

THE EFFECT OF PRICE, PRODUCT, PROMOTION TOWARDS CONSUMERS' PURCHASE INTENTION AT T4U INDONESIA, WEST SURABAYA BRANCH

Gracia Valentina Sutanto S.M., Lenny Gunawan
Universitas Ciputra Surabaya

JEE

12, 2

Received, August '23

Revised, September '23

Accepted, September '23

Abstract: As food and beverage industry growth is still claimed as the one of the highest growth potential, many retailers offer food and beverage in many forms. By observing this opportunity, entrepreneurs are motivated in starting F&B businesses. With the Covid-19 impacting sales figures in most business especially involving dine-in activities, the researcher would like to investigate further how price, product, promotion influences the purchase intention in T4U Taiwanese beverage branch in West Surabaya. The researcher uses three variables based on the consumers' survey result which are price, promotion, and product. The purpose of this research is to know the significance level all of those variables have effect towards the consumers' purchase intention at T4U Surabaya. The total samples are 112 respondents taken from the population people who know T4U is unknown, thus sample number is decided based on Lemeshow method. The responses are collected through questionnaire and selected with purposive sampling method then, run using SPSS. The multiple regression analysis is used to analyze the data of the respondents and the result is price, promotion, and product have positive and significant effect towards Consumers' Purchase Intention at T4U Surabaya.

Keywords: marketing mix, price, promotion, product, purchase intention, Taiwanese beverage

INTRODUCTION

The food and beverage industries are the most prospective industry in Indonesia and the world (BPS, 2022). Knowing the growth of the Food and Beverage industry is still claimed as the business which has high growth potential which can be caused by the main idea itself as food and beverage is a primary need that every human should fulfil and nowadays many businesses choose the food and beverage business since it is a promising business. Many entrepreneurs are motivated to start businesses that sell food and beverage based on what the customers want. The businesses will face some difficulties during the company's development phase and

also this can bring affect the business's capability to keep in their position in the marketplace (Lou, 2021). Indonesia's food and beverage industry growth from 2020 to 2021 is 2,54% becoming IDR775,1 billion (Sari, 2022).

Small-to-medium industries in the food and beverage sector are encouraged by the government to upgrade into global competitiveness as well as raise the national economy instead (Nugraha, 2022). According to Kusnandar (2021), the food and beverage industry still grows although slowing down within pandemic era, the value equals to 38.05% proportionally in non-oil and gas sector and contributed 6.61% to national GDP. Besides the growth, the food industry was the sector that still used and need the quite a num-

*Corresponding Author.
e-mail: lenny.gunawan@ciputra.ac.id

ber of employees during this corona pandemic, so T4U has good potential in developing the food and beverage business by looking at the data stated. T4U which is a Taiwanese F&B company, available in Surabaya and Jakarta. Mainly selling boba, Taiwanese tea, and smoothies. The proliferation of boba drinks entering Indonesia from 2010 to early of 2020'ish, namely: Tiger Sugar, Xin Fu Tang, Chatime, GongCha, Kokumi, Fat Straw, Hei Boba, Haus!, Gulu-Gulu, Xiboba, KamsiaBoba, KOI, and many others have seriously impacted the uniqueness of T4U business concept as one of the early Boba franchisee from Taiwan in Indonesia, resulting in more product varieties, better pricing, and promotion impacting their customers purchase intention.

Moreover, as stated by Nikbin et al. (2021): a recession caused by the Covid-19 crisis the one of the main drivers of business environment and customer behavior changes, thus marketing budgets should not be cut during Covid-19 and marketing mix practices and strategies should be well implemented by firms affected. Adding for pressure of surviving the recession due to the pandemic as well and it is confirmed that within its nine years operation period, in one of the discussion with researcher, T4U Surabaya owner stated that the sales in 2021 seemed to be decreasing in comparison to their target sales which was affected by the pandemic, when people avoid outdoor activities, and prefer online takeaways, thus the owner decided to do more online sales to survive the pandemic. This phenomenon is the reason why researcher wished to know whether 4Ps have significant effect on purchase decision in T4U as her internship company.

The result of the preliminary survey was done by using Google form and is already filled with 22 respondents who are consumers of T4U

Surabaya, most of them had filled their answers around three to four and there are 3 factors choses most by respondents: price, promotion and product. Place did not seem to matter that much since within the pandemic era, customers did not do much dine-in activities and order online, however the business is still running in both method. Prior research by Guan et al., (2020), shows that price, place, product, and promotion influence the customer attitude and also influence the purchase intention.

According to Nasirun et al. (2019), product and place correlate with the purchase intention of the consumers meanwhile, the price and promotion resulted to not affect endogenous variables. According to Mittal et al. (2020), price and place for 50 percent influence the consumers to have intention to purchase online music. According to Meliawati et al. (2022), product, price, promotion have a positive impact with the online purchase intention. Based on the data the researcher had gathered from the previous researchers, it is proved that there are problems faced by T4U Surabaya. The researcher conducted preliminary survey to 22 people and the results showed: price, product, and promotion matters according to them as potential consumers of T4U Indonesia.

