The Investigation of Young Indonesian Consumer Loyalty toward Coffee Shops

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Authors’ contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

ABSTRACT

The purpose of this study was to determine the relationship and influence between social media marketing activities, brand awareness, brand image and consumer loyalty. The information used in this study came from survey responses distributed to 250 visitors to the Cosan coffee shop in Indonesia, Yogyakarta. Non-probability sampling with a purposive sampling approach is the sampling methodology used in this study. Purposive sampling was used in this study because it was necessary to meet specific criteria before selecting a sample in order to be able to answer certain research questions in addition to providing a representative value. Testing the hypothesis used in this study using statistical Structural Equation Modeling (SEM) with the help of the AMOS 24 program. Social media marketing activity variables positively and significantly influence brand awareness at Cosan coffee shops in the city of Yogyakarta, Social media marketing activities have a positive and significant effect on brand image at Cosan coffee shops in Yogyakarta city, Brand image and awareness have a positive and significant effect on consumer loyalty at the Cosan coffee shop in the city of Yogyakarta.
Keywords: Instagram social media marketing activities; brand awareness; brand image; consumer loyalty.

1. INTRODUCTION

Business development in the current era is growing rapidly, especially in the field of Food and Beverage. Like now, there are so many coffee shops that have sprung up. Nowadays coffee shops are not only a necessity but a way of life. Lifestyle can show how a person allocates choosing goods or services and several other choices from an economic point of view. From a marketing perspective, it is evident that customers who share the same lifestyle will classify themselves into one group depending on how they want to spend their free time and how much money they have [1].

One of the fastest-growing marketing channels is social media marketing, which has unparalleled potential for brand promotion [2]. The current marketing process is inseparable from the use and utilization of technology, especially social media which is currently widely used by business practitioners. Instagram is interpreted as a medium for meeting millions of people virtually per day. So it has great potential to carry out marketing and promotional activities. Instagram has great potential to be used as a promotional and marketing medium for a service, product or company branding [3] For owners or coffee shops, of course, they expect to have customers or visitors who have high loyalty.

Loyalty as a tool to shape the company's marketing character, because a competitive marketing mix mechanism and supported by consumer loyalty will form a good long-term relationship between the company and its consumers. Brand loyalty refers to a customer's consistent preference to purchase certain goods from the same brand. Therefore, brand loyalty is an unwavering commitment to continue to make regular purchases from the company in the future [4].

Social media marketing activities can influence coffee shop consumer loyalty. According to Ismail [5] namely, brand loyalty is largely driven by current social media marketing initiatives because users who follow brand pages on this platform will be more loyal to the company. Social media marketing can be used by business people to support brand loyalty [6]. Currently, the company is focused on trying to maintain consumer loyalty [7]. With different communication tools and content in the coffee shop industry, social media marketing activities (SMMA) appeal to researchers and specialists for various reasons, such as the advantages that online social media networks offer as a coffee shop business marketing tool.

There are many opportunities to expand the various social media platforms and incorporate these trends into any business marketing plan in the coffee shop industry. Opinions from Erdoganus and Cicek M [8], companies need to consider social media to maintain consumer loyalty. According to research that supports it [9], social media marketing activities significantly affect brand loyalty. Strong relationships can be built with customers using social media as a marketing strategy tool, which will affect customer brand loyalty.

Brand awareness can affect the loyalty of coffee shop consumers. Ahmed [10] says that brand awareness is an important component in growing customer loyalty, which is very important for marketers and consumers. How customers perceive a brand. Customer loyalty to the coffee shop business can be influenced by brand image. According to Apriliani [11] research argues that brand image has an impact on consumer loyalty.

Customer trust is the number one factor as a consideration for consumers in purchasing the desired product. If consumers already have confidence in the coffee shop products being marketed, then it is possible to increase consumers' desire to buy them continuously. Buyer trust in the product coffee shop.

