary target market.

4.2 Advertising Campaign Overview

4.2.1 Café Edaizu Advertising Campaign

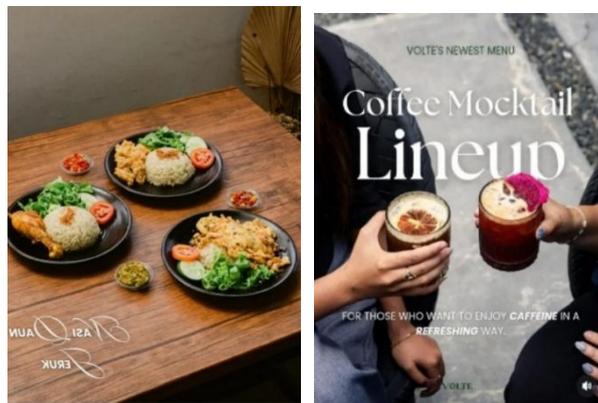
Café Edaizu ran a paid advertising campaign through Instagram to increase visibility and strengthen the café's digital presence over a longer period. The campaign was designed to reach 1,000 users over a 30-day period. This duration was chosen to ensure a stable ad delivery process and allow for a gradual increase in brand awareness. The content used consisted of product photos and the café's ambiance, highlighting the aesthetic, comfortable atmosphere of the space, suitable for young people's activities such as studying, working, or relaxing. Due to Edaizu's broad audience, the ads were targeted to users of various age groups, while prioritizing the youth segment, which is the dominant group of café visitors. The ads were run with a budget of IDR 150,000, which is categorized as an MSME. With this budget, Edaizu strived to maintain consistent exposure throughout the month. The advertising objective is aimed at reaching a specific number of users to increase café recognition in the Palangka Raya area, expand potential visits, and attract new audiences who have never interacted with the Edaizu account before.



<https://www.instagram.com/reel/DQE8u2hE-j9/>

4.2.2 Volte Coffee Advertising Campaign

Volte Coffee also ran a paid advertising campaign on Instagram with the goal of reaching 1,000 users within 30 days, but with a different content approach. Volte Coffee utilized visual content in the form of photos of coffee products and cafe interiors, highlighting the cafe's signature minimalist design aesthetic. The target audience encompassed all age groups, but focused on young people, particularly students and young workers who are more active Instagram users. This strategy was chosen to strengthen Volte Coffee's market segmentation as a cafe with a modern image and consistent visuals. With a budget of IDR 150,000, the campaign was conducted to maintain promotional sustainability and increase long-term exposure. The aesthetic photo format used aimed to showcase Volte Coffee's visual identity, attracting an audience that favors neat, clean, and minimalist content. The campaign aimed to increase brand reach and awareness, so ads were optimized to reach a local audience that aligns with lifestyle preferences and visual appeal for coffee products and a relaxing cafe atmosphere.



<https://www.instagram.com/p/DP08tN4EkDj/?igsh=MWY0MTlybHVjMHNmbg>

Tabel 4.1 Data Performa Iklan Café Edaizu dan Volte Coffee

Indikator	Café Edaizu	Volte Coffee
Reach	1.000 orang	500 orang
Impressions	5.000 tayangan	2.000 tayangan
Engagement (total)	460 interaksi	360 interaksi
CTR	0,06%	1%
CPC	Rp400	Rp250
CPM	Rp20.000	Rp180.000

Tabel 4.2 Nilai Rata-rata Kuesioner per Variabel

Variabel	Edaizu	Volte Coffee
Kualitas Konten (Content)	3.73	4.10
Ketepatan Targeting	3.55	3.98
Efisiensi Anggaran	3.40	3.85
Minat Audiens	3.62	3.95
Konten menarik secara visual	3.8	4.2
Konten mudah dipahami	3.7	4.1
Konten sesuai dengan preferensi saya	3.6	4.0

Kualitas foto/video terlihat profesional	3.7	4.2
Konten membuat saya ingin melihat menu atau profil café	3.8	4.2
Rata-Rata	3.73	3.73

