

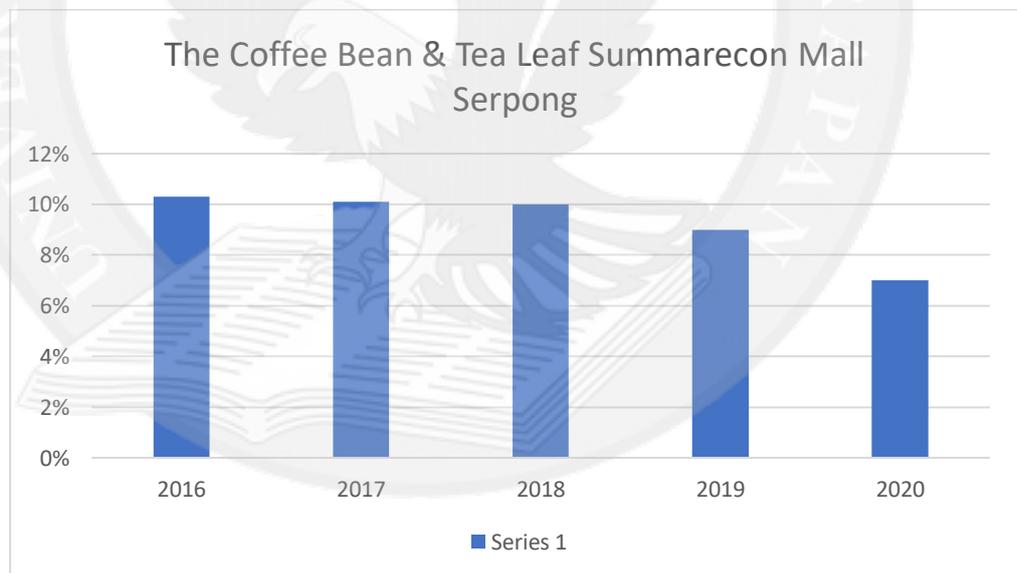
CHAPTER I

INTRODUCTION

A. Research Background

Currently, the food and beverage industry are experiencing rapid expansion in numerous parts of the world and will continue to do so. Many stores sell a variety of food and beverages in different forms (Nonto, 2006) as quoted in (Mandasari & Adithama, 2011). The beverage industry in Indonesia has grown rapidly in recent times, as quoted from Kompas, 2019 (kompas.com, 2018).

Figure 1
Sales of The Coffee Bean & Tea Leaf Summarecon Mall Serpong



Source: The Coffee Bean & Tea Leaf, 2021

Based on the information presented above (Figure 1) it is clear that there is a decline in sales from 2016 to 2020 in The Coffee Bean & Tea Leaf Summarecon Mall Serpong. Although The Coffee Bean has been around in

Indonesia since 2001, the researcher found a decline in 2016 to 2020. In 2017 the reduction by 0.2% from 2016, In 2018 the reduction by 0.1% from 2017, in 2019 the reduction by 1% from 2018 and in 2020 the reduction by 2% from 2019. This phenomenon triggered the researcher to examine the impact of the decline in sales.

The Coffee Bean & Tea Leaf is a coffee shop that has been around for a long time in Indonesia. The Coffee Bean & Tea Leaf is managed by PT. Trans Coffee, a group of Trans Corp. Trans Corp is Indonesia's largest conglomerate, with operations in a variety of consumer industries such as media, entertainment, fashion, retail, food, and beverages. The Coffee Bean & Tea Leaf, founded in 1963, has expanded not only domestically, but also internationally, with over 400 locations worldwide. The Original Ice Blended as their signature beverage was created in 1989, hundreds of imitators have sprung up since then, each attempting to produce a drink that is identical to their coffee-based ice blended drinks.

Most consumers choose a brand that is well-known in the market rather than a brand that is left behind in the market. According to Supriyadi and Wiyani, (2017) brand is a promise from the seller to the consumer to provide benefits and services by providing quality assurance by using the best brand. Other factors that influence a customer's purchase intention include product quality and product price. According to Tse, Sin and Yim (2002) Consumers associate a high degree of crowdedness with a positive reputation, high food quality, and a low price, both of which attract customers to the restaurant.

A consumer's impression of a product's price has a significant impact on his or her choice to buy it. The consumers' perception of price explains information about a product and gives it a meaningful significance (Kotler and Keller, 2016). According to research conducted by Komaladewi and Indika (2017), the majority of respondents perceive price to be a significant influence in their purchasing decisions. Moreover, noted that one thing that aids in improving brand image is price (Buehler and Halbherr, 2017). Related to the decline in The Coffee Bean & Tea Leaf sales, this phenomenon triggers the interest of authors to research about consumer's purchase intention towards The Coffee Bean & Tea Leaf because it refers to a customer's attitude toward a particular buying behaviour as well as the willingness of the buyer to pay, this is basically a signal of consumer buying habits (Wu, et al. 2011).

