Analysis of Factors Influencing Consumer Behavior and Purchasing Decision Making at Coffe Shop

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Abstract:- The increasing demand for coffee has prompted the emergence of various brands, cafes and coffee shops in big cities. Data from the Central Bureau of Statistics (BPS) for coffee commodities in Banten Province alone there are 6.468 hectares of coffee plantations and coffee production reaches 2,200 to 2,600 tons per year. This has caused many to start doing business to build coffee shops or cafes that offer coffee menus, one of which is Kiara Coffe. However, at the time of purchase, consumer decision making is not only influenced by producers and marketers, but also influenced by the consumer's environment, the consumer's individual differences and the psychological processes that occur. Therefore, it is necessary to study and conduct research on consumer behavior, especially regarding what factors influence consumers in making coffee purchasing decisions at Kiara Coffe. The method used is using multiple linear regression to determine the effect between variables. The results of the research conducted, namely based on hypothesis testing, obtained that product quality influences purchasing decisions with a t count > t table, namely 2.296 > 1,996. The price variable influences the purchasing decision with the value of t count > t _{table} , namely 1.997 > 1.996 . The service variable influences purchasing decisions with a t count > t table, namely 2.108 > 1,996.

Keywords:- Caffe, Consumers, Regression.

I. INTRODUCTION

Coffee as a drink is familiar to most people. Coffee is popular with various groups of people. Coffee is loved by various groups of people, fans are not only Indonesians but also various nations throughout the world. The culture of drinking coffee is currently a new trend that has emerged in various circles of society. The increasing demand for coffee has prompted the emergence of various brands, cafes and coffee shops in big cities. In this case the culture of coffee consumption is usually carried out by the community in cafes and coffee shops in big cities, and in shops or coffee shops in rural communities or small towns. Nowadays, many people consider coffee as a lifestyle and make it a mandatory menu item when visiting a cafe.

Data from the Head of the Plantation Division of the Banten Province Agricultural Service, revealed that the factual condition of the coffee commodity in Banten Province is that there are 6,468 hectares of coffee plantations . Banten Province has only been able to produce 400

kilograms of coffee per hectare per year. If you look at data from the Banten Province Central Statistics Agency (BPS) in 2014-2020, coffee production in Banten reached 2,200 to 2,600 tons per year. The development of competition shows that several coffee producers have begun to carry out quite large and intensive product innovations and advertising campaigns [1]. However, consumer decision making is not only influenced by producers and marketers, but is also influenced by the consumer's environment, individual differences in consumers themselves and the psychological processes that occur [2]. Research on consumer behavior in purchasing decisions resulted in the conclusion that product quality, price and location simultaneously influence purchasing decisions at Djawi Lanbistro Coffee and Resto Surabaya [3].

This study will examine the variables of product quality, price, and service on purchasing decisions at Kiara Coffe. Therefore, it is necessary to study and carry out research on consumer behavior, especially regarding what factors influence consumers in making decisions to purchase coffee at Kiara Coffee and what the characteristics of consumers at Kiara Coffee are.

II. LITERATURE REVIEW

A. Product Quality

According to Kotler & Keller defines product quality as the ability of a product to perform its functions, this includes holistic durability, reliability, accuracy, ease of operation, and other product attributes. The definition of quality basically means that each individual must have a different perspective . While the perspective of product quality is a consumer's perception of the holistic quality or superiority of a product or service that is used with the intent desired by the consumer [4].

B. Price

Price is a medium of exchange for obtaining ownership rights or use of a good or service [5]. In the marketing mix, price is a flexible element, meaning it can be changed quickly [6].

According to Kotler and Armstrong, there are four indicators that characterize prices, namely [3]:

- Price affordability is the purchasing power of consumers at the prices set by producers
- Price match with product quality. The price set by the company is in accordance with the quality of the products sold.

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- Price competitiveness. How does the product price compare with competitors' products?
- Matching price with benefits. The benefits of the products sold by the company are in accordance with the benefits obtained by consumers.

C. Service Quality

Service quality is the expected level of excellence and control over that level of excellence to meet customer desires. Service quality is a measure of how well the level of service provided is able to match customer expectations. Service quality is a must that companies must do in order to survive and still gain customer trust [6].

D. Consumer Behavior

According to Engel, Blackwell and Miniard define it as actions directly involved in obtaining, consuming, and disposing of products and services, including the decision processes that precede and follow these actions. Meanwhile, according to Supranto and Limakrisna (2011), the definition of behavior contains 3 important things, namely:

- Consumer behavior is dynamic, so it is difficult to predict/predict.
- Involves interaction: cognition, affection, behavior and events around/the consumer's environment.
- Involves exchange, such as exchanging the seller's goods for the buyer's money.

