

The Effect of Brand Image and Promotion on Repurchase Intention Through Experiential Marketing as a Mediating Variable (Case Study of Jakarta Starbucks Coffee Consumers)

Epsi Trismelia
Master of Management Study Program
Mercubuana University
Indonesia

Janfry Sihite
Master of Management Study Program
Mercubuana University
Indonesia

Abstract:- The purpose of this study is to look into the elements that influence Starbucks Coffee repurchase intention. Brand Image and Promotion are the independent variables in this study, which were derived from numerous previous research literatures and pre-survey data. This study use SEM data analysis tools in conjunction with PLS data processing. The participants in this study are Starbucks coffee drinkers in Jakarta. The population in this study is Starbucks Coffee Consumers in Jakarta with a total sample of 135 obtained using the Hair formula. Primary data was obtained by distributing questionnaires via google form to respondents who had purchased Starbucks Coffee products at least twice. The results showed that the Brand Image and Promotion variables had a significant and positive effect on the Repurchase Intention variable. While the mediation variable / Experiential Marketing has an influence and plays a full role so that it can be called partial mediation and indirect path in this study. Further investigation into the academic proposals in this study is intended to enhance the research model by looking into other factors that drive Starbucks Coffee customers to make repeat purchases.

Keywords:- Brand Image, Promotion, Repurchase Intention, and Experiential Marketing.

I. INTRODUCTION

Currently, the coffee shop business has emerged as a business that has an attractive place concept, marketing concept, packaging concept, menu concept, and service concept. And unconsciously, this has become a necessity in opening a coffee shop business.

Starbucks Coffee is a cafe that gives a different color compared to cafes where coffee drinks are in general, because Starbucks is more modern, and focuses on a comfortable atmosphere which they call the "Unique Starbucks Experience". Therefore, Starbucks is not only visited to buy food or drinks but Starbucks is also used as a meeting place for various communities or a place for business meetings that can provide convenience to customers. This is what causes Starbucks customer loyalty to be high compared to other

coffee shop businesses. Loyal customers will eventually make repeat purchases and even provide recommendations to those around them.

The marketing concept has developed rapidly to an experiential marketing provided by product manufacturers to their consumers to create a unique experience in the minds of consumers that triggers consumer interest to visit again, resulting in loyal consumers who are willing to recommend to others.

The concept of experiential marketing of a coffee shop can be an alternative for consumers to visit again, be willing to recommend to others, make the coffee shop a top priority and explore further about the coffee shop they visit. Purchase interest is also influenced by changes in people's behavior, consumers, nowadays, are more oriented towards instant behavior, and hedonic tendencies [1].

With the increasingly widespread development of the number of coffee shops in Indonesia, researchers want to find out more whether the factors of experiential marketing, brand image, promotion of a coffee shop can affect customer interest in coming back, triggering consumers to recommend the coffee shop to others, the brand/product/company becomes the customer's top priority and makes consumers want to find out more about the company/product.

II. LITERATURE REVIEW

A. Experiential Marketing

According to Andreani [2], Experiential marketing is more than just providing information and opportunities for customers to gain experience with the benefits derived from the product or service itself but also evoking emotions and feelings that have an impact on marketing, especially sales.

In Experiential Marketing, the company is not only oriented to features and benefits but also prioritizes customer emotions by providing facilities that usually provide satisfaction for customers so that a memorable experience is achieved [3]. In addition, this Experiential Marketing concept also encourages companies to be more creative in thinking

about how marketing steps can attract consumers to buy and become loyal to the product.

B. Brand Image

Kotler and Keller, Brand Image is a set of beliefs, ideas, impressions that a person has of a brand [4]. A good brand image will make it easier for buyers to make purchases because not all potential consumers have information on quality and time to compare products with one another so that what will be used as a reference is a brand that has a good image.

C. Promotion

Promotion or marketing communication is a marketing activity that seeks to disseminate information, influence/remind the target market of the company and its products to be willing to accept, buy, and be loyal to the products offered by the company [5]. Promotion is an effort made by marketers, communicating with potential audiences, communication is the process of sharing ideas, information or feelings of the audience [6].

D. Repurchase Intention

Understanding repurchase interest is the desire and action of consumers to repurchase a product, because of the satisfaction received as desired from a product [7]. According to Peter and Olson [8], consumers make repeat purchases because of an impulse and repeated buying behavior that can foster a loyalty to what they feel is appropriate for them. So, repurchase interest can be concluded as a tendency to repurchase, and obtain a positive response to past actions.

