

The Influence of Consumers' Perception and Brand Image on Buying Interest of the Millennial Generation in Killiney Coffee Shop in Medan

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Abstract: The research aims to analyze the consumers' perception and brand image on the buying interest of the millennial generation in Killiney Coffee Shop in Medan partially and simultaneously. Policies and appropriate strategies are then formulated to be implemented to develop the business. This is a quantitative research with associative method using questionnaires as the research instrument. The population is the young generation whose age is between 20 – 29 in the six outlets: Killiney Coffee Shop Tasbih, Killiney Coffee Shop Cemara Asri, Killiney Coffee Shop Sun Plaza, Killiney Coffee Shop Hermes Mall, Killiney Coffee Shop RS USU, Killiney Coffee Shop RCW.

1 INTRODUCTION

Coffee is a type of beverage that is famous throughout the world. Coffee originated in the Arab region and developed in Europe, and has now spread throughout the world. The development of coffee in Indonesia has increased to become an undoubted market potential. Indonesia occupies the 10 most coffee consuming countries in the world (databooks.id 2018). The culinary business in the field of coffee has expanded its function. At first the coffee shop was only an answer to the community's need for coffee consumption. Nowadays the coffee shop has increased its function as a place to support work activities. Some coffee connoisseurs also consider coffee as a lifestyle. From this came the term cafe that refers to a coffee shop (coffee shop).

The emergence of various competitors in the coffee shop business competition, makes the company must use resources more optimally, including trying to create or do engineering that can affect consumer perceptions. Consumer perception is the consumer's perspective on a product, whether it is good or bad in quality, price, form, and benefits before the consumer makes a decision to buy the product. Products or services that are successful in the market will always have a strong or dominant brand image in the market. Companies that are sensitive to the value of a brand, will fully realize that the brand

becomes the identity of the company and becomes an added value in selling its products.

The brand is not just a term, name, sign, or symbol, but rather a company promise to consistently provide images, passion and service to consumers. Brand image created by the company will shape the perception of consumers. The product image offered by the company can be a form of perception in generating interest in buying the desired product. Purchase interest is a subjective assessment of what has been seen or known by consumers for the product sought, and through considerations supported by the brand image of the product.

In the past, the coffee shop was not only a place to spend time while enjoying a cup of coffee. Today the coffee shop is regenerating by offering an attractive layout, adding various facilities such as wifi, and a comfortable place. and provide education for connoisseurs to get to know the coffee they consume. What is interesting in the current era of the younger generation is the education provided by the company to customers to find out the type of coffee they consume. If in the past coffee was only interested in adults, now coffee is also one of the favorite drinks among young generation. According to Bps 2019 the following is a picture table of Y and Z generation percentages based on age in 2015-2017:

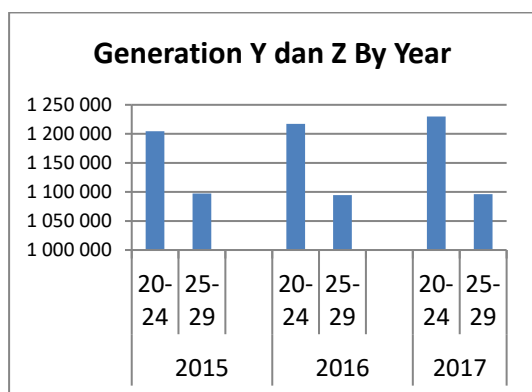


Figure 1.1.

In Figure 1.1. ages 20-24 years increase every year compared to ages 25-29 years. It is seen that Generation Y is currently very dominant. In this era, the development of technology has greatly increased, coupled with the development of video games, gadgets, smartphones and every ease of computerized-based facilities offered and the sophistication of the internet, making it easier for young people to get information quickly. The character and mindset of the young generation today is a generation full of visionary and innovative ideas. Trend is part of the development of the times that are more in demand at certain times. Today the development of social media is very rapidly developing, encouraging business people to create interesting ideas and content. Market demand that often turns into a challenge how to make creative strategies that attract the market. The young generation's environment which is a potential market that is worth considering.

1.1 Research Purposes

Referring to the research problem formulation above, the objectives of this study are:

1. Analyzing the factors of consumer perception and brand image of Killiney Coffee among the younger generation of Medan City.
2. Formulating effective policies to overcome the problem of declining interest in buying Killiney Coffee products among the younger generation of Medan City.

1.2 Benefits of Research

The benefits of this research include the following:

1. For Killiney Coffee companies, the results of research in the form of policies are useful as a

reference for solving the Killiney Coffee brand positioning problem at this time, outlets that must be evaluated, marketing strategies in the digitalization era.

2. For academics, useful as additional references that can be used as sources or alternative concepts.
3. For researchers, it is useful to provide in formulating policies in order to provide acquired knowledge

2 LITERATURE REVIEW

2.1 Perception

According to Kotler and Armstrong in Andespa (2017) perception is a process used by an individual to choose to organize and interpret information inputs to create a meaningful picture of the world. According to Sitter in Kazmi (2012) perception is how individuals recognize and interpret stimuli. According to Monroe et al (2015) Perception basically involves the process of categorization, which tends to place new experiences into the classification of previous experiences.

