



Consumer Preferences in the Coffee Sector: A Quantitative Study on the Role of Advertising, Brand Image, and Price Perception

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Abstract. This study investigates the impact of advertising, brand image, and price perception on consumer preferences at Triwala Coffee in Makassar City. A quantitative approach was used, involving 150 respondents who completed structured questionnaires. The data were analyzed using multiple regression analysis to examine the effect of these three variables on consumer preferences. The results indicate that advertising, brand image, and price perception each have a significant positive impact on consumer preferences. Among these, price perception was found to have the most substantial influence, followed by brand image and advertising. This research provides valuable insights for coffee shop owners on how to optimize their marketing strategies by enhancing advertising, building a strong brand image, and aligning pricing strategies with consumer expectations. The findings contribute to the existing literature on consumer behavior, particularly in the context of the food and beverage industry. Future research could explore additional factors such as service quality and digital engagement.

Keywords: Advertising, Brand Image, Price Perception, Consumer Preferences

1 Introduction

As a widely consumed beverage, coffee has become deeply integrated into daily routines worldwide, driving its status as one of the most traded commodities globally [1]. In Indonesia, coffee's role extends beyond mere consumption; it has evolved into an essential element of the nation's lifestyle and culture [2]. According to recent reports from the International Coffee Organization, coffee consumption in Indonesia has witnessed significant growth, positioning the country as one of the largest consumers and producers of coffee in the Asia Pacific region [3]. This surge in both consumption and production has propelled the development of a vibrant coffee industry, giving rise to numerous coffee shops catering to the evolving preferences of consumers.

Within this competitive landscape, coffee shops are constantly challenged to differentiate themselves and capture consumer interest. Effective marketing strategies have become paramount, with advertising emerging as a crucial tool for influencing consumer preferences and purchase decisions. Advertising serves as a means to create

awareness, shape perceptions, and ultimately drive consumer behavior [4]. In line with these dynamics, Triwala Coffee, a coffee shop located in Makassar City, South Sulawesi, faces the task of optimizing its marketing strategies to remain competitive and expand its market share.

In addition to advertising, brand image plays a significant role in shaping consumer preferences. A strong brand image can create a positive perception of a coffee shop, making it more recognizable and memorable to consumers. This perception influences their decision-making process, leading to a higher likelihood of choosing a brand with a favorable image over others [5]. A well-established brand image can convey values such as quality, reliability, and uniqueness, which are critical in a market where consumers are faced with multiple options.

Another vital factor is price perception, which refers to how consumers evaluate the value they receive for the price they pay. Consumers are more likely to choose products or services that they perceive to offer good value for money [6]. In the context of coffee shops, price perception can significantly influence consumer preferences, as customers often weigh the quality of the coffee, service, and overall experience against the price they pay. Understanding how price perception affects consumer behavior is crucial for businesses like Triwala Coffee to develop pricing strategies that align with consumer expectations.

Despite the evident significance of advertising, brand image, and price perception in shaping consumer preferences, there is a notable gap in understanding how these factors interplay to influence consumer behavior within the coffee shop industry, particularly in Makassar City. While previous research has explored the influence of digital marketing and service quality on consumer preferences [7], there is limited insight into how advertising, brand image, and price perception collectively impact consumer choices in this sector.

Therefore, this study aims to bridge this gap by investigating the effect of advertising, brand image, and price perception on consumer preferences, using Triwala Coffee as a case study. By employing a comprehensive analysis, this research seeks to provide valuable insights into the determinants of consumer behavior in Makassar City's coffee shop industry, contributing to the theoretical understanding of marketing strategies and offering practical recommendations for businesses aiming to enhance their competitiveness.