E. Relationship Between Variables

Basically the concept of sense experience applied in coffee shops created by business actors can have a positive effect on consumer interest in revisiting, the emergence of consumers' desire to give positive recommendations to their closest people and make the coffee shop their main priority and the desire to explore more deeply about the product. /company.

Satisfactory service is needed, including the friendliness and courtesy of the employees of a coffee shop, timely service, and a sympathetic attitude that makes customers feel satisfied so as to encourage consumer interest to visit again, generate consumer desire to provide positive recommendations to those closest to them and make the brand a brand. /company as the main priority.

Think marketing is a way for companies to bring commodities into experiences by doing continuous customization [9]. The goal of think marketing is to influence customers to engage in creative thinking and create awareness through thought processes that have an impact on the re-evaluation of the company, its products and services.

When act marketing is able to influence customer behavior and lifestyle, it will have a positive impact on repurchase intention, word of mouth and customer priorities because customers feel that the product or service is in accordance with their lifestyle. Conversely, when consumers

do not feel that the product or service is in accordance with their lifestyle, it will have a negative impact on the interest in prioritizing, repurchase intention and word of mouth of customers as well as consumer exploratory interest.

Companies can create relate between their customers by direct contact, both telephone and physical contact, accepted to be a part of the group or become a member so as to make consumers happy or not reluctant to come back and do not hesitate to recommend to their closest friends and are interested in making a brand / the company as its main priority. Conversely, if this does not happen in the sense that consumers feel neglected, then consumers will not be interested in coming back to become regular customers and also cause consumers to be reluctant to recommend products to others and consumers will think again to make it a top priority.

Brand image in the product is an important factor in influencing buying interest. These results also prove the truth of the theory of Chavan [10] which explains that the totality of product features and characteristics of the product also influences in shaping product quality, if the quality of the product exceeds the expectations of consumer needs, customers will be happy and consider this product acceptable even High quality, high satisfaction will also affect the possibility of repeat purchases.

Harfania [11] states that the effect of a good promotion (delivering product advantages) can attract consumer buying interest and foster consumer buying priorities and consumer repurchase. Thus, it is necessary to have an attractive sales promotion in a business unit so that it can influence consumer buying interest and can make repeat purchases in the future.

Experiential marketing refers to the customer's real experience of the brand/product/service to increase sales/sales and Brand Image, awareness. Experiential Marketing has a positive effect on Brand Image.

Promotion is one of the ways used by companies to introduce their brands to a wide audience, the success of promotions is strongly influenced by how the company describes its brand in an attractive and unique way so that consumers can capture the intent and purpose of the promotion.

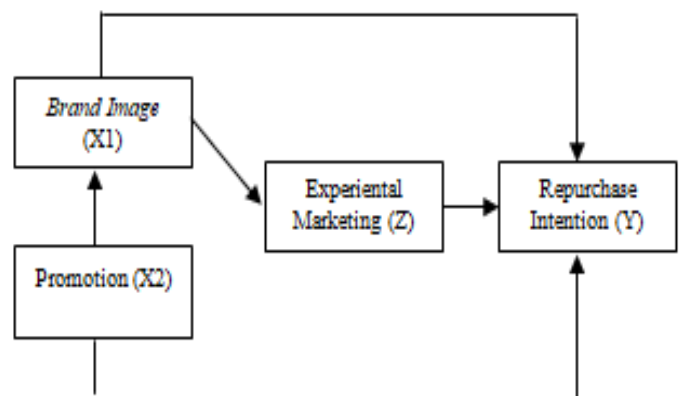


Fig. 1. Research Framework

III. METHODS

This study uses a quantitative approach to solve the problem formulation in this study. Research data is sourced from questionnaires collected from respondents, namely consumers who have purchased products at least 2 times.

The population analyzed is Starbucks Coffee Consumers who live in the Jakarta area. The determination of the number of samples using the concept of Hair, Anderson, Tatham, & Black [12] so that the number of samples obtained is 135 respondents.

The data were analyzed through the structural model method using the Partial Least Square (PLS) application.

IV. RESULT

In the research conducted by the researcher, there are several characteristics of the respondents who will fill out the questionnaire. Samples were taken by distributing questionnaires via google form to Starbucks Coffee Jakarta consumers who had made purchases at least 2 times, totaling 135 respondents. The characteristics of the respondents referred to here are gender, age, occupation, and monthly income.

