The Influence of Brand Image and Product Innovation on Starbucks Coffee Purchase Decisions in Surabaya City

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ABSTRACT

Purpose: Along with the urban lifestyle, the development and growth of culinary businesses are currently increasing in Indonesia, especially in the city of Surabaya, this is marked by the rise of restaurants, cafes and coffee shops. Starbucks Coffee Indonesia now has 22 coffee outlets in the city of Surabaya. Starbucks strives to present an extraordinary legacy and experience in every cup. This study aims to analyze the influence of brand image and product innovation on coffee purchasing decisions at Starbucks coffee shops in the city of Surabaya. This research is a quantitative study.

Deign/Methodology/Approach: The number of samples in this study was 104 Starbucks Coffee consumers taken from 22 Starbucks coffee outlets in the city of Surabaya using accidental sampling techniques. Researchers used interviews, questionnaires and observations to obtain data.

Findings: The results of the study showed that partially brand image and product innovation had a significant effect on consumer purchasing decisions for Starbucks coffee in the city of Surabaya. Furthermore, Brand Image and Product Innovation simultaneously had a significant effect on Starbucks Coffee purchasing decisions at coffee outlets in the city of Surabaya. This shows that in the midst of the highly competitive business competition between foreign and local coffee shops in Surabaya, Starbucks coffee can still survive and carry out its business activities sustainably through the brand image it carries and innovating the products it offers.

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I. INTRODUCTION

Currently there is a new lifestyle trend in society, especially among Generation Z and Y, there are several factors that drive the rapid growth of coffee shops, namely the emergence of new cultures or habits such as hanging out while drinking coffee, increasing middle-class consumers and the price of coffee menus in cafes is increasingly affordable, a new lifestyle created by the younger generation to consume coffee, the existence of social media that helps coffee shop business people to promote and market easily.

Surabaya as one of the largest cities in Indonesia has great potential to develop coffee shop businesses, this can be seen from the increasing number of foreign and local coffee shops that have emerged and the presence of their businesses is very competitive in attracting consumers. Since 2019 until now the number of coffee shops in the city of Surabaya has experienced quite rapid growth, where the East Java Indonesian Cafe and Restaurant Entrepreneurs Association (Akprindo) said that the growth of coffee shops has increased by 16 percent to 18 percent along with changes in the lifestyle of urban communities. The increase in coffee shops in Surabaya is not only in expensive coffee shops per glass but the increase is also found in coffee shops that sell their products at low prices.

Amidst the booming local coffee shops and the aggressiveness of chain coffee shops, Starbucks Coffee is stealing the attention of coffee lovers in the country who lately have a liking for events to meet with colleagues for hanging out, doing college or office assignments or other events that are deliberately done by gathering while enjoying coffee. Our outlets are a place to gather and meet friends and family. Our customers enjoy quality service, a comfortable atmosphere, and extraordinary drinks at our outlets and Starbucks Reserve® located in 9 cities in Indonesia: Bali, Bandung, Bogor, Depok, Jakarta, Medan, Surabaya, Tangerang and Yogyakarta. PT Sari Coffee Indonesia is also the only company that has an exclusive license to establish and operate Starbucks in Indonesia and now has a Starbucks Coffee Indonesia Network that has grown to more than 500 outlets in 59 major cities in Indonesia.

Starbucks has always believed in serving the best coffee. Our goal is for all of our coffee to be grown to the highest quality standards, based on ethical sourcing practices. Our coffee buyers personally travel to coffee farms in Latin America, Africa, and Asia to select the highest quality Arabica beans. And our master roasters bring out the balance and richness of the Starbucks® Roast coffee beans. We also offer a selection of premium teas, delicious pastries, and other delicious treats to please your palate. And the music you hear in stores is chosen for its art and appeal. It’s not uncommon to see people coming into Starbucks to chat, meet, or even work. We’re a neighborhood gathering place, a part of our daily routine — and we’re excited about it.

