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Consumer Purchase Decisions at Bare Coffee Surabaya: An Analysis of The Impact of Social Media and Promotion

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Abstract

Examining how social media and ads during the Covid 19 epidemic affected consumer buying behavior at Surabaya's "Bare Coffee" is the goal of this study. In this study, regression using the STATA program OLS technique and descriptive quantitative analysis were both applied. The findings demonstrated that social media and advertising during the Covid 19 pandemic had a favorable and significant impact on customers' choices to purchase "Bare Coffee's" products. In addition to price reductions and cost savings, social media and promotions offered clients a number of other definite advantages while making purchases. It has been successful in boosting sales, as well as friends who work there who can recommend other customers to purchase goods from Bare Coffee.

Keywords: *Social Media, Promotion, and Consumer Purchase Decisions.*

1. Introduction

The global Covid-19 pandemic has had a tremendous impact on all aspects of life, especially the economic one (Fendel et al., 2020). The existence of Covid-19 at the macroeconomic level has an effect on economic growth, consumption, investment, and the balance of payments (Fang et al., 2021). Because so many people have lost their jobs, the prevalence of Covid-19 has decreased people's income levels, consumption, and purchasing power (Dang and Nguyen, 2021). Due to the unpredictability of the pandemic, the community is also highly cautious about protecting their health and keeping their spending under control (Celik et al., 2020).

Due to the social distance limitation policy implemented in response to the Covid-19 pandemic, life and public relations have become precarious, which has severely reduced community activities and is getting worse by the day. Social media marketing (SMM) is a type of digital marketing that makes use of social media websites and platforms in order to advertise an organization's goods and services, either through paid or unpaid channels. Consumer choices have a significant impact on whether or not someone decides to purchase a product in the field of marketing.

Brand awareness and social media marketing have an effect on consumers' purchase decisions, claim Dwivedi et al (2020). Customers' decision-making is influenced by a number of factors as well. Using smartphone and web-based digital technologies to build

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media synergistically where customers and group participants share, create, and discuss; and creatively modifying what is known as content (Dewnarain et al., 2019) are all examples of marketing initiatives using online digital platforms that enable the creation of information and connections between participants (Yadav and Rahman, 2017). Using user-generated content has aided businesses in attracting new customers (Chow and Shi, 2015), increasing brand awareness and sales, and fostering customer loyalty (Castronovo and Huang, 2012). It has also allowed businesses to better forecast the future purchase behaviors of their customers.

Such factors as brand equity have a significant impact on the consumer's choice to purchase a product. The impact of a brand on the choice to purchase a product is crucial. Social media brand mentions matter greatly and have a big impact. Instagram and other social media platforms have an impact on and affect consumer purchasing decisions.

Numerous studies have been done on brand and customer purchasing. The impact of social media content marketing and brand awareness on customer purchasing behavior. This study's data were collected through an online digital survey. According to Chow (2015), consumer behavior on social networking sites affects their decisions to buy products. The impact of endorsers and social media advertisements on consumer purchase decisions made through social media will be investigated using consumer brand awareness as a mediating variable.

2. Review of Literature

2.1 Social Media

The use of social media and the internet has altered consumer behavior as well as company practices. Businesses have a number of chances thanks to social and digital marketing that could result in lower expenses, better brand recognition, and higher sales. Dwivedi will arrive in 2021. Despite the fact that social media use is increasingly part of a company's overall strategy, there hasn't been much rigorous research to back up and further our understanding of social media marketing strategy (SMMS). In order to fill this study vacuum, we start by defining SMMS using social media and marketing strategy components. The concept of the SMMS development process is presented next. It consists of four fundamental components: drivers, input, throughput, and output (Li et al., 2020).

These days, almost every business has a social media account. This adage also applies to companies operating in the creative industry. The commercial world is using social media technologies and marketing as a result of the Covid-19 outbreak forcing the government to implement a policy of extensive limitations. All this time highlights the motivations behind technology adoption, business continuity, and social media marketing (Padma et al., 2021). In recent years, social media has developed into a completely new medium for commercial communication. Social media allows for better targeting, which is crucial for marketing operations (Chiang et al., 2019).