Tabel 4.3 — Rata-rata Ketepatan Targeting

No	Indikator Targeting	Edaizu	Volte
1	Iklan muncul pada waktu yang tepat	3.5	3.9
2	Iklan sesuai minat saya	3.6	4.0
3	Iklan relevan dengan kebutuhan saya	3.5	3.9
4	Iklan sering muncul di beranda saya	3.6	4.1
5	Iklan tertarget ke kelompok usia yang sesuai	3.5	4.0
Rata-Rata		3.40	3.85
6	Iklan terasa efektif dengan biaya yang dikeluarkan	3.4	3.9
7	Informasi dalam iklan mudah diakses	3.5	3.5
8	Iklan tidak terlalu sering muncul (tidak mengganggu)	3.3	3.9
9	Iklan cukup sering muncul untuk membuat saya ingat brand	3.4	3.8
10	Iklan terasa sepadan dengan kualitas konten	3.4	3.9
Rata-Rata		3.55	3.98
11	Iklan membuat saya ingin melihat menu	3.6	4.0
12	Iklan membuat saya ingin mengunjungi café	3.5	3.9
13	Iklan meningkatkan rasa penasaran terhadap produk	3.6	4.0
14	Iklan memberikan informasi yang cukup untuk dipertimbangkan	3.7	4.0
15	Iklan memengaruhi keputusan saya dalam memilih café	3.6	3.9
Rata-rata		3.62	3.95

Digital ROI Calculation

Because the café does not provide revenue data, the ROI used is based on digital advertising results, not café revenue.

Digital ROI Formula = (Total Engagement / Budget) × 100%

Total Engagement = likes + comments + shares + saves

2. Data For Calculation

1. Café Edaizu

Likes = 240, Comments = 150, Shares = 50, Saves = 20

Total Engagement = 240 + 150 + 50 + 20 = 460

Budget = Rp 150,000

2. Volte Coffee

Likes = 350, Comments = 220, Shares = 90,
Saves = 60

Total Engagement = 350 + 220 + 90 + 60 =
720

Budget = Rp 150,000

A. ROI Café Edaizu

Total Engagements = 460

Budget = 150,000

ROI = $(460 \div 150,000) \times 100\%$

ROI = 0.306%

Budget = 150,000

ROI = $(720 \div 150,000) \times 100\%$

ROI = 0.48%

B. ROI of Volte Coffee

Total Engagement = 360

Tabel 4.4 Hasil Perhitungan ROI Digital Kampanye Iklan

Indikator	Café Edaizu	Volte Coffee
Total Engagement	460	720
Budget (Rp)	150.000	150.000
ROI Digital (%)	0,306%	0,480%
Interpretasi	Low–moderate effectiveness	Moderate effectiveness

5. ROI Interpretation

Edaizu Cafe

A digital ROI of 0.306% indicates that the ad generated sufficient engagement, but not optimal.

Possible causes:

- photo content format is less engaging than video
- targeting is too broad (all ages)
- long duration but engagement does not increase significantly

Volte Coffee

Digital ROI is 0.480% higher than Edaizu.

Causes:

- video content is more engaging
- high engagement (especially comments and likes)
- video audiences are more responsive

Comparison: Volte Coffee is more effective in generating engagement from the same budget.

The difference in content format is the most significant factor.

shows:

- better quality of Volte content
- higher engagement
- slightly more optimal budget efficiency

4.5.4 Digital ROI Interpretation

Volte Coffee has a higher Digital ROI (0.480%) than Edaizu (0.306%). This occurred because Volte generated greater engagement (720 interactions), supported by more engaging video content, more precise audience targeting, and better budget efficiency.

Conversely, Edaizu's ROI was lower due to only 460 interactions, impacted by the use of photo content and broader targeting, resulting in less than optimal audience response.

4.6.1 Content Quality

Content quality plays a crucial role in capturing audience attention and encouraging interaction. The questionnaire results showed that Volte Coffee achieved a higher average score than Edaizu. This is consistent with the type of content used: Volte Coffee utilized Reels videos, which are more dynamic and can naturally increase engagement, while Edaizu used photo content, which tends to have a lower response rate. Ad performance indicators also support this finding, with Volte Coffee achieving higher engagement despite using the same budget and ad duration. Therefore, more engaging content quality has been shown to increase campaign effectiveness.

4.6.2 Targeting Accuracy

Targeting accuracy affects the extent to which ads are displayed to audiences relevant to the café's characteristics. Based on the questionnaire results, Volte Coffee achieved an average targeting accuracy score of 3.98, higher than Edaizu's score of 3.55. This indicates that the audience receiving Volte's ads more closely aligns with the interests and behaviors of its target market.