2 Literature Review

2.1 Consumer Preferences

Consumer preferences represent the subjective tastes and tendencies of individuals in choosing products or services based on perceived benefits [8]. These preferences encompass the choices made by consumers when faced with multiple options and are shaped by various factors, including product features, personal goals, attitudes, and lifestyle [9]. According to Syam et al., consumer preferences are formed through the evaluation of multiple brands or products, influenced by individual perceptions of value, quality, and satisfaction [10]. Understanding consumer preferences is essential for businesses, as it allows them to tailor their products and marketing strategies to

meet the expectations and desires of their target audience, ultimately leading to increased customer loyalty and market competitiveness.

2.2 Advertising and Consumer Preferences

Advertising plays a pivotal role in shaping consumer preferences and purchase intentions by providing information, creating awareness, and influencing perceptions [11]. As a primary communication tool, advertising allows brands to effectively convey messages about product attributes, features, advantages, and value propositions to target consumers. This exposure helps create awareness, build brand recognition, and shape consumer attitudes towards the product [12]. Ruth & Isabirye demonstrated that advertising significantly impacts consumer preferences by effectively disseminating information through various media channels, resulting in heightened brand awareness and familiarity [13]. Advertising's ability to engage, inform, and persuade consumers makes it a crucial factor in influencing consumer preferences. Without effective advertising, consumers may not be aware of a product's existence or its unique benefits, which underscores the need for companies to develop impactful advertising strategies that resonate with their target market.

Hypothesis: H1: Advertising has a significant effect on consumer preferences.

2.3 Brand Image and Consumer Preferences

Brand image refers to the perception and impression that consumers have about a brand based on their experiences, associations, and evaluations [14]. It is often shaped by various factors, such as marketing communications, personal experiences, and word-of-mouth, which together create an overall impression of the brand in the consumer's mind. A strong and positive brand image helps distinguish a brand from its competitors, thereby influencing consumer preferences and loyalty [15]. Consumers are more likely to choose a brand that they perceive as credible, trustworthy, and reflective of their values. Prior studies revealed that brand image significantly affects consumer preferences, with consumers more likely to choose brands that align with their values and identity [16]. Similarly, other research found that brand image plays a vital role in shaping consumer purchasing decisions, indicating its impact on consumer preferences [17]. For businesses, developing a strong brand image is not only about creating visual elements but also about building positive associations and experiences that make the brand memorable and preferred over others.

Hypothesis: H2: Brand image has a significant effect on consumer preferences.

2.4 Price Perception and Consumer Preferences

Price perception is how consumers assess the value they receive from a product or service in relation to its price [18]. It involves evaluating whether the cost of a product matches the quality, benefits, and overall experience it offers. Consumers tend to make purchasing decisions based on their perceived value, and if they believe that a product offers good value for its price, they are more likely to prefer and

purchase it. This perception can be influenced by factors such as promotional pricing, discounts, or perceived exclusivity. Research found that price perception significantly impacts consumer choices, with products perceived as offering good value for money being more preferred by consumers [19]. Similarly, other studies highlighted that affordable and competitive pricing positively affects consumer preferences, making price perception a crucial factor in shaping purchase decisions [20]. For businesses, understanding how consumers perceive their pricing strategy can provide valuable insights for optimizing pricing models to enhance competitiveness and attract a broader customer base.

Hypothesis: H3: Price perception has a significant effect on consumer preferences.

3 **Research Method**

This research employs a quantitative approach to examine the influence of advertising, brand image, and price perception on consumer preferences at Triwala Coffee in Makassar City. Data collection utilized structured questionnaires distributed to a sample of 150 consumers who had made purchases at Triwala Coffee. A purposive non-probability sampling method was applied to ensure the respondents were relevant and had prior experience with the coffee shop.

The questionnaire used a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) to measure respondents' perceptions of advertising, brand image, and price perception, as well as their influence on consumer preferences.

The collected data were analyzed using descriptive statistics to identify trends and summarize the respondents' perceptions. Furthermore, multiple linear regression analysis was employed to determine the impact of advertising, brand image, and price perception on consumer preferences.