Based on the research problems, theoretical basis, and research objectives, three hypotheses in this research are developed to guide the empirical result (see Figure 1):

- H₁: Price is significantly affecting the consumers' purchase intention of T4U Indonesia
- H₂: Promotion is significantly affecting the consumers' purchase intention of T4U Indonesia
- H₃: Product is significantly affecting the consumers' purchase intention of T4U Indonesia

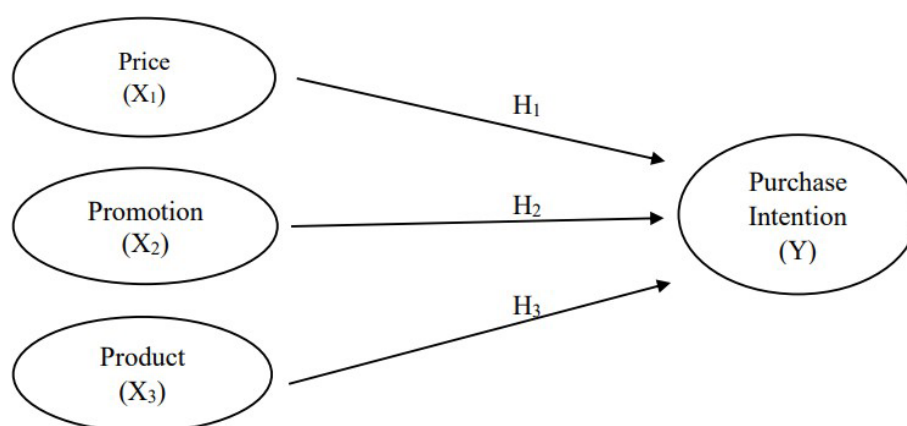


Figure 1 Analysis Model

Literature Review

Theory of Planned Behavior (TPB) which prominently impacting the online purchase intention in purchasing behavior among other theories Ajzen, (1991) originated from TRA (theory or reasoned action) and TPB, Ajzen (1985). Mentioned the common factors, such as: attitude toward behavior, subjective norm, and perceived behavior.

In García et al. (2020) stated TPB diffused with other theory i.e.: TAM – technology acceptance model, DIT- diffusion innovation theory) indicates its effectiveness in predicting purchase intention online, which in this research is connected with marketing mix tool (4Ps). According to Kotler and Armstrong (2018:78), price defines as the amount of money that has to be paid by the consumers to claim that the product is already bought. It aids in attracting the consumers by employing various pricing methods such as the loss leadership pricing in order to keep the consumers from them changing to the competitors, it aids in the differentiation of a company from other competitors through the various tactics of price such as premium pricing and so on. It is also a method by which a business can demonstrate its creative pricing tactics in order to gain

consumers' attention. Meanwhile, the changes which is continuing of pricing strategy combined with the quality of the product has will make some differences in the perception of the consumers and it may lead to some changes. According to Kotler and Armstrong (2018:78), there are some indicators of price, which are:

1. Competitive price: the price which is set by the sellers in a competitive method. The indicator of the competitive price is the competing price.
2. Affordable price: the consumer's purchasing power over a product. The affordable price indicator is the price set for the consumers in an affordable method.
3. Price for quality: the relative price which is suitable with the quality of a product. The indicator of the quality-price is the price set based on the quality product.
4. Price towards benefits: the suitability of the price towards the benefits of the relative products. The price indicator towards benefits is the price that is suitable and follows the benefits received by the consumers.

According to Kotler & Armstrong (2017: 18), the definition of promotion is an activity that communicates the benefits of the products

and persuades the consumers or customers to purchase a product and also, the promotion has purposes which are to give information of the product to the market, gain new consumers or customers and to maintain the loyal consumers, increase sales, and also promotion results the product image. It is also said that the purpose of promotion is to gain attention, to inform, to educate, to be remembered, and to be reassured. Meanwhile, in the digital era, promotion assists in attracting the consumers by using various promotion strategies such as the social media, marketing, marketing content, and others which uses attractive taglines, animations, and other promotion strategies helping to separate the brand from the other competitors (Nurhadi, 2019).

Based on Kotler & Armstrong (2017), it is stated that there are four indicators of promotion, such as:

1. Advertising: an activity of the nonpersonal paid form of presentation and promotion of products, ideas, or even services by an identified sponsor. Promotion also can be defined as a technique of informing and delivering important information about the products, ideas, or services.
2. Personal selling: an activity that has a purpose is to persuade the consumers to purchase the product or service and it is done individually by the salespersons.
3. Sales promotion: an activity that has a purpose is to help the consumers to have the intention to purchase the products or services.
4. Public relation: an activity that needs the media of communication to advertise indirectly the products or services.

