



Effects of the Starbucks Products Brand Image on the Consumer Perception in XXI Empire Cinema

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Abstract

This paper focuses on finding out the effect of the brand image about consumer perception on Starbucks Products in XXI Empire cinema in Yogyakarta, Indonesia. The culture of drinking coffee has been in Indonesia for a long time, from Sabang to Merauke. In Aceh, the culture of drinking Arabica coffee is a must, unlike the habit of drinking Kopi Joss in Yogya where the Javanese people are so close to the tradition of gathering such that the conversation is not right without a cup of coffee. Perception implies the way a person understands something and sees an object. Starbucks managed to influence and change the perceptions of coffee. This study uses quantitative methods with incidental sampling to see the correlation from the effect of the brand image about consumer perception on Starbucks products. There were 33 respondents in this study. This paper will address one major question: How does Starbucks at the Empire XXI Yogyakarta use the brand imaging, that is created through its products, to influence consumers' perceptions in consuming coffee at the doubled price? Therefore, this paper argues that there is an effect arising from Starbucks branding in changing consumer perception. The conclusions, obtained from the assumption of linear regression analysis, stated that H_0 is accepted, while H_a is rejected. In this case, H_0 is 'There is an effect arisen from Starbucks branding in changing the perceptions of the consumers at the Starbucks XXI Empire Yogyakarta branch to consume its products.'

Keywords: *Brand Image, Consumer Perception, Coffee, Starbucks*

1. Introduction

Despite Indonesia's wealth of having a diversity of natural resources, namely coffee, the biggest success in coffee shop business in Indonesia is not owned by indigenous people, but instead, a coffee shop company that comes from the USA, namely Starbucks. Being a company that has opened stores in 37 countries and succeeded in replacing the word "cup of coffee" with their brand name into human mind, Starbucks has proven to achieve a success of having an average of more than 35 million consumer visits every week and having loyal customers who visit up to 18 times every month (Michelli, 2007).

The presence of Starbucks succeeded in introducing various terms such as barista, chai, venti, and Frappuccino blended beverage into human everyday vocabulary (Michelli, 2007). More interestingly, the leader of the coffee shop in the world has succeeded in inspiring coffee lovers to sacrifice their daily routines by going to one of their shops, as well as being willing to pay six to eight times higher for a cup of coffee that feels not so special. Starbucks offers the convenience of different shops and atmosphere. Almost no urban community does not even know that they have never visited the shop, even if they are just curious. So, it can be concluded that Starbucks has contributed many factors in changing people's perceptions of consuming coffee. Although humans, as social beings and also individual beings, have different perspective, perceptions formed from Starbucks can influence attitudes, behavior and adjustments to them. Coupled with the fierce competition in the coffee business that began to mushroom, perception is a very important factor in determining the level of customer loyalty to the product. Despite creating products and services of the same type, producers will not have difficulty in capturing existing market shares while evaluating their weaknesses for the future.

In simple terms, perception implies the way a person understands something and sees an object. Starbucks managed to influence and change perceptions of coffee. Etymologically, perceptions come from Latin, in which it means accepting or taking. Perception is a process in which various stimuli are chosen, organized, and interpreted into information that is meaningful to each different individual, so that the results



of one's perception of one another are objective. This process makes individuals to organize and interpret sense impressions to be able to give meaning to their environment.

Kotler and Lane explain that a brand image is the perception and belief carried out by consumers, as reflected in the associations that occur in consumer memory (Kotler, 2007). Starbucks may have packaged its products in order to give the desired impression so that it can be stored in the memory of consumers and even loyal customers. But not only brand image, good performance and effective organization will also lead to experience that is a new reality. As stated by Nugroho (2003) that image or image is reality, so that a good image will grow with good performance. In this study, researchers linked the brand image to perception forming which influenced consumers to consumed coffee at Starbucks' prices which are relatively expensive as compared to other local coffee or coffee brands.

1.1 Consumer Perception

Perception is a very important thing in product marketing in an effort to determine the right perception. According to Schiffman perception as a process by which individuals choose, organize and interpret stimuli into something meaningful (Schiffman, 2008). The stimulus which is organized and interpreted makes the individual aware of what he is sensing. The right perception process can cause consumers to give the impression and give the best judgment to buy a product, in other words, perception is the part that determines the value of a product brand to the creation of a behavior. There are two factors in perception, the first regarding internal factors. Internal factors include what is the attitude of the individual itself. While other factors are external factors. External factors consist of environmental factors and stimulus factors themselves. The formation of behavior from consumer perceptions is one influence of the success of brand imaging products. In the success of brand imaging this will determine the influence of consumer behavior. As one of the influences of brand image, things that are affected are of course the attitude from within themselves. In this study, there are stimuli that can affect one's attitude. According to Schiffman, a person's attitude is formed in 3 components namely, cognitive, affective, and conative.

