# STORE ATMOSPHERE, e-WOM, QUALITY OF SERVICE AS A DETERMINANT OF PURCHASE DECISIONS AT COFFEE BUYERS

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#### **ABSTRACT**

This study has a goal, namely to examine the influence of store atmosphere, e-WOM and service quality variables on purchasing decision variables at the Coffee Shop. This type of research is descriptive quantitative. The population is buyers at the Coffee Shop with 100 samples of respondents with accidental sampling technique. The results of the F test prove that there is a simultaneous influence of store atmosphere, e-WOM and service quality on purchasing decisions at the Coffee Shop. The results of the t-test test prove that store atmosphere has a positive and significant influence on purchasing decisions at the Coffee Shop. e-WOM proved to have a positive and significant influence on purchasing decisions at the Coffee Shop. The quality of service is also proven to have a positive and significant influence on purchasing decisions at the Coffee Shop.

Keywords: Store Athmosphere, e-Wom, Service Quality, Purchase Decision

## **INTRODUCTION**

Indonesia is one of the producers of coffee plantation commodities. Seen in BPS data volume export coffee Indonesia in April 2019 reached 94.5 thousand tons worth US\$ 259.5 million. Special business actors around Solo Raya are competing to create an attractive store atmosphere and are aggressively promoting especially on social media and improving their services to attract consumers to make their purchase decisions. According to Tantowi & Pratomo (2020), "Decision Consumer purchases is the process of selecting one of the alternative solution The problem is then collected by a consumers who are embodied by action continue real." "The

attraction when consumers make a purchase decision at a coffee shop is the atmosphere. One of them must be the fulfillment of a good and attractive Store Atmosphere so that it can direct consumer purchasing decisions that are very promising in the future" (Tantowi & Pratomo, 2020). A pleasant atmosphere can provide added value in the eyes of consumers. An attractive and comfortable atmosphere for consumers can provide its own satisfaction to consumers so that consumers automatically recommend the their friends place to through mouth to mouth Word of Mouth (WOM). "Along with the development of the promotion era from word of mouth (WOM) can

done through media socially by giving a review and tagging in media social. This promotion is called electronic word of Mouth is by providing a review or just a variety of experiences" (Utami, et al, 2016). Pantilu et all (2018), said "service quality is an effort to be realized" convenience to that consumers consumers SO have score more from expected". From the description above, the writer chose at the coffee shop as the place of his research. This cafe has 74 outlets throughout Indonesia. Apart from dining, the cafe also offers a takeaway system and is available on several food delivery apps. Cofee Shop carries the concept of minimalist industrial interior design in all its outlets which gives a comfortable and modern impression.

Cofee Shop offers a wide selection of coffee and non-coffee. Available for coffee variants Vanilla Latte, Cappuccino, Americano, Milo Coffee, Machiato Coffee, Jelly Coffee, Palm Sugar Milk Coffee, Bandung Milk Coffee, Black Coffee, Chocolate Coffee, Avocado Coffee and many more. For non-coffee versions there are Matcha, Carmel Milk, Cheese Milk Tea, Avocado, Chocolate, Milo Boba, Ice Pick Mango etc.

Cofee Shop also offers drinks with a 1 liter portion including 1 liter of mango, 1 liter of black coffee, 1 liter of palm sugar milk coffee, 1 liter of chocolate, up to 1 liter of cappuccino. Drink prices start from IDR 7,500-15,000, while a 1 liter portion costs IDR 37,500-75,000. In addition to drinks, Cofee Shop also offers a Ropang menu or toast with various toppings ranging from Original Ropang, Chocolate, Nughat, Cheese, Srikaya, Sing Cheese, Boba to Oreo.

Price from 7500 to 12500 IDR.

