IOP Conference Series: Earth and Environmental Science

PURPOSE-LED PUBLISHING™

**PAPER** • **OPEN ACCESS**

# Service Quality and Brand Image Influence on the Purchase Decision of Coffee Shop Products in Yogyakarta

To cite this article: N Kusumaradya *et al* 2021 *IOP Conf. Ser.: Earth Environ. Sci.* **828** 012060

View the article online for updates and enhancements.

You may also like

- Comparative analysis of coffee preference in Jatinangor
E Rasmikayati, B R Saefudin, M Y Wardhana et al.
- Spatial distribution in the emergence of coffee shops in Surakarta
R R Maulana, U J Cahyono and M Muqoffa
- Strategy formulation for increasing customer satisfaction based on service quality gap: a case study of branding coffee shop in Yogyakarta
N V Ginting, K H Widodo and D Purwadi




This content was downloaded from IP address 5.27.27.175 on 20/10/2024 at 18:51

# Service Quality and Brand Image Influence on the Purchase Decision of Coffee Shop Products in Yogyakarta

**N Kusumaradya, Wagiman, and D Purwadi*)**

Department of Agroindustrial Technology, Faculty of Agricultural Technology, Universitas Gadjah Mada, Yogyakarta, Indonesia

*) Corresponding author: didik@ugm.ac.id

**Abstract**.
Drinking coffee has currently become one of the new lifestyles of young people in Yogyakarta and the increasing coffee shop business facilitates tight competition. The previous research on coffee shops focused on service quality or customer satisfaction analysis. Due to the changing of the business environment, elaborating how customers decide to buy coffee shop product is important. Therefore, this research aims to examine the influence of service quality and brand image on the purchase decisions of coffee shop products. A quantitative approach of multiple regression analysis was used, while the samples were three coffee shops in Yogyakarta with different characteristics such as the length of service experience, location, and shop size. The result showed that both service quality and brand image significantly influenced purchase decisions. The service quality significantly influenced the 3 shops, but only 1 was influenced by brand image. Hence, service quality and brand image are useful for coffee shops with certain characteristics such as the business location.

Keywords: Service quality, brand image, purchase decision, and coffee shop.

## 1. Introduction

Consumption of drinks such as coffee has currently become one of society needs or lifestyles. Coffee shops are now a destination of interest especially for young people to just relax or hang out with friends.

The consumers are not only young people, but parents and entrepreneurs often spend time in coffee shops also to discuss their business plans or meet with co-workers. There is a belief that by drinking coffee, one becomes more focused while doing business. Therefore, many people like to drink coffee when they want to hang out or while hanging out with friends. Everyone has a different way to enjoy coffee, hence a beautiful shop with very good taste needs to be chosen in the hope that the consumer gets satisfied after sacrificing a considerable amount of money.

The techniques of measuring service quality and its dimensions have become a major area in marketing literature during the past few decades, since the increasing importance of services, scholars and practitioners have been operating on the quality delivered [1] Moreover, Shahin [2] concluded that to improve service quality, it is necessary to contact employees regularly and assess their experiences.

This research aims to examine the influence of quality and brand image on the purchase decision of coffee products. Independent variables in line with the business factors identified are faith and honesty,

Content from this work may be used under the terms of the Creative Commons Attribution 3.0 licence. Any further distribution of this work must maintain attribution to the author(s) and the title of the work, journal citation and DOI.
Published under licence by IOP Publishing Ltd

customer relation & services, reasonable price with best quality and quantity, determination & struggle, interest & knowledge in the field, luck & opportunity, and skilled workforce [3]. High performance in food quality relates closely to purchasing, production and quality control functions while high-standard service requires potential workforce, customer relationship & knowledge, and market proximity [4].

The research objectives are to analyse (1) the effect of service quality, and (2) the influence of brand images, as well as (3) the combined influence of both on purchase decisions.