The product is the manufacturer or producer subjective understanding of what they

are offering as an attempt to achieve company goals by satisfying the needs and desires of the consumers in accordance with the company's competence and capability as well as the market's purchasing power (Kotler & Armstrong, 2018; Mittal et al., 2020). Meanwhile, in the digital era, the product plays an equal part in reaching fundamental of objectives business in the content of the following elements, it aids in attracting customers through the looks, quality, website design so product is considered as the important value ones which can also shows a corporation that able to demonstrate its ingenuity in order to make the consumers gain attention of the product or service.

There are six indicators of the product (Nugroho & Irena, 2017), as cosmetics, food and beverage is categorized under BPOM in Indonesia and FDA (food and drugs administration in the US). Therefore, it is safe to apply these indicators for this research since both are regulated within one authority:

1. Product variation: the range of many various models or types offered in a single product line or category. The indicator of product variation is to have many variations of the product in each product category.
2. Product quality: the characteristics of a product or the ability of a service to meet the needs standard of the consumers. It is differentiated into the performance and suitability of product quality. Performance quality refers to the ability of a product to perform its functions. The indicator of the product quality can perform its specified functions.
3. Product design: the appearance of the product. The indicator of the product design is having practical and efficient design.

4. Product feature: defined as a competitive advantage which product that can be distinguished from the competitors. The indicator of the product feature is the products that have unique features.
5. Brand name: the identification of a product or service that differentiates one seller from another seller. The indicator of brand name is the well-known brands.
6. Packaging: the design of the product cover or wrap indicates that a product needs good packaging to increase the consumers' recognition of the brands. The indicator of the packaging is packaging that has an attractive design.

The definition of purchase intention is a consumer behavior that relates to the consumer's perception and evaluation of a certain product as they want to purchase or choose the product or services based on the experience, usage and desire of a certain product or service (Kotler & Keller, 2016). The buying behavior can be referred to as the ability to purchase and evaluate a certain product and also, purchase intention as the marketing tool is widely used to evaluate the efficacy of the marketing strategies as it can be used to forecast the sales and market share. Purchase intention also can be defined as a situation where the consumers tend to purchase a product in a certain condition (Nguyen et al., 2022).

According to Budiyananto & Wiwaha (2021), it is stated that there are four indicators to measure the purchase intention of the consumers, which are:

1. Transactional intention: the consumer is interested or tendency to purchase the product or service.
2. Referential intention: the consumer has intention to give recommendation or testimonial of a product to other people.

3. Preferential intention: the consumer shows their behavior in giving their opinions or recommendation with their own preference for the service or product.
4. Explorative intention: the consumer involves with their behavior by showing their actions such as looking for the additional information of the product or service.

METHODS

The method which will be used in this research is the quantitative method. Quantitative research is where the data will be collected by conducting a survey questionnaire and it will be analyzed statistically with the multiple linear regression analysis and uses a descriptive approach because it describes and pictures the observed object through data or sample as it is without any fabrications (Goertzen, 2017). The dependent variables that will be used are promotion, product, and price and the independent variable is the consumers' purchase intention for the research object which is T4U Surabaya. The population is a generalization area consisting of subjects or objects that have certain qualities and characteristics that have been determined by the researcher which will later be studied and the conclusions will be drawn and made. The population of this research is people who know about T4U Surabaya with an unknown total population. The sample is a part of the total and also has certain characteristics which can be representative of the population. This research uses purposive sampling which is based on some characteristics. There are some respondents' criteria such as: (1) Know about T4U Surabaya, (2) Age between 15–55 years old, 3. Able to fill in the survey using Google Form, and 4. Able to fulfil all the previous criteria, by using purposive sampling method. The approach of this research in which the population is un-

known, the research uses the Lemeshow to determine the samples with 0,25 of standard deviation, whereas the total calculation is at 97 respondents, however the researcher got 112 questionnaires field and used them.

RESULTS

According to Likert (1932), the indicators to measure by using Likert scale are: (1) strong disagree, (2) disagree, (3) neutral or undecided, (4) agree, and last, (5) strongly agree. And then, after collecting the answers, the data will be processed using SPSS version 25.0 to analyze it.

Distribution of the respondents' gender who fulfilled the survey. In this research is almost the same between men and woman with the total of 58 men and 54 women, from 112 total of the respondents. Based on age criteria, age distribution are between 15 to 55 years old and it is divided by the researcher into four groups to make it

easier. In this research, it can be found that the survey has fulfilled with the right respondents' criteria as stated in the questionnaire and also the targeted customers based on age target of T4U respondents (see Appendices).

Table 1 indicates that the respondents are strongly agreed with the third indicator which is price for quality since the mean is the highest at 4.31, and also most as 51 of the respondents chose scale 5 and 47 of the respondents chose scale 4. It means that the respondents are interested in the price of T4U's beverages which is in accordance with the quality of the drinks offered, meanwhile, the lowest indicator voted by the respondents is the fourth ones which is the price towards the benefits at 4.04 for the mean and also most as 46 of the respondents chose scale 5 and 34 of the respondents chose scale 4. It means that they are less interested in the price of T4U drinks because it matches the benefits obtained from the drinks offered.