From the explanation above, it can be seen that the spread of coffee shops in Jogja has mushroomed. With the rapid development of the internet, many companies are now using the internet as one of their marketing techniques. The results above are the reason for the author to conduct a study entitled “Analysis of the Influence of Instagram Social Media Marketing Activities, Brand Awareness and Brand Image on Consumer Loyalty at Cosan Coffee Shops in Yogyakarta”.

1.1 Research Purposes

1. To determine whether there is a positive and significant effect of Instagram Social
Media Marketing Activities on Consumer Loyalty

2. To determine whether there is a positive and significant influence of Instagram Social Media Marketing Activities on Brand Awareness

3. To determine the positive and significant influence of Instagram Social Media Marketing Activities on Brand Image

4. To determine the positive and significant influence of Brand Awareness on Consumer Loyalty

5. To determine the positive and significant influence of Brand Image on Consumer Loyalty

2. STUDY LITERATURE

According to Seo and Park [12], social media is any application, platform, or online media that facilitates interaction, engagement, or content sharing. Social media is becoming a trend, one of the activities that can support marketing activities. Coffee shops that are already running on average have used marketing activities through social media. Social media activities are people with similar interests can connect online in a social media environment to share ideas, opinions, and thoughts [13].

A key characteristic in social media marketing activities is the production and consumption of content that consumers want. This suggests that social media, through engaged and assertive customers, has a major impact on consumer behavior or brand perception [14]. According to Kim and Ko [15], the value of brand awareness is significantly affected by social media marketing efforts. Initiatives for social media marketing have an effect on brand awareness and loyalty, according to Ismail [5]. Brand recognition was identified by Tsimonis and Dimitriadis [16] as one of the main anticipated outcomes of a company's social media marketing initiatives. For example, one place that gets a lot of consumer attention is Instagram. In the Instagram community, people share photos and videos. This is the only feasible method to encourage participant participation and discussion among users that will soon be present in brand awareness. So it can be assumed that social media marketing activities will affect brand awareness positively.

Nugraha [17] argues that the elements of social media marketing activities are entertainment, customization, interaction, electronic word of mouth, and trendiness. Young people are more aware of brands nowadays, and they perceive that compared to traditional marketing communication methods, social media is a more reliable source of information about brands [5]. Instagram is a social networking application that can upload photos and videos. The application was first released on October 6, 2010. And was first released in Indonesia in April 2012. The Instagram platform is in great demand by the public because Instagram is an application that is easy to download and easy to use.

Brand awareness or brand awareness is defined as a quality attribute built by consumers in their thinking to identify and remember brands. The ability to recognize and remember brands is evaluated as a consumer skill [18]. Brand awareness or brand awareness is an important component in making purchasing decisions. Brand awareness refers to the level of consumer recognition, acceptance, and recall of a brand in any case [19].

Brand Image or brand image is described as a consumer's mental representation of an offer and contains a symbolic meaning attached to certain characteristics of a product or service by consumers. [20] One of the most significant intangible assets that influence customer perception in business is brand image, according to Agmeka [21]. The company's brand image will gain customer trust. Brand image is also a difference between several products. Kotler Philip [22] asserts that brand image is a vision and belief that customers secretly have, which reflects the associations embedded in customer memory.

According to Kaur et al. [23], brand loyalty is an unwavering intention to continue to use or support consistently choosing the same goods or services in the future. Brand loyalty is a pattern of consumer behavior that tends to be committed to a brand or service. Consumers who use a brand and feel satisfied will create a feeling of reassurance for potential customers. Measurement of loyalty is based on preference, commitment, and purchase intention [24].

In previous studies, According to Seo and Park [12] Social media marketing activities (SMMA) have a positive effect on brand awareness and SMMA is a precedent that contributes to brand awareness. Social Media Marketing Activities (SMMA) with an innovative style and perspective will be able to help create substantial brand awareness and opportunities to get a good
response from customers [25]. According to Bilgin [13] social media is an important instrument to influence and increase brand awareness. Social media marketing activities using Instagram can influence customer perceptions and attitudes toward brand awareness [26].