## 2. Methods

The samples were three, namely Etikopia, Lantai Bumi, and Signatura coffee shops. The primary data were collected through sending of questionnaires to 300 respondents, while the accidental sampling method was also used. The questionnaires were tested for validity and reliability. Furthermore, multiple regression analysis with a quantitative approach, including t-test, F-test and determination coefficient was used.

## 3. Results and Discussion

The validity and reliability result showed that the questionnaires were valid and reliable. It was also shown that the regression model met the classical assumption. The result of quantitative regression analysis is presented in Table 1.

**Table 1.** The Result of Regression Analysis

| No | Place of Respondent | Regression | Findings |
|---|---|---|---|
| 1 | Ethikopia coffee shop | $Y = 0.288X_1 + 0.598X_2$ | • F-test: the service quality and brand image jointly affected purchase decisions.<br>• T-test: the service quality affected purchase decisions.<br>• T-test: the brand image affected purchase decisions.<br>• The service quality and brand image are important.<br>• The brand image influence was bigger than that of quality service. |
| 2 | Lantai Bumi coffee shop | $Y = 0.257X_1 – 0.265X_2$ | • F-test: the service quality and brand image jointly affect purchase decisions.<br>• T-test: the service quality affected purchase decisions.<br>• T-test: the brand image did not affect purchase decisions.<br>• The quality of service is important |
| 3 | Signatura coffee shop | $Y = 0.518X_1 – 0.063X_2$ | • F-test: the service quality and brand image jointly affected purchase decisions.<br>• T-test: the service quality affected purchase decisions.<br>• T-test: the brand image did not affect purchase decisions.<br>• The quality of service is important. |

The regression model for Ethikopia coffee shop was $Y = 0.288X_1 + 0.598X_2$ while the determination coefficient was 0.51. This showed that the service quality as well as brand image affected the purchase decisions. Furthermore, F-test results showed that the service quality and brand image jointly affected

the purchase decisions. Also, the brand image influence was bigger than that of service quality. The shop location was not strategic; hence the customers needed a good brand image and service quality to make purchases.

Lantai Bumi coffee shop regression model was $Y = 0.257X_1 – 0.265X_2$ while the determination coefficient was 0.158. This showed that the service quality affected the purchase decisions, but the brand image did not. F-test results showed that the service quality and brand image jointly affected the purchase decisions.

The quantitative model for the Signatura coffee shop was $Y = 0.518X_1 – 0.063X_2$ while the value of $R^2$ was 0.227. This showed that the service quality affected the purchase decisions, but the brand image did not. Furthermore, the service quality and brand image jointly affected the decisions.

Consumers purchased the products when the need arises, and they used all the five stages of decision-making process during the purchase of high involvement or costly products, while there is the probability of skipping one or more stages in low involvement or daily usage products.

The three coffee shops showed variable services and brand images had an effect individually and equally. Despite that they had different markets and customers, the influence of quality service and brand image indicated different results. Ethikopia coffee shop located in areas far from students and other consumers had a more influential brand image compared to Lantai Bumi and Signatura which were near but had non-influential brand images and important service quality.

## 4. Conclusions

Both the service quality and brand image jointly had a significant influence on the purchase decisions. Service quality significantly influenced the 3 shops, but the brand image only influenced 1. Service quality and brand image are useful for a coffee shop with certain characteristics such as the business location. Moreover, a tight strategy for increasing service quality and getting a brand image is needed.

## References

[1] Yarimoglu EK 2014 *Journal of Marketing Management* **2** 79-93 (Preprint ISSN: 2333-6080)
[2] Shahin A 2004 *SERVQUAL and Model of Service Quality Gaps: A Framework for Determining and Prioritizing Critical Factors in Delivering Quality Services*, https://www.researchgate.net/publication/237703019
[3] Muslim A, Ali NA and Adnan R 2011 *International Journal of Human Resource Studies* **1** 98-110
[4] Tran HQ 2015, Key success factors in full-service restaurants in Finland: A qualitative study on operation management and strategy, *Bachelor's thesis,* School of Business and Service Management, Degree Programme in International Business. JAMK The University of Applied Science.