

# CHAPTER I

## INTRODUCTION

### 1.1. Background of Study

The growth of economics in some sectors such as hospitality industry has gone up rapidly as people can learn about management of food and beverages, financial and good way of communication as the first step to start a business. Starting hotels and cafés as business must be hard because they have to be ready to manage any situation that might happen in the future. Even so, there are still many entrepreneurs that are willing to take this challenge and mostly have succeed in this industry.

By having a large of number of people who want to start a business, there are tons of cafés that are opened for some period of time or newly-opened and have made competition in attracting the customers to come and visit the café. Before opening a café, the owner of the café should be ready for some things which are the beautifully-designed café and employees that have been trained very well to serve the customers.

Nowadays, people like to go to the café that have a good design with a spot for them to take pictures where they can post to the social media to let people know about the café or a good plating of food and beverages for the food bloggers to take picture. This might has given good effect to the café because by the social media, more people will know about the café.

Some of the reasons why people love to go to café are because they can hang out for a long time with their friends, ordering a cup of coffee as companion for doing works, or relaxing with family members on weekend. By these reasons, it can help the café to run well even though not all of the café will have all the crowds every single day. However, this might be disadvantages for some cafés that are not really popular because the name of the café is not familiar to the customers or the service in that café does not satisfy the customers and they do not return anymore.

When people are familiar to a name of brand for example a café, mostly they will try to visit the brand at least once, but when they are not familiar, they will doubt to go and try. When the café first opened, for sure people will doubt and will try to ask the people who know or ever visit the café. The first people who will introduce the café will be people who are related to the owner and the employees of the café and they will try to promote it slowly until it becomes well known in the public.

According to Gunawan Bata Ilyas et. al (2020), from a brand or image, customers can differentiate on the diversity between one seller to another. The uniqueness of each brand and symbol can help people to recognize the brand easily and it becomes the core of their way of recognizing the brand whenever they saw the brand's image or hear the brand's name. For example, Twitter which is one of the most used platforms nowadays, where it uses the image of a white bird with the background of blue. Whenever people heard the name of Twitter,

they unintentionally think of the logo which indicates the white bird and blue background.

In every brand, they have to show the uniqueness of their products so that the customers will be attracted to purchase from the brand. The uniqueness will also help the customers to be able to choose between some options and will choose the one that might be the most attractive. As customers might choose other competitor's products, the brand can improve on the things that are less attractive and invent new thing that have the same quality and usage as the product but not by copying what another brand has or do.

Other than improving the products, the brand can set a more affordable price rather than setting a very high price on one product. Improving products and setting an affordable price might help, but the brand still needs to some more things to help their store run well which are training the employees to serve every customer their best and limiting any possible problems that might occur in the future.

In the brand awareness itself, there are some indicators that can be used which are top of mind, recall, recognition and unaware. To boost the awareness of the brand in the society, the stores can also try another way of advertising their products where there are many platforms that they can use to increase their sales. Marketing is one of the ways where it can be improved more so that more people will recognize the brand and the products they are selling.

Even though there are many competitors that each brand will compete with where actually some of them are competing indirectly just because they are

selling the same products. This is the time where each brand needs to take action of modifying and improving their products, services and marketing to let more people recognize their brand.

Another problem that each brand might face is that not every people in the society will recognize their brand publicly. People mostly will recognize the common brand and more popular brand where they can just look at the image of the brand and can think of the brand's name directly. For some unpopular brand, rather than doing nothing and waiting for customers to come and purchase, they have to think of a new strategy and compete fairly against their competitors.

Kosu, which is located in Jalan Perdana No.2, Medan, had been operating since 2018 and it serves different variants of drinks starts from the coffee and non-coffee drinks. The name of Kosu itself has some meanings which are KOpi SUsu (coffee with milk), KOpi Semua Umur (coffee for every age) and "kosu" for Asian people which means that telling story. The aim of these names is serving their signature coffee with milk to the customers are made for people in every age and gender and the customers can enjoy them while hanging out with friends or family and tells story at the same time.