Starbucks strives to deliver an extraordinary heritage and experience in every cup. In Indonesia, all food and beverages sold in our stores have gone through the Halal certification process by the Halal Product Guarantee Agency (BPJPH) with Certificate Number ID00410007748310723.

Starbucks has a mission: to inspire and nurture the human spirit — one person, one cup, and one neighborhood at a time. While Starbucks values ​​are: Creating a culture of warmth and belonging, where everyone is welcome; Acting with courage, challenging the status quo, and finding new ways to grow the company and each other; Being present, connecting with transparency, dignity, and respect; Giving our best in all we do, holding ourselves accountable for the results achieved.

Competition in the culinary business, especially coffee shops, is very competitive among brands that are already familiar to consumers, both global and local brands that are now emerging.

Table 1 Coffee shop business competition

|  |  |  |
| --- | --- | --- |
| No. | Name Description | Information |
| 1 | Starbucks Coffee | Foreign brand |
| 2 | The Coffee Bean & Tea Leaf | Foreign brand |
| 3 | Dunkin’ Donuts | Foreign brand |
| 4 | Excelso | Foreign brand |
| 5 | McCafé | subsidiary of McDonald’s (Foreign brand) |
| 6 | Kopi Kenangan | Local brand |
| 7 | Janji Jiwa | Local brand |

Source: survey results, 2024



Figure 1

Source: Statistical Data, 2023

Number of coffee shop outlets in Indonesia between August 2019 and April 2020, by brand

Based on the data in table 1 and figure 1. there is a foreign coffee brand that has the second most stores in Indonesia, namely Starbucks Coffee. Starbucks is a global coffee shop from the United States and is the largest coffee shop company in the world. Starbucks offers various types of coffee such as black coffee, cappuccino, frapuccino and various other snacks that can be enjoyed with coffee. Starbucks Coffee has become one of the famous coffee shop brands that has many competitors that produce the same results, namely coffee as its main brand. Some of Starbucks Coffee's competitors are Maxx Coffee, The Coffee Bean & Tea Leaf, Excelso, and others.

Table 2 Starbucks outlets in Surabaya city

|  |  |
| --- | --- |
| Number | Shop/Outlet Location |
| 1 | Starbucks Gubeng, Gubeng Main Road No. 33, Gubeng District, Surabaya |
| 2 | Starbucks Plaza Surabaya, Embong Kaliasin, Genteng District, Surabaya |
| 3 | Starbucks Manyar Kertoarjo, Jalan Raya Manyar Kertoarjo No. 33 A, Mojo, Gubeng District, Surabaya |
| 4 | Starbucks Tunjungan Plaza, TP 3, TP 4, TP 5, TP 6 Tunjungan Plaza Mall, Embong Kaliasin, Surabaya |
| 5 | Starbucks Grand City, Jalan Walikota Mustadjab No. 1, Ketabang, Genteng District, Surabaya |
| 6 | Starbucks Ngagel, Jalan Ngagel Jaya Selatan No. 153 Baratajaya, District Gubeng, Surabaya |
| 7 | Starbucks East Jemursari, East Jemursari II Street, Jemur Wonosari, Wonocolo District, Surabaya |
| 8 | Starbucks Villa Taman Telaga, Niaga Gapura Road, Lidah Kulon, Lakarsantri District, Surabaya |
| 9 | Starbucks Ciputra World, Mayjen Sungkono Street No. 87, Gunung Sari, Dukuh Pakis District, Surabaya |
| 10 | Starbucks BG Junction, BG Junction Mall, Bubutan Street, Surabaya |
| 11 | Starbucks Merr, Dr. Ir. H. Soekarno Street, Kedungbaruk, Rungkut District, Surabaya |
| 12 | Starbucks Pakuwon Mall, Ground Floor, Mayjend Jonosewojo Street, No. 2, Babatan, Wiyung District, Surabaya |
| 13 | Starbucks Pakuwon Mall 1, Level G, East Coast Center, Laguna Highway, White Water Pond, Mulyorejo, Surabaya |
| 14 | Starbucks Pakuwon Mall 2. Shophouse PATOS NO FR 1 Pakuwon City Sukolilo, White Kejawan Tambak, Mulyorejo, Surabaya |
| 15 | Starbucks Reserve Galaxy Mall 3, Dharmahusada Indah Timur Street No. 35-37, Mulyorejo, Mulyorejo District, Surabaya |
| 16 | Starbucks Graha Pena, Ahmad Yani Street No. 88, Ketintang, Gayungan District, Surabaya |
| 17 | Starbucks National Hospital, Jalan Boulevard Famili Selatan Kav 1, Ground Floor National Graha Hospital, Babatan, Wiyung District, Surabaya |
| 18 | Starbucks Royal Residence, Jalan Menganti No. 479, Babatan, Wiyung District, Surabaya |
| 19 | Starbucks Kenjeran, Kalijudan, Mulyorejo District, Surabaya |
| 20 | Starbucks Lenmarc Mall, Level G, Olen Marc Mayjend Yono Suwoyo Street, No. 9 Pradahkalikendal, Dukuh Pakis District, Surabaya |
| 21 | Starbucks The Square Apartment, The Square Apartment, LG Floor, Siwalankerto Street, No. 140-148, Siwalankerto, Wonocolo District, Surabaya |
| 22 | Starbucks Coffee Juanda Airport Terminal 1, Ir H. Juanda Highway, Segoro Tambak, Sedati District, Sidoarjo |

