THE EFFECTS OF POSITIONING AND ONLINE MARKETING ON CONSUMER PURCHASING DECISION IN COFFEE SHOPS IN GORONTALO

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ABSTRACT

This research aims at analyzing (1) the effect of positioning strategy on consumer purchasing decisions, (2) the effect of online marketing on consumer purchasing decisions, (3) the effect of positioning strategy and online marketing on consumer purchasing decisions. This research was a quantitative study. The data sources were related agencies, and the primary data were the result of questionnaires distributed to coffee shop consumers in Gorontalo. The sampling method used was accidental sampling with 100 respondents. The data tool was multiple linear regression analysis. The results showed that (1) the positioning variable partially affected consumer purchasing decisions, with a t-value of 7.709 and a significance level of 0.000, (2) the online marketing variable partially affected consumer purchasing decisions, with a t-count of -5.997 and a significance level of 0.000, and (3) the positioning and online marketing variables together had a significant effect on consumer purchasing decisions, with a significance level of 0.000 which was less than the alpha value of 5% and the F-value of 230.610. the coffee shop business in Gorontalo did not have strong characteristics as consumers perceived similarities between the discussed coffee shops and conventional ones.

Keywords: *Coffee Shop, Positioning, Digital Marketing, Consumer Purchasing Decision*

INTRODUCTION

It is such a good proposal to advance agribusiness sectors in the millennial era, boosting agribusiness as one of the national preeminence. Indonesia has vast natural resources, reliable human resources, and broad market share, which underlie agribusiness development oriented to the state sociocultural condition. Saragih (2010:21) argued that agribusiness constituted all activities pertaining to crop management, including one or the entire production processes, processing, and production outcomes, marketing, and institutionalization which supported the activities. Specifically, the activities should support agricultural activities and other business activities supported by agricultural activities. Agribusiness is the whole form, which covers the production process, crop processing, marketing, and other activities in relation to agriculture, the performance of which affects each other.

People nowadays have to be aware of changes, e.g., changes in the lifestyle of consuming coffee, which is found ever-increasing. As its indicator, we can find more coffee shops, which serve diverse coffee beverages using different brewing techniques and provide quick access to the Internet and thereby attracting consumer purchasing intention.

Any business which demonstrates good prospects is more promising. In this situation, the coffee shop business is

considered prospective because of the broad market opportunities it provides. As one of the countries with the highest coffee production, Indonesia has business actors who can extract the merits of natural resources without importing coffee from foreign countries. Domestic coffee shops are varied, owned by small-multinational-scale enterprises. Accordingly, it is crucial for business actors to prompt their creativity, particularly in combining and serving several types of coffee. The business, if well managed, will give more job opportunities.

Kasali (2010:27), asserted that the purpose of coffee consumption was now not only relieving sleepiness, but also a lifestyle, which made coffee shops the most suitable recreational place to gather. An increasing trend in drinking coffee breeds a similar trend in the coffee business in many cities, including Gorontalo. Market segment determination by coffee shop entrepreneurs impacts the growth of the development of the coffee shop business. When a coffee shop market is segmented for adolescents, certain details, such as the taste of coffee, are not the priority. They put more concerns for some interesting innovations, e.g., coffee decorations (latte art), or various kinds of topping, e.g., white cream. On the other hand, when the market target is coffee connoisseurs, the taste of coffee must be highlighted. It is important to analyze consumer perception, upon which we can build our view regarding their preference and consideration in choosing desirable coffee shops. A good marketing strategy will have a positive

implication for sales. As such, in implementing the strategy, it is a must for coffee shop owners to examine the exact position of their products among other competitive products. They must be able to identify the strengths and weaknesses of their own products and other competitive products. This identification is pivotal to determine an effective marketing strategy.

This research aims to analyze the effect of positioning strategy and online marketing on consumer purchasing decisions.

RESEARCH METHODS
Data Types and Sources

This was survey research. The data were primary and secondary. Primary data were collected using questionnaires distributed and responded to by consumers or customers of coffee shops in Gorontalo. Meanwhile, secondary data were collected from related institutions to coffee shop business in Gorontalo, relevant literature, or research corresponding to this research.