F-tests and T-tests were conducted to assess the model's significance, and the coefficient of determination (R^2) was calculated to evaluate the proportion of variance in consumer preferences explained by the independent variables. This methodology ensures a precise understanding of the factors influencing consumer preferences at Triwala Coffee.

4 **Result**

The demographic analysis of the respondents in this study shows a slight gender imbalance. Of the 98 respondents, 57.14% are male, and 42.86% are female. This distribution highlights that male consumers constitute a larger portion of the visitors to Triwala Coffee. In terms of age, the majority of respondents are in their mid-20s, with the highest percentage of respondents being 24 years old (14.29%).

Table 1. Respondent Analysis

Age	Count	Percentage (%)	Gender Distribution (Male/Female)
20	6	6,12	Male/Female
21	8	8,16	Male/Female

22	9	9,18	Male/Female
23	12	12,24	Male/Female
24	14	14,29	Male/Female
25	6	6,12	Male/Female
26	6	6,12	Male/Female
27	10	10,20	Male/Female
28	11	11,22	Male/Female
29	8	8,16	Male/Female
30	8	8,16	Male/Female
Total	98	100	Male 57,14% / Female 42,86%

The reliability of the measurement instruments was tested using Cronbach's Alpha. The results show that all variables are reliable, with values above the acceptable threshold of 0.7. The reliability test results for Advertising (X1), Brand Image (X2), Price Perception (X3), and Consumer Preferences (Y) yielded Cronbach's Alpha values of 0.785, 0.786, 0.722, and 0.713, respectively, indicating that the items used for these constructs are consistent and reliable.

Table 2. Reliability Test

Variable	Cronbach Alpha	Description
Advertising (X1)	0,785	Reliable
Brand Image (X2)	0,786	Reliable
Price Perception (X3)	0,722	Reliable
Consumer Preferences (Y)	0,713	Reliable

The validity of the instruments was confirmed through Pearson's Product-Moment Correlation. Each item for the variables of Advertising, Brand Image, Price Perception, and Consumer Preferences showed strong, significant correlations, with values exceeding the critical r-value of 0.1986. For example, the Advertising variable showed correlations ranging from 0.830 to 0.845, and Price Perception had correlations ranging from 0.702 to 0.793. This confirms the construct validity of the instruments.

Table 3. Validity Test

Item	Pearson Correlation	Description
Advertising (X1)		
Triwala Coffee's advertisements effectively engaged me as a consumer.	0,837	Valid
Triwala Coffee's advertisements provide useful information.	0,845	Valid
Triwala Coffee's advertisements persuade me to visit.	0,830	Valid
Brand Image (X2)		
I visit Triwala Coffee because of its reputation.	0,839	Valid

I visit because it aligns with my taste.	0,830	Valid
I visit due to its quality and presentation.	0,844	Valid
Price Perception (X3)		
The price is affordable.	0,729	Valid
The price matches product quality.	0,793	Valid
The price is competitive.	0,702	Valid
Price aligns with benefits received.	0,734	Valid
Consumer Preferences (Y)		
Flavor aligns with my preferences.	0,736	Valid
Price aligns with the benefits I receive.	0,707	Valid

Multiple Regression Analysis The multiple regression analysis examined the impact of the independent variables (Advertising, Brand Image, and Price Perception) on Consumer Preferences. The regression results, as shown in Table 5.11, indicate that all independent variables have a positive and significant effect on Consumer Preferences. Specifically, for each unit increase in Advertising, there is a 0.271 increase in Consumer Preferences, and for Brand Image and Price Perception, the increases are 0.323 and 0.347, respectively.

Table 4. Multiple Regression Analysis

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Bta)	Sig.
(Constant)	2,165	1,613		0,183
Advertising	0,271	0,125	0,193	0,033
Brand Image	0,323	0,124	0,249	0,011
Price Perception	0,347	0,086	0,363	0,000

The regression equation indicates that the combined effect of Advertising, Brand Image, and Price Perception explains approximately 38.7% of the variance in Consumer Preferences, as indicated by the R^2 value of 0.387. This suggests that these three factors significantly contribute to shaping consumer behavior at Triwala Coffee, although other factors account for the remaining 61.3%.