Source: Researcher survey results, 2024

Currently, many coffee shops offer various types of menus and variations of coffee, besides that there are many cafes both in big and small cities, but Starbucks is able to survive with its distinctive and unique quality, currently there are 22 outlets spread throughout the city of Surabaya, this is because Starbucks has a very strong brand image among cafe fans who specifically offer coffee products and various other menus. With the increasing number of outlets opened, it shows that Starbucks has a very strong desire to emphasize and maintain its brand image amidst the competition of coffee shop businesses, both foreign and local in the city of Surabaya.

Each consumer has different opinions and perceptions in making purchasing decisions for a particular product or service that they want to consume, including the Influence of Digital Marketing, Word Of Mouth, service quality, Location, Promotion and Price Perception, Customer Relationship Management and Customer Experience, brand image, product innovation and others. The purchasing decision process according to Engel et al (1995: 141) starts from recognizing needs, searching for information, and evaluating alternatives. Where someone in determining alternative evaluations will form a belief that will result in a positive attitude in forming purchasing intentions. Purchase intentions will shape attitudes and decide on purchases. According to Kotler and Armstrong (2019), the purchasing decision is to buy the most preferred brand, but two factors can be between purchasing intentions and purchasing decisions. By knowing the product information or product brand and conducting an evaluation so that it can solve problems and lead to purchasing decisions.

One way to encourage consumer purchasing decisions for their products, manufacturers are required to create superior products, one of which is through the creation of attractive product innovations, in order to be able to satisfy consumer tastes. Companies are required to innovate in producing a product in order to produce greater customer value (Kolter and Keller, 2009:4). According to research by Romdonah et al. (2013), there is a positive influence of product innovation variables on purchasing decisions. This means that if the product offered is better, the purchasing decision will increase.

In addition to product innovation, one of the company's strategies for building a strong brand in the minds of consumers is through brand equity. According to Setiadi (2003:110), brand image is related to attitudes in the form of beliefs and preferences for a brand. Consumers with a positive image of a brand are likely to make purchases. This is supported by research by Kiswalini and Nurcahya (2014), brand image has a positive effect on motorcycle purchasing decisions. If the product image is good, consumers will make purchases of the product.

Image is how others see your company, person, committee, or activity. Every company has as many images as people see it. Image itself is one of the most important assets of a company or organization. Before an image is created, people have an opinion about the reality they experience. Public opinion is influenced by various reference materials.

The stronger the brand image in the minds of consumers, the stronger the consumer's confidence to remain loyal or faithful to the products they buy, so that this can lead a company to continue to make a profit over time. Competition is increasing among brands operating in the market, only products that have a strong brand image are able to compete and dominate the market.