From the description above the researcher interested take the title: "STORE ATMOSPHERE, e-WOM AND **QUALITY** OF **SERVICE** AS **DETERMINANTS** OF **PURCHASE** DECISIONS IN COFFEE BUYERS"

#### LITERATURE REVIEW

## Store Atmosphere

Based on Damanik (2008) said "consumers besides visiting coffee shops to enjoy coffee and food. enjoy a comfortable atmosphere in the shop, including the motivation of consumers to visit the coffee shop". Store atmosphere is defined as the factors that create an atmosphere in a particular location. (Manganari, Siomkos, Vrechopoulos 2009). Consumers tend to spend more time where they like. (Donovan, Rossiter, Marcoolyn Nesdale, 1994). Based on our previous analysis and limited to the environment, this paper defines store climate as all the objective physical factors of the store environment that the company can control to increase (or limit) the activities of employees and customers. The term service landscape is used as a synonym for atmospheric storage. The original application of the MR model proposed environmental load and was used as a general measure of the environment covering the degree of novelty and complexity (Mehrabian and Russell 1974). Several studies have examined general environmental effects on levels of pleasure and arousal independent of environmental interventions (Donovan and Rossiter 1982). Then, Donovan and others tested the level of knowledge measurement on a 1-point scale. Factor analysis vielded five factors eigenvalues greater than 1.0, two of which were considered unreliable, indicating that loading on the stimulation measure was not a good predictor. In a previous study by Pan, Su, and Chiang (2008), store atmosphere is classified into categories, which consist of: two of them were considered unreliable, indicating that loading on the stimulation measure was not a good predictor. In a previous study by Pan, Su, and Chiang (2008), store classified atmosphere is into categories, which consist of: two of them were considered unreliable, indicating that loading on the stimulation measure was not a good predictor. In a previous study by Pan, Su, and Chiang (2008), store atmosphere classified into five is categories, which consist of:

- exterior, which includes signs and labels outside the store, the shape and style of the building, and the surroundings.
- Interior design, including general layout, colors, lighting, background music, room odor and temperature.
- The arrangement and location of the visiting area. Visitors are advised to prioritize the ease of access and movement to the area.
- Display settings include promotional tools, store signs, logos, slogans, instructions, price tags, and more.
- Groups interacting in a store, such as interactions between waiters or salespeople and customers

#### e-WOM

According to (Gruen, 2006: 6) agreed that "Electronic word of mouth is to spread information about products and services that have been consumed between consumers who do not know each other and have never met. Research has shown how traditional word of mouth (WOM) and electronic word of mouth (e-WOM) influence consumer behavior purchasing decisions (Bartosik-Purgat, 2018; Badir and Andjarwati, 2020; Kajtazi and Zeqiri, 2020). E WOM and WOM as business promotion tools play important role, especially in the tourism industry. Retail megastores have evolved from being business casual and using e-WOM and WOM to attract potential millennial visitors. WOM and e-WOM are most famous for influencing tourist visiting decisions and shaping popularity of tourist attractions (Hsu et al., 2004). Traditional WOM is the most influential source of information in shaping target image and perception (Baloglu and McCleary, 1999; Beerli and Martin, 2004; Hanlan and Kelly, 2004). The emergence of digital media makes the design of this card even more dynamic. However, there are still few studies comparing its performance (Ishida et al., 2016; Jalilvand and Heidari, 2017; Porter, 2017). WOM has become a well-known marketing tool that contributes purchasing decisions and consumer satisfaction (Porter, 2017). This affects the use of WOM as the main marketing strategy for previous companies through electronic media such as cellphones, Ipads and so on.

## Quality\_Service

Based on Tjiptono (2008:85) "service quality is an advantage that is expected by consumers and in its control can meet consumer desires". Service quality is simply an attitude shaped by the public's long-term evaluation error-free of performance. Service quality is naturally treated as an attribute, given the customer experience of service that customers experience when they encounter service. Assessment of service quality is based on an assessment of the quality of the results, the quality of interactions and the quality of the physical environment. Service quality is one of the main measures included in the evaluation of customer satisfaction (Zeithami et al., 1990). Services are created and delivered in between, making measuring them difficult. testing and thus it is rarely possible to achieve a certain uniform quality. Besides that, it is difficult to determine how customers evaluate service quality (Parasuraman, ZeithamlandBerry, 1985). On the other hand, heterogeneity of services means that their delivery varies from producer to producer, consumer to consumer and day to day (A. Parasuraman et al., 1985). It is considered difficult to ensure consistency in employee behavior, as what customers receive may differ from what the company expects. There are inherent challenges in implementing and evaluating service quality. First, the perception of quality is based on a regular reassessment of customer expectations for a particular service. Therefore, if the service repeatedly ignores customer expectations, it is considered bad service. Moreover, in customer service, evaluating procedures and end results (Hoffman and Bateson, 2006). Regarding the transport journey, did the transport depart correctly, how smooth the journey was, how wonderful was the experience with the carriers and did they land on time at the final destination.