Sampling Technique

The Lemeshow formula was applied to determine the sample size as we did not know how large the population exactly was.

$$n = \frac{z^2 P(1-P)}{d^2}$$

Where:
n = the number of samples
z = the z score at a 95% + 1.96 confidence level
P = maximum estimation = 0.5
D = alpha (0.10) or sampling error = 10%

$$n = \frac{1.96^2 \times 0.5(1-0.5)}{0.10^2}$$

The minimum sample needed was then 96.4 people. We rounded the number to be 100 for the purpose of convenience.

Data Collection Technique

1. Interview, which was a data collection technique, in which we had a face-to-face interaction with and directly inquired respondents.

2. Questionnaire distribution, which was a data collection technique, in which we gave a list of questions to respondents. The responses were processed and converted into a number and inserted in a statistical analysis table, allowing us to make inferences.

Data Analysis Technique

1. Descriptive analysis

Descriptive analysis was used to examine the profiles of respondents, such as sex, gender, latest education, occupation, and monthly income. The profiles, regarded as information, were assessed using a Likert scale as follows:

Table 1. The Likert Scale

Description	Likert Scale
Strongly agree	5
Agree	4
Nearly agree	3
Disagree	2
Strongly disagree	1

Source: Siregar (2016)

2. Research instrument tests

a. Data validity

A questionnaire was valid if the r-count score was equal to or higher than the r-table score. On the other hand, when the r-count score was smaller than the r-table, the intended instrument was invalid. Data were validated using SPSS and the following formula.

$$rxy = \frac{n \sum xy - (\sum x)(\sum y)}{(n\Sigma x^2 - (\sum x)(\sum y^2 - (\sum y))}$$

Where:
rxy = coefficient of correlation
x = the score acquired by the subject from all items
y = the total score acquired from all items
Σx = the number of scores in the X distribution

Σy = the number of scores in the Y distribution
Σxy = the result of the item scores multiplied to the total score
n = the number of respondents

b. Data reliability

A questionnaire was reliable if the intercept (constant) score was higher than 0.6. On the contrary, if the intercept (constant) score was less than 0.6, the variable was not reliable. Data were tested for reliability using SPSS and the following formula:

$$\alpha = \left(\frac{k}{k-1}\right)\left(1 - \frac{\Sigma_{i=1}^{k}\sigma_{y_i}^2}{\sigma_x^2}\right)$$

Where:
α = instrument reliability
k = the number of scale items

$\sigma_{y_i}^2$ = the variance associated with the item i

σ_x^2 = the variance associated with the observed total scores

c. Classical assumption test

Classical assumption tests were statistical requirements of double linear regression analysis. A classical assumption test was exerted to identify whether a regression had variable disorders or whether a regression had maintained accuracy. Classical assumption tests performed were normality test, multicollinearity test, and heteroscedasticity test using SPSS.

d. Double linear regression analysis

Double linear regression analysis had more than one dependent variable. The affecting variable was the independent variable, and the affected variable was the dependent one. We had two independent variables, i.e., positioning strategy (X1) and online marketing (X2), and one dependent variable, namely consumer purchasing decision (Y), formulated as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Where:
Y = consumer purchasing decision
X_1 = product positioning (score)
X_2 = online marketing (score)
a = constant (the Y score if X_1, X_2,…, X_n = 0)
b = coefficient of regression
e = error

e. F-count test (simultaneous test)

The f-count test aimed to investigate whether the independent variable simultaneously impacted the dependent one. The formula was as follows:

$$F - count = \frac{SSR/(k)}{\frac{SSE}{n} - (k-1)}$$

Where:
SSR = Regression Sum of Squares
SSE = Error Sum of Squares
k = the number of variables
n = the number of samples

f. t-count test (partial test)

The t-count test aimed to observe the assessment undertaken and whether a hypothesis was accepted or rejected. If t-count < t-table, H0 was accepted and Ha was rejected. If t-count < t-table, H0 was rejected and Ha was accepted. The formula of the test was as follows:

$$t - count = \frac{bi}{Se\ (bi)}$$

Where:
bi = the i coefficient of regression
Se = the standard error of the i coefficient of regression

FINDINGS AND DISCUSSION
Findings
A. Instrument tests
1. Validity test
   a. Validity test on the positioning variable

   Based on the r-table, the score of the sample (N) = 100 was 0.1966. As presented in Table 2, the r-count > r-table, so all question items for the positioning variable were valid.