Based on the description of the background of the problem above, the formulation of the problem in this study is:

1. Do brand image and product innovation partially influence purchasing decisions at Starbucks Coffee Shops in Surabaya?
2. Do brand image and product innovation simultaneously influence purchasing decisions at Starbucks Coffee Shops in Surabaya?

A. Literature Review

Supranto and Limakrisma (2011: 25) state that brand image is what consumers think and feel when they hear or see a brand and what consumers learn about the brand. Thus, it can be concluded that a brand image is a set of brand associations that consumers can feel and think about that are created and maintained by marketers to form in the minds of consumers.

Then according to Kotler and Keller (2009: 403) brand image is a number of beliefs, ideas, and impressions that a person holds about an object. Meanwhile, brand image is the perception and belief held by consumers, as reflected in the associations embedded in consumers' memories.

According to Tjiptono (2008), what is meant by brand image is a description of the association and consumer confidence in a particular brand. There are several indicators used to measure Brand Image according to Ratri (2007), that is:

1. Product attributes, are things related to the brand itself, such as packaging, taste, price, and so on.
2. consumer benefits, is the use of products from that brand.
3. Brand personality, is an association regarding the personality of a brand if the brand is a human.

Meanwhile, according to Trott (2008) innovation is management regarding all activities including the process of idea formation, technology development, manufacturing and marketing processes for the existence of new and developed products. Thus, it can be said that innovation is a change made by a company, both in terms of development and creation of something new, where these changes can be accepted by the market and have a positive impact on the company's development. Product innovation is a consumer perception that views a product or service as a new variant. Product innovation in this study refers to the opinion (Nanang Wahyudin, 2015) that is:

1. Line expansion is the use of strategies to expand the market share of the product's sales.
2. New products, products that are traded, have fresh or new conditions so that they attract consumers.

According to Setiadi (2010), buying behavior implies that individual activities are directly involved in exchanging money for goods and services and in the decision-making process that determines these activities. A consumer's decision to buy a product always involves physical activity (in the form of direct consumer activity through the stages of the purchase decision-making process) and mental activity (when consumers judge the product according to certain criteria set by individuals).

According to Kotler and Armstrong (2019), the purchasing decision is to buy the most preferred brand, but two factors can be between the purchase intention and the purchase decision. By knowing the product information or the product brand and conducting an evaluation so that it can solve the problem and lead to a purchasing decision.

Purchasing decisions taken by buyers are actually a collection of a number of organized decisions. According to Sumarni (2005) every purchase decision has a structure of seven components. These components include :

1. Decisions about product types
2. Decisions about product form
3. Decisions about brands
4. Decisions about sales
5. Decisions about the number of products
6. Decisions about when to buy
7. Decisions about how to pay

B. Conceptual Framework

Purchasing Decision

(Y)

Brand Image   
(X1)

Product Innovation

(X2)

Figure 2 Conceptual Framework of Research.

II. METHODS

This type of research is quantitative research. The researcher took a sample of 104 consumers at Starbucks coffee outlets in 22 coffee shops in Surabaya City. The type of sample used was simple random sampling by distributing questionnaires to anyone who happened to come and the author met when distributing questionnaires at the 22 coffee shops. Data collection techniques in this study used interviews, questionnaires, and observations by meeting any consumers who came and the author met when the author distributed questionnaires at 22 Starbucks coffee outlets in Surabaya City (accidental sampling). The data in this study were processed using the Statistical Package for Social Science (SPSS) 18.0 for Windows program. Data analysis in this study used multiple linear regression analysis.

Researcher used a partial test (T test) and simultaneous test (F test) to test the hypothesis in this study. The hypothesis formulation for the partial test (t statistical test) in this study is as follows:

1. Ho = independent variable (X) partially has no significant effect on the dependent variable (Y).
2. Ha = independent variable (X) partially has a significant effect on dependent variable (Y).

The hypothesis formulation for the simultaneous test (f statistical test) in this study is as follows:

1. Ho = independent variable (x) simultaneously has no significant effect on the dependent variable (y).
2. Ha = independent variable (x) simultaneously has a significant effect on the dependent variable (y).