Table 5. Coeffetion Of Determination

Model	R	R Square	Adjusted R Square
1	0,622	0,387	0,367

Hypothesis Testing Hypothesis testing was conducted using t-tests to assess the significance of each independent variable. The results show that all three hypotheses were supported:

- H1: Advertising has a significant effect on Consumer Preferences (Sig. = 0.033).
- H2: Brand Image has a significant effect on Consumer Preferences (Sig. = 0.011).

- H3: Price Perception has a significant effect on Consumer Preferences (Sig. = 0.000).

5 Discussion

The findings of this study highlight the critical role of advertising in influencing consumer preferences. Advertising effectively engages consumers by providing valuable information about products and promotions, thereby influencing their decision-making process. These results are consistent with the findings of Shareef et al., who suggest that advertising that provides high entertainment and informational value can significantly shape consumer attitudes (21).

Similarly, the study emphasizes the importance of brand image in shaping consumer preferences. The positive and significant impact of brand image aligns with the Theory of Planned Behavior, which posits that attitudes towards a brand are crucial determinants of behavioral intentions. A positive brand image enhances consumers' perceived quality and desirability of the products offered by Triwala Coffee, leading to higher consumer preference and loyalty (22).

Lastly, price perception was found to be a key determinant of consumer preferences. Consumers' perceptions of fair and competitive pricing strongly influenced their preferences for Triwala Coffee. These results align with the findings of Tarro et al., who noted that perceived price fairness and value for money are essential drivers of consumer preference, especially in highly competitive markets (23).

This study provides empirical evidence that advertising, brand image, and price perception are critical factors in shaping consumer preferences in the context of a coffee shop. These findings offer practical insights for businesses like Triwala Coffee, suggesting that enhancing these aspects could significantly boost consumer engagement and brand loyalty.

6 Conclusion

6.1 Theoretical Implications

This study contributes to the literature by examining the influence of advertising, brand image, and price perception on consumer preferences, specifically in the context of Triwala Coffee in Makassar. While previous research has explored these variables individually, this study integrates them to provide a more holistic understanding of their combined effects on consumer behavior in the coffee shop industry. The findings confirm that advertising, brand image, and price perception significantly influence consumer preferences, contributing to the Theory of Planned Behavior (TPB) framework. By validating the impact of these factors, this research adds to the body of knowledge on consumer decision-making, particularly in the competitive environment of the coffee shop sector.

6.2 Practical Implications

The practical implications of this study are relevant for business owners and marketers, particularly those operating in the food and beverage industry. For Triwala Coffee and similar establishments, the results underscore the importance of investing in effective advertising strategies that not only engage but also inform consumers about their products. Building and maintaining a strong brand image is equally critical, as it directly influences consumer loyalty and preferences. Moreover, ensuring that pricing strategies reflect the perceived quality and value of the products is essential for attracting and retaining customers. Coffee shop owners should consider implementing targeted promotional campaigns, enhancing their brand identity, and aligning their pricing with customer expectations to drive consumer engagement and improve business performance.

6.3 Limitations and Future Research

Despite its contributions, this study has several limitations. First, the sample was limited to consumers of Triwala Coffee in Makassar, which may not fully capture broader consumer behavior patterns in other regions or industries. Future studies could expand the sample size and include consumers from different locations to enhance generalizability. Second, this study only focused on three variables—advertising, brand image, and price perception. Other factors such as product quality, service experience, and digital engagement could also play significant roles in shaping consumer preferences and should be considered in future research. Lastly, this research employed a quantitative approach; future studies might benefit from incorporating qualitative insights to deepen understanding of the underlying motivations behind consumer preferences.

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