

CHAPTER 1

INTRODUCTION

1.1 Research Object Overview

1.1.1 Company Profile

Janji Jiwa in May 2018 was first established at ITC Kuningan. The Janji Jiwa coffee shop began as a beverage business owned by a coffee enthusiast. This brand was created as a commitment from the bottom of his heart 28 to provide coffee, one of his greatest pleasures. Janji Jiwa uses a fresh-to-cup philosophy to offer a variety of Indonesian coffees at an affordable price.



Figure 1.1 Janji Jiwa Logo

Source : (Jiwagroup.com, 2022)

Janji Jiwa is owned by PT. Luna Boga Narayan and was founded by Billy Kurniawan. According to Michael, the brand manager of PT. Luna Boga Narayan, the Janji Jiwa coffee shop got its name from the proprietor of this beverage business, who used to be passionate about coffee (Iman, 2019). Janji Jiwa's Grab and Go concept introduces a new coffee drinking habit to the Indonesian populace by not giving a space for consumers to sit or linger. Janji Jiwa's Coffee tagline is "Kopi dari hati," which fits their objective of introducing Indonesian coffee beans to the world. The Janji Jiwa

Coffee store has been purchasing coffee beans directly from growers since its inception. They think that by doing so, they can maintain Janji Jiwa's market share of coffee beverages in Indonesia while also developing local farmers with each cup of coffee supplied by Janji Jiwa Coffee. Following the successful launch of its first outlet in mid-2018, the Janji Jiwa brand continues to grow at a quick pace. Jiwasraya has opened over 800 locations in 100 different cities and sold over 20 million cups of coffee to coffee enthusiasts. The founder of the Kopi Janji Jiwa brand intends to develop up to 1000 shops throughout Indonesia by 2020.

1.1.2 Vision Janji Jiwa

“making Kopi Janji Jiwa a coffee shop brand that is located in every corner of the city by bringing Indonesian coffee shop culture to the world. A glass for soulmates, namely our commitment to prioritize product quality, service, and atmosphere.”

1.1.3 Award and Achievement

1. MURI 2019 Fastest Coffee Shop Growth in One Year
2. TOP BRAND AWARD 2021 Top of Mind Share, Top of Market Share & Top of Commitment Share Coffee Shop
3. TOP BRAND AWARD 2020 Top of Mind Share, Top of Market Share, & Top of Commitment Share Coffee Shop
4. WOW BRAND 2021 Gold Champion Category `Coffee Shop`
5. HALAL MUI MUI and BPJPH Give Grade A Halal Certificates to All Janji Jiwa Outlets, Jiwa Toast and Jiwa Tea
6. TOP BRAND AWARD 2022 Top of Mind Share, Top of Market Share, & Top of Commitment Share Coffee Shop
7. WOW BRAND 2022 Gold Champion Category `Coffee Shop`
8. MARKETEERS YOUTH'S CHOICE AWARD 2022 Silver Winner Category 'Coffee to Go'.

1.2 Research Background

The rise of the coffee shop sector in Indonesia has had a significant impact on consumer lifestyles; coffee shops in Indonesia have witnessed numerous changes in customer lifestyles. The Indonesian coffee shop business is expected to have a market value of IDR 4.8 trillion each year. The culinary market is currently growing, which means that entrepreneurs must continue to innovate in order to satisfy consumers (Rizaty, <https://databoks.katadata.co.id/datapublish/>, 2022)

Coffee has become a part of the daily life of Indonesian people. From morning to evening, even at night, many people consume coffee in their daily activities. Therefore, it is not surprising that many coffee shops have sprung up in recent years. Starting from conventional coffee shops to modern ones by using the application.

The corona pandemic will change the trend of the coffee business in 2021. It is estimated that coffee shop business owners will increasingly compete for customers with quality coffee drinks, affordable prices and simpler outlet concepts. With the corona pandemic, coffee business people began to change their concept by serving coffee with various kinds of sales media, such as using an application.