Cognitive refers to the perception and knowledge of a person that is obtained from an addressing an object that is observed either directly or indirectly. Furthermore, Affective refers to the emotions and feelings that arise when dealing with a particular object. While Conative refers to the possibility of someone in carrying out special actions on an object. In this definition of attitude, it can be seen that one can form different perceptions regarding the same stimulation because there is a process of sensory acceptance, namely selective attention, selective restoration, and selective retention of the components of attitude in a human perception.

1.2 Brand Image

Brand image is the consumer perception of a brand that shows a brand in the memory or mind of consumers. Brand unity can also provide other information that is still related to the brand in memory and contains the meaning of a brand for consumers (Lane, 1998). One form of brand image is the behavior of consumers, therefore, companies need to clarify at the level of consumer preferences for their products.

According to Tom Duncan, brand image is an impression created by brand messages and experiences and assimilated into perception through information processes. Duncan further said that an image can add value to a brand because the image can communicate something about the buyer (from that brand) to others, can be considered important because consumers do not only see products based on their physical uses, but consumers first give a meaning or a certain value of the product offered.

So, brand image is a person's impression of a brand based on the messages contained in the brand and the person's previous experiences with the brand, which are applied to their perceptions through the process of processing the information they have obtained from sources just now. Continuation of Duncan's definition above, which says that an image can add value to a brand because the image can communicate something about the buyer (from that brand) to others.

Each product has its own characteristics that differentiate its products from other competitors' products, these characteristics are summarized in a brand. As mentioned in the previous theory, the brand image can be interpreted as a schematic memory of a brand consisting of a target interpretation audience towards product characteristics which include attributes, advantages, situations of use, and users of the product (Hawkins, 2001).



Meanwhile, the brand image is a type of association that appears in the minds of consumers when remembering a particular brand. Brand association is all linked in memory of a brand. This association not only exists but also has a level of strength. Links on a brand will be stronger if it is based on a lot of experience (experience) and exposure in communicating it. Also, what is meant by the brand image is a series of organized associations in ways that have their own meaning (Aeker, 1996).

1.3 Starbucks Corporation.

A network of coffee companies established since 1971 in Seattle, Washington, the United States consists of 20,336 stores in 61 countries. One of these countries is Indonesia. The tavern was first founded by three people; English teacher Jerry Baldwin, history teacher Zev Siegl, and writer Gordon Bowker. In 1982, Howard Schultz joined in the midst of the name Starbucks Coffee as a retailer of local coffee beans. The company that was originally going to be named Pequod was inspired by a coffee roasting company, whose owner is their own partner. Howard Schultz's business trip to Italy opened his eyes to the rich tradition of drinking espresso there. This is what makes Howard Schultz have the vision to develop the tradition of drinking espresso in Seattle.

Starbucks first opened its outlets outside of North America, namely in Tokyo, Japan in 1996. It then entered the territory of Great Britain through the acquisition of Seattle Coffee Company with a value of \$83 million before finally deciding to change all of its brand names to Starbucks. Starbucks Coffee is close to the urban community of the United States. In Indonesia alone, Starbucks is a place to socialize and relax. The Starbucks name is taken from one of the characters in the famous novel Moby Dick with a two-tailed mermaid logo commonly called Siren.

Starbucks Coffee's strategy in setting up its coffee shop is quite strategic. Stalls established such as airports, malls and star hotels have also managed to create an impression of exclusivity and elegance.

In fact, Starbucks Cooperation itself names customers who enjoy coffee at Starbucks stores with the Starbucks Experience. The point is that those who buy and enjoy their coffee at Starbucks outlets will get the experience of drinking coffee that is different from other coffee outlets, from friendly service to music that can be heard only in Starbucks outlets. Music has made something important for Starbucks since the company was founded. Starting with selling compilations of various types of music genres such as jazz, blues, folk and world music, Starbucks also received various types of awards, one of which was an award as the best company to work for.

1.4 Definition of Consumers.

Consumers come from the word consumer (English-American), literally interpreted as "people or companies that use certain services" or "something or someone who uses an inventory or a number of goods". Consumers are interpreted briefly as product users. France is based on doctrine and jurisprudence that develop to interpret consumers as "the person who obtains goods or services for personal or family purposes". The definition contains two elements:

- 1) consumers are only people
- 2) goods or services used for personal or family purposes.