The basis for making a decision with a significant level of 0.05 is as follows:

1. If the sig value> 0.05, the decision Ho is accepted and Ha is rejected, it means that the independent variable (x) simultaneously has no significant effect on variable (y).
2. If the sig value <0.05, the decision Ho is rejected and Ha is accepted, it means that the independent variable (x) simultaneously has a significant effect on the dependent variable (y).

III. RESULTS AND DISCUSSION

The data in this study were obtained from the results of distributing questionnaires to 104 Starbucks Coffee consumers in 22 coffee shops in Surabaya. Based on the results of respondents' answers in the distributed questionnaire, the respondent data can be described based on gender, age, last education, occupation, income rank, and estimated respondent purchases as follows:

Table 3 Characteristics Based on the Gender of Respondents

| Gender | | | | | |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Women | 34 | 32,7 | 32,7 | 32,7 |
| Men | 70 | 67,3 | 67,3 | 100,0 |
| Total | 104 | 100,0 | 100,0 |  |

From the table above it can be seen that most of the respondents that is 34 respondents or 32.7% are men, and 70 respondents or 67.3% are women.

Table 4 Characteristics Based on Age of Respondents

| Age Group | | | | | |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | 17-20 Years Old | 3 | 2,9 | 2,9 | 2,9 |
| 21-25 Years Old | 57 | 54,8 | 54,8 | 57,7 |
| 26-30 Years Old | 37 | 35,6 | 35,6 | 93,3 |
| 31-40 Years Old | 7 | 6,7 | 6,7 | 100,0 |
| Total | 104 | 100,0 | 100,0 |  |

From the table above it can be seen that most of the respondents, that is 3 respondents or 2.9% aged 17-20 years, 57 respondents or 54.8% aged 21-25 years, 37 respondents or 35.6% aged 26-30 years, 7 respondents or 6.7% aged 31-40 years.

Table 5 Characteristics Based on Respondents' Last Education

| Last Education | | | | | |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | High school | 42 | 40,4 | 40,4 | 40,4 |
| Bachelor | 57 | 54,8 | 54,8 | 95,2 |
| Postgraduate | 5 | 4,8 | 4,8 | 100,0 |
| Total | 104 | 100,0 | 100,0 |  |

From the table above it can be seen that most of the respondents, that is 42 respondents or 40.4% were high school students, 57 respondents or 54.8% were bachelor, 5 respondents or 4.8% were postgraduate.

Table 6 Characteristics Based on Occupation of Respondents

| Occupation | | | | | |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Students | 25 | 24,0 | 24,0 | 24,0 |
| Government employees | 10 | 9,6 | 9,6 | 33,7 |
| Private employees | 55 | 52,9 | 52,9 | 86,5 |
| Housewife | 14 | 13,5 | 13,5 | 100,0 |
| Total | 104 | 100,0 | 100,0 |  |

From the table above it can be seen that most of the respondents, that is 25 respondents or 24.0% are students, 10 respondents or 9.6% are Government employees, 55 respondents or 52.9% are private employees, 14 respondents or 13, 5% Housewives

Table 7 Characteristics Based on Respondents' Income Level

| Income Level | | | | | |
| --- | --- | --- | --- | --- | --- |
|  | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | 1 – 2 Million | 17 | 16,3 | 16,3 | 16,3 |
| 2 – 4 Million | 54 | 51,9 | 51,9 | 68,3 |
| 4 – 6 Million | 33 | 31,7 | 31,7 | 100,0 |
| Total | 104 | 100,0 | 100,0 |  |

From the table above, it can be seen that most of the respondents, that is 17 respondents or 16.3%, are 1 million – 2 million, 54 respondents or 51.9% are 2 million – 4 million, 33 respondents or 31.7% are 4 million – 6 million.

1. T Test (Partial) and F Test (simultaneous)

T test is to test how the influence of each independent variable on the dependent variable.