Today, drinking coffee is about more than just the food; it's also about the location and ambience of the coffee shop. Coffee shops are now used as a meeting spot for friends, as well as a place to pass the time. Thus, it's unsurprising that the shop exists. Existing coffee shops compete to provide their customers with the best service possible. Not only can people enjoy coffee at home, but they frequently visit coffee shops to simply have a cup of coffee or catch up with friends. While the habit of drinking coffee has existed for a long period of time, the coffee industry has recently exploded in popularity in Indonesia. Numerous new coffee shops have opened. They are unique in that they offer coffee not only as it is sold in the shop, but also as current coffee inventions.

According to the databoks, there are 7 contemporary coffee shops that are most favored by the people of Indonesia. The coffee shops are Kenangan coffee, Janji Jiwa coffee, Lain Hati coffee, Point coffee, Kulo coffee, Soe coffee, and Fore coffee.

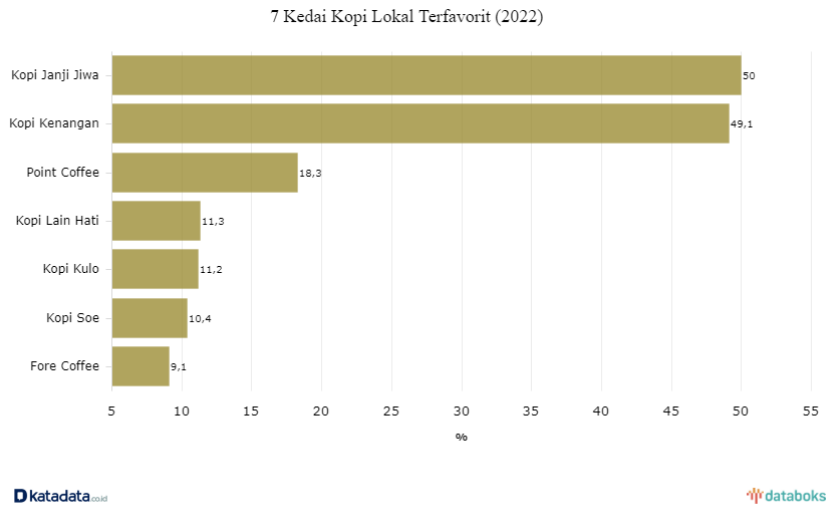


Figure 1.2 Favorite Local Coffee Shop

Source : (Rizaty, <https://databoks.katadata.co.id/>, 2022)

Based on a Jakpat survey quoted from Katadata, Janji Jiwa is the most popular local coffee shop by the community with a proportion reaching 50%. The second favorite local coffee shop is Kopi Kenangan (49.1%). Meanwhile, other local favorite coffee shops are Point Coffee (18.3%), Kopi Lain Hati (11.3%), Kopi Kulo (11.2%), Soe Coffee (10.4%), and Fore Coffee (9.1%).

Table 1.1 Top Brand Index Coffee shop

Brand	Top Brand Index (2020)	Top Brand Index (2021)
Janji Jiwa	29.8%	39.5%
Kenangan	39.9%	36.7%
Kulo	13.6%	12.4%
Fore	5.1%	6.4%

Source : (Top Brand Index, 2022)

According to table 1.1 above, it can be seen that Janji Jiwa Coffee experienced increase in Top Brand Index rankings from 2020 to 2021, with a proportion rate in 2020 which is 29.80%. Then year Next, in 2021, there will be a fairly high increase which is 9.7% so that the percentage becomes 39.5%. Compared to competitors who have been in the same business category before namely Kenangan Coffee and Kulo Coffee, Janji Jiwa Coffee as a newcomer brand has been able to achieve the first position of the Top Brand Index, as well as an increase percentage and position from the previous year compared to its competitors who experienced a decrease in the percentage of Top Brand Index. The Top Brand Award is the highest award for a brand given by Marketing Magazine based on the results of national research by Frontier Group. This award was given after the Janji Jiwa was rated as superior or TOP and successfully surpassed the three measurement parameters of Top Brand, namely: Top Mind of Share as the brand most recognized by consumers. Top of Market Share as the brand most purchased by consumers. Top of Commitment Share as a brand that is able to create consumer loyalty. Enhancement this percentage is certainly inseparable from the marketing process that has been implemented carried out by Janji Jiwa Coffee so as to attract consumers to make a purchase. (Mediaindonesia.com, 2022)