In Indonesian legislation in formal juridical terms, consumer understanding is contained in Article 1 number 2 of Law No. 8 of 1999 concerning Consumer Protection, "consumers are every person who uses goods and/or services available in society, both for the sake of themselves, family, other people, and other living beings and not for trading".

And the benefits for this paper split in two, for authors and public. For authors, this research can add to and help writers to find out brand image strategies that influence consumer perceptions. And for the public, this research will inform what supports the Starbucks brand image. As the price can be said to be quite expensive for a glass of coffee that is served, this research will provide information to the public so that they can be wiser in choosing and responding to brands from Starbucks.

2. Objectives

To study how does the brand image of Starbucks Yogyakarta XXI Empire Branch influence the consumers' perceptions of consuming coffee with multiple price.



3. Materials and Methods

The population in this paper included the consumers of Starbucks Branch XXI Empire Yogyakarta. In this study, the authors chose the incidental sampling method. The choice of respondents was determined by chance in the sense that all consumers of Starbucks Branch XXI Yogyakarta Empire had come and bought Starbucks coffee at the XXI Empire Branch. This study has a target of 33 respondents.

In this paper, researchers use data collection methods in the form of a questionnaire. The questionnaire is a method using a series or list of questions that are arranged systematically, then sent to be filled out by respondents (Bungin, 2005). It is intended to obtain information from respondents about their personal or things they know about products from Starbucks.

In this study, the data obtained came from primary data and secondary data. Primary data is obtained directly by researchers, originating from the results of field research which is directly observed by collecting questionnaires. Secondary data is obtained from previous research and additional information that comes from existing books. Respondents in this study to support primary data were 33 consumers of the Starbucks Branch XXI Empire Yogyakarta.

Table 1. Respondents based on Regions

ORIGIN	AMOUNT	PERCENTAGE
Yogyakarta	9	27 %
Jakarta	4	12 %
Kalimantan	5	15 %
Bandung	4	12 %
Denpasar	2	6 %
Sulawesi	3	9 %
Sumatra	4	12 %
Jawa Tengah	2	6 %
TOTAL	33	100 %

All respondents amounted to 33 (100%) consumers of the Starbucks XXI Empire Yogyakarta Branch. In the original research area, there were supporting data for the research and a variety of results from 33 people from different regions. This is because the respondent was taken according to the data that had been sought.

Table 2. Respondents based on Age

AGE	AMOUNT	PERCENTAGE
17 years old	1	3 %
19 years old	9	27 %
20 years old	5	15 %
21 years old	4	12 %
22 years old	6	18 %
23 years old	2	6 %
24 years old	2	6 %
25 years old	1	3 %
26 years old	1	3 %
30 years old	1	3 %
31 years old	1	3 %
TOTAL	33	100 %



Total respondents amounted to 33 (100%) consumers of Starbucks Branch XXI Empire Yogyakarta, in this study age was indeed varied by 33 people. This is because the respondent was taken according to the data that had been sought.

4. Results and Discussion

In this section, we will discuss the analysis of the influence of brand image on consumer perceptions of Starbucks products at the XXI Empire Yogyakarta branch, which consists of the results of validity, reliability, regression, and t-test using SPSS for Windows version 13.0. An important point will also be discussed which shows the results of this research by combining theory with data findings.

A. Validity Test

In this paper has 2 variables:

- a. Independent Variable = Perception (x)
- b. Dependent Variable = Brand (y)

Table 3. Validity Test

VARIABLE	ITEMS	R COUNT	R TABLE	INFORMATION
Brand Image Effect	X1	0,865	0,4227	VALID
	X2	0,749	0,4227	VALID
	X3	0,658	0,4227	VALID
	X4	0,822	0,4227	VALID
	X5	0,383	0,4227	INVALID
	X6	0,614	0,4227	VALID
	X7	0,865	0,4227	VALID
	X8	0,865	0,4227	VALID
	X9	0,340	0,4227	INVALID
	X10	0,865	0,4227	VALID
	X11	0,383	0,4227	INVALID
	X12	0,865	0,4227	VALID

Based on the results of the calculation of the validity test with a significance level of 5% or 0.05, with questions P variables, namely the message source, and the question is declared valid because $r \text{ count} > r \text{ table}$ ($r \text{ table}, 0.4227$ with the number $n = 22$). Therefore, in this research, the question can be included in the calculation of results.

