PAPER • OPEN ACCESS

Increasing public awareness of consuming Indonesian coffee through electronic marketing

To cite this article: A. Lisdayanti and T.A Anwar 2018 *IOP Conf. Ser.: Earth Environ. Sci.* **164** 012019

View the article online for updates and enhancements.

Increasing public awareness of consuming Indonesian coffee through electronic marketing

A. Lisdayanti[1] and T.A Anwar[2]

Faculty of Business and Management, Widyatama University
Bandung - West Java, Indonesia

annisa.lisdayanti@widyatama.ac.id

Abstract. Indonesia is one of the five largest coffee producing countries in the world during the 2016-2017 planting season. Indonesia itself has various types of famous coffee to foreign countries. With the diversity of existing coffee and also has been known in foreign countries, still the public awareness is still very low on it. This study aims to increase public awareness of Indonesian coffee consumption through electronic service quality (E-service) and e-word of mouth (E-WOM) as has been done by Otten Coffe in Bandung. Otten Coffee is one of the online stores that sell Indonesian coffee products complete with complete coffee maker equipment. With followers in Instragram accounts of 193 thousand and 17,214 youtube subscribed videos, Otten Coffee has sought to raise awareness of Indonesian coffee quality. However, people just look at existing coffee products without making a purchase. This at least shows that the awareness of the community towards the original Coffee of Indonesia is still low. Unlike foreign consumers who also make a visit to Otten Coffee website and immediately make a purchase.

Keywords: Indonesia Coffee, E-service quality, E-WOM, Brand Image

1. Introduction

The culture of drinking coffee in Indonesia has been growing since the first imposition of forced cultivation by the Dutch government at the time of colonization. Indonesia is one of the countries that are included into the five largest coffee producing countries in the world during the plant season in 2016-2017, this can be seen in the table as follows:

Table 1 The five largest coffee producing countries in the world 2016-2017

Ratings	Country	Coffee in Bags @60kg
1	Brazil	55.000.000
2	Vietnam	25.500.000
3	Colombia	14.500.000
4	Indonesia	11.491.000
5	Ethiopia	6.600.000

Source : www.indonesia-investments.com (2017)

In Indonesia itself has various types of coffee known to other countries such as Aceh Gayo, Mandailing, Lampung, Java coffee, Kintamani, Toraja, Bawaja, Wamena and also one of coffee with flavor and aroma typical of civet coffee. Variety and magnitude of coffee produced by Indonesia is

inseparable from the history of its development. Coffee became one of the mainstay commodities in the early 1900s.

Product quality is an important factor in a business interaction, both products especially national coffee products. Currently the awareness of Indonesian people is still low to consume national coffee, whereas the coffee produced has better value for health than instant coffee. Kotler and Keller (2012: 121) states that product quality is the ability of a product to perform its functions, including durability, reliability, accuracy, ease of operation and improvement and other valuable attributes [1].

Otten Coffee is one of the online store that sells Indonesian Coffee products with complete coffee maker. With the followers in the account as many as 193 thousand instagram and video subscribe on youtube as much as 17.214, Otten Coffee seeks to raise public awareness of the national coffee in general and in particular increase sales. According to El-Gohary (2010: 210), e-marketing can be viewed as a new philosophy and modern business practice involved with the marketing of goods, services, information and ideas via the internet and other electronics [2]. However, even though Otten Coffee has increased promotional activities through electronics there are still many Indonesians who do not know Otten Coffee. This is not in line with the condition that Otten Coffee is exporting coffee to Africa, Australia, Malaysia, Singapore and Japan. E-marketing activities conducted from 2013 until now have been done with various as join in Google Q Words. Kotler and Keller (2016: 330) state that "brand image describes the extrinsic properties of the product or service, including the ways in which the consumer attempts to meet customers' psychological or social needs" [3]. Brand image becomes one of the main priorities that are used as a reference for consumers before making a purchase. On the basis of the above, the researcher is interested to conduct research with the title **"Increasing Indonesian Consciousness Consuming Indonesian Coffee through Electronic Marketing".**

2. Literature Review

2.1. E-Service Quality
According to Kotler and Keller (2009: 474); e-marketing describes each efforts made by the company to inform buyers, communicate, promote, and sell its products and services through internet [4]. And the concept of service quality refers to some scope the definitions of some of which are within the scope of industry, output or supply, processes, and systems. Tjiptono (2007) defines service quality as a measure of how both the level of service provided the company is able to match expectations in the minds of customers [5]. According to Lee and Lin (2005: 162), e-service quality can be interpreted as customer responses to the company as a whole and assessment regarding the superiority and quality in delivering e-service in the market virtual [6]. Lee and Lin (2005: 163) also explains the dimensions of e-service quality within a website adapted from the service quality dimension to measure how service delivery quality through the website is divided into 4 dimensions as follows: (1) Website Design, (2) Reliability, (3) Responsiveness and (4) Trust [6].