Janji Jiwa is one of Indonesia's numerous coffee shops. Since its inception on June 20, 2018, Janji Jiwa coffee has remained a sought-after destination for coffee enthusiasts. Janji Jiwa Coffee can compete with other coffee shops in Jakarta because of its distinctive and unique taste. Janji Jiwa operates on a fresh-to-cup model, serving a selection of Indonesian specialty coffees. When the name Janji Jiwa was created, it was inspired by the story of the company's founder, who has always had a passion for coffee. As a result, the Janji Jiwa brand was launched in the form of a promise from the bottom of his heart to serve coffee as one of his life's passions, as well as other beverages. Following the successful launch of its first outlet in mid-2018, the Janji Jiwa brand has continued to expand at a quick pace on a daily basis. To date, Janji Jiwa has opened more than 800 locations in more than 100 different cities, and has sold more than 20 million cups of coffee to coffee enthusiasts all over the world, according to the

company. Indonesia, the country that is the originator of the Janji Jiwa brand, has even stated that it plans to open up to 1000 shops by 2020.

Table 1.2 Top Brand Index Coffee shop

Brand	Number of Outlets
Janji Jiwa	800
Kenangan	300
Kulo	300
Fore	100

Source : **Top Brand Index (2021)**

In table 1.1 above, there are data outlets for several contemporary coffee shops in Indonesia. Based on it, it can be seen that Janji Jiwa has the most number of outlets among its competitors, namely Fore coffee, Kenangan coffee and Kulo coffee. Until 2021 Janji Jiwa already has 800 outlets throughout Indonesia. This actually leaves its competitors far behind, namely kenangan Coffee with 300 outlets, Kulo Coffee with 300 outlets, and Fore Coffee with 100 outlets. With these data, it can be said that Janji Jiwa is a coffee shop that has a very wide reach among other coffee shops. However, this number is still below the previous target that has been set by Janji Jiwa. Previously, Janji Jiwa planned to open 1000 outlets throughout Indonesia in 2020. However, until 2021 this has not been fulfilled, which still amounts to 800 outlets.

KOPI			TANPA KOPI		
ES KOPI SUSU Espresso dan susu pakai gula aren 18	ES KOPI POKAT Espresso dan alpukat ditambah es krim coklat 20	ES COCO PRESSO Espresso dan air kelapa 18	ES SUSU MATCHA Susu segar dan teh matcha 25	ES YOGHURT YUZU Yogurt dan yuzu 28	ES SUSU HOJICHA Susu segar dan teh hojicha 25
ES KOPI HITAM Espresso dan air mineral 15	ES KOPI SOKLAT Espresso, susu, segar dan coklat 20	ES AMERICANO Kopi hitam tanpa gula 15	ES MADU YUZU Madu dan yuzu 25	SOY MATCHA LATTE Soya milk, matcha dan matcha ice cream 30	ES SUSU SOKLAT Susu segar dan coklat 18
SOY COFFEE LATTE Susu milk dan espresso 25	SOY COFFEE LATTE Soya milk, espresso dan vanilla ice cream 30	ICE LATTE Espresso dan susu segar 18	ES SUSU CINCAU Susu segar dan cincau 20	KOPI JELLY Susu segar dan kopi jelly 20	SOY MATCHA LATTE Soya milk dan matcha 28
Janji Jiwa x Sabu ES COCO LATTE Espresso, susu pakai gula aren dan santan 22			SOERUM SERIES ES SOERUM REGAL Susu segar, rom dan regal 20		
PANDAN SERIES TEN CINCAU PANDAN Teh, pandan dan cincau 15			BERRY SERIES MATCHA BERRY Matcha dan berry 28		
ES KOPI PANDAN Espresso, susu dan pandan 20			ES SUSU BLACK PINK Susu segar dan berry 28		
ES SOYA PANDAN Soya milk dan pandan 28			TOPPING REGAL Topping regal 3 COFFEE JELLY Topping kopi jelly 5 CINCAU Topping cincau 3 ICE CREAM Extra ice cream 8 SPRO Extra spro 3		

Figure 1.3 Janji Jiwa Price List

Source : (Jiwagroup.com, 2022)