Characteristics of the most respondents are women by 84 people or 62.2%. This means that consumers of Starbucks Coffee in Jakarta are more in demand by women.

Characteristics of most respondents are at the age of > 25 years as many as 85 people or 63 % . This means that Starbucks Coffee consumers in Jakarta are more dominated by millennials who tend to prefer a Coffee Shop place to just spend time or work/do tasks.

Characteristics of the most respondents came from workers by 88 people or 65.18%. This means that Starbucks Coffee consumers in Jakarta are dominated by workers from millennials to adults, usually workers choose coffee shops as a place to get work done because of the availability of internet/free wifi networks and can work enjoying coffee or other dishes.

A. Outer Model

The evaluation of the outer model is done by testing the validity and reliability of the measurements of the research model design.

TABLE I. OUTER LOADING RESULT

Variables	Indicator	Outer Loading	Information
Brand Image	bi1	0.864	Valid
	bi2	0.875	Valid
	bi3	0.825	Valid
Promotion	P1	0.873	Valid
	P2	0.927	Valid
Sense	ems1	0.864	Valid
	ems2	0.837	Valid
	ems3	0.77	Valid
	ems4	0.778	Valid
	ems5	0.829	Valid
Feel	emf1	0.902	Valid
	emf2	0.89	Valid
Think	emt1	0.809	Valid
	emt2	0.887	Valid
	emt3	0.811	Valid
	emt4	0.803	Valid
	emt5	0.802	Valid
Act	ema1	0.802	Valid
	ema2	0.73	Valid
	ema3	0.876	Valid
	ema4	0.843	Valid
Relate	emr1	0.889	Valid
	emr2	0.838	Valid
	emr3	0.898	Valid
Reurchase Intention	ri1	0.841	Valid
	ri2	0.866	Valid
	ri3	0.811	Valid

Table 1. shows that all indicators already have a value > 0.70 which means that the indicators that the researcher uses in this study have met convergent validity. The indicators on the questionnaire in this study can be extracted perfectly and have a loading factor value > 0.5. This shows that the indicators used in this study have a good ability to explain the construct.

In addition to the outer loading value, the convergent validity test can be seen from the AVE value which has a value > 0.5. The AVE value in the model can be seen in the table below:

TABLE II. AVE RESULT

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Brand Image	0.816	0.821	0.891	0.731
Promotion	0.770	0.806	0.895	0.810
Sense	0.874	0.878	0.909	0.666
Feel	0.753	0.755	0.890	0.802
Think	0.880	0.883	0.913	0.677
Act	0.830	0.841	0.887	0.663
Relate	0.847	0.850	0.908	0.766
Repurchase Intention	0.791	0.791	0.878	0.705

From the data listed in table 2, it can be seen that all variables have a value > 0.5 so that it can be concluded that all indicators are valid and feasible to use for this study and further analysis can be carried out.

B. Inner Model

The structural model or inner model test phase is carried out to determine the correlation between the constructs, the significance value by performing the R-squared (R²) test and the significance test through the estimation of the path coefficient.

TABLE III. R-SQUARE

	R Square	R Square Adjusted
Repurchase Intention	0.669	0.662

Table 3 shows the results of R² of 0.669, which means that the model formed has been categorized as a good model. The R² value for the latent variable Repurchase Intention is 0.669, which means that the independent variables in the 66.9% model affect the dependent variable. The remaining 33.1% is explained by other latent variables that are not hypothesized in the research model.

Hypothesis testing in this study aims to determine the significance of the effect of exogenous variables on endogenous variables. Testing is done by doing the bootstrapping process on smartPLS 3.0.

TABLE IV. HYPOTHESIS RESULT

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Brand Image -> Experiential Marketing	0.606	8.332	0.000
Brand Image -> Repurchase Intention	0.271	2.470	0.014
Experiential Marketing -> Repurchase Intention	0.449	4.946	0.000
Promotion -> Brand Image	0.632	10.312	0.000
Promosi -> Repurchase Intention	0.214	2.722	0.007

The correlation between the Brand Image and Experiential Marketing variables has a path coefficient value of 0.606 and a t value of 8.332. This value indicates that the value of t statistic is greater than t table (> 1.96). This means that the Brand Image variable has a significant influence on Experiential Marketing with the first hypothesis that Brand Image has a positive influence on Experiential Marketing.