Table 1 Descriptive Statistics of Price

No.	Indicators	Likert Scale					Min	Max	Mean	SD
		1	2	3	4	5				
1	PRICE 1	0	5	14	51	42	2	5	4.16	0.812
	Percentages	0%	4.5%	12.5%	45.5%	37.5%				
2	PRICE 2	1	2	16	44	49	1	5	4.23	0.827
	Percentages	0.9%	1.8%	14.3%	39.3%	43.8%				
3	PRICE 3	0	2	12	47	51	2	5	4.31	0.736
	Percentages	0%	1.8%	10.7%	42%	45.5%				
4	PRICE 4	0	9	23	34	46	2	5	4.04	0.972
	Percentages	0%	8%	20.5%	30.4%	41.1%				

Table 2 Descriptive Statistics of Promotion

No.	Indicators	Likert Scale					Min	Max	Mean	SD
		1	2	3	4	5				
1	PROMO 1	2	7	21	45	37	1	5	3.96	0.967
	Percentages	1.8%	6.3%	18.8%	40.2%	33%				
2	PROMO 2	1	10	21	40	40	1	5	3.96	0.995
	Percentages	0.9%	8.9%	18.8%	35.7%	35.7%				
3	PROMO 3	3	6	26	27	50	1	5	4.03	1.069
	Percentages	2.7%	5.4%	23.2%	24.1%	44.6%				
4	PROMO 4	4	12	12	45	39	1	5	3.92	1.100
	Percentages	3.6%	10.7%	10.7%	40.2%	34.8%				

Table 2 shows the respondents are strongly agreed with the third indicator which is sales promotion since the mean of the fourth indicator is the highest at 4.03 and also most as 50 of the respondents chose scale 5 and 27 of the respondents chose scale 4. It means that the respondents are more interested in buying T4U products when T4U has attractive promotions in some activities such as giveaway, prized quiz, meanwhile, the lowest indicator voted by the respondents is the fourth ones which is the public relation at 3.92 for the mean and also most as 39 of the respondents chose scale 5 and 45 of the respondents chose scale 4. This means that they are less interested in T4U beverage products promoted by influencers through social media.

Table 3 displays that the respondents are strongly agreed with the fifth indicator which is brand name since the mean of the brand name is the highest at 4.41 and also most as 62 of the respondents chose scale 5 and 38 of the respondents chose scale 4. It means that the respondents are interested that the brand image of a brand is important in buying a drink, meanwhile, the lowest indicator voted by the respondents is the fourth ones which is the product

feature at 3.92 for the mean and also most as 43 of the respondents chose scale 5 and 32 of the respondents chose scale 4. This means that they are less interested in the features of T4U beverages that have many health benefits.

Table 4 concludes, the respondents are strongly agreed with the first indicator which is transactional intention since the mean of the transactional intention is the highest at 4.27 and also most as 49 of the respondents chose scale 5 and 48 of the respondents chose scale 4. It means that the respondents are interested and have the intention to purchase T4U beverages, meanwhile, the lowest indicator voted by the respondents is the fourth ones which is the explorative intention at 3.93 for the mean and also most as 43 of the respondents chose scale 5 and 37 of the respondents chose scale 4. This means that they are less interested in looking for additional information about the T4U beverages they want to purchase.

In this research, the Pearson correlation will be used as the standard for this research validation meaning that the item will be correlated with the total score of each item of one variable, and then the significance of the data results will then be determined by using the r-

Table 3 Descriptive Statistics of Product

No.	Indicators	Likert Scale					Min	Max	Mean	SD
		1	2	3	4	5				
1	PROD 1	1	2	10	42	57	1	5	4.36	0.793
	Percentages	0.9%	1.8%	8.9%	37.5%	50.9%				
2	PROD 2	1	2	15	43	51	1	5	4.26	0.825
	Percentages	0.9%	1.8%	13.4%	38.4%	45.5%				
3	PROD 3	1	1	16	41	53	1	5	4.29	0.810
	Percentages	0.9%	0.9%	14.3%	36.6%	47.3%				
4	PROD 4	1	14	22	32	43	1	5	3.91	1.078
	Percentages	0.9%	12.5%	19.6%	28.6%	38.4%				
5	PROD 5	1	2	9	38	62	1	5	4.41	0.789
	Percentages	0.9%	1.8%	8%	33.9%	55.4%				
6	PROD 6	1	8	17	39	47	1	5	4.10	0.968
	Percentages	0.9%	7.1%	15.2%	34.8%	42%				