In terms of coffee prices, Janji Jiwa provides various prices for different variants. Each product has a different price too. The price depends on the product to be purchased by consumers. The price for Janji Jiwa products consists of one product size variant. This is different from what is offered by its competitors, such as Kopi Kenangan, which offers 2 product sizes for one variant. This means that Kopi Kenangan can serve a lower price than Janji Jiwa coffee because it is available in smaller sizes.

kopi kenangan

Kopi Kenangan Mantan
(n.) Kenangan manis yang sudah tidak ada, tapi suka datang tiba-tiba di pikiran

Kopi Kenangan Mantan	18	24
Dua Shot Iced Shaken	22	28

Kopi Kenangan Masa Lalu
(n.) Terlalu pahit untuk dikenang namun, terlalu indah untuk dilupakan

Americano/Long Black	15	18
Kopi Kelapa (Kemana Lagi Pacar?)	19	25

Kopi Teh AnDi Lau
(n.) Antara dilema dan galau

Teh Tarik + A Shot of Espresso	18	24
--------------------------------	----	----

Kopi Mantan Menikah
(n.) Ketika berjuta rasa masa lalu hanya tinggal kenangan. Game over

Vanilla Latte	24	32
Hazelnut Latte	24	32
Caramel Latte	24	32
Pandan Latte	24	32
Tiramisu Latte	24	32
Marie Regal Latte	34	40
Oreo Latte	34	40
Latte	18	21
Cappuccino	18	21
Flat White	18	21

Minuman Selingkuhan
(n.) Karena kopi tidak selalu setia

Susu Boba Gula Aren	20	29
Cokelat Pelarian	24	34
Cokelat Pisang	27	34
Milo Dinosaurus	20	26
Thai Tea	-	18
Thai Green Tea	-	18
Oreo Cookies & Cream Shake	29	40
Marie Regal Shake	29	40
Air Mineral	9	-

Es Teh Nostalgia
(n.) Sedingin sifatnya sekarang, semanis kenangan yang pernah ada

Es Teh Bunga Melati	15	18
---------------------	----	----

Teh Susu Kenangan Terindah
(n.) Semua akan indah pada waktunya

Kenangan Matcha Indah	24	29
Hojicha Latte	24	29
Teh Tarik Ulur	18	23

Add Toppings

Grass Jelly	5
Boba	5

More Sugar
(n.) Perlu manis-manis, untuk melupakan kenangan pahit

No / Less Sugar
(n.) Tidak perlu manis - manis yang peking setia

pergikuliner

Figure 1.4 Kopi Kenangan Price List

With the different size variants, the price of the product from the Memories coffee is lower than that of Janji Jiwa coffee. This is one of the factors that makes the Memories coffee superior in terms of price compared to Janji Jiwa coffee. By presenting lower prices, consumers have a variety of choices when making purchases.

Apart from that, in terms of application downloads, Kopi Janji Jiwa is also still inferior compared to its competitors. As followed in the following Dailysocial data which illustrates that the number of downloads of the Janji Jiwa coffee application is still far behind compared to the coffee memories and also chattime.

Peringkat	Aplikasi	Unduhan	Rating
6	Kopi Kenangan	1 juta+	4,6
13	Boba Ceria	100 ribu+	4,3
17	Chatime Indonesia	500 ribu+	4,5
21	JIWA+	100 ribu+	4,7
22	ISMAYA	100 ribu+	4,4
24	Fore Coffee	100 ribu+	4,6
61	Flash Coffee	50 ribu+	4,6
92	KULO	10 ribu+	1,7

Figure 1.5 Number of application downloads in the Food & Drink category on Google Playstore

Source : (Dailysocial.id, 2022)

Based on the data in Figure 1.5 above, it can be seen that the number of downloads for the Janji Jiwa application is still far below its competitors. The number of downloads on the Janji Jiwa coffee application is still at 100 thousand, while competitors such as Kopi Memories have the highest number of downloads with 1 million downloads. This is of course a warning for Janji Jiwa coffee to increase customer trust and want to switch to using the application to make transactions. (Dailysocial.id, 2022)



Populer boleh, Tapi banyak orang nyoba ngga?