2.2. E-Word of Mouth
According to **Kotler & Keller (2009: 512)** word of mouth marketing is marketing activities through intermediaries of people to people whether orally, written, or electronic communication tools related to the experience of purchasing services or the experience of using a product or service [4]. **Kotler & Armstrong (2012: 139)** reveals that word of mouth has a great power that can impact consumer buying behavior. Recommendations from trusted friends, associations, and other consumers have the potential to be more reliable than commercial sources, such as advertising and salespeople [7]. In his research, Goyette, et al., (2010) divides the eWOM into three dimensions:
1. Intensity
2. Valence of Opinion
3. Content

2.3. Brand Image

Keller (2013: 432) states that, one important vital aspect of the brand is the image [8]. Meanwhile, according to **Kotler (2012: 235)** defines brand image as a set of beliefs, ideas, and impressions that are owned by a person to a brand. Therefore, the attitude and actions of consumers to a brand is determined by the brand image, Kotler added that brand image is a requirement of a strong brand [9]. Keller (2008: 56) explains, there are three dimensions in forming a brand image (brand image) in relation to the association perceived by consumers against a particular brand:
1. Strength of brand association
2. Favorability of brand association
3. Uniqueness of brand association [10].

3. Paradigm Research and Hypotheses
Based on the previous theory, then made a paradigm of research and hypothesis can be seen below:
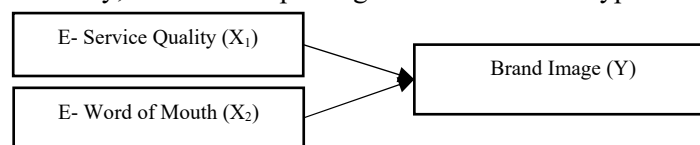

Figure 1 : Research Framework

Based on the research framework, the following hypotheses were developed :

H1: There is the effect of e-service quality on brand image at Otten Coffee
H2: There is the effect of e-wom on brand image at Otten Coffee
H3: There is the effect of e-service quality and e-wom on brand image Otten Coffee simultaneously

4. Research Methods
Data analysis method used in this research is descriptive and verifikatif. Descriptive research is a study that has a purpose to describe something and usually characteristics or functions. And verifikatif research is used to know the influence of e-service quality and e-wom to brand image either, simultaneously or partially. The research model used is multiple linear regression.

Sampling Techniques
While in the determination of sample size that will be used for this research is calculated using iteration method. According to Sitepu (1994: 108-109) the sample determination can be done through three stages of calculation, namely by determining the smallest correlation coefficient (ρ) value between independent variables with dependent variable, determining the real level (α) and test power (1-β) and determine the sample size [11]. The calculation of the sample by using the calculation of three times iteration so that the minimum sample used in this study as many as 115 respondents. The criteria specified for sampling in this study were Otten Coffee potential consumers.

5. Finding Research
The research data was collected by distributing questionnaires with statements about e-service quality and e-word of mouth spread to 115 consumers of Otten Coffee.

Table 2. Recapitulation of E-Service Quality
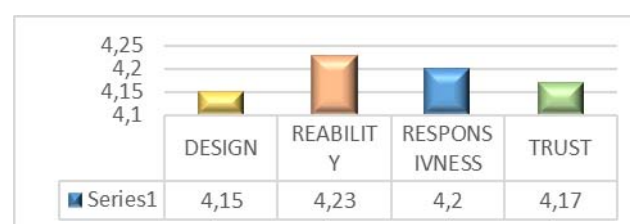
Source : data processed (2017)

Based on the table above can be seen that from 4 (four) dimensions of e-service quality, it can be explained that the highest value is assessed reliability. This relates to the quality of information, the service system to the consumer as well as the accurate representation of product visualization depicted in the website or instragram.

Table 3. Recapitulation of E-WOM

	Intensity	Valance of Opinion	Content
Series1	4,25	4,17	4,44

Source : data processed (2017)

Based on the table above can be seen that from 3 (three) dimensions of e-wom, it can be seen that the highest value that is assessed content. This is related to the positive comments from website users or an instragram about Otten Coffee, the use of hastags to recommend products and view other consumer comments

Table 4. Recapitulation of Brand Image
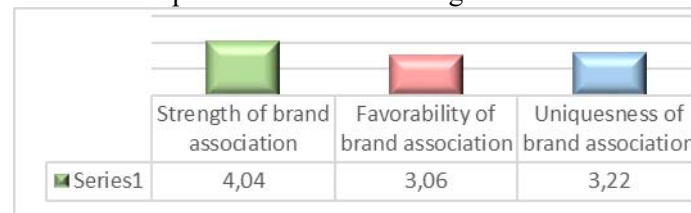
	Strength of brand association	Favorability of brand association	Uniquesness of brand association
Series1	4,04	3,06	3,22

Source : data processed (2017)

Based on the table above can be seen that from 3 (three) dimensions of the brand image, it can be explained that the highest value is assessed strength of brand association. This relates to the quality of coffee offered, the general quality of storage, the variety of products and the credibility of Otten Coffee. Based on the results of data processing, the following is an explanation of the influence of each relationship that exists in this study.