Consumer behavior is an act that is directly involved in obtaining, using (using, consuming) and spending products (goods and services) including the processes that precede and follow these actions [7]. Intention to purchase is something relates to consumer plans to purchase certain products, as well how many units of product are needed in a certain period. Knowledge of purchase intention is very necessary for marketers to know consumer intentions towards a product or to predict consumer rejection in the future will come [1].

E. The Role of Consumers in Purchasing Decisions

Purchasing decisions are based on information about the superiority of a product that is arranged so as to create a pleasant feeling that will change someone to make a purchasing decision [8]. The purchase decision is the selection of two or more alternative purchase decision choices, meaning that someone can make a decision, several alternative choices must be available. The decision to buy can lead to how the decision-making process is carried out [9]. There are five individual roles in a buying decision, namely:

- Taking the initiative (initiator): individuals who have the initiative to purchase certain goods or who have needs or wants but do not have the authority to do it themselves.
- People who influence (*influencers*): individuals who influence purchasing decisions, either intentionally or unintentionally.
- Decision maker (*decider*): the individual who decides whether to buy or not, what to buy, how to buy it, when and where to buy it.
- Buyer: the individual *who* makes the actual purchase.

• User (*user*): individuals who enjoy or use the product or service purchased.

III. RESEARCH METHODOLOGY

The dependent variable is a variable whose value is influenced by the independent variable. What is used as the dependent variable in this research is the purchasing decision (Y).

Independent variables are variables that influence the dependent variable (X). The independent variables in this research consist of:

A. Product Quality (X1)

Product quality in this study is a consumer assessment of the quality of drinks and food to be able to meet consumer wants and needs. This variable is measured through indicators:

- Taste image
- Product features
- Packaging durability
- Portion

B. Price (X2)

Price in this research is a form of consumer perception of goods or products. This variable is measured through indicators:

- Price affordability
- Compatibility of price with product quality
- Price competitiveness
- Price compatibility with benefits

C. Service (X3)

This variable is measured through indicators:

- Courtesy
- Manufacturer responsiveness
- Order guarantee
- Empathy

Variable measurements use an interval scale, which is a measuring tool which can produce data that has a range of values has meaning and is able to produce meaningful measurements allows calculation of mean, standard deviation, statistical tests parameters, correlation and so on. In this research it is used interval scale using the Agree-Disagree Scale technique where there is a scale of 1 (Strongly Disagree) to 5 (Strongly Agree) for all variables.

The data analysis used in this research is a quantitative analysis method. Where to achieve the first goal is to analyze the effect of product quality, price, and service on purchase intention by using multiple regression analysis (Multiple regression analysis). In this study, the dependent variable is the purchase decision at Kiara Coffe, while the independent variables are product quality, price and service. The model of the relationship between purchasing decisions and these variables can be arranged in a function or equation as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3$$

Information:

Y: Buyer's decision

a : Constant

b: Coefficient

X₁: Product quality

X₂: Price X₃: Service

IV. RESULTS

Characteristics of respondents based on age showed that for the ≤20 year category (24%), the 21 year-25 year category (56%), the 26 year-30 year category (17%) and for the category >30 years (3%), it can be concluded that the age of Kiara Coffe visitors or consumers is dominated by millennials with an age range of 21-25 years who are generally of productive age workers who have the ability to make purchases at Kiara Coffe. Visitors to Kiara Coffe have different incomes based on their educational and employment status. The educational level of visitors or consumers of Kiara Coffe is dominated by the undergraduate level, where the level of education itself can determine income and social status and can influence a person's lifestyle. Based on income characteristics, end users dominate with an income of less than 1,000,000.

The data processing step is carried out using a validity test to measure whether a questionnaire is valid or not by testing each variable item in the questionnaire. Then a reliability test was carried out to measure the consistency of the questionnaire. After it is said to be valid and reliable, a normality test is carried out.

Based on the results of the probability plot normality test, it was concluded that the regression model had a normal distribution because the plotting data (dots) depicted the actual data following a diagonal line.

Normal P-P Plot of Regression Standardized Residual

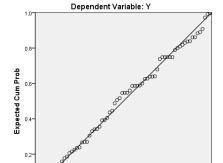


Fig 1. Probability Plot Normality Test

Observed Cum Prob

Based on the results of the multicollinearity test, the tolerance value X1 was 0.529 > 0.100, the tolerance value X2 was 0.561 > 0.100, the tolerance value X3 was 0.551 > 0.100 and the VIF value for variables X1,

	Coefficients									
Model		Unstandardized		Standardized	t	Sig.	Collinearity			
		Coefficients		Coefficients			Statistics			
		В	Std. Error	Beta			Tolerance	VIF		
	(Constant)	1.981	2.264		.875	.385				
1	X1	.334	.146	.297	2.296	.025	.529	1.891		
	X2	.192	.129	.186	1.486	.142	.561	1.783		
	Х3	.329	.156	.267	2.108	.039	.551	1.814		

a. Dependent Variable: Y

Fig 2. Multicollinearity test

Based on the results of the heteroscedasticity test, the scatterplot pattern does not have a clear pattern, it is wavy, wider and narrower. The scatter plot above has points that are spread out so it can be concluded that there are no symptoms of heteroscedasticity.