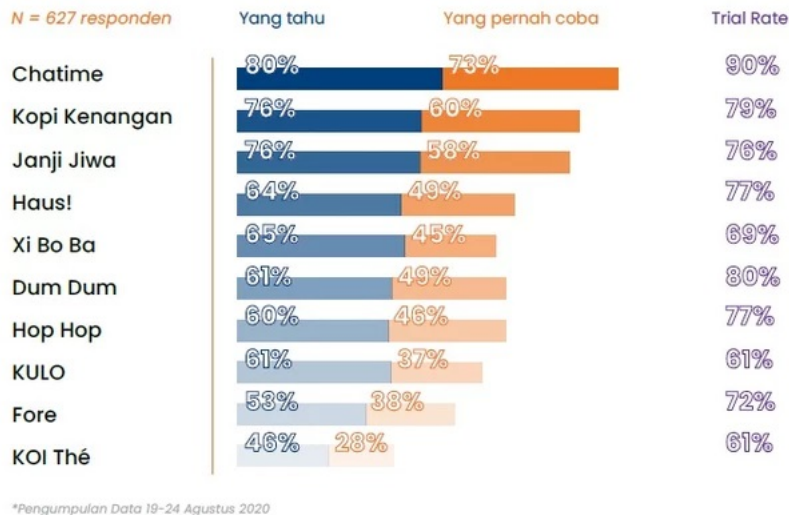


Figure 1.6 Favorite Local Coffee Shop

Source : (Populix, 2021)

Based on Populix research data, Janji Jiwa coffee ranks third in the contemporary beverage category. The research was conducted by Populix by conducting a survey on 627 respondents with 2 categories of questions. The first category is knowing the product from the brand, having tried the brand, and the third populix also presenting trial rate data in which the number of people who have made a purchase is divided by the number of people who have tried the product from that brand. The results of the study show that Janji Jiwa is still unable to compete with its competitors. The number of respondents who know about Janji Jiwa products is 76% and those who have tried Janji Jiwa coffee products are 58% and Janji Jiwa has a trial rate of 76%. These results are still inferior to competitors in the contemporary coffee drink category, namely Kenangan coffee. Kenangan coffee based on the survey got a score of 76% for the category of knowing the product and 60% who had tried products from Kenangan coffee and had a trial rate of 79%. Meanwhile, in the current beverage

business, in general, the position of Janji Jiwa coffee is still lagging behind compared to products from Chattime. Chattime, which carries the concept of the contemporary tea business, is ranked first by getting a score of 90% who know the product and 73% who have tried products from Chattime.

Based the data from populix above, of course, it should be a serious concern for Janji Jiwa coffee. With a maximum number of 800 outlets, this number is 2 times more than Kenangan coffee. With these advantages, Janji Jiwa coffee should have more affordability and more people who know about its products than Kenangan coffee.

Based on the above-mentioned phenomenon, that Janji Jiwa gets the status as the most favorite coffee in the eyes of the public in 2022 and becomes a coffee shop that has the most outlets compared to others. Besides that, Janji Jiwa also received an award as a Top Brand Award. This award was given after the Janji Jiwa was rated as superior or TOP and successfully surpassed the three measurement parameters of Top Brand, namely: Top Mind of Share as the brand most recognized by consumers. Under these conditions, Janji Jiwa should serve as an example for its competitors to continue to grow and compete in this industry. but this is not enough to make Janji Jiwa superiorly beat its competitors in terms of the number of purchases. A previous Populix survey illustrates this. This is a problem for Janji Jiwa coffee.

Based on the phenomena and background described above regarding the Janji Jiwa coffee which is a favorite of many Indonesian people, the various product variants of the Janji Jiwa coffee and the low prices, therefore the author is interested in compiling a thesis with the title " THE DETERMINANT FACTORS OF JANJI JIWA COFFEE PURCHASE DECISION (A STUDY ON JANJI JIWA CUSTOMER IN INDONESIA)".

1.3 Problem Statement

Brand Image is an important thing for a company to continue to grow to beat its competitors. With a good brand image, the company's image in the eyes of consumers is better and can continue to increase sales.