The relationship between Brand Image and Repurchase Intention variable has a path coefficient value of 0.271 and a t value of 2.470. This value indicates that the value of t statistic is greater than t table (> 1.96). This means that the Brand Image variable has a significant and significant effect on Repurchase Intention, which is in accordance with the second

hypothesis of the researcher, namely Brand Image has a positive influence on Repurchase Intention.

The relationship between Experiential Marketing and Repurchase Intention variables has a path coefficient value of 0.449 and a t value of 4.946. This value indicates that the value of t statistic is greater than t table (> 1.96). This means that the Experiential Marketing variable has a significant and significant effect on Repurchase Intention in accordance with the researcher's third hypothesis, namely Experiential Marketing has a positive influence on Repurchase Intention.

Promotion variable relationship with Brand Image has a path coefficient value of 0.632 and a t value of 10.312. This value indicates that the value of t statistic is greater than t table (> 1.96). This means that the Promotion variable has a significant influence on Brand Image in accordance with the fourth hypothesis of the researcher, namely Promotion has a positive influence on Brand Image.

The relationship between the Promotion variable and Repurchase Intention has a path coefficient value of 0.214 and a t value of 2.722. This value indicates that the value of t statistic is greater than t table (> 1.96). This means that the Promotion variable has a significant effect on Repurchase Intention according to the researcher's fifth hypothesis, namely Promotion has a positive effect on Repurchase Intention.

V. DISCUSSION

After testing the hypothesis, it can be seen that the Brand Image variable has a greater influence with a value of 0.606 and the result of the t statistic value is greater than t table (> 1.96) which is 8.332 which means that the Brand Image variable has a positive and significant influence on Experiential Marketing. The results of the study are relevant to Andreani's research, Experiential marketing is more than just providing information and opportunities for customers to gain experience with the benefits derived from the product or service itself but also evokes emotions and feelings that have an impact on marketing, especially sales.

In accordance with the results of the hypothesis test, it can be seen that the Brand Image variable has an influence of 0.271 and a t value of 2.470 which means the t statistic value is greater than t table (> 1.96) so that the Brand Image variable has a positive and significant effect on Repurchase Intention. The results of the study are relevant to previous research which was found by the results of Nuralam's research [13] which states that the frequency distribution of the Brand Image variable on Repurchase Intention in a positive direction can be significantly influenced by Brand Image and it can be seen that the independent variable has the most dominant influence on Repurchase Intention/ Buying Interest is Brand Image because it has the largest beta coefficient and t count.

In accordance with the results of the hypothesis test, we can know that the Experiential Marketing variable has an effect of 0.449 and the t-value of 4.946 which indicates that

the t-statistical value is greater than t-table (>1.96). So that the Experiential Marketing variable is considered to have a positive and significant influence on Repurchase Intention. In a study conducted by Gersom Hendarsono [14] the sense variable has been shown to have a significant effect on repurchase interest. These results indicate that the experience factor through the five senses through various touches including the uniqueness of the interior, the coolness of the room, music, product taste and product aroma have a significant influence on the creation of customer repurchase intention. In research by Caroline Lunnette [15] partially the feel variable has a significant influence on the formation of customer repurchase intention. In research conducted by Darwin Setyono [16] the think factor has a positive and significant influence on the creation of customer repurchase intentions. It can be concluded that the concept of think contained in the cafe is able to make customers feel interested. Based on the results of hypothesis testing in Lamongi's research [17], only the act variable has a positive effect on consumers' repurchase intention. This means that the Act is suspected of having a significant effect on Consumer Repurchase interest, proven or acceptable. In research conducted by Cilesti [18] there is a significant influence between the relate variables on consumer repurchase intention.

In accordance with the results of hypothesis testing, we can see that the Promotion variable has an effect of 0.632 and a t-value of 10.312 which indicates that the t-statistical value is greater than the t-table (1.96). So that the Promotion variable has a positive relationship and has a significant influence on Brand Image. Research by Rafael Billy Leksono, Herwin states that the promotion variable has a significant effect on the brand image variable. Based on this research, it can be concluded that promotion affects brand image.

In accordance with the results of hypothesis testing, we can know that the Promotion variable has an influence of 0.214 and a t-value of 2.722 which indicates that the t-statistical value is greater than t-table (1.96). So that the Promotion variable has a positive relationship and has a significant effect on Repurchase Intention. Harfania states that the effect of a good promotion (delivering product advantages) can attract consumer buying interest and foster consumer buying priorities and consumer repurchase. Thus, it is necessary to have an attractive sales promotion in a business unit so that it can influence consumer buying interest and can make repeat purchases in the future.