2.2 Promotion

Customers can receive omnichannel promos across any channel during their purchasing journey. Customers might be shown a promotion, for instance, when they browse the internet or make a physical purchase. Although there are many distinct sorts of promotions, we concentrate on financial (such as price-focused) and non-financial (such as event-focused) promotions. Although research has shown that these promotions can be successful in a single channel scenario (Büttner et al., 2015; Chandon et al., 2000), it is not yet known how customers would react to these promotions in an omnichannel environment. Understanding how omnichannel promotions work could help focus future

multichannel initiatives as marketing research pays more and more attention to the connection between digital and non-digital channels.

As may be seen from the two definitions of promotion, it is an action taken by a business with the intention that customers purchase the goods the business is promoting. Promotions are also conducted based on the dissemination of knowledge, persuasion, and reminders of the merchandise being advertised. Companies must create promotions that are as enticing as possible in order to inform, persuade, and remind consumers of important information.

2.3 Consumer Purchase Decision

Kotler and Keller (2016) claim that a purchasing choice is a knowledge integration process used to compare and contrast two or more alternative behaviors before selecting one. Consumer choices are a problem-solving strategy used by people to purchase products and services to satisfy their desires and requirements. The steps taken by a consumer before making a purchase are as follows: (a) problem recognition; (b) information search; (c) alternative evaluation; (d) decision-making; and (e) post-buy behavior.

The following are the factors that influence buying decisions: a. Business needs to be able to draw customers who are aware of the presence of the product in order to get past the attention stage. b. The informational, persuasive, and justificational phases of the interest stage are used to generate interest in the product. c. The corporation enters the want stage when it presents an enticing offer to customers that makes them want to purchase the product. When consumers are in the decision-making stage of taking action to buy (Action), regardless of their level of satisfaction, they are at the point of making a purchase.

3. Research Methods

This study used a descriptive quantitative research design. 200 customers that buy items from Bare Coffee are included in the random sampling technique. STATA and OLS data processing methods. The Google Form tool was used to disseminate surveys in order to collect the data required for the study, and 175 respondents gave accurate responses.

4. Results

The following information was made available to customers at "Bare Coffee" in Surabaya during the Covid-19 pandemic in order to evaluate the impact of advertising campaigns and social media on consumer purchasing decisions. The study's findings are as follows, according to the questionnaire that was made public:

Table 1: Respondent

CHARACTERISTIC	FREQUENCY	PERCENTAGE
SEX		
Male	134	76.57
Female	41	23.43
EDUCATION		
High School	80	45.71
Bachelor Degree	95	54.29
A WORKING RECORD		

under 1 year	21	12.00
between 1 year - 5 Years	35	20.00
between 6 Years - 10 Years	32	18.29
above 10 Years	87	49.71

According to table 1 above, there were 76.57 percent men and 23.43 percent women among the responders. Consumers with bachelor's degrees make up the majority, up to 54.29 percent, while those with only high school diplomas make up 45.71 percent of the consumer population. Furthermore, 49.71 percent of Bare Coffee customers have had their current jobs for more than ten years.

4.1 Validity and Reliability

It was also looked at if the results of the respondent's answer data were legitimate and reliable. To confirm the consistency of the questionnaire, validity and reliability tests were carried out, and it was discovered that the question indicators did indeed match the circumstances that consumers encountered. Below is a presentation of the Validity and Reliability test findings.

Table 2: Validity and Reliability Variable Social Media

Indicator	Test-Corr	Rest-Corr	Avg. inter item Cova	Alpha
SM1	.8414	.6215	.6899836	.9261
SM2	.9365	.8522	.4911987	.6984
SM3	.8892	.7630	.6167488	.7867
Obs. 175				
Test scale			.5993103	.8613

The social media variable's validity test scores in the item-test correlation column were 0.8414, 0.9365, and 0.8892, all of which are above 0.1484. The value of 0.1484 is derived from the fact that there are 175 samples (n), and that the amount of df can be computed as 175 - 2 = 173, with df 173, alpha 0.05, and table r having two tails. The value in the item-test correlation column is above 0.1484 and supports the validity of the conclusion for the social media variable. The alpha column in the reliability test findings shows a value of 0.8613, which is higher than 0.6, indicating the reliability of the conclusion about the social media variable.