Brand recognition was identified by Tsimonis and Dimitriadis [16] as one of the main anticipated outcomes of a company’s social media marketing initiatives. For example, one of the places where consumers receive a lot of attention is Instagram.

2.1 Relationship of Social Media Marketing Activities to Brand Awareness

Seo & Park [12] define social media as any application, platform, or online medium that promotes participation, interaction, or the sharing of material. Social media is growing in popularity and is one of the trends that might boost marketing efforts. On average, coffee businesses that are already open use social media for marketing purposes. Activities in social media are in a social media setting, people with similar interests can interact online and exchange ideas, viewpoints, and views [13].

The creation and consumption of content that consumers want is a crucial component of social media marketing operations. This shows that social media significantly affects consumer behavior or brand perception through engaged and aggressive customers [14]. Kim and Ko [15] state that the worth.

H1: Instagram Social Media Marketing activities have a positive effect on Brand Awareness

2.2 Relationship of Social Media Marketing Activities to Brand Image

Social Media Marketing activities enable companies to communicate with consumers easily and interact with these potential customers to produce a positive brand image [12], potential for business and enhance positive brand image. Brand awareness and brand image are positively influenced by social media marketing activities in the aviation sector [12]. According to Karman [27], social media marketing has a direct and significant impact on the brand awareness and brand image of Starbucks Indonesia.

H2: Instagram Social Media Marketing Activities have a positive effect on Brand Image

2.3 Relationship between Brand Awareness and Consumer Loyalty

Previous studies also revealed that a high level of brand awareness can help brands to generate premium prices in the market [28]. According to Barreda et al. [29], strong brand awareness influences other brand-related factors, including brand image and loyalty. Social media marketing activities to increase awareness and develop committed customers. Have demonstrated how brand awareness can positively influence loyalty and perceptions [30].

H3: Brand Awareness has a positive effect on Consumer Loyalty.

2.4 Brand Image Relationship to Consumer Loyalty

Brand image is an image that is formed in the minds of consumers about a brand, which is based on their impressions, perceptions and feelings towards the brand. Brand image plays an important role in building brand loyalty. The meaning of brand loyalty according to Ogba and Tan [31] with various approaches seems endless, the fact remains that brand loyalty exists as a result of interaction between the relative attitudes of customers towards a particular brand. Therefore, brand loyalty may exist as a result of repeated purchases or due to the absence of perceived differences between brand alternatives.

H4: Brand Image has a positive effect on Consumer Loyalty

2.5 Relationship of Social Media Marketing Activities to Consumer Loyalty

In recent years, various companies have used social media to engage customers with brands [5]. Finally, the overall goal of social media marketing is to increase sales, strengthen word of mouth, and foster loyalty. Consumers [16]. Ismail [5] states that social media marketing activities can support marketers to explore brand loyalty, brand awareness, and value, forming the conclusion that social media marketing activities are perceived as an effective instrument.
H5: Instagram Social Media Marketing activities have a positive effect on Consumer Loyalty.

Following is the research framework based on the explanation of the proposed hypothesis:

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H1: Brand Awareness
   │                        H3: Customer Loyalty
   └── Social Media Marketing Activity ── H5
       │                        │
       │                        │
       │                        │
H2: Brand Image
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3. TYPES OF RESEARCH

In this study, the approach to be used is quantitative with the aim of identifying the correlation and influence between the variables of social media marketing, brand awareness, brand image, and consumer loyalty with Instagram social media objects at Cosan coffee shops in Yogyakarta. The population in this study are consumers of the Cosan coffee shop in Yogyakarta who have an Instagram application. The purposive sampling approach is the sampling methodology used in this study. In this study, samples were taken from consumers who had visited Cosan coffee shops in Yogyakarta. The sample required in this study is 166 respondents.