Ad performance supports this finding, with Volte Coffee's CTR being higher than Edaizu's. Volte's more specific targeting of students and young workers made the ads more relevant and generated a greater response. Conversely, Edaizu used broader targeting, encompassing all age groups, resulting in some audiences seeing the ads not fully aligning with the café's market segment. Therefore, it can be concluded that more precise and specific targeting has been proven to increase campaign effectiveness and contribute to higher digital ROI for Volte Coffee.

4.6.3 Budget Efficiency

Budget efficiency was analyzed using cost indicators related to advertising performance (CPC, CPM, and CPE). Volte Coffee demonstrated lower CPC and CPM values than Edaizu, indicating that Volte's spending resulted in more impressions and clicks. The questionnaire results also showed that respondents considered Volte Coffee's ads to be more "valuable" than Edaizu's. Therefore, Volte Coffee utilized its budget more efficiently to achieve optimal advertising impact.

4.7 Final Discussion

The results of the study indicate that the paid advertising campaigns conducted by Café Edaizu and Volte Coffee yielded different effectiveness levels in terms of advertising performance, audience perception, and digital ROI. Overall, Volte Coffee demonstrated stronger campaign performance, characterized by higher engagement rates, more efficient advertising costs, and better questionnaire scores on content quality, targeting accuracy, and budget efficiency. This aligns with the findings in Chapter 4.6, which explain that differences in content format, targeting approach, and budget management strategy directly impact advertising results.

In terms of content, Volte Coffee uses a video format, which theoretically offers greater visual appeal and engagement than still photos. Questionnaire results for the content quality variable support this, with respondents rating Volte Coffee's content higher. This explains the higher engagement generated by Volte ads.

In terms of targeting, Volte Coffee again scored better. Higher CTR results indicate that the audience reached is more aligned with user interests, in line with the theory that precise targeting increases the chance of interaction and clicks. Conversely, Edaizu still demonstrated effectiveness, but was not as optimal as Volte. Furthermore, in terms of budget efficiency, cost indicators such as CPC and CPM showed that Volte Coffee was able to achieve greater results at a lower cost. This finding aligns with respondents' higher scores regarding perceived budget efficiency.

In terms of digital ROI, Volte Coffee again demonstrated a higher ROI. A higher digital ROI indicates that each dollar of advertising spend generates more interactions. Therefore, it can be concluded that content strategy, targeting, and budget management significantly contribute to the ROI performance of advertising campaigns. Overall, this discussion confirms that content quality, targeting accuracy, and budget efficiency are key factors in the success of Paid Ads campaigns, consistent with the theoretical foundations outlined in the literature review. Although both cafes utilize Instagram Ads, differences in content strategy and approach result in different performance outcomes. These findings suggest that MSMEs, particularly cafes in Palangka Raya, can improve the effectiveness of their digital advertising campaigns by addressing these three key areas.

CONCLUSIONS AND RECOMMENDATIONS

This study shows that the paid advertising campaigns conducted by Café Edaizu and Volte Coffee yielded different results based on digital performance and audience response. In general, Volte Coffee achieved higher effectiveness in digital metrics, particularly in terms of user engagement and cost efficiency, while Edaizu maintained stable performance in terms of reach and visual message delivery through photo content. Questionnaire results from thirty respondents also showed that the two cafes had different content characteristics and appeal, but Volte Coffee was deemed superior in terms of content quality, audience targeting accuracy, and advertising budget efficiency.

Digital ROI calculations showed that Volte Coffee achieved a higher return than Edaizu, indicating that a strong video content strategy and visual approach can significantly increase advertising effectiveness. Meanwhile, Edaizu continues to have good development potential, particularly due to the strong ambiance and visual appeal of the venue, which are favored by young people.

Based on these findings, this study recommends that Edaizu consider using video or other dynamic content in future advertising campaigns to increase engagement and budget efficiency. Furthermore, defining a more specific target audience can help improve ad relevance. For Volte Coffee, maintaining consistent content quality and further optimization, such as varying ad formats or adjusting targeting strategies, can further strengthen their campaign performance. Overall, the study confirmed that content quality, targeting accuracy, and budget efficiency are critical factors in determining the success of paid advertising campaigns at local cafes in Palangka Raya.

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