



Proposed Marketing Strategies for Brush and Palette Coffee to Increase Sales

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ABSTRACT: The F&B market in Indonesia, including coffee shops such as Brush and Palette, has experienced significant growth due to increased consumption in Indonesia. With increasing consumption in the F&B industry, there is a target market for coffee shops. From interviews with the owner of Brush and Palette, it was revealed that sales were stagnant and below target which raised concerns about revenue stability and sustainable growth. By focusing marketing efforts on promoting and eliciting purchase intent, Brush and Palette can strategize to increase sales and align with customer preferences. Further research is needed to refine market segmentation and develop more precise targeting strategies. The purpose of this study is to identify the factors that influence and increase sales of Brush and Palette. This research uses quantitative research methods with descriptive statistics. The sample for this study consisted of 200 respondents who were taken using the non-probability sampling method. The questionnaire will use a Likert scale with five levels, which represent the scale intervals. Questionnaires will be distributed online. The research tool used in this research is a questionnaire. Data analysis methods are divided into two, namely internal analysis (7Ps of the marketing mix and STP) and external analysis (PESTEL Analysis, Porter's Five Forces Analysis, Competitor Analysis, and Customer Analysis). Then, the data were analyzed using SWOT and TOWS analysis.

Based on the research results, companies must carry out effective promotional activities so that they can easily attract potential or existing customers to buy or repurchase Brush and Palette products. Affordable prices and quality products can attract consumers to buy Brush and Palette products. Brand awareness of buyers must be increased by Brush and Palette because it has a positive effect on purchase intentions. Several strategies that can be implemented in Brush and Palette are utilizing strategic locations and interior design to attract new customers and increase menu choices and facilities to strengthen their competitive position through these strategies.

KEYWORDS: Brand awareness, Marketing strategy, Purchase intention, Product attributes, Store atmosphere.

INTRODUCTION

Indonesia's population density is increasing every year. This influences big cities in Indonesia, one of which is Bandung. According to the Indonesian Central Bureau of Statistics (*Badan Pusat Statistik Indonesia*), the Bandung municipality population reaches 2.5 million people with an annual population growth rate of 0.21% and a population density of 14 thousand people/km² [1] An increase in population means that the consumption of products will also increase, one of which is in the food and beverage industry. The city of Bandung is one of the cities with a high level of tourism potential, especially in West Java. The city of Bandung has many tourist objects that can attract tourists, one of which is culinary tourism which has become one of the specialties of the city of Bandung. The number of cafe restaurants in the city of Bandung continues to increase, and along with its development, it has an impact on increasingly fierce business competition in the food and beverage industry sector, one of which is coffee shops.

Over time, business people in the coffee shop sector are growing and developing, resulting in an increasing number of coffee shops in various places, including Bandung. The number of coffee shops in Bandung continues to grow, both on a small and large scale, and are often even found in one adjacent location, there are two or more coffee shops with the same business scale with the same menu list. This condition occurs in Brush and Palette Coffee, with these conditions, of course, there is intense competition between these coffee shops. Moreover, coffee consumers have diverse tastes and choices to fulfill their desire to enjoy coffee. Based on these conditions, this study aims to explore the performance, potential, and constraints of the Brush and Palette Coffee business.

BUSINESS ISSUES

Brush and Palette Coffee has been three years in this business for, and they have gone through several problems while undergoing their business operations. Based on interviews with the owner, the problem that they are facing right now is stagnant and below-



target sales. The author conducted preliminary research on 20 people, and as many as 80% of respondents answered that the atmosphere of the place and product quality are important things in a restaurant or cafe. A pleasant atmosphere will affect the level of consumer satisfaction [2].

Based on the preliminary results, most respondents answered that BnP already has the important elements that need to be present in a coffee shop, namely a comfortable atmosphere, affordable prices, and good product quality. The atmosphere of the place is one of the considerations for many people in determining where to visit [3]. However, after conducting interviews with customers and owners BnP did not have new visitors and BnP's total sales were below the sales target, this was due to the absence of marketing carried out by BnP.