To measure the results of the questionnaire distributed to respondents, the questionnaire is provided in the form of a Likert scale. Validity testing is useful for testing whether an indicator is good or not in a questionnaire. The questionnaire can be said to be valid if the questions designed can state something you want to measure [32]. Furthermore, the way to assess validity testing is to compare the value of R count with R table at the 5% level. So, if the calculated R value obtained is higher than the R table, the indicator test on the questionnaire is declared valid.

Furthermore, the reliability test is useful for testing the consistency of measurement results in a questionnaire repeatedly [32]. Questionnaires can be declared reliable if each answer is based on consistent questionnaire questions. The provisions of the reliability test based on Cronbach alpha with a value of > 0.6, then, a construct can be said to be reliable.

Descriptive analysis is an analysis to describe or describe raw data into data that is easier to understand. The approach used in this study is statistical Structural Equation Modeling (SEM) with the help of the AMOS 24 program where the aim is to test the correlation between the hypothesized variables. Opinion from [33] SEM is a combination of two separate statistical methods, namely factor analysis and simultaneous equation modeling. As for [33] it is written that there are 7 (seven) stages of structural equation modeling and analysis.

4. RESULTS

Obtained through research tests related to the influence of social media marketing variables, brand awareness, brand image, and consumer loyalty with Instagram social media objects at Cosan coffee shops in Yogyakarta. The information presented in this study was obtained from distributing questionnaires to a total of 250 respondents who match the sample criteria. The author describes the research data obtained from descriptive analysis of respondents and analysis of structural equation models (SEM) using the AMOS 24 data processing tool.

In accordance with the results of the lift divided up, the results obtained were data from 250 respondents based on gender, namely 186 male respondents (74.4%), and 64 female respondents (25.6%). 250 respondents where the highest respondent was 18 years old - 24 years with a total of 134 people (53.6%), while the respondents with the lowest age are respondents who are more than 30 years old with a total of 6 people (2.4%). The following shows data from 250 respondents based on the type of current work collected through a questionnaire that divided, where the majority of respondents’ current jobs are students/students totaling 153 people (61.3%), while respondents with the lowest current job are respondents with other jobs, namely only 1 person (0.4%).

Based on the distribution of questionnaires to 250 respondents, the results obtained from the characteristic data of respondents based on monthly expenditure, respondents with the highest expenditure were between Rp.2,000,001 - Rp.5,000,000 a total of 122 people (48.8%). While expenditure per month the lowest respondent is IDR 1,000,000 – IDR 2,000,000a.
number of 1 person (0.4%). From distributing the questionnaires, we obtained estimation data for respondents using social media, in which respondents who used social media very often there were 172 people (68.8%), while somewhat frequent 63 people (25.2%), while there are respondents who rarely use social media 15 people (6.0%).

5. DISCUSSION

Based on the results of data processing that has been done before, social media marketing variables have a positive and significant effect on brand awareness. These results are in line with research by Nobar et al. [14] which shows that the main characteristics of social media marketing activities are the production and consumption of content that consumers want, which shows that social media has a significant impact on how consumers behave or think about brands, through active consumers and aggressive..

Furthermore, the research results revealed that social media marketing had a positive and significant effect on brand image. These results are in line with previous research, namely [34] which showed that social media influences consumer trust sentiment and purchase intentions in addition to facilitating interaction between consumers, which can be understood that social media is developing into a powerful tool for businesses to communicate with current customers, and potential customers and build a strong brand.

This is because if a Cosan coffee shop consistently implements social media marketing in selling its products properly and makes sense in the eyes of consumers who see it, then indirectly this will increase the brand image of the Cosan coffee shop because of the application of interesting content. The hypothetical results are obtained that brand awareness has a positive and significant effect on consumer loyalty, which is in line with the previous study by Barreda et al. [29] who revealed results that strong brand awareness influences other brand-related factors, including brand image and loyalty.

The next result shows that the brand image variable has a positive and significant effect on consumer loyalty, which is in line with previous research, namely [35] which proves that brand image and brand loyalty have a close relationship, where brand image is very influential in building brand loyalty. This is because brand image is an image that is embodied in the minds of customers about a brand based on their impressions, perceptions and feelings towards the brand, the. The more positive the brand image, the higher the possibility that someone will have interest and trust in the brand.