Espresso Blend is one of their best beans, made from a blend of five of the world's finest coffee beans: Brazil, Colombia, Sumatra, Papua, and Costa Rica. Start from harvesting, blending, roasting, standardization, and grinding processes to the cups they serve their customers, these coffee beans are carefully nurtured. (coffeebean.co.id, 2021). The Coffee Bean & Tea Leaf also has produced a range of tea and fruit-based Ice Blended Drinks with the inclusion of Exclusive Ice Blended Vanilla Powder, which takes their flavor to the next level. Other menus such as Brek O' Day, Long John Gyu Teriyaki, New York Sausage Roll Pastry, and Chicago Cheese Cake, as well as other options of Cookies that you can share with your friends, are some of your best companions at The Coffee Bean & Tea Leaf

(coffeebean.co.id, 2021). They claim that all of their menus are made using the highest quality ingredients and a centralized manufacturing center, ensuring that all of your favorite items have the same flavor and quality in all of their locations.

The Coffee Bean & Tea Leaf was chosen by the researcher because it is one of Indonesia's most well-known coffee shops that have long existed in Indonesia, also The Coffee Bean & Tea Leaf is in the top three of Top Brand Awards in the category retail with coffee cafe from 2017 to 2021. The assessment of Top Brand Award is based on the results of research on Indonesian consumer. The reason the author chose the coffee bean & tea leaf branch in Serpong is because this research requires respondents for questionnaires with the category of convenience sampling, who have visited The Coffee Bean & Tea Leaf Summarecon Mall Serpong, therefore the research chooses the Serpong branch because the research knows many people and familiar around the area.

B. Previous Result

The purpose of this seminar is to Presenting the research result of The Impact of Brands Name, Product Quality and Product Price to Consumer's Purchase Intention at The Coffee Bean and Tea Leaf Summarecon Mall Serpong.

C. Benefit of Seminar Result

The Benefit of this seminar is being a source of information and reference for other researchers, so as to facilitate the development of materials or for another researcher who wants

to research similar variables in the future. it also input for The Coffee Bean & Tea Leaf Summarecon Mall Serpong marketing in order to come out with a new marketing strategy in the future.

D. Research Description

From the results of the research based on The Coffee Bean & Tea Leaf Summarecon Mall Serpong that has been done, the significant value of the variables brand name, product quality, and product price each has a significance value of 0.000. So, it can be stated that there is a positive relationship between brand's name, product quality, and product price on consumer's purchase intention.

The multiple linear regression analysis shows that the coefficient regression of the brand name The Coffee Bean & Tea Leaf variable (X1) is 0.183, based on the t test, it can be seen that the effect of brand's name on consumer's purchase intention has a significance value of 0.000 and a value of t_{count} 12.761. Thus, as a result H1 is accepted, It can be concluded that the more easy for customers to remember The Coffee Bean & Tea Leaf brand the higher the consumer's purchase intention.

The multiple linear regression analysis shows that the coefficient regression of the product quality The Coffee Bean & Tea Leaf variable (X2) is 0.398, based on the t test, it can be seen that the effect of product quality on consumer's purchase intention has a significance value of 0.000 and a value of t_{count}

13.948. Thus, as a result H2 is accepted, It can be concluded that the higher the product quality, the higher the consumer's purchase intention.

The multiple linear regression analysis shows that the coefficient regression of the product price The Coffee Bean & Tea Leaf variable (X3) is 0.232, based on the t test, it can be seen that the effect of product price on consumer's purchase intention has a significance value of 0.000 and a value of t_{count} 11.525. Thus, as a result H3 is accepted, It can be concluded that product price of The Coffee Bean & Tea Leaf can compete with similar businesses that increase consumer purchase intentions.

Based on the results of the F test, it can be seen that the effect of brand's name, product quality, and product price on consumer's purchase intention has a significance value of 0.000 and the F_{count} 98.913. Thus, it can be concluded that there is a simultaneous influence between brand name, product quality, and product price on consumers' purchase intention. The results of the determination coefficient test, the R^2 value was 0.540 or 54%. This means that the effect of the independent variables, namely brand's name, product quality, and product price on consumer's purchase intention is 54%. Meanwhile, the remaining 46% is influenced by other variables that are not explained in this study.

E. Personnel

Our advisor Vasco Adato H. Goeltom, S.ST.Par., M.M, has guided us from the beginning of the research to the end of the research. Also, all 257 respondents who has answered to our questionnaire via google forms that we've shared.