2.2 Consumers' Perception

According to Mowen et al (2015) consumer perception is the process of individuals getting information, paying attention to information, and understanding it. According to Aaker in Permana et al (2014) consumer perceptions will involve things that are important to customers because each customer has different interests in a product or service.

According to Monirul and Han (2012), to determine the dimensions of consumer perception of the product are as follows:

- a. Freshness,
- b. Habitual Facts
- c. Different flavors
- d. Environment of shop

2.3 Brand

The brand is the first thing the customer thinks of when they hear it and will share their experience with the brand (Stratten and Stratten 2018: 12). Brands are signs, names, terms, symbols, designs, or combinations that can identify goods and services from one entrepreneur or group of entrepreneurs, and can distinguish them from others (Keller, 2013: 30).

2.4 Brand Image

Brand image is a set of beliefs, ideas, and impressions that a person has towards a brand (Kotler and Keller in Negara et al, 2018). Creating a positive brand image requires a marketing program that is unique, profitable, and focused so that consumers always remember it (Keller, 2013: 77). According to Kotler and Keller (2016: 30) a strong brand image will develop superior products or services, ensure their availability, and support them with attractive communication and reliable performance. The conclusion of the theory is how a company must be able to create a positive brand image in order to be accepted in the market.

According to Keller in Hima (2016: 66), brand image measurement can be done based on aspects of a brand, namely:

1. Brands are easy to remember
2. Brands are easily known
3. Brand reputation

2.5 Buying Interest

Engel in Irzandy et al (2017) argues that buying interest as a driving force or as an intrinsic motive that is able to encourage someone to pay attention spontaneously, naturally, easily, without coercion and selective on a product to then make a buying decision. According to Schiffman and Kanuk in Maghfiroh et al (2016) suggested that interest is one of the psychological aspects that has a considerable influence on behavioral attitudes that can be interpreted as a happy attitude towards an object that makes individuals try to get the object by paying it with money or sacrifice.

According to Suwandari in Nasution et al (2014) the indicators of buying interest of a prospective consumer are:

- a. Attention (attention)
- b. Interest (interest)
- c. Expectations of desire
- d. Action.

3 METHOD

This type of research used in this research is associative research. The approach in this research is Cross Sectional. According to Sinulingga (2017) cross sectional, namely studying independent variables and dependent variables simultaneously at a certain time. The study was conducted at the Killiney Coffee shop company, namely the Tasbih Killiney

Coffee shop, Cemara Asri Coffee Shop, Sun Plaza Coffee Shop, Sunway Coffee Shop, Hermine Mall Coffee Shop, Killiney Coffee Shop RS .USU, Killiney Coffee Shop RCW. The population in this study were all Killiney Coffee shop customers located in 6 locations, namely Sun Plaza, Hermes Mall, Rs.USU, Tasbih Complex, and Cemara Asri Complex, and RCW aged 20-29 years. The sample is a population taken from a part of the research object. The sampling technique is accidental sampling. According to Sugiyono (2009: 85), accidental sampling is a technique of determining samples based on coincidences, namely consumers who incidentally / incidentally meet with researchers can be used as samples, if in the eyes of people who happen to be suitable as a source of data. Samples in the research were 90 people, by taking 15 respondents in each outlet. The method of collecting data in this study is to use questionnaires and interviews with respondents. Researchers use a Likert scale consisting of five point scales and then share them with respondents.

4 RESULTS AND DISCUSSION

Based on the results of tests and discussions that have been described, then some conclusions can be drawn, namely:

1. Consumer Perception partially significantly influences the buying interest of Killiney Coffee Shop in the younger generation of Medan City. This means that at outlets that have high buying interest consumers' perception has been well developed. Whereas at the low outlets, consumer perception has not yet formed.
2. Brand Image partially also significantly influences the buying interest of Killiney Coffee Shop among the younger generation of Medan City. This means that some outlets that have a high brand image have been well developed, while outlets with a low brand image have not been built properly.
3. Consumer Perception and Brand Image simultaneously have a significant effect on buying interest in Killiney Coffee Shop in the younger generation of Medan City.

Based on the conclusions above, some suggestions can be given, namely:

1. At outlets that have low buying interest such as Sun Plaza and Hermes outlets, efforts should be made to improve / form consumer perceptions, brand image partially or simultaneously.

2. In building positive consumer perceptions of Killiney Coffee, it can be done in various ways such as creating events at its outlets, sponsoring certain events, giving compliments to customers who sit for more than 3 hours and have high enough bill payments, and adding other facilities.
3. To build a positive brand image of Killiney Coffee, various methods can be carried out, such as paying attention to the layout of the coffee shop, creating Killiney Coffee shop merchandise, and including the younger generation to increase interest in buying Killiney Coffee shop.

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