Table 4 Descriptive Statistics of Purchase Intention

No.	Indicators	Likert Scale					Min	Max	Mean	Standard Deviation
		1	2	3	4	5				
1	PI 1	1	2	12	48	49	1	5	4.27	0.794
	Percentages	0.9%	1.8%	10.7%	42.9%	43.8%				
2	PI 2	1	5	18	46	42	1	5	4.10	0.890
	Percentages	0.9%	4.5%	16.1%	41.1%	37.5%				
3	PI 3	1	3	14	48	46	1	5	4.21	0.829
	Percentages	0.9%	2.7%	12.5%	42.9%	41.1%				
4	PI 4	4	11	17	37	43	1	5	3.93	1.121
	Percentages	3.6%	9.8%	15.2%	33.0%	38.4%				

table criteria with a significance rate of 0.05 and the two-tailed tests (Obilor & Amadi, 2018). According to the result of the validity, the researchers found that all the data are valid since the Pearson Correlation value of all items are valid because the value of r count is greater than the r table which is 0.1857 and also the significance of the value test is stated as no more than 0.05. The researcher is going to use the Cronbach Alpha coefficient since it is usually used to test the reliability when using the test method of Likert scale. After collecting the survey questionnaire results, the answers are considered as reliable if the Cronbach Alpha is more than 0.60. After having the validity test, the researcher took the reliability test in order to make sure all of the data is reliable for this research. All reliability test result which consists of the four variables and it is considered as reliable since the Cronbach Alpha coefficient result are all more than 0.60.

According to Yuniar et al. (2017), the multiple regression analysis is a quantitative analysis that is used to test the existing hypotheses and also a type of linear regression in which there is two or more independent variables are linked to one or a dependent variable. The researcher will use the multiple linear regression since there are more than one independent variable that will be tested and analyzed with

the one dependent variable. The regression equation formula for this research is:

$$Y = 0.145 + 0.209 (X_1) + 0.177 (X_2) + 0.396 (X_3)$$

1. The constant value (a) has a positive value at 0.145, which means that it indicates the same or unidirectional effect between the independent variable (purchase intention) with the dependent variable (price, promotion, and product) which shows that if all of the independent variable values are worth at 0 percent (0%) or does not change anything, then the purchase intention value is at 0.145, meanwhile, if there is an error, then the constant value will be positively at 1.163.
2. The regression coefficient value of price (X_1) has a positive value at 0.209 which shows if the price increases at one percent (1%), then the purchase intention will also increase for 0.209 assuming other independent variables are considered as constant. The positive result indicates unidirectional effect between the independent variable (price) and the dependent variable (purchase intention), meanwhile, if there is an error occur, then the Price value will be positively at 0.101.
3. The regression coefficient value of promotion (X_2) has a positive value at 0.177 which shows if the promotion increases at one percent (1%), then the purchase intention

Table 5 Result of Coefficient of Correlation (R) and Coefficient of Determination (R²)

R	R Square	Adjusted R Square
0.825	0.681	0.672

will also increase for 0.177 assuming other independent variables are considered as constant. Meanwhile, the positive result indicates that it has same or unidirectional effect between the independent variable (promotion) and the dependent variable (purchase intention), meanwhile, if there is an error occur, then the price value will be positively at 0.088.

4. The regression coefficient value of product (X₃) has a positive value at 1.396 which shows if the product increases at one percent (1%), then the purchase intention will also increase for 1.396 assuming other independent variables are considered as constant. Meanwhile, the positive result indicates that it has same or unidirectional effect between the independent variable (product) and the dependent variable (purchase intention), meanwhile, if there is an error occur, then the price value will be positively at 0.085.

Table 5 indicates, the result of the F value of the data is at 76.768 which means it is higher than F-table which is 2.689 and also the value of significance of F in the table is at 0.000 which means it is no more than 0.05. From this

test results, it can be seen and proven that all of the independent variables: price, promotion, and product have a significance effect towards the dependent variable: the purchase intention.

As we can see from Table 5, R square value has a moderate positive relationship at 0.681 meaning that the 68.1% of consumers' purchase Intention at T4U Surabaya is determined by the three independent variables including price, promotion, and product, while the 31.9% of other variables or factors that causing it are not discussed in this research. The adjusted R square value has a moderate positive relationship at 0.672 meaning that 67.2% of the consumers' purchase intention at T4U Surabaya is affected by the independent variables (price, promotion, and product) while the rest of 32.8% is explained by the other variables other than the three independent variables in this research.

All classical assumptions are passed (see appendices), thus the data can be further run through. Table 6 indicates that all three hypotheses are accepted, therefore all three of them need to be conducted and maintained well due to their significant effect towards purchase intention at T4U Surabaya.