Table 8 T Test (Partial)

| Coefficientsa | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Correlations | | | Collinearity Statistics | |
| B | Std. Error | Beta | Zero-order | Partial | Part | Tolerance | VIF |
| 1 | (Constant) | -,250 | ,324 |  | -,771 | ,443 |  |  |  |  |  |
| Brand Image | ,692 | ,088 | ,615 | 7,883 | ,000 | ,821 | ,617 | ,421 | ,469 | 2,130 |
| Product Innovation | ,362 | ,100 | ,283 | 3,635 | ,000 | ,731 | ,340 | ,194 | ,469 | 2,130 |
| a. Dependent Variable: Purchasing Decision | | | | | | | | | | | |

1. Based on the SPSs output above, the significance value of brand image is 0.000 <0.05, it means that brand image has a significant effect on purchasing decisions.

The significance value of product innovation as large as 0.000 <0.05 means that product innovation has a significant effect.

1. The 5% (0.025) significance level of testing includes two-way testing

Formula: df = n-k where n = many observations K = many variables (free and dependent) Df = 104-2 = 102

From these results with a significance level of 5%, the ttable value is 1.98350

From the output of the SPSs above, it is known that the tcount of brand image is 7.883> 1.98350, meaning that there is a significant influence between brand image and purchasing decisions.

This shows how strong the influence of brand image is on consumer purchasing decisions on Starbucks coffee so far. Starbucks offers a concept to customers by changing the experience of drinking coffee and then combining it with various types of quality coffee. Starbucks focuses on its commitment to presenting creative products based on superior coffee and the food served is suitable to support its coffee drink products such as pastries, cakes and others. Starbucks is successful because it always thinks about the customer experience. They provide the best quality products for customers, coupled with high-quality service. Their outlets are also known to be friendly and comfortable to visit.

Through their deep understanding of coffee and tea, Starbucks realizes the importance of customer experience. This has a huge impact on customer loyalty and the coffee experience they get. They use various strategies to make customers feel emotionally close. This helps increase their satisfaction and loyalty.

Starbucks focuses on creating an unforgettable customer experience. They pay attention to several important things. This shows Starbucks' commitment that consumers no longer come to Starbucks just to drink coffee, because Starbucks not only sells products but also offers an experience. The experiences offered include consumers who come to Starbucks not only for the needs of eating and drinking, but to socialize with friends and family, the atmosphere of the shop is made as comfortable as possible plus music is played to increase consumer appeal, and internet access (Wi-Fi) is provided. Innovations made by Syarbucks coffee include: High quality and consistent coffee products are the main priority, Friendly and trained baristas provide excellent service consistently. Comfortable and modern outlets help create a memorable experience, Unique menu and merchandise brands attract customers, Loyalty program, Starbucks Rewards, provides convenience and benefits for customers.

In this way, Starbucks has managed to close the gap between the brand and its customers. Satisfied and loyal customers will promote Starbucks. This helps the company in increasing their brand awareness and market share. Starbucks strives to create pleasant memories for every customer who comes to Starbucks. An exceptional customer experience is the key to building long-term loyalty.

From the output of the SSPS above, it is known that the value of product innovation t count is 3,635> t table 1,98350, meaning that there is a significant influence between product innovation on purchasing decisions. The Product Innovation variable (X2) has a partial effect on Purchasing Decisions, the calculated t value is 3.635 > t table 1.98350 with a significance of 0.000 < 0.05, which means that Product Innovation has a significant effect on Purchasing Decisions for Starbucks Coffee in Surabaya.Innovation is a cornerstone of Starbucks’ marketing strategy. The company continuously introduces new and exciting products to keep its menu fresh and appealing. From seasonal favorites like the Pumpkin Spice Latte to innovative beverages like the Nitro Cold Brew, Starbucks is always pushing the boundaries of what a coffeehouse can offer. Starbucks’ product innovation extends beyond beverages. The company has expanded its food menu to include a wide range of items, from breakfast sandwiches to protein boxes, catering to the diverse tastes and dietary needs of its customers. This commitment to innovation ensures that there is always something new for customers to try, keeping them coming back for more.