Table 3: Validity and Reliability Variable Promotion

Indicator	Test-Corr	Rest-Corr	Avg. inter item Cova	Alpha
PRO1	.8150	.5983	.5541215	.8552
PRO2	.8910	.7499	.4139245	.7096
PRO3	.8891	.7321	.4056486	.7253
Obs. 175				
Test scale			.4578982	.8317

The promotion variable's validity test scores in the item-test correlation column are 0.8150, 0.8910, and 0.8891, all of which are higher than 0.1484. The value of 0.1484 is derived from the fact that there are 175 samples (n), and that the amount of df can be computed as 175 - 2 = 173, with df 173, alpha 0.05, and table r having two tails. Since the

value in the item-test correlation column is greater than 0.1484, the conclusion for the Promotion variable is valid. The alpha column of the reliability test findings, which is larger than 0.6 and equal to 0.8317, indicates that the conclusion about the reliability of the Promotion variable.

Table 4: Validity and Reliability Variable Purchase Decision

Indicator	Test-Corr	Rest-Corr	Avg. inter item Cova	Alpha
PD1	.7392	.4059	.4191133	.6036
PD2	.8572	.6969	.179376	.2720
PD3	.7350	.3252	.4939573	.7514
Obs. 175				
Test scale			.3641489	.6408

The Purchase Decision variable's validity test findings in the item-test correlation column were 0.7392, 0.8572, and 0.7350, all of which are above the threshold of 0.1484. The value of 0.1484 is derived from the fact that there are 175 samples (n), and that the amount of df can be computed as 175 - 2 = 173, with df 173, alpha 0.05, and table r having two tails. The value in the item-test correlation column is above 0.1484 and supports the validity of the result for the Purchase Decision variable. The conclusion of the Purchase Decision variable is reliable, as evidenced by column alpha 0.6408, which is greater than 0.6 and represents the reliability test results.

Table 5: Social Media Variable Indicators

Indicator	Coeff	r-table	Criteria Valid	Criteria Relia
I am familiar with and follow @bare.coffee on social media.	0,8414	0,1484	Valid	Reliable
Customers are invited to use Instagram stories to comment on products on the social media account for Bare Coffee on Instagram.	0,9365	0,1484	Valid	
The social media pages for Bare Coffee are simple to find, and their Instagram account makes it simple to find details about the menu, outlet locations, etc.	0,8892	0,1484	Valid	

According to Table 2 above, all of the indicators for the Social Media variable are valid and significant at 0.05 since the Social Media variable is consistent and all indicators have a value greater than 0.1484.

Table 6: Variable Promotion Indicators

Indicator	Coeff	r-table	Criteria Valid	Criteria Relia
I enjoy the advertising strategy because the information supplied about the promotional	0,8150	0.1388	Valid	Reliable

content is quite interesting and easy to understand.				
Depending on what is being advertised, products and prices may also be lowered.	0,8910	0.1388	Valid	
Offers discounts on the Gojek, Grab, and Shopee applications to promote products.	0,8891	0.1388	Valid	

According to Table 3 above, all of the indicators for the Promotion variable are valid and significant at 0.05 since the Promotion variable is consistent and each indicator's value is higher than 0.1484.

Table 7: Variable Purchase Decision Indicators

Indicator	Coeff	r-table	Criteria Valid	Criteria Relia
I visited and made a purchase there as a result of a captivating social media advertisement (@bare.coffee) that inspired me to do so.	0,7392	0.1388	Valid	Reliable
I bought anything because the promotion was available not only at outlets but also through Go-Food, Grab-Food, and Shopee-Food.	0,8572	0.1388	Valid	
Because of my friend who works at bare coffee, I bought something.	0,7350	0.1388	Valid	

According to Table 4 above, all of the indicators for the Purchase Decision variable are valid and significant at 0.05 since the Purchase Decision variable is consistent and all indicators have a value greater than 0.1484.

4.2 Normality Test

Table 8: Tests for normality using skewness and kurtosis

Var	obs	pr (Skew)	pr (kurt)	adj-chi2	prob>chi2
Res	175	0.5520	0.0252	5.33	0.0697

Normality test using the Skewness-Kurtosis Test, where the Prob > Chi2 value is 0.0697. The test results for the residuals from the regression model conclude that the data is normal, namely the Prob > Chi2 value of 0.0697 is greater than 0.05.

4.3 Heteroscedasticity Test

Heteroscedasticity test using the BP / Cook-Weisberg formula

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Ho: Constant variance
Variables: fitted values of PURDEC

chi2(1)      =     2.56
Prob > chi2  =   0.1093
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Heteroscedasticity test using the BP / Breusch-Pagan method, the result is that the data has no symptoms of Heteroscedasticity, because the value is Prob > chi2 above 0.05, namely 0.1093 > 0.05.