Stagnant total sales are suspected to be due to the lack of analysis of development prospects owned by BnP and the inconsistent marketing strategy used to market its products. The marketing strategy implemented by BnP is currently still not optimal, with promotions being implemented only by word of mouth and relying only on Instagram social media. In contrast to competitors, BnP in the same business has made various offers to new and old customers. For more details, the author conducts an analysis using the 5 whys method as described below:

- Why are Brush and Palette sales stagnant? Because there has been a lack of new visitors and the total sales are below the target.
- Why are there a lack of new visitors? Because Brush and Palette marketing efforts have been ineffective
- Why have Brush and Palette marketing efforts been ineffective? Because Brush and Palette have only relied on word-of-mouth promotion as its marketing method, it is possible that it is not reaching a large enough audience.
- Why has Brush and Palette only relied on word of mouth? Because to a lack of development potential analysis and an inconsistent marketing strategy.
- Why has there been a lack of analysis and an inconsistent marketing strategy? **Because due to a lack of resources or expertise in marketing, resulting in a failure to identify and implement effective marketing strategies**

Based on 5 whys method, BnP must implement a new strategy by considering the company's strategic position to remain the top choice of consumers. BnP must implement a new strategy by considering the company's strategic position to remain the top choice of consumers. This makes BnP continue to carry out its operations effectively and efficiently in marketing. This instrument is expected to help predict an effective way to determine a strategy and what needs to be seen in carrying out that strategy.

METHODOLOGY

Consumer satisfaction is highly valued in market-oriented businesses. The development of the marketing plan for an organization begins with the identification, or more precisely, the definition, of its target markets. Businesses have to comprehend the purchasing habits of their target market. This implies that businesses must be acutely aware of how their customers behave and how their target market makes purchasing decisions. Customer analysis firms contribute to marketing audits in three ways: deciding the correct target market and consumer profile, analyzing consumer value provided by the firm through product, price, and promotion strategies, and analyzing the value of customers for the company [4].

A. Data Collection Method

Each data collection method is described in detail, including its purpose, procedures, and ethical considerations. By employing a comprehensive and well-designed data collection approach, this study aims to gather robust and credible data to address research questions and contribute to the existing body of knowledge in the field.

i. Observation

The author sees Brush and Palette Coffee by coming directly to the place and making general observations to know product attributes, store atmosphere, promotional activities carried out by BnP and also to know the consumer's review about Brush and Palette

ii. Interview

The author interviews Brush and Palette owners as well as users. The owner was interviewed in order to acquire data for this report, such as sales figures and product pricing. Another objective is to learn about the company's difficulties and expectations from the owner's perspective. An interview with Brush and Palette customers was done to learn about their



awareness and buying intentions in Brush and Palette. This interview was done to determine what elements, in terms of product qualities and promotional techniques that fit their needs, can improve their buying intention at BnP.

iii. Questionnaire

The survey will be delivered to 200 respondents for the study's sample. A sampling unit, according to Malhotra [5], is a research object that contains multiple properties that resembled elements and will be utilized as samples in research. Non-probability sampling was employed in this study, which means that not everyone had the opportunity to be part of the sample, but respondents have been selected by the authors based on their own opinions as well as how easy it was for them to gather samples. The questionnaire will employ a Likert scale with five levels and an interval scale. Because this questionnaire is going to be distributed online, it will be referred to as an online survey. Online surveys are conducted by taking advantage of the internet's capabilities to provide information to groups and people who are difficult to reach, online surveys are substantially easier to create and access.

B. Data Analysis Method

The chosen research method is applied research. According to Sekaran and Bougie [6], applied research aims to apply research findings to address a specific problem an organization or company is facing. This form of research will also assist the company in making more effective and careful selections in dealing with the company's challenges. The data will be checked and evaluated quantitatively using the SMART PLS program. SmartPLS is a well-known software package for the use of partial least squares modeling of structural equations (PLS-SEM) [7]. Marketers can utilize SEM to graphically examine the linkages between relevant aspects for the purpose of prioritizing resources and enhancing the experience of their clients. The outer model depicts the interactions between the latent variables and their observable indicators, whereas the inner model describes the linkages between the independent and dependent latent variables. PLS is useful for structural equation modeling in practical research projects, particularly if there are a few participants and the data distribution is skewed.