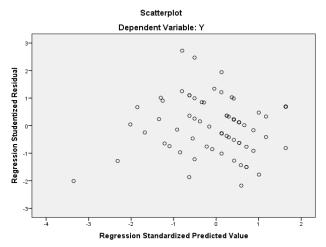


Fig 3. Scatterplots Heteroscedasticity Test

Based on the results of the autocorrelation test, the Durbin Watson value is 1.876, so it is said that there is no autocorrelation because the Durbin Watson value lies between two to (4-du), namely two $_{tables}$ 1.7028 < Durbin Watson 1.876 < 4-du 2.124.

Model Summary ^b									
Model	R	R Square	Adjusted R	Std. Error of the	Durbin-Watson				
			Square	Estimate					
1	.646ª	.417	.390	1.370	1.876				

a. Predictors: (Constant), X3, X2, X1

b. Dependent Variable: Y

Fig 4. Durbin Watson Autocorrelation Test

Multiple linear regression testing, where the regression equation can be seen in Figure 5. The multiple linear regression equation is obtained as follows.

$$Y = 1.981 + 0.334X_1 + 0.192X_2 + 0.329X_3$$

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M	Model Uns		dardized	Standardized	t	Sig.
1		Coefficients		Coefficients		
1		В	Std.	Beta		
			Error			
	(Constant)	1.981	2.264		.875	.385
l ₁	X1	.334	.146	.297	2.296	.025
Ι.	X2	.192	.129	.186	1.997	.142
	Х3	.329	.156	.267	2.108	.039

Fig 5. Multiple Linear Regression Test

Based on the regression equation above, it can be concluded that the results show that the constanta value is 1.981, meaning that there is no change in the quality, price, and service variables, so the purchase decision is 1.981 units. The value of the product quality regression coefficient is 0.334 meaning that if it increases by 1% assuming the price and service variables and the constant is 0, then the purchase decision increases by 0.334. This shows that the variable contributes positively. The value of the price regression coefficient is 0.192, meaning that if it increases 1% assuming the service variable and the constant is 0, then the purchase decision increases by 0.334. This shows that the variable has a positive contribution. While the value of the service regression coefficient is 0.329, meaning that if it increases by 1% assuming the constant product and price variables are 0, then the purchase decision increases by 0.329. This shows that the variable has a positive contribution.

Coefficients ^a									
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics		
		Coeiii	cients	Coefficients			Statis	lics	
		В	Std. Error	Beta			Tolerance	VIF	
	(Constant)	1.981	2.264		.875	.385			
1	X1	.334	.146	.297	2.296	.025	.529	1.891	
	X2	.192	.129	.186	1.997	.142	.561	1.783	
	X3	.329	.156	.267	2.108	.039	.551	1.814	

a. Dependent Variable: Y

Fig 6. T test

Hypothesis testing obtained that product quality influences purchasing decisions with a calculated t value > t table, namely 2.296 > 1.996. The price variable influences purchasing decisions with a $_{calculated\ t\ value} > t$ $_{table}$, namely 1.997 > 1.996. The service variable influences purchasing decisions with a t count > t table, namely 2.108 > 1,996. So from the results of the data analysis it is known that the three variables have an influence on purchasing decisions. Consumers assess product quality starting from taste, portion, packaging, to product texture. Apart from that, Kiara Coffee offers prices that are quite affordable for various groups, the prices are in line with what consumers get, both in terms of quality and quantity. The service provided by the barista/service person also influences consumers in ordering, the reliability and responsiveness of the service in presenting and responding to complaints is one indicator that consumers provide an assessment. A similar thing is explained in research conducted by Iswayanti (2012) which states that product quality, price, location and service quality influence consumer purchasing decisions.

V. CONCLUSION

Based on the results of the collection and processing of blood that has been carried out, the following are the conclusions in this study, namely:

- Consumer characteristics based on gender are dominated by men, with ages between 21-25 years, where educational level is dominated by Strata 1 (S1), work as a student, income level of less than 1,000,000.
- Based on hypothesis testing, it was found that product quality had an effect on purchasing decisions with a t count > t table, namely 2.296 > 1,996. The price variable influences the purchasing decision with the value of t count > t table, namely 1.997 > 1.996. The service variable influences purchasing decisions with a t count > t table, namely 2.108 > 1,996. The resulting multiple linear regression model is

Y = 1.981 + 0.334X1 + 0.192X2 + 0.329X3

Research suggestions are developed so that further research can be carried out well, that is, future researchers are expected to be able to provide new variables which can influence purchasing decisions such as promotions.

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