Table 2. Validity Test on Positioning

Variable	Dimension	Pearson Correlation	r-Table	Description
Positioning (X1)	Product attribute	0.972	0.1966	Valid
	Product usability	0.888	0.1966	Valid
	Product user	0.946	0.1966	Valid
	Product competitor	0.952	0.1966	Valid
	Product category	0.979	0.1966	Valid
	Product price	0.952	0.1966	Valid

Source: Data Processed, 2020

b. Validity test on the online marketing variable

Based on the r-table, the score of the sample (N) = 100 was 0.1966.

As presented in Table 3, the r-count > r-table, so all question items for the online marketing variable were valid.

Table 3. Validity Test on Online Marketing

Variable	Dimension	Pearson Correlation	r-Table	Description
Online Marketing (X2)	Website	0.895	0.1966	Valid
	Search engine optimization	0.948	0.1966	Valid
	Pay-per-click advertising	0.852	0.1966	Valid
	Affiliate marketing	0.88	0.1966	Valid
	Online public relation	0.571	0.1966	Valid
	Social network	0.888	0.1966	Valid
	Marketing e-mail	0.81	0.1966	Valid
	Customer relationship management	0.853	0.1966	Valid

Source: Data Processed, 2020

c. Validity test on the consumer purchasing decision variable

Based on the r-table, the score of the sample (N) = 100 was 0.1966.

As presented in Table 4, the r-count > r-table, so all question items for the consumer purchasing decision variable were valid.

Table 4. Validity Test on Consumer Purchasing Decisions

Variable	Dimension	Pearson Correlation	r-Table	Description
Consumer Purchasing Decision (X2)	Need identification	0.918	0.1966	Valid
	Information searching	0.872	0.1966	Valid
	Alternative evaluation	0.911	0.1966	Valid
	Purchasing	0.927	0.1966	Valid
	After-purchasing behavior	0.921	0.1966	Valid

Source: Data Processed, 2020

2. Reliability test

We exerted Cronbach's Alpha technique to test reliability. If the Cronbach's Alpha score > the standard reliability score (0.60), the instrument was reliable. If the Cronbach's Alpha score < the standard reliability score (0.60), the instrument was not reliable.

Table 5 presents the result of a reliability test on the research instruments.

The Cronbach's Alpha scores of positioning, online marketing, and consumer purchasing decision variables were higher than the standard reliability score (0.60). In other words, those variables were reliable.

Table 5. Reliability Test

Variable	Cronbach's Alpha	Reliability Score	Description
Positioning	0.977	0.60	Reliable
Online marketing	0.932	0.60	Reliable
Consumer purchasing decision	0.947	0.60	Reliable

Source: Data Processed Using SPSS, 2020

B. Classical assumption tests

1. Normality test

The normality test aimed to test and analyze whether a regression model was normally distributed. A good regression model was normally distributed. We used the One-sample Kolmogorov-Smirnov test to test the normality. The significance level of the normality test was 0.200, which was higher than 0.05, indicating a normal distribution.

Table 6. Normality Test

One-sample Kolmogorov-Sminorv Test			
			Unstandardized Residual
		N	100
Normal parameters[a,b]		Mean	0.0000000
		St. Deviation	0.00142708
Most extreme differences		Absolute	0.063
		Positive	0.063
		Negative	-0.052
Statistic test			0.063
Asymp. Sig. (2-tailed)			.200[c,d]

Source: Data Processed Using SPSS, 2020

2. Multicollinearity test

The VIF score of positioning and online marketing variables was 2.729, which was less than ten, indicating no multicollinearity.