The results of the next hypothesis show that social media marketing does not significantly affect consumer loyalty. This finding contradicts [5] research, which claims that marketers will more easily understand brand loyalty, brand awareness, and value awareness if social media marketing operations are considered effective.

<table>
<thead>
<tr>
<th>Index Fit</th>
<th>Goodness of fit</th>
<th>Criteria</th>
<th>Cut-off values</th>
<th>Information</th>
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<tbody>
<tr>
<td>Absolute Fit</td>
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<td>≤ 0.08</td>
<td>0.069</td>
<td>Good Fit</td>
</tr>
<tr>
<td>CMIN/DF</td>
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<td>Incremental Fit</td>
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<th>SE</th>
<th>CR</th>
<th>P</th>
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</tr>
</thead>
<tbody>
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<td>Social Media Marketing →Brand Awareness</td>
<td>0.822</td>
<td>0.051</td>
<td>16,218</td>
<td>***</td>
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</tr>
<tr>
<td>Social Media Marketing →Brand Image</td>
<td>0.858</td>
<td>0.047</td>
<td>18,383</td>
<td>***</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Awareness →Consumer Loyalty</td>
<td>0.259</td>
<td>0.057</td>
<td>4,506</td>
<td>***</td>
<td>Significant</td>
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<tr>
<td>Brand Image →Consumer Loyalty</td>
<td>0.694</td>
<td>0.096</td>
<td>7,250</td>
<td>***</td>
<td>Significant</td>
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<tr>
<td>Social Media Marketing →Consumer Loyalty</td>
<td>0.091</td>
<td>0.086</td>
<td>1.058</td>
<td>0.290</td>
<td>Not significant</td>
</tr>
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</table>
6. CONCLUSION

1. Social media marketing activity variables positively and significantly influence brand awareness at Cosan coffee shops in the city of Yogyakarta.
2. Social media marketing activities have a positive and significant impact on brand image at the Cosan coffee shop in the city of Yogyakarta.
3. Brand has a positive and significant effect on consumer loyalty at the Cosan coffee shop in the city of Yogyakarta.
4. Brand image has a positive and significant effect on consumer loyalty at Cosan coffee shops in the city of Yogyakarta.
5. Social media marketing does not affect consumer loyalty at the Cosan coffee shop in the city of Yogyakarta significantly.

7. IMPLICATION

The importance of consumer loyalty in Coffee Shop Business is examined in this study to provide a relationship explanation of Social Media Marketing Instagram, Brand Awareness, Brand Image, and Customer Loyalty. This study has contrasting findings with other studies that usually occur in coffee shops, it can be implied by the result that there is an insignificant relationship between Social Media Marketing Instagram, Brand Awareness, Brand Image, and Customer Loyalty. In fact, many types of research were mentioned by Bilgin [13] and Situmorang and Muchtar [36] usually offer support for the significant role of customer loyalty to mediate other variables.

Furthermore regarding coffee shops, Indonesian consumers have several obstacles, namely about coffee shops being a lifestyle which causes customers who have the same lifestyle to classify themselves into one group depending on how they want to spend their free time and how much money they have [1], whereas abroad most people consider coffee shops to be a daily necessity.

8. RESEARCH LIMITATIONS

One independent variable is social media marketing activities, where many other variables can also affect brand image, brand awareness, and brand loyalty in the context of a coffee shop. This study only uses a questionnaire as data collection. Thus, it cannot represent a broader situation because it is possible that respondents filled out the questionnaire under the appropriate conditions.

9. SUGGESTION

Coffee shop businessmen must pay more attention to and increase the effectiveness of innovation in the implementation of their social media marketing activities so that consumer loyalty to the Cosan coffee shop can increase. There is a need to consider expanding the subject or research sample. It would be more interesting to consider testing a model that focuses on one brand but is still in one food and beverage business category, it is suggested that the research results can describe the appropriate conditions.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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