This study employs a cross-sectional strategy in terms of time because data collection occurs within the same period but the object/subject differs. Meanwhile, cross-sectional research takes less time and costs less money. According to Malhotra [5], the target population is a group of components or items which include the data the researcher is searching for and from which inferences are to be drawn. Furthermore, the population refers to all groupings of people, events, or objects that academics find fascinating to investigate collectively. In other words, the population is the people who will be the focus of the research. This study's population consists of Bandung residents.

i. Validity Test

According to Malhotra [5], a sort of validity, also known as authenticity, consists of a subjective yet systematic assessment of the representativeness of a scale's content for the measuring job at hand. The validity test has already been completed on 30 respondents from the study's samples. In addition, the data will be processed using IBM SPSS 23 to determine the validity of the measuring device to be utilized. The author will assess the items to obtain valid criteria by evaluating the correlation between instrument item scores and overall scores. He considers it valid if the Pearson Correlation value is more than 0.3.

Criteria:

- Valid when the Pearson Correlation value is more than 0.3 [8]
- If the Pearson Correlation value is more than 0.3, the condition is considered valid [5]
- $r_{counted} > r_{table}$ = correct. r_{table} , $n=30$, 5% level of significance 0.361

ii. Reliability Test

"Reliability is a test of the consistency with which an instrument of measurement assesses whatever concept it is measuring," write [6]. The Cronbach's Alpha equation is used in reliability testing, "Cronbach's alpha provides a reliability coefficient that reflects the degree to which the items in a set are strongly correlated [6]. According to Malhotra [5], composite reliabilities of 0.7 or greater are deemed desirable as general criteria. Estimations between 0.6 and 0.7 may be regarded as acceptable if the model validity estimates are good.

The Pearson correlation coefficient can be used to assess questionnaire reliability. The correlation coefficient between variables. A correlation score greater than 0.6 implies that the system is reliable. Assessing the correlation values between variables to verify consistency and stability is part of analyzing the questionnaire's reliability findings. Reliable



questionnaires provide confidence in accurately measuring desired constructs or variables by ensuring consistent and trustworthy data collection.

RESULT AND DISCUSSION

This study will be carried out using PLS-SEM software to evaluate hypotheses and to obtain answers to research questions about product qualities that most impact purchase intention. The initial step is to conduct reliability and validity assessments using the outer model, followed by hypothesis testing using the structural model.

A. Validity Analysis

Cross-loading demonstrates discriminant validity. Another way for evaluating discriminant validity is to compare the Square Root of the AVE for every construct with the correlation across the construct and the other constructs in the model. The model has good discriminant validity if the AVE root for each construct is greater than the correlation between constructions with other constructs.

Table 1. Discriminant Validity Result (Author, 2023)

	Advertising	Brand Awareness	Product Attributes	Purchase Intention	Sales Promotion	Store Atmosphere
Advertising	0.737					
Brand Awareness	0.76	0.876				
Product Attributes	0.223	0.411	0.772			
Purchase Intention	0.758	0.747	0.456	0.905		
Sales Promotion	0.715	0.734	0.246	0.68	0.804	
Store Atmosphere	0.295	0.503	0.64	0.547	0.373	0.809

Given that the root of AVE > the correlation value among the latent variables, all latent variables have excellent discriminant validity.

B. Reliability Analysis

The composite reliability value of the construct indicator is checked as part of the reliability test. If the Composite Reliability test result is greater than 0.6, it indicates a satisfactory value. The result is as follows:

Table 2. Composite Reliability Result (Author, 2023)

Variable	Composite Reliability
Advertising	0.722
Brand Awareness	0.866
Product Attributes	0.69
Purchase Intention	0.897
Sales Promotion	0.815
Store Atmosphere	0.77

Based on the result of the Composite Reliability, it is possible to conclude that all variables are reliable.