Table 5. Correlations

	X_1	X_2	Y
X_1	1,00	0,889	0,971
X_2		1,00	0,918
Y			1,00

Source : data processed (2017)

E-Service Quality to Brand Image
The results stated that e-service quality (X1) has a positive and significant effect on brand image (Y). With a relationship value of 0.971 then the interpretation of the magnitude of the relationship of both is very strong. Based on the value of the relationship, the value of influence between e-service quality on brand image is 94.28%.

E-WOM on Brand Image
The results stated that E-WOM (X2) has a positive and significant effect on brand image (Y). With a relationship value of 0.918 then the interpretation of the magnitude of the relationship of both is very strong. Based on the value of the relationship then obtained value of influence between E-WOM on brand image is equal to 84.42%.

The Effect of E-Service Quality and E-WOM on Brand Image

Tabel 6. Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	,978[a]	,957	,956	,13726	,957	1242,556	2	112	,000

a. Predictors: (Constant), X2, X1
b. Dependent Variable: Y

Based on the results of data processing can be known also the influence of together between E-Service Quality and E-WOM on Brand Image has a relationship of 0.954 with very strong relationship interpretation and the influence between these variables is 95.4%. Based on the previous sub-structural can be seen that from the second (2) independent variables studied, the first independent variable is E-Service Quality becomes the largest variable that can affect Brand Image in Otten Coffee.

6. Conclusion
Based on the results of research conducted on Otten Coffee on E-service quality, E-Wom and brand image, then obtained the following conclusions:
1. Based on the assessment, it can be concluded as follows: (a) E-service quality, which is considered to have the highest by the consumer is reability, such as quality of information, the service system to the consumer as well as accurate representation of product visualization depicted in the website or instragram. (b) The highest value of the E-WOM assessed by the respondent is the website or instragram content. This is related to positive comments from website or instragram users, hastag usage to recommend products and view other consumer comments. (c) The highest value of the greatest brand image is the strength of the brand association. This relates to the quality of coffee offered, the general quality of storage, the variety of products and the credibility of Otten Coffee.
2. To find out how much influence of E-service quality variable to brand image on Otten Coffee either partially or simultaneously, based on research result indicate variable E-service quality affect the brand image with the influence value of 94.28% and E-WOM affect the brand image with a value of 84.42%. and the results showed that the two independent variables give a high effect that is equal to 95.7%.
3. To see which effect is greatest in improving brand image, it can be concluded that E-service quality has greater influence compared to other independent variables. So companies need to pay attention to website design, reliability of E-service quality, responsiveness to consumers and more able to increase consumer confidence.

7. Suggestion
1. Company
   To increase public awareness of existence of Indonesia coffee, Otten Coffee needs to improve design of the website to make it look more attractive and provide clear information about the difference each type of Indonesian Coffee.
2. Researcher
   For next researcher, this research can be cultivated by addition of other variable that can be studied with the aim of developing public awareness of the existence of Indonesia coffee. The addition of variable such as marketing mix may have a big influence on public awareness in Indonesia coffee.

References
[1]   Kotler, Philip, and Kevin Lane Keller. (2012). Marketing Management, 14th Edition United States of America : Pearson

[2]   El-Gohary, Hatem. (2010). E-Marketing- A literature Review from a Small Businesses Perspective. Vol. 1, No. 1, pp 214-244. United States of America: International Journal of Business and Social Science.Goyette 2010

[3]   Kotler, Philip, and Kevin Lane Keller. 2016. *Marketing Management,* 15th Edition, Pearson Education, Inc.

[4]   Kotler, Philip, and Kevin Lane Keller. 2009. *Marketing management*. Upper Saddle River, N.J.: Pearson Prentice Hall.

[5]   Tjiptono, Fandy. 2007. Strategi Pemasaran. Edisi Kedua. Yogyakarta : Andi.

[6]   Lee, G.-G.,dan Lin, H.-F. 2005. Customer perceptions of e-service quality in online shopping. International Journal of Retail dan Distribution Management.161-176.

[7]   Kotler, Philip and Armstrong, Gary. 2012. Priciples of Marketing, 4th Edition. United States of America: Person.

[8]   Keller, Kevin Lane. 2013. Strategic Brand Management, 4th ed., Upper Saddle River, NJ: Pearson Prentice-Hall

[9]   Kotler, Philip. 2012. Marketing Management. 14th Edition. United States of America: Person.

[10]   Keller, Kevin Lane,. 2008, Strategic Brand Management, 3rd ed., Upper Saddle River, NJ: Pearson Prentice-Hall.

[11]   Nirwana SK. Sitepu, 1994, Analisis Jalur (Path Analysis),Unit Pelayanan Statitika Jurusan Statistika, Bandung : FMIPA UNPAD.