The Analysis of Potential Market Preferences for Café Businesses on Healthy Food Purchase Decision

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Abstract. The healthy food business is growing in Indonesia. However, there are several factors that influence consumers’ purchase decisions for healthy food dishes such as product, service, experience, price, and promotion. The purpose of this study is to analyze the influence of the above variables on consumers’ purchase decisions toward healthy food dishes. The research object in this study is Lexxy's Ground Café, a café project that offers a healthy food menu. This research applies quantitative research. The data analysis method is descriptive statistics and multiple regression. The data was collected using online questionnaires. The results reveal that simultaneously the product, promotion, price, service, and experience variables influenced healthy food purchasing decisions up to 68.1%. However, partially, service, promotion and price significantly influence the decisions to purchase healthy food. Yet, product and experience do not influence healthy food purchasing decisions. The findings in this study indicates that service in the culinary business becomes dominant influence for customers’ purchase decisions on healthy food dishes. Hence, the business owner should provide the best service to potential customers. The result of this study will provide a reference for the owner of café business to define the actions for their business expansion.

1 Introduction

Indonesians are now starting to care about a healthier lifestyle. Research conducted by [1] shows that health is one of the main concerns among professionals, so they attempt to consume healthy food as part of their lifestyle. Moreover, research conducted by [2] revealed that during the COVID-19 pandemic, people began to increase their consumption of healthy foods. Furthermore, many Indonesian people are starting to decide to become vegetarian for various reasons such as health, benefits for the environment, or moral issues.

The healthy food business is growing in Indonesia. Changes in consumer lifestyles towards a healthier lifestyle encourage shifts in consumer behavior in the food and beverages industry, where millennials are the drivers of these lifestyle changes [3]. In addition, the COVID-19 pandemic has also facilitated an increase in the number of healthy food businesses in Indonesia [4]. Most healthy food cafés offer food and drink menus that are too unique, making it difficult to enjoy them as comfort food. The price of healthy food and beverages is also relatively high due to the cost of imported raw materials. It causes healthy food products to be hard to reach by many people. These issues imply the importance of analyzing the factors that influence customers’ purchasing decision for healthy food dishes. The findings of this research could help cafe business owners who provide healthy food discover factors that could contribute to business development.

Lexxy's Ground Café is a café project in Ubud, Bali, which is still in the completion process. It plans to offer healthy food and drinks menu. These dishes are made from high-quality organic ingredients and go through shorter raw materials processing to maintain nutrition. As a café project that is still in the process, Lexxy's Ground Café needs to find out the factors that influence consumers’ decision to purchase healthy food. The findings in this study will support Lexxy's Ground Café to focus on the factors that drive consumer purchasing decisions for healthy food dishes. Consumer purchasing decisions will eventually influence the sales and business development of Lexxy's Ground Café.

1.1 Objectives

The purpose of this study is to analyze the influence of product, service, experience, price, and promotion toward consumers’ purchase decisions on healthy food dishes. The research focus in this study is the potential market of customers of Lexxy's Ground Café so that the influence of those factors toward consumers’ purchase decisions can be known for healthy food dishes. This research has originality in the form of a research object, which involves a café project in the form of MSMEs. The findings in this study will offer reference for owners of the culinary business to determine their business development direction.

2 Literature review

Shah et al (2012) described that purchase decision is related to the consumer decision making to purchase a
Several factors influence consumers' purchase decisions for healthy food dishes. Research conducted by [6] reveals that one of the factors that influence consumers' purchase decisions for healthy food dishes is product quality. Furthermore, [7] explain that product and price influence consumers' purchase decisions for healthy food dishes. However, [5] confess that product quality influence consumers' purchase decisions, but the price factor is not. In addition to product and price factors, [11-13] discovered that the emotional value associated with the experience factor also has an influence on consumers' purchase decisions for healthy food dishes. Research conducted by [14] even reveals that promotion also has an influence on consumers' purchase decisions for healthy food dishes. Moreover, [15] explain in their research that service quality also has a positive influence on consumer purchase decisions. Findings from previous studies indicate that product, service, experience, price and promotion could influence consumers' purchase decisions for healthy food dishes.

3 Methods

This research is quantitative research with a case study model. It was conducted at Lexxy's Ground Cafe located on Jalan Raya Ubud, Bali. The analysis method applies descriptive statistics and multiple regression. Descriptive statistics will provide an overview of the data based on some measures. The analysis of multiple regression will examine the impact between research variables. The independent variables in this study are product, promotion, service, price, and experience, whereas the purchase decisions is the dependent variable.

The population in this research are individuals who fit the target market of Lexxy's Ground Cafe. The target population of this study were men and women with demographic ages ranging from 17-59 years. Psychographically, the target population of this study are individuals who are interested in Bali's cuisine and fancy places to eat with a natural theme. In addition, the target population in this study are individuals who enjoy a healthy lifestyle and favor healthy food dishes, both non-vegan and vegan. Geographically, the target population of this study is the target market of Lexxy's Ground Cafe, which are locals living around the Ubud area, locals living in Bali and visiting Ubud, and individuals from outside Bali (whether Indonesian citizens or foreigners) visiting the Ubud area. However, because it was not likely to collect data from the entire target population, the samples in this study were taken from locals near Ubud, around Bali, and potential customers from outside Bali around Java Island.

The sampling technique in this study employed simple random sampling. It is determined by assigning numbers to elements of the population and then taking numbers randomly. In addition, it can also apply a sampling model with or without replacement. This study uses simple random sampling without replacement so that the selected unit will not be re-elected at the next opportunity.

The multiple regression analysis in this study applies the classical assumption test. The hypothesis testing in this research employs the t-test, F test, and the coefficient of determination. Furthermore, the t-test will compare the t-statistic value with the t-table. The t-test will determine whether partially the independent variable had a significant influence on the dependent variable with $\alpha = 0.05$ [16]. If the significance value is $\leq 0.05$, partially the independent variable influence the dependent variable. Moreover, if the significance value is $> 0