C. Customer Analysis

i. R-Square

The R square value describes how well a research model represents a phenomenon; below are the outcomes:

Table 3. R-Square Description (Author, 2023)

Dependent Variable	R-square	Description
Brand Awareness	0.652	As much as 60.2% of the phenomenon can be explained by this model (X1 Brand Awareness, X2 Product Attributes, X3 Store Atmosphere, and Y Purchase



		Intention). It is impossible to represent the remaining 39.8% since outside variables also influence purchase intention.
Purchase Intention	0.602	As much as 65.2% of the occurrence may be explained by this model (X1 Sales Promotion, X2 Advertising, and Y Brand Awareness). Due to outside variables which influence purchase intention, the remaining 34.8% cannot be represented.

ii. Path Coefficient

The t-table value was then compared to the t-statistic values that were obtained using the bootstrap resampling procedure. If the t-statistic value is greater than the t-table value or vice versa, the suggested research hypothesis is approved. Garson, G. D. (2016) asserts that all t-values greater than 1.96 are significant.

Table 4. List of T-Statistics Value (Author, 2023)

Variable	T statistics
Advertising -> Brand Awareness	7.342
Brand Awareness -> Purchase Intention	10.84
Product Attributes -> Purchase Intention	2.245
Store Atmosphere -> Purchase Intention	2.449
Sales Promotion -> Brand Awareness	6.156

The association between latent variables is significant (has a positive influence) for all statistical T values > 1.96, as can be seen from the table above. This displays the responses from respondents who, according to the survey questions, believe that variable x has an impact on variable y.

Table 5. List of P Value (Author, 2023)

Variable	P values
Advertising -> Brand Awareness	0
Brand Awareness -> Purchase Intention	0
Product Attributes -> Purchase Intention	0.03
Store Atmosphere -> Purchase Intention	0.01
Sales Promotion -> Brand Awareness	0

Examining the p-value is another method for determining significance. When the p-value is less than 0.05, the criterion is significant. It is clear from the table above that all of the factors are significantly related (have a positive effect).

Table 5. Hypothesis Analysis (Author, 2023)

Hypothesis	P Value	Conclusion
H1: Sales promotion has a positive influence on brand awareness.	Accepted	The hypothesis is correct
H2: Advertising has a positive influence on Brand Awareness	Accepted	The hypothesis is correct
H3: Brand Awareness has a positive influence on Purchase Intention	Accepted	The hypothesis is correct
H4: Product Attributes have a positive influence on Purchase Intention	Accepted	The hypothesis is correct
H5: Store Atmosphere has a positive influence on Purchase Intention	Accepted	The hypothesis is correct

CONCLUSION

Brush and Palette is a coffee shop located in Bandung that was established in 2019 and is experiencing problems due to stagnant and below target sales and not having an effective marketing strategy. To increase the sales of the Brush and Palette product, it is crucial to have a clear understanding of customers' purchasing intentions. Through an in-depth analysis, both internally and externally, supported by statistical data, it is evident that the company needs to focus on implementing marketing strategies that



emphasize promotion and enhance brand awareness. This will enable Brush and Palette to effectively engage potential and existing customers, making it easier for them to be attracted to purchasing the Brush and Palette product.

RECOMMENDATION

Brush and Palette should boost its promotional efforts through social media marketing in order to improve their Brand Awareness, Product Attributes, and Store Atmosphere. They should expect a future increase in Purchase Intention if they successfully elevate and sustain all the elements. Furthermore, the thesis advances marketing theory by demonstrating how marketers may strategically use these characteristics to alter customer attitudes and behaviors, so offering essential insights for effective marketing tactics. The research's practical consequences are helpful for marketing practitioners, since reliable suggestions for pricing techniques, promotional activities, and processes are presented, enabling effective marketing planning in the coffee shop industry. Advertising, sales promotion, brand awareness, store atmosphere, product attributes that affect purchase intention, and market segmentation were the only elements considered in this study. Future research might examine the success rate of marketing strategies, evaluate the performance of various platforms, and investigate creative ways to use these channels for advertising and customer acquisition.

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