## **Buying decision**

According to Kotler & Armstrong (2013:129), "the purchase decision variable is measured using a Likert scale with the purchase decision variable parameter referring to the theory, namely product selection, brand selection, dealer selection, purchase time, number of purchases and payment methods". According to (Peter and Olson, 2006), purchase decision is an integration process that combines information to analyze two or more alternative behaviors and choose one of them. According to (Kotler and Keller, 2006) found that there are several stages in making purchasing decisions, namely: what customers do before making a decision to buy a product. Nama (merchant and Wahlers, 2009) found that the purchase decision is the customer's desire to buy a product. Customers decide which product to buy based on how they perceive the product's ability to meet their needs. According to (Buchari, 2008), buyers have purchase motives that motivate them to buy. Around . purchase motives consist of three types: the main purchase motive, which is the actual purchase motive of; Optional purchase motive, where the choice of goods can be based comparison; and customer acquisition motives, namely selective purchase motives targeting . specific location or store. Satisfactory service, proximity to the

location, adequate supplies, etc. may be the reason for this motive. Purchase decisions improve company performance. The role of green information systems is important to increase the level of environmental protection of . company.

#### **RESEARCH METHODS**

The type of research used is descriptive quantitative. The research site is in the Coffee Shop in Lamongan Regency. The population of consumers who buy at Kedai Beli Kopi is during the month of May 2022. The accidental sampling method is used in sampling in this study and the analytical technique used is multiple linear regression analysis using the SPSS 24 application.

### **RESULTS AND DISCUSSION**

## 1. Assumption Test Classic

## a. Test Normality

Testing on normality shows a p-value of 0.319 > 0.05. Then on the data is distributed normal

## b. Test Multicollinearity

Table 1. Test Multicollinearity

Variable	Tolerance	VIF	Description
Store Atmosphere	0,664	1,505	There is no Multikonearity
e-WOM	0, 591	1,691	There is no Multikonearity
Quality Service	0,688	1,453	There is no Multikonearity

Source: Data processed 2022

Test Multicollinearity shows that the symptom of multicollinearity does not occur because the tolerance value is 0.10 and  $\geq$  score VIF $\leq$ 10.

### c. Test Heteroscedasticity

Table 2. Test Heteroscedasticity

Variable	Sig 2	Standard	Description
	Tailed		
Store Atmosphere	0,738	>0.05	There is no Heteroscedasticity
e-WOM	0, 971	>0.05	There is no Heteroscedasticity
Quality Service	0,529	>0.05	There is no Heteroscedasticity

Source: Data processed 2022

Heteroscedasticity testing using the Spearman Rank test shows that the significant value of 2 tailed independent variables is > 0.05, which means that this regression model does not occur. heteroscedasticity.

# d. Analysis Regression liner multiple

Table 3. Regression linier multiple

Variable	Koefisien	t	Sig
	Regresi		
(Constant)	-1.211	-0,573	0,568
Store Atmosphere	0,602	6,224	0,000
e-WOM	0,213	2,739	0,007
Quality Service	0.211	2,078	0,040

Source: Data processed 2022

The coefficient values in the table above can be generated by the following equation:

Y= -1.211 + 0.602 X1 + 0.213 X2 + 0.211 X3.

# e. Test Hypothesis

Table 4. Test t

Variable	t count	t table	Sig	Decription
Store Atmosphere	6,224	1,985	0,000	Ha Received
e-WOM	2,739	1,985	0,007	Ha Received
Quality Service	2,739	1,985	0,007	Ha Received

Source: Data processed 2022

Test t

The test results on the t test show that the store atmosphere variable has a positive and significant influence on purchasing decisions at the coffee shop. The value of tcount > ttable (6.224 > 1.985) and the value of the significance is 0.000 < 0.05. e-WOM variable exists influence positive and significant about the decision Proven purchases at the Coffee Shop tcount > t table (2,739 > 1,985) and score significant 0.007 < 0.05. service quality variable exists positive and significant influence regarding purchasing decisions at the Coffee Shop is proven tount > t table (2,739 > 1,985) and the value of significant 0.007 < 0,05.

