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# IMPACT OF PRODUCT QUALITY, PRICE CHOICES, AND DIGITAL PUBLICITY ON THE DECISIONS TO BUY TOMORO COFFEE ON BEKASI CITY

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## **ABSTRACT**

This study attempts to examine how consumer purchasing decisions at Tomoro Coffee in Bekasi are influenced by price selection, product quality, and digital publicity. A questionnaire with 100 respondents who were Tomoro Coffee customers in Bekasi was used to gather the data. Double linear regression was employed in the data analysis process. The study's findings demonstrate that, at Tomoro Coffee in Bekasi, customer purchase decisions are positively and significantly influenced by product quality, pricing strategy, and digital exposure. Consumer purchasing decisions are primarily influenced by product quality, with price selection and digital advertising coming in second and third. The findings of this study have significant ramifications for coffee businesses in terms of their ability to comprehend consumer purchase behavior and create more successful marketing campaigns. Additionally, It can also serve as a resource for other academics that are looking into the variables influencing customer decisions to purchase coffee.

**Keywords:** Product Quality, Price Selection, Digital Publicity, Purchase Decisions, Tomoro Coffee, Bekasi.

# PREVIEW Background

Because it can yield a substantial one, business operators in Indonesia are currently in high demand for the culinary industry. In addition, this gourmet venture is in high demand due to its low startup costs and potential for double returns. Furthermore, all it takes to grow this culinary enterprise is expertise, tenacity, and endurance in managing it. A number of foreign cuisines, including Korean and Japanese cuisine, traditional foods, and coffee shops, are among the foods that are currently quite popular in Indonesia.

In recent years, coffee shops can be said to embellish the business industry in Indonesia. From a street shop to almost all restaurants serving coffee-based beverage menus (Hens, 2018)

In 2022-2023, Indonesia became the world's third largest coffee producer with a coffee production of 11.85 million bags, with a focus on 10.5 million robusta coffee bags and 1.3 million Arabica coffee bags. (Indonesiabaik.id, 2023).

The coffee shop industry has become an important part of people's lives in an era of globalization and technological advancement. Coffee shops have become a place for many people to enjoy a cup of coffee and socialize, work, and get inspiration.

Coffee business still hasn't shown any signs of blinking. As evidence, Tomoro Coffee is still expanding, even aspiring to become the largest coffee chain in Southeast Asia. Amid the fierce competition of Indonesian coffee business, Tomoro Coffee, supported by a Chinese company, has an ambitious goal, with 271 stores by the beginning of 2024. According to Global Coffee Reports, by the end of 2023, Tomoro coffee plans to open 400 stores without a franchise or franchise system. The start-up coffee business wants to open stores with an average of two new stores every day, with a total of 1,500 stores by the end of 2024, and several expansion stores in Singapore, the Philippines, and China.

The founders of TOMORO have traveled around the world for years and have visited more than 30 countries including Southeast Asia, South Asia, the Middle East, North Africa,



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and the Americas. It allowed him to feel people's enthusiasm for coffee culture from different countries, races, and professions.

The founders strive to pursue the ultimate passion for coffee and quality of life by creating a unique coffee humanity for TOMORO, finally introducing the 'coffee culture' to every corner of the world, and letting every customer enjoy a decent cup of coffee.

"TOMORO" means "future" which means "receiving goodness and longing for tomorrow". It is the original aspiration of TOMORO, striving to make every cup of good coffee with the heart and encouraging everyone to follow their hearts with courage, feeling alive with the hearts while wishing for the tomorrow.

Tomoro has recently begun to expand its promotion in various social media such as TikTok, Instagram and others in marketing and participating in the promotion of its products as digitalization grows rapidly.

The issues in this study focus on product quality, price selection, and digital publicity of purchasing decisions. Where Tomoro Coffee is wrong is a fairly popular coffee shop in Indonesia especially in Bekasi.

## THEORITICAL REVIEW

## **Buy Decisions**

After considering various factors, a buyer makes a final decision to buy goods or services called a "purchase decision". This decision shows how far the marketers are in their efforts to market the product to the buyer.

Purchase decision is an integration process in which knowledge attitudes are combined to evaluate two or more alternative behaviors and choose one (Nugroho, 2003). (P. Kotler & Amstrong, 2008) argues that consumer purchase decision is to buy the most preferred brand.

It can be concluded that in a purchase decision, a buyer takes into account various factors before deciding to buy a particular good or service. A purchase decision reflects the extent to which a marketer's efforts in influencing consumers to choose their products. The purchase decision is the result of an integration process involving consumer knowledge and attitudes, which are used to evaluate various alternative behaviors and ultimately choose the product or brand that is most preferred.

## **Product Quality**

In the coffee industry, the quality of the product is very important to pay attention, according from (Faeni, 2019) Delivering outstanding quality customer service results in a competitive healthcare environment is the company's strength.

According to Kotler and Amstrong (2008), product quality is a potential strategy weapon to beat competitors. The ability of product quality to demonstrate a variety of functions including durability, reliability, accuracy, and ease of demolition.

According to Kotler in Arumsari (2012:44), most products are supplied at one of four quality levels, namely: low quality, average quality, good quality and excellent quality. Some of the above attributes can be measured objectively.