The F test is used to determine whether the independent variables simultaneously have a significant effect on the dependent variable. The degree of confidence used is 0.05. If the calculated F value is greater than the F value according to the table, then the alternative hypothesis, which states that all independent variables simultaneously have a significant effect on the dependent variable.

Table 9 F TEST (Simultaneous)

| ANOVAb | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 45,537 | 2 | 22,769 | 124,721 | ,000a |
| Residual | 18,438 | 101 | ,183 |  |  |
| Total | 63,975 | 103 |  |  |  |
| a. Predictors: (Constant), Product Innovation | | | | | | |
| b. Dependent Variable: Purchasing Decision | | | | | | |

1. Based on the SPSs output above a significance value of 0.000 <0.05 means that simultaneously the perception of brand image and product innovation on purchasing decisions
2. Comparing the magnitude of the number F count with the formula F table:

From these results, with a significance level of 5%, the F table value is 3.93

From the output of the above spss, it is known that the value of F count is 124.721 > from F table 3.93, it means that brand image and product innovation simultaneously affect purchasing decisions.

Thus it can be said that the second hypothesis which states that "brand image and product innovation simultaneously influence purchasing decisions" is proven empirically true.

The variables of Brand Image (X1) and Product Innovation (X2) simultaneously influence the decision to purchase Starbucks coffee in Surabaya, which is indicated by the large value of f count = 124.721 > from f table 3.09 with a significance of 0.000 < 0.05 which means it has a significant effect on the Decision to Purchase Starbucks Coffee in Surabaya. This shows that the combination of the brand image owned by Starbucks coffee and the product innovation carried out so far is a marketing strategy within the framework to maintain competition in the coffee shop business which is competing tightly with the emergence of new competitors from both foreign and local brands entering the market, so that the sustainability and sustainability of the Starbucks coffee business will be able to run in the long term.

A. Managerial Implications

Based on the results of the Regression analysis, brand image and product innovation have a significant influence on coffee purchasing decisions at Starbucks coffee shops in Surabaya. The managerial implications that can be proposed are as follows: There are many benefits obtained by Starbucks coffee from the brand image it has carried so far in the coffee business. The higher the benefits felt by consumers from the Starbucks coffee brand image, the higher the consumer's purchasing decision in consuming Starbucks coffee

The proposed managerial implication is to ensure that Starbucks coffee continues to increase product and service variations through product innovation that is carried out continuously with the aim of always being able to survive in the increasingly competitive situation of the coffee shop business which is increasingly rampant and developing in the city of Surabaya.

IV. CONCLUSION

This study shows that brand image and product innovation in Starbucks coffee affect consumer purchasing decisions. The brand image variable (X1) has a partial effect on purchasing decisions, the t-value is 7.883> t-table 1.98350 with a significance of 0.000 <0.05, which means that brand image has a significant effect on purchasing decisions at Starbucks Coffee shops in Surabaya. And the product innovation variable (X2) has a partial effect on purchasing decisions, the t-value is 3.635> t-table 1.98350 with a significance of 0.000 <0.05, which means that product innovation has a significant effect on purchasing decisions at Starbucks Coffee shops in Surabaya.

The dominant factor that influences consumer purchasing decisions at Starbucks coffee is brand image. It can be said that Starbucks coffee has indeed had a positive and good image among coffee lovers, so it is not wrong if consumers choose the Starbucks coffee brand when consuming coffee compared to other brands, both foreign and local brands that are very competitive in the coffee shop business in the city of Surabaya. The decision to purchase Starbucks coffee is based on the experience that consumers get when they consume coffee at Starbucks outlets and the comfortable atmosphere of the outlet for consumers to enjoy coffee.

A. Recommendation

This study or research provides a simple model that can be used by business people in any coffee shop business (both foreign and local) who want to do business and improve their marketing strategies to attract consumers or customers from various groups who are truly coffee lovers. Because the variables that influence consumer purchasing decisions can be better understood, and coffee shop owners can provide information in such a way that it can encourage consumers to consider their purchasing decisions.

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