Table 6 Result of Hypotheses Testing

Hypotheses	Result
H ₁ : Price has significant effect towards the consumers' purchaseintention at T4U Surabaya	Accepted
H ₂ : Promotion has significant effect on the consumers' purchaseintention at T4U Surabaya	Accepted
H ₃ : Product has significant effect on the consumers' purchase intention at T4U Surabaya	Accepted

DISCUSSION

T4U demographic customer in terms of age range lays between 15–25 years old (which accounts for 75% from the whole 112 respondents gathered within this research, also consists of 51.8% of male and 48.2% female respondents. There is no huge gap in gender aspects, however the age range differ significantly with the other ranges, which second highest age range is between 26–35 years old accounts for 15.2%, and the rest are divided between 36–45 years old and 46–55 years old accounted for 5.4% and 4.5% respectively (further detailed info is available in appendices 2).

Pricewise, T4U ranges from 23K–30K and up to 64.8K for bundled menu, available in also Gofood, Grabfood, Shopeefood. The offline store price is usually about 20% lower without the sales commission given to those partners. In comparison to their opponent, Chatime. Their latest 2023 menu, promotion, and price list are easily accessed from Yummy Advisor (2023) articles available in Google. The price ranges from 22K–30K offline and 15K–29K in delivery partner apps. Thus, pricewise, T4U is higher than its competitors.

In terms of promotion, T4U Instagram [t4uindonesia](#), (2023) use the service of: (1) one beauty influencer named Claudia Halim with 25.4K followers, occurred 93 weeks ago; (2) Yunita Ekadewi occurred 60 weeks who is a personal blogger – not an influencer; (3) Included in Marvel city IG 54 weeks ago; (4) Golf Island official PIK IG occurred in 68 weeks ago. They also reposted customers random story (in their highlights) not necessarily containing reviews without any precise concept or certain hashtag to increase brand awareness, certain menu occasional promo in certain branch only (discounted pricing, BOGO, Upsize, free

product for bottle purchase the latest was 39 weeks ago, giveaways 74 weeks ago. Conducting 1 event for kids (making boba) 175 weeks ago, story of staff training 126 weeks ago. PIK, Jakarta branch opening story 126 weeks ago. T4U Website containing product info, franchise info, philosophy, vision and spirit, contact info, and Taiwan originate address in 2021. T4U promotions are available in Instagram, and Facebook. However for the later one only available in Chinese characters.

Product wise, the information given in the website T4U, which are marked into 3 symbols: popular, ice, and hot. It is divided into these big section (each containing sub menu): (1) Specialty Tea, (2) Milk Tea with Toppings, (3) Special Flavor, (4) Special Milk Tea, (5) Taiwan Classic, (6) Cream Crown, (7) Fruit Flavor, (8) Smoothie & Milkshake, (9) Pasture Milk, (10) Winter Limited. There's also information about add-on (toppings), Ice cube and sweetness preference level. This is the main website used in Taiwan specifically, however not all products are relevant to Indonesia branch since there's winter specific menu (T4U, 2021).

As mentioned previously in the background, Food and beverage industry has over 2% growth in the pandemic era and significant impact in the non-oil and gas sector thus, this research gives a sneak peek into how F&B beverage should be aware of within their marketing mix strategy (especially in: pricing, product, and promotion) which may lead to better purchase decision towards their customers and increase their global competitiveness as encouraged by the government (Nugraha, 2022).

T4U needs to improve their promotion program frequency, concept, and consistency. They also need to innovate their promotion channels with aligned partners. Their only channel that connects with current customers is

Instagram, which are very out-dated (promotions were mostly done within 175–39 weeks ago) with no specific concept and not consistently maintained. Their promotion programs are not continuously done, the influencer they hired are make-up influencer (which does not answer to the same target market), whereas their specific target are between 15–25 years old, thus the chosen influences and promotion programs should answer to this age range. Their business value propositions are not uniquely stated, besides the fact that it is franchised from Taiwan like many other boba competitors.

Within pricing, T4U needs to better inform their customer the quality of their materials and the unique concept they are specialized in, not merely coming from Taiwan. Thus, their customer knows its value and uniqueness in comparison to their competitors and is able to gather their own crowd to further increase the purchase intentions. Demographicwise, T4U also need to adjust their pricing to their target market 15–25 years old (accounts for 75% of the whole respondents), available in appendices 2. There should be future research on pricing strategy which accommodates the age group (Kotler & Armstrong, 2018).

Promotion aspect in T4U is urgently needing to find the relevant food and beverage reviewers/influences/food bloggers who are aligned with their target market age sections and income. With no specific target market and using beauty influencer is actually contradicting with each other. Beauty influences are mainly reviewing make-up and skincare products, not food and beverages, specifically containing high sugar and trans fat level. T4U should also be more active in TikTok, it seems like their TikTok is relatively new since there are only 6 followers and 9 videos. Besides aligning their pricing range to these age target (15–25 years old),

promotion partners with this age range (hiring food and beverage influencer whose followers are mainly within this age criteria), i.e.: Amanda Kohar, FoodMax, Kulinersby, Surabaya_foodies, Cece Kuliner. However, gender wise there is not a huge gap between male and female 51,8% male and 48,2% female in appendices 1.