VI. CONCLUSION

Based on the test results, it is known that brand image has a significant effect on Experiential Marketing and Repurchase Intention. In addition, Experiential Marketing is known to have an effect on Repurchase Intention. As for Promotion, it has a significant influence on Brand Image and Repurchase Intention.

It is hoped that further researchers can expand the research model by examining other aspects that also have an influence on Starbucks Coffee consumers in making repeat

purchases at Food And Beverage. It is also hoped that further research will also be carried out on re-purchase decisions in the field of F&B with a larger number of samples and also the location of the research conducted more broadly.

REFERENCES

- [1]. Suprina, R., Rikzani, F. dan Sihite, J. (2020), "The Impact Café Atmosphere on Consumer's Purchase Intention: Case Study at Kopi Praja Café, Indonesia" *European Journal of Business and Management* Vol.12, No.8, 2020.
- [2]. Andreani, Fransisca. (2007). *Experiential Marketing (Sebuah Pendekatan Pemasaran)*. *Jurnal Manajemen Pemasaran*, Vol. 2, No. 1, April 2007.
- [3]. Andrianto, Dwi Gusti. (2017). *Pengaruh Experiential Marketing Terhadap Repurchase Intention Melalui Customer Satisfaction Sebagai Intervening Variabel (Studi Pada The Bagong Adventure Museum Tubuh)*. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya* Vol 5, No 2
- [4]. Kotler, Philip dan Kevin Lane Keller. (2016). *Marketing Management*. New Jersey: Pearson.
- [5]. Ferdinand, A. (2002). *Manajemen pemasaran (1st ed.)* Jilid 1. Jakarta: Erlangga
- [6]. Euromonitor. *Consumer Foodservice In Indonesia* diakses dari <https://www.euromonitor.com/consumer-foodservice-in-indonesia/report> pada Juli 2019
- [7]. Fornel, C. (1992). A national customer satisfaction barometer: The swedish experience. *Journal of Marketing*, Vol 56(1): 6-21
- [8]. Mullins, John W dan Walker Jr, Orville C. 2013. *Marketing Management: A Strategic Decision-Making Approach*, 8th Edition, McGraw-Hill International Edition
- [9]. Kartajaya, H. 2010. *Connect! Surfing new Wave Marketing*. Jakarta: Gramedia Pustaka Utama.
- [10]. Chavan, R. B. (2003). *Manual on Quality Assurance for Khadi*. Mahatma Gandhi Institute of Rural Industrialization a Collaborative Project of KVIC & IITD
- [11]. Kusuma, Andrey Adhy. (2013). *Pengaruh Experiential Marketing terhadap Repurchase Intention melalui Experiential Value pada Maskapai Penerbangan Garuda di Indonesia*. *Jurnal Wima*, Vol 2, No 3
- [12]. Hair, Joseph F, Jr. et al. (2010). *Multivariate Data Analysis 7th Edition*. Pearson Education Limited. Harlow. England
- [13]. Bernd, H Schmitt. (1999). *Experiential Marketing: How To Get Customers To Sense, Feel, Think, Act and Relate To Your Company and Brands*. New York: The Free Press.
- [14]. Kusuma, Andrey Adhy. (2013). *Pengaruh Experiential Marketing terhadap Repurchase Intention melalui Experiential Value pada Maskapai Penerbangan Garuda di Indonesia*. *Jurnal Wima*, Vol 2, No 3
- [15]. Lunnette, C. (2017). *Kepuasan Experiential Marketing Terhadap Minat Beli Ulang Di Gyu Kaku Galaxy Mall*. *Jurnal Hospitality dan Manajemen Jasa*, Vol 5, No 2

- [16]. Prawira, Bayu Ni Nyoman Kerti Yasa.(2014).Pengaruh Kualitas Produk, Citra Merek dan Persepsi Harga Terhadap Minat Beli Produk Smartphone Samsung di Kota Denpasar
- [17]. Lamongi, J. (2018). Pengaruh *Experiential marketing* Terhadap Minat Beli Ulang Konsumen Di JCO Donuts dan *Coffee* Manado Town Square . *Jurnal Emba*, 6(4): 3038-3047
- [18]. Cilesti, Ivone Maulidia. (2018). Pengaruh Experiential Marketing terhadap Minat Beli Ulang Pelanggan. *Jurnal Digset* , Vol 3 No 2