Kosu was first introduced from Instagram where it was the most used platform for people nowadays and also Grab and Gojek where they were the platform where customers can order the beverages online. According to the owner of Kosu, he stated that three of the platforms are very effective to promote the name of Kosu to the public. There are also some most favorite beverages that the customers purchase from time to time, such as Kosu (Kopi Susu), Kolo (Kopi

Milo), Tesu (Teh Susu), Regal Ori, Tropical Tea and some of beverages are seasonal.



**Figure 1.1 Profile of Kosu Medan**  
Source: Kosu.id's Instagram Page

The owner of Kosu stated that Kosu does not only about selling coffee but it was also about the community and support local heroes which means that it often conducts events that help to support the local brands or local celebrities. As for some information about Kosu, it was stated in the internet where people can find and read the article that describes what Kosu is about.



**Figure 1.2 Internet search of Kosu**  
Source: Google



**Figure 1.3 Article posted by Otten Coffee about Kosu**  
Source: Internet Search of Kosu

From the article Otten Magazine (2019), Kosu's location is in Jalan Perdana which is in the old buildings in Kesawan but this helps Kosu to create a very good ambience and atmosphere in their shop. They are using the unarranged bricks in the wall and big glasses where the sunlight can go through the store but still in the cozy atmosphere. They also use the stools and tables from wood which make it look modern and a bar where they put the coffee machines which make it look so nice to sit around.

Kosu has prepared the best place for people to hang out, makes customers comfortable when they are doing their works or simply just relaxing. However, there are a lot of other cafés or coffeeshop that have opened and has become the competitors indirectly. From this research itself, the writer has chosen Kosu because it qualifies the scope of the research that the writer is conducting so the writer will find out how well Kosu is known in the society and how the brand can influence the customers to purchase from the brand.



Reasons why Kosu is chosen in this research are the name “Kosu” which has a unique meaning from its brand name and there are crowds visiting Kosu to enjoy the beverages that Kosu serves.



**Figure 1.4 Crowds visiting Kosu**  
Source: Google review

By Figure 1.4, it can be seen that Kosu is being visited by crowds but there is still unanswered question on how well-known Kosu and often visited by people in the society. For that reason, the writer wants to figure out on the recognition of Kosu in the society by using the title of **“The Influence of Brand Awareness toward Customer Purchase Decision at Kosu”**.

## **1.2. Problem Limitation**

In this topic, the writer has limited the research where the writer will be taking the awareness of the customers to the brand as the independent variable and customer purchase decision as the dependent variable. This research will be using the questionnaire that are going to be given randomly online with the indicator of top of mind, recognition and unaware and will be implemented at Kosu which is located in Jalan Perdana No.2, Medan and it is the main branch of Kosu.

## **1.3. Research Formulation**

As the guidance to complete this research, the writer will be using the questions below:

1. What does Kosu need to do to improve their brand awareness in the society?
2. How is the influence of the customer purchase decision at Kosu?
3. Does brand awareness have influence toward customer purchase decision at Kosu?

## **1.4. Objective of Research**

In the end of the research, the writer is expected to find the objectives such as:

1. To identify the influence of brand awareness at Kosu
2. To explain the influence of customer purchase decision at Kosu



3. To examine the influence of brand awareness toward customer purchase decision at Kosu

### **1.5. Benefit of Research**

In conducting this research, the writer aims to provide knowledge based on the brand awareness that influence the customers purchase decision.

#### **1.5.1. Theoretical Benefit**

From this research, other writers can use the existing information of the knowledge of the influence of the brand awareness which can affect the customers purchase decision, gathering up the information and improve them for more complete knowledge in the future.

#### **1.5.2. Practical Benefit**

By having this research, Kosu can use this opportunity to know on how their brand have been recognize in the public and will help them to know what is lack on their marketing so they can improve their marketing strategies where it will give benefit to them in the future.

By using the research, other researchers can look for some information to complete another research as a reference.