Table 7. Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Positioning	0.366	2.729
	Online marketing	0.366	2.729

Source: Data Processed Using SPSS, 2020

3. Heteroscedasticity test

The result of the heteroscedasticity test using the Glejser test indicated the significance of the positioning and online marketing variables was 0.904 and 0.870, respectively. The score of

independent variables (positioning and online marketing) was higher than the standard significance level, which was 0.05, indicating no heteroscedasticity issues.

Table 8. Heteroscedasticity Test

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.001	0.001		1.326	0.188
	Positioning	0.003	0.027	0.020	0.121	0.904
	Online marketing	-2.451	0.000	-0.028	-0.164	0.870

Source: Data Processed Using SPSS, 2020

C. Double linear regression analysis

Double linear regression analysis aimed to examine the effect of two or more independent variables on the dependent variable. Additionally, it aimed to investigate the research hypotheses, stated in the form of regression or mathematic equation. Table 9 shows the result of double linear regression analysis. The double regression equation was thus:

$$Y = 0.012 + 0.339 X_1 - 1.478 X_2 + e$$

From the regression equation, we acquired the following statements.

1. The Constanta score was 0.012, indicating that if positioning and online strategy had a score of 0, the score of consumer purchasing decision (Y) was 0.012 units.

2. The coefficient score of the positioning variable (X_1) was 0.339, indicating that increasing the positioning variable by one unit would increase the consumer purchasing decision variable by 0.339 units, under an assumption that another independent variable of the regression model was fixed, *ceteris paribus*.

3. The coefficient score of the online marketing variable (X_2) was -1.478, indicating that increasing the online marketing variable by one unit would decrease the consumer purchasing decision variable by -1.478 units, under an assumption that another independent variable of the regression model was fixed, *ceteris paribus*.

Table 9. Double Linear Regression Analysis

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.012	0.001		8.243	0.000
	Positioning	0.339	0.044	0.539	7.709	0.000
	Online marketing	-1.478	0.000	-0.419	-5.997	0.000

Source: Data Processed Using SPSS, 2020

D. F-test

The F-test or simultaneous test was exerted to test the significance level of

the positioning (X$_1$) and online marketing (X$_2$) variables on the consumer purchasing decision (Y). Table 10 lists the result of the F-test.

The significance level was 0.000, less than the alpha score of 5%. The F-count score was 230.610, higher than the F-table score, which was 3.090. Accordingly, the significance level was less than 0.1, indicating that the positioning (X$_1$) and online marketing (X$_2$) variables simultaneously had a simultaneous impact on the consumer purchasing decision (Y).

Table 10. Simultaneous Test (F-test)

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	0.001	2	0.000	230.610	000^b
	Residual	0.000	97	0.000		
	Total	0.001	99	0.000		

Source: Data Processed Using SPSS, 2020

E. t-test

The t-test or partial test aimed to identify to what extent the effect of each independent variable, positioning (X$_1$) and online marketing (X$_2$), on consumer purchasing decisions in coffee shops (Y). Table 11 indicates the result of the t-test. The t-count score of the positioning variable (X$_1$), referring to Table 11, was 7.709 at a significance level of 0.000, indicating that the positioning variable (X$_1$) impacted consumer purchasing decisions in coffee shops in Gorontalo. In relation to the online marketing variable, the t-count score was -5.997 at a significance level of 0.000, indicating the online marketing variable (X$_2$) impacted consumer purchasing decisions in coffee shops in Gorontalo.

Table 11. Partial Test (t-test)

Model	t-count Score	Significance	t-Table	Description
(Constant)	8.243	.000		
Positioning	7.709	.000	1.985	Significance
Online marketing	-5.997	.000	1.985	Significance

Source: Data Processed Using SPSS, 2020

F. Coefficient of determination (R^2)

The coefficient of determination (R^2) was used to investigate the correlation between the independent variables, positioning (X$_1$) and online marketing (X$_2$), and consumer purchasing decisions in coffee shops (Y). Table 12 indicates the result of the coefficient of the determination test. The adjusted R-squared (R^2), in Table 12 indicated a coefficient of determination. The number was converted into a percentage, indicating the contribution of the independent variables, positioning (X$_1$) and online marketing (X$_2$), to consumer purchasing decisions (Y). The score was 0.823, indicating the simultaneous effect of the positioning (X$_1$) and online marketing (X$_2$) variables on consumer purchasing decisions in coffee shops (Y) by 82.3%. The rest, which was 17.7%, was unexplained in this research. The Standard Error of the Estimate (SEE) was 2.412. The smaller the SEE, the more accurate the

regression equation in predicting the dependent variable.