Test F

Table 5. Test F

Model	F	Sig	Decription
Regression Residual	44,532	0,000	Ho Rijected Ha Received

Source: Data processed 2022

On The test results on the F test show that the store atmosphere, e-WOM and service quality variables simultaneously have a positive and significant influence on the purchasing decision variables. Proven count Ftable (44,532) and the significant value is 0.000<0.05.

## coefficient Determination R2

Table 6. Determination

R	R <sup>2</sup>	Decription
0,726	0,548	56,9 %

The Coefficient of Determination test shows the value (R2) 54.8%. This means that the determination or contribution of store atmosphere, e-WOM and Service Quality variables to decision purchases at the Coffee Shop by 56.9%. The rest by 43.1% donated by variable other.

#### Discussion

Based on the results of the F\_test, it shows that store atmosphere, e-WOM and service quality simultaneously have a positive and significant effect on

purchasing decisions at the Coffee Shop.with FcountFtable (44.5322.70) and the significant value is 0.0000.05, the result is proven that the higher the store atmosphere, e-WOM and service quality, the purchasing decision also increases significantly.

Based on the analysis on the t-test, the results were that there was a positive and significant influence on the store atmosphere variable regarding the purchasing decision variables at the Coffee Shop. It can be seen from the results of tcount that is equal to 6.224 and the significance is 0.000 < 0.05. This means that the higher atmosphere pattern has an effect on increasing purchasing decisions at the Coffee Shop. This research also supports previous research conducted by N by Pramatatya, et al (2015), Risanti (2017), Tantowi and Pratomo (2020) that Store Atmosphere has a significant and positive effect on purchasing decisions.

The results of the t-test on the e-WOM variable also show the results, there is a positive and significant influence on the variables regarding the purchasing decision variables at the Coffee Shop. It can be seen from the results of tcount that is equal to 2.739 and the significance is 0.007 < 0.05. This means that the higher promotion through word of mouth electronically has an effect on increasing purchasing decisions at the Coffee Shop. This study also supports previous research conducted by Utami, et al (2016) and Basri et al, (2016) that e-WOM (electronic Word Of Mouth) has a significant and positive influence on purchasing decisions.

The results of the t-test on the service quality variable show the results, there is a positive and significant influence on the variables regarding purchasing decisions at the Coffee Shop. It can be seen from the results of tount that is equal to 2.078 and the significance is 0.040 <0.05. This means that the higher quality of service can affect the increase in purchasing decisions at the Coffee Shop. This study also supports previous research conducted by Risanti (2017), Kodu (2017), Hakim and Yahya (2016) that service quality has a significant and positive effect on purchasing decisions.

The results of the R square test prove that the three independent variables, namely store atmosphere, e-WOM and service quality are able to explain the variation of the independent variables, namely purchasing decisions by 57% and the remaining 43% are explained by other factors such as price, promotion, product quality, place and so on. This means that the store atmosphere, e-WOM and service quality variables are able to provide almost all the information needed when deciding to make a purchase decision.

# CONCLUSIONS AND RECOMMENDATIONS

The results of the F test prove thatstore atmosphere, e-WOM and service quality have significant influence simultaneously and significantly, on the decision purchases at the Coffee Shop. The results of the t-test also prove that positive as that the influence well significant variablestore atmosphereregarding decision variables purchases at the Coffee Shop. The results of the t-test on the e-WOM variable prove that there is a significant effect positive and significante-WOMregarding the purchasing decision variables at the Coffee Shop. the results of the t test on the service quality variable have an effect positive as well as significantregarding decision variables purchases at the Coffee Shop. Suggestions for coffee shop owners to make more marketing on other online media facilities and suggestions for future researchers to add new variables as a novelty in research.

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