According to Assauri in Arumsari (2012:45), the quality of a product is the factors that are present in a product or product that cause the product or result to conform to the purpose for which it is intended.

## **Price Choices**

The process by which a business or organization determines the prices for the goods or services it provides to customers is known as price selection. It entails determining the price that will be charged for the good or service, and this can have a big effect on the



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company's success as well as the clientele it serves. Some definitions of price selection, according to professionals, are as follows: "Pricing a product or service that matches the value given to the customer" is how Philip Kotler and Gary Armstrong define price selection in their book "The Principles of Marketing".

William J. Stanton, Michael J. Etzel, and Bruce J. Walker describe price selection as a "price determination process that will marketing and organizational goals" in their book "Fundamentals of Marketing". Paul Peter and Jerry Olson define price determination as "the determination of the right price for a product or service by taking into account factors such as market demand, production costs, and the purpose of the company." Michael Baker describes price selection to be "the fixing of the price to be imposed on products or services by considering economic, psychological, and strategic aspects, as well as business purposes" in the book "The Marketing Book." Richard L. Sandhusen calls price selection "a pricing process that includes setting basic prices, discounts, and subsidies, and price adjustment following changes in demand and cost" in "Marketing." Price options involve a number of considerations, including costs, production demand, market position, competitor strategy, and marketing strategy. The primary objective of price selection is to create prices that match the value given to consumers, maximize profits, and the goals of the organization and marketing as a whole.

It can therefore be concluded that a brand image is an image that is formed in the mind of consumers based on information, experiences that they have with the brand. The brand image covers extrinsic attributes of the product or service, as well as reflecting how the brand seeks to meet the psychological or social needs of the customer.

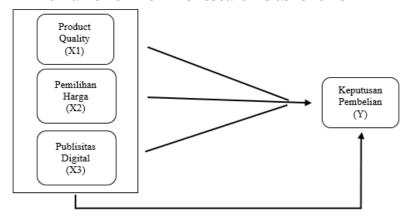
# **Digital Publicity**

Digital advertising or digital promotion according to Prabowo (2019) explains that digital marketing is an activity that can help a company in the promotion and marketing of products and services they have. Digital marketing can also open up and create new markets that were previously closed because of time constraints, means of communication, or distance.

According to Ali, digital marketing is the use of digital technology to marketing goals as well as the adaptation and development of marketing concepts, can communicate globally and change the way companies do business with customers.

#### **Conceptual Framework**

The framework for this research is as follows:



## **Hypothesis**

Impact of Product Quality, Price Selection and Digital Advertising on Tomoro Coffee Purchase Decisions in Bekasi The research hypothesis is:



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 $H0: \rho 1 = 0$ : Supposedly there is no influence of Product Quality on Purchase Decisions.

Ha :  $\varrho 1 \neq 0$ : There is an influence of Product Quality on Purchase Decisions.

H0: Q2 = 0: Supposedly there was no Price Selection against the Purchase Decision.

Ha:  $02 \neq 0$ : There's a price selection influence on the purchase decision.

H0: Q3 = 0: Supposedly there was no Digital Publicity against the Purchase Decision.

Ha :  $Q3 \neq 0$ : There is an influence of Digital Advertising on Purchase Decisions.

H0: Q4 = 0: Supposedly there is no influence of Product Quality, Price Selection, and Digital Advertising on Purchase Decisions.

Ha :  $Q4 \neq 0$ : There is an influence of Product Quality, Price Selection, and Digital Advertising on Purchase Decisions.

#### **RESEARCH METHODS**

According to V. Wiratna Sujarweni, quantitative research is a type of research that produces findings that can be achieved or obtained using statistical techniques or other methods of quantification (measurement). These variables are measured using research tools so that data consisting of numerical values can be analyzed using statistical methods.

In this study, two forms of data were excavated, primary data and secondary data. Primary data was obtained through observations, interviews, and questionnaires completed by respondents. At the same time, the study also relies on secondary data obtained from various sources, including research journals, reference books, and other documents. This study uses a statement on a likert scale of 1-5 as a measure of each variable in the order of 1-very disagreeable, 2-disagreeably, 3-neutral, 4-agreed, 5-very agreed.

# **CONCLUSION AND ADVICE**

#### Conclusion

Based on the results of the research, it can be concluded that product quality, price selection, and digital publicity have a positive and significant influence on consumer purchasing decisions at Tomoro Coffee in Bekasi. Product quality becomes the most dominant factor in influencing purchase decisions, followed by price selection and digital advertising.

## Advice

Based on the above conclusions, a number of suggestions can be made:

- 1. Coffee companies, including Tomoro Coffee, should continue to pay attention and improve the quality of their products in order to meet consumer expectations and maintain a competitive advantage.
- 2. Companies should pay attention to pricing strategies that match the value of products and consumer preferences, as well as consider discount or promotional policies that may be of interest to consumers.
- 3. Further research can be done to deepen understanding of consumers' preferences and market trends in the coffee industry, and to test other factors that may influence purchasing decisions.

By implementing these recommendations, coffee companies, including Tomoro Coffee, are expected to strengthen their market position and increase consumer satisfaction, thus achieving sustained business growth.

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