Table 12. Coefficient of Determination

Model	R	R-squared	Adjusted R-squared	Std. Error of the Estimate
1	0.909[a]	0.826	0.823	2.412

Source: Data Processed Using SPSS, 2020

Discussion

A. Effects of Positioning on Consumer Purchasing Decisions in Coffee Shops in Gorontalo

Positioning was mandatory in the coffee shop business. Based on the result of data analysis using SPSS, positioning had a positive and significant effect on consumer purchasing decisions in coffee shops in Gorontalo. It indicated that coffee shops retained different characters, from either logo using, coffee product presentation, coffee shop atmosphere, facilities, and consumer service. Correct positioning of coffee shop products allowed consumers to choose a desirable coffee shop easily.

Wahyurini (2017) had a similar finding that business owners made products varying in characteristics, e.g., quality, size, model, and color, under a perception that consumers maintained different and dynamic tastes. Accordingly, they offered products that were expected to converge the tastes. Mayvita (2018), in correspondence to Wahyurini (2017), argued that product positioning would make clearer differentiation if the product marketing strategy was properly adjusted to consumer perception, allowing them to select easily and be well served.

B. Effects of Online Marketing on Consumer Purchasing Decision on Coffee Shops in Gorontalo

Online marketing was crucial to broaden the market reach and make coffee products acknowledgeable, and thereby affecting consumer purchasing intention. However, we found that online marketing had a negative and significant effect on consumer purchasing decisions in coffee shops in Gorontalo. In other words, online marketing bred a decline in consumer purchasing decisions. We predicted, based on our descriptive analysis results in Table 11, several factors contributing to the decline were few consumers who were willing to reach the website provided to access the information of coffee shop products, minimum online services conferred by coffee shops to consumers through chatting applications, such as WhatsApp, or social media, and minimum use of marketing email to broadcast new products, discounts, or promos. Additionally, consumers found buying products on-site were preferable because coffee products were better tasted when freshly brewed. Also, consumers perceived that products displayed on websites were not convincing.

Arifuddin (2019 found that digital marketing contributed to policy purchasing decisions in PT. QBE General Insurance Indonesia Cabang Makassar. Promoting media using digital marketing gave consumers easy

access to information through several digital marketing media, company websites, and agency portals. Our findings corresponded to Pebrianti (2020), that digital marketing had a positive and significant impact on consumer purchasing decisions. Coffee shops should carry out well communicated digital marketing, introducing their products to consumers and encouraging them to make purchasing decisions.

C. Effects of Positioning and Online Marketing on Consumer Purchasing Decisions in Coffee Shops in Gorontalo

The positioning and online marketing, referring to the simultaneous test, simultaneously had simultaneous effects on consumer purchasing decisions in coffee shops in Gorontalo. As such, to elevate consumer purchasing decisions in coffee shops in Gorontalo, online marketing and positioning should also be elevated. On the contrary, when positioning and online marketing degraded, consumer purchasing decisions in Gorontalo would also be impacted. Therefore, coffee shops should pay more attention to how to promote their products through digital media effectively. The higher the consumer purchasing decision level, the higher the coffee shop product sales in Gorontalo.

CONCLUSION

The positioning (X_1) and online marketing (X_2) variables had a simultaneous effect on consumer purchasing decisions in coffee shops in Gorontalo. The significance level acquired, which was 0.00, was less than the alpha, 5%, and the F-count, 30,830, was higher than the F-table score, which was 3.090.

RECOMMENDATION

Considering the current pandemic situation, based on the research findings, coffee shops should be more encouraged to promote their products online through websites and available sale applications and provide quick purchasing services (Drive-Thru).

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