Table 4. Validity Test

VARIABLE	ITEMS	R COUNT	R TABLE	INFORMATION
Brand Image Effect	Y1	0,365	0,4227	INVALID
	Y2	0,438	0,4227	VALID
	Y3	0,698	0,4227	VALID
	Y4	0,373	0,4227	INVALID
	Y5	0,383	0,4227	INVALID
	Y6	0,475	0,4227	VALID
	Y7	0,557	0,4227	VALID
	Y8	0,698	0,4227	VALID
	Y9	0,809	0,4227	VALID
	Y10	0,475	0,4227	VALID

Based on the results of the calculation of the validity test with a significance level of 5% or 0.05, with the questions Y variable that is the message source, and the question is declared valid because $r \text{ count} >$



r table (r table, 0.4227 with the number $n = 22$). Therefore, in this research, the question can be included in the calculation of results.

B. Reliability Test

Table 5. Reliability Statistic

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.756	.939	23

The following are the outputs of the reliability test:

It is stated that the tested data has a good reliability variable because the Cronbach's Alpha value is more than 0.60 (Sujarweni, 2014). From the analysis that has been done, it can be concluded that in general the created questionnaire has fulfilled valid and reliable rules and assumptions, which also means that the statements in the Reliability Test column are appropriate to examine the Effect of Brand Image on Consumer Perceptions of Starbucks Products at XXI Yogyakarta Empire Branch.

C. Correlation Test

Table 6. Correlation Test

		X_Total	Y_Total
X_Total	Pearson Correlation	1	.718**
	Sig. (2-tailed)		.000
	N	33	33
Y_Total	Pearson Correlation	.718**	1
	Sig. (2-tailed)	.000	
	N	33	33

** . Correlation is significant at the 0.01 level (2-tailed).

In this correlation test, the results show that the correlation value in the research entitled the influence arising from Starbucks branding in changing the perceptions of the consumers at Starbucks XXI Empire Branch Yogyakarta has a significant value with a significance result of 0.01.

D. Regression Test

The following are the outputs of the Regression Test:

Regression test is done to see whether there is an influence on the free variable with the dependent variable simultaneously and partially. Based on the data obtained, the results show as follow:

Table 7. Regression Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.364 ^a	.233	.240	9.077	2.923

a. Predictors: (Constant), Persepsi

b. Dependent Variable: Brand

Table 7. Anova

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	100.510	1	100.510	1.220	.301 ^b
	Residual	659.090	8	82.386		
	Total	759.600	9			

a. Dependent Variable: Brand

b. Predictors: (Constant), Persepsi

**Table 8.** Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	140.732	43.129		3.263	.011		
	Persepsi	-.495	.448	-.364	-1.105	.301	1.000	1.000

a. Dependent Variable: Brand

The following are the outputs of the Regression Test:

Regression test is done to see whether there is an influence on the free variable with the dependent variable simultaneously and partially. Based on the data obtained, the results show as follow:

The regression results can be done in this study by looking at the results of linear data regression, which is to see the significance value. If the sig value is smaller than 0.05 then the variable is mutually influential. In this study, the results are as follows

Known:

a. Independent Variable = Perception (x)

b. Dependent Variable = Brand (y)

Regression equation:

$$\hat{y} = 140.732 - 0.495 x_1$$

With

$$x_1 = \text{Persepsi}$$

Significant value

Perception: 0.301 > 0.05 Not significant

$$AdjR^2 = 0,233 = 23,3\%$$

That is, the variability of the Influence of Brand Image on Starbucks Consumers at XXI Empire Branch is 23.3%, which is influenced by consumer perceptions, while 76.7% is influenced by other factors.

Hypothesis testing is done to determine the conclusions of the study by looking at the influences between the two variables. Processing data using SPSS Version 13.0. Based on the results of the analysis obtained the following results:

Ho: There is an effect arisen from Starbucks branding in changing the perceptions of the consumers at the Starbucks XXI Empire Yogyakarta branch to consume its products.

5. Conclusion

The conclusions, obtained from the assumption of linear regression analysis, stated that Ho is accepted, while Ha is rejected. In this case, Ho is 'There is an effect arisen from Starbucks branding in changing the perceptions of the consumers at the Starbucks XXI Empire Yogyakarta branch to consume its products.' There is a value in Adj R-value of 0.240, which means that the amount of coefficient x variable against variable y is equal to 24.0%. This research is also beneficial to people who start doing their businesses, especially coffee businesses.

6. References

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