4.4 Multicollinearity Test

Table 9: Multicollinierity Results

Var	V I F	1 / V I F
PROMOT	2.15	0.465707
SOCMED	2.15	0.465707
Mean V I F	2.15	

Multicollinearity test results, that the data has no symptoms of multicollinearity, because the variance inflation factor (VIF) value is 2.15 below 10

4.5 Regression Analysis

Source	SS	df	MS	Number of obs	=	175
				F(2, 172)	=	158.06
Model	576.37889	2	288.189445	Prob > F	=	0.0000
Residual	313.598252	172	1.82324565	R-squared	=	0.6476
				Adj R-squared	=	0.6435
Total	889.977143	174	5.11481117	Root MSE	=	1.3503

PURDEC	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
SOCMED	.5326022	.05994	8.89	0.000	.4142894	.6509149
PROMOT	.2705426	.0673873	4.01	0.000	.13753	.4035553
_cons	1.547982	.5642192	2.74	0.007	.4342963	2.661667

The following equation can be derived from the results of the multiple linear regression tests shown above:

PURDEC = 1,5480 + 0.5326 SOCMED + 0.2705 PROMOT

The aforementioned regression model predicts that for each unit increase in the social media variable, the purchasing decision variable will rise by 0.5326 points. The purchase decision variable will increase by 0.2705 points for each point added to the promotion variable. The test findings show a high and favorable coefficient of determination of 0.6476.

5. Discussion

According to the results of the data analysis above, social media and promotions have a big impact on consumers' decisions to purchase products at "Bare Coffee" Surabaya that can be drank during the Covid-19 pandemic. Additionally, this research demonstrates that while both social media and promotion have a sizable impact on customer behavior at "Bare Coffee" Surabaya, social media has a stronger influence. According to Tables 2 and 3, which present the findings of the validity test and reliability test, respectively, this

condition demonstrates the predominance of the high test coefficient of the social media variable indicator.

The outcomes of multiple regression also demonstrate that the social media variable's test coefficient is higher than the promotion variable. This circumstance demonstrates that social media has greater influence over consumer purchasing decisions than do promotions at Bare Coffee. Even though the application is active on social media, consumers are still not interested in purchasing Bare Coffee items during the Covid 19 pandemic since they have restricted income due to restrictions on social activities.

As a result, it also affects consumer spending that is restricted based on their top demands. Additionally, this study demonstrates that social media and promotion factors jointly affect customer purchasing decisions to consume Bare Coffee goods by 64.76 percent, whereas other factors have an influence on 35.24 percent of those decisions. This circumstance demonstrates that respondents claimed that despite the epidemic, customer spending power is still robust for products from Bare Coffee.

Due to the ease of making purchases and payments online without physically visiting the Bare Coffee facility, the interaction of these two factors has a significant impact on the number of people who choose to buy Bare Coffee items during the Covid-19 pandemic. This occurs as a result of low-income consumers having to make purchases. It also makes it simpler for consumers to view Bare Coffee products and their price ranges, ensuring that they have enough knowledge about the products that Bare Coffee offers and can make an informed decision based on their preferences, top needs, and financial situation.

Due to customers' limited purchasing power during the Covid 19 outbreak and their poor budget, social media is an excellent and efficient method for consumers to choose the items offered by Bare Coffee. Other factors, such as recommendations and information from close friends who have consumed Bare Coffee products, as well as friends who work at Bare Coffee, can influence customer purchasing decisions in addition to social media and promotions. These other factors, such as recommendations and information from close friends who have consumed Bare Coffee products, can also influence consumer decisions to buy products sold by Bare Coffee.

Bare Coffee also does an interesting thing to draw customers: it offers discounts on the kinds of products it sells as well as reduced shipping costs on the products it sells to customers. This way, customers get products with a fixed amount of content and an unchanging taste, but the cost of acquisition is lower than it was at the time of purchase in the past.

This circumstance increases customer demand for Bare Coffee goods, which affects consumer purchasing choices. Another thing to note is that Bare Coffee places a high priority on the promptness of delivery and receipt of goods at the consumer's location so that customers do not have to wait too long to enjoy them after ordering from Bare Coffee.

6. Conclusion

This study demonstrates that social media and promotion factors significantly and favorably influence consumer decisions to buy items from Bare Coffee. Customers are encouraged to purchase Bare Coffee goods during the Covid 19 pandemic after viewing advertisements and material on social media that they deem appropriate. This trend persisted after the virus subsided and eventually disappeared.

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