Innovation within product aspect is urgently needed, although T4U is a franchise from Taiwanese based business, however not all menus are available here in Surabaya, moreover there has not been any new product development since 2021 according to their website. Their competitors are highly active in infusing local taste (fusion tea) to increase their sales, add variety to boost their sales and make customers keep on coming back. Specifically, to 15–25 years old customer target market, adjusting to their preferences, lifestyle, latest trend would make T4U able to sustain their business and increase their customer purchase intention.

CONCLUSION

Despite the fact that all three variables (price, product, promotion) hypothesis are accepted and they all significantly influence purchase intention for T4U Indonesia, West Surabaya Branch. Promotion has not been done consistently and conveniently accessed both in online and onsite (not yet well delivered to their customers) and product can be adjusted to suit local taste to add differentiation of T4U (since their pricing is a little higher than the others), and their overall business concept is not clear and well delivered to their customers, thus T4U does not stand out compared to their competitors yet.

Within the theoretical implications, T4U needs to: (1) Employ other variables using the latest 7Ps (people, process, physical evidence)

and service; (2) Start to elaborate other theory: the service quality – Servqual dimensions (Parasuraman, Berry, & Zeithaml, 1993). As Food and beverages nowadays have evolved to be broader than just a product provider since the Pandemic has come to end; (3) The future research should also employ a mediation and/or moderation variables to find a better model and thus giving more accurate results and benefit to the readers.

T4U needs to do continuous promotion with a distinct concept to differentiate them to their competitors, hire influencer matches their business and customer, develop products accustomed to Indonesian taste and local wisdom as well as the original product (fusion menu), T4U also need to consistently make promotion and events to make their pricing adjusted to their customer profile and income.

This research took place within the pandemic era, thus the questionnaires were spread online, the researcher could not reach out directly to the respondents. Thus the engagement level is not optimally done since it is spread through Google Form without any direct interactions. For future research, 7Ps should be employed and also service indicators by Parasuraman, Berry, & Zeithaml (1993) where endemic is no longer exist and business has started running normally both offline and online.

ACKNOWLEDGEMENT

This research is the final defense output for completing a degree in Universitas Ciputra, written together with thesis advisor in 2022 and does not involve any grants for funding from any parties.

REFERENCES

- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T).
- BPS (2022, January 2). *PDB (lapangan usaha) seri 2010 (milyar rupiah) 2020–2021*. Badan Pusat Statistik. Retrieved July 5, 2023, from <https://www.bps.go.id/indicator/11/65/4/-seri-2010-pdb-seri-2010.html>.
- Budiyanto, H. & Wiwaha, A. (2021). The effect of country of origin and product quality on purchase intention: case of Huawei smartphones. *International Journal of Digital Entrepreneurship and Business (IDEB)*, 2 (1), 1–10.
- García, P., N., Saura, G., I., Orejuela, A. R., & Junior, J. R. (2020). Purchase intention and purchase behavior online: A cross-cultural approach. *Heliyon*, 6(6), e04284. <https://doi.org/10.1016/j.heliyon.2020.e04284>.
- Goertzen, M. (2017). *Introduction to Quantitative Research and Data*. Chicago: Library Technology Reports.
- Guan, L. P., Yusuf, D. H. M., & Ghani, M. R. A. (2020). Factors influencing customer purchase intention towards insurance products. *International Journal of Business and Management*, 4(5), 70–79. <https://doi.org/10.26666/rmp.ijbm.2020.5.9>.
- Kotler, P. & Keller, K. L. (2016). *Marketing Management* (15th ed.). New York: Pearson.