The condition of the price of the product offered has an effect on purchasing decisions. By setting a price that matches the service or product provided, it will attract consumers to make a purchase. The price on Janji Jiwa coffee is still inferior compared to its competitors. Its competitors, such as Kopi Kenangan, offer lower prices compared to Janji Jiwa because it offers smaller size options, which makes consumers have a variety of choices when buying products. Under these conditions, the competitor of Janji Jiwa coffee, namely Kopi Kenangan, has a wider reach to its consumers.

Janji Jiwa gets the status as the most favorite coffee in the eyes of the public in 2022 and becomes a coffee shop that has the most outlets compared to others. Besides that, Janji Jiwa also received an award as a Top Brand Award. This award was given after the Janji Jiwa was rated as superior or TOP and successfully surpassed the three measurement parameters of Top Brand, namely: Top Mind of Share as the brand most recognized by consumers.

Under these conditions, Janji Jiwa should serve as an example for its competitors to continue to grow and compete in this industry. but this is not enough to make Janji Jiwa superiorly beat its competitors in terms of the number of purchases. A previous Populix survey illustrates this. This is a problem for Janji Jiwa coffee. Janji Jiwa is still behind Kopi Kenangan in terms of product sales. Meanwhile, in terms of the number of Janji Jiwa outlets, it is one that has the largest number of outlets in this industry. Based on the explanation, the research questions in this research are as follows:

1. What is the consumer perception of brand image, price, trust and purchase decision on Janji Jiwa?
2. How does brand image affect the purchase decision on Janji Jiwa? Pertanyaan partial

3. How does price affect the purchase decision on Janji Jiwa?
4. How does trust affect the customer purchase decision on Janji Jiwa?
5. How does brand image, price and trust affect purchase decision simultaneously on Janji Jiwa?

1.4 Research Objective

1. Understand what is the consumer perception of brand image, price, trust and purchase decision on Janji Jiwa
2. Understand how does brand image affect the purchase decision on Janji Jiwa
3. Understand how does price affect the purchase decision on Janji Jiwa
4. Understand how does trust affect the customer purchase decision on Janji Jiwa
5. Understand how does brand image, price and trust affect purchase decision simultaneously on Janji Jiwa.

1.5 Research Benefit

With this research, it is hoped that it can provide benefits to other parties, both based on theoretical and practical aspects.

1.5.1 Theoretical Aspects

The results of this study are expected to enrich and complement knowledge in the field of marketing, especially those related to brand image, price, and trust that can influence customer decisions. In addition, some of the findings revealed in this study can also be used as a reference for future researchers. **(baca)**

1.5.2 Practical Aspects

This research can be used for consideration and contribution of thoughts for Jiwa Jiwa in increasing the company's growth in the future

1.6 Writing Structure

Contains systematics and brief explanations of research reports consisting of Chapter I to Chapter V in the research report.

a. CHAPTER I: INTRODUCTION

This chapter is a general, concise and concise explanation that describes precisely this research. The contents of this chapter include: Overview of Research Objects, Research Background, Problem Formulation, Research Objectives, Research Benefits and Systematics of Final Project Writing.

b. CHAPTER II: LITERATURE REVIEW

This chapter contains theories from general to specific, accompanied by previous research and followed by a research framework that ends with hypotheses if needed.

c. CHAPTER III: RESEARCH METHODOLOGY

This chapter outlines the approaches, methods, and techniques used to collect and analyse findings that can answer the research problem. This chapter includes a description of: Types of Research, Operational Variables, Population and Sample (for quantitative) / Social Situation (for qualitative), Data Collection, Validation and Reliability Test, and Data Analysis Techniques.

d. CHAPTER IV: RESEARCH RESULT AND DISCUSSION

The results of the research and discussion are systematically described in accordance with the formulation of the problem and research objectives and are presented in separate sub-headings. This chapter contains two parts: the first part presents the research results and the second part presents the discussion or analysis of the research results. Each aspect of the discussion should start from the results of data analysis, then be interpreted and then followed by drawing conclusions. In the discussion, it should be compared with previous studies or relevant theoretical foundations.

e. CHAPTER V: CONCLUSION AND RECOMMENDATION

Conclusions are answers to research questions, then become suggestions related to the benefits of research.