- Kotler, P. & Armstrong, A., Denize, S. M., Volkov, M., (2017). *Principles of Marketing* (16th ed.). New York: Pearson.
- Kotler, P. & Armstrong, G. (2018). *Principles of Marketing 18th ed.* New York: Pearson.
- Kusnandar, V. B. (2022, March 31). *Industri Makanan dan Minuman Nasional Mulai Bangkit dari Pandemi Covid-19*. Databoks. Retrieved July 5, 2023, from <https://databoks.katadata.co.id/datapublish/2022/03/31/industri-makanan-dan-minuman-nasional-mulai-bangkit-dari-pandemi-covid-19>.
- Likert, R. (1932). A technique for the Measurement of Attitudes. *Archives of Psychology*, 22 (140), 1932–1933.
- Lou, D. C. (2021). The effect of price, promotion, and packaging towards purchase intention of stacks food in surabaya. *Review of Management and Entrepreneurship*, 5(2), 75–92. <https://doi.org/10.37715/rme.v5i2.1619>.
- Meliawati, T., Gerald, S. C., & Akhmad Edhy Aruman. (2023). The effect of social media marketing TikTok and product quality towards purchase intention. *Journal of Consumer Sciences*, 8(1), 77–92. <https://doi.org/10.29244/jcs.8.1.77-92>.
- Mittal, S., Yusnitasari, T., Oswari, T., Kusumawati, R. D., & Kumar, V. (2020). Impact of marketing-mix, culture and experience as moderator to purchase intention and purchase decision for online music product in Indonesia. *International Journal of Business Innovation and Research*, 1(1), 1. <https://doi.org/10.1504/ijbir.2020.10026168>.
- Nasirun, N., Noor, S. M., Sultan, A. A., & Haniffiza, W. M. H. W. M. (2019). Role of marketing mix and halal certificate towards purchase intention of agro based products. *International Journal of Modern Trends in Business Research (IJMTBR)*, 2(7), 37–46.
- Nikbin, D., Iranmanesh, M., Ghobakhloo, M., & Foroughi, B. (2022). Marketing mix strategies during and after Covid-19 pandemic and recession: a systematic review. *Asia-Pacific Journal of Business Administration*, 14(4), 405–420. <https://doi.org/10.1108/APJBA-06-2021-0243>.
- Nguyen, H. H. (2022). Understanding online purchase intention: The mediating role of attitude towards advertising. *Cogent Business and Management*, 9(1), 1–23. <https://doi.org/10.1080/23311975.2022.2095950>.
- Nugraha, D. W. (2022, May 28). *UMKM Didorong Tembus Pasar Global*. Kompas.id. Retrieved July 5, 2023, from <https://www.kompas.id/baca/ekonomi/2022/05/27/umgm-didorong-tembus-pasar-global>.
- Nugroho, A. R. & Irena, A. (2017). The impact of marketing mix, consumer's characteristics, and psychological factors to consumer's purchase intention on brand "w" in surabaya. *iBuss Management*, 5(1), 55–69.
- Nurhadi. (2019). Manajemen strategi pemasaran bauran (marketing mix) perspektif ekonomi syariah. *Jurnal Ekonomi dan Bisnis Islam*, 6(2), 141–157. <https://doi.org/10.30829/hf.v6i2.4811>.
- Obilor, E. I. & Amadi, E. C. (2018). Test for significance of Pearson's correlation coefficient (r). *International Journal of Innovative Mathematics, Statistics & Energy Policies*, 1(1), 11–23.
- Parasuraman, A., Berry, L. L., & Zeithaml, V. A. (1993). More on improving service quality measurement, *Journal of Retailing*, 69(1), 140–147 <https://doi.org/10.17615/mc5x-r254>.
- Sari, A. N. (2022, October 31). *Kondisi Industri Pengolahan Makanan dan Minuman di Indonesia*. DJKN Kemenkeu. Retrieved July 5, 2023, from <https://www.djkn.kemenkeu.go.id/kanwil>.

suluttenggomalut/baca-.artikel/15588/Kondisi-Industri-Pengolahan-Makanan-dan-Minuman-di-Indonesia.html

T4U. (2023, July 17). T4U Indonesia. Instagram T4U. Retrieved July 17, 2023, from <https://www.instagram.com/t4uindonesia/>.

T4U. (2021, January 17). Tea for You. T4. Retrieved July 17, 2023, from <https://www.t4.com.tw/en/about.php>.

Yummy Advisor. (2023, July 17). *Chatime Menu and Pricelist 2023*. Yummyadvisor.id. Retrieved July 17, 2023, from <https://www.yummyadvisor.id/surabaya/restoran-chatime-surabaya-3/menu/>.

Yuniar, N., Riyadi, & Silitonga, L. M. (2017). The Influence of export product price, total production, and distribution cost on the export volume of RK95-1-NB (A case study of diesel engine manufacturer in PT Kubota Indonesia). *Jurnal JOBS*, 3(1), 13–26. <http://dx.doi.org/10.32497/jobs.v3i1.1468>.

APPENDICES

Appendices 1 - Gender Percentage

Gender	Frequency	Percentage
Men	58	51.8%
Women	54	48.2%
Total	112	100%

Appendices 2 - Age Percentage

Age	Frequency	Percentage
15–25 years old	85	75%
26–35 years old	17	15.2%
36–45 years old	6	5.4%
46–55 years old	5	4.5%
Total	112	100%

Appendices 3 - Result of Multicollinearity Test

Model	Tolerance	VIF	Information
Price (X1)	0.377	2.653	No Multicollinearity
Promotion (X2)	0.317	3.150	No Multicollinearity
Product (X3)	0.250	4.000	No Multicollinearity

Appendices 4 - Result of Normality Test

One-Sample Kolmogorov-Smirnov Test	
	Unstandardized Residual
Monte Carlo Sig. (2-tailed)	0.129

Appendices 5 - Result of Heteroscedasticity Test

Variable	Sig. (2-tailed)	Information
Price (X1)	0.983	No Heteroscedasticity
Promotion (X2)	0.072	No Heteroscedasticity
Product (X3)	0.180	No Heteroscedasticity

Appendices 6 - Result of Linearity Test

Variables	Linearity Significance
Price (X1)	0.000
Promotion (X2)	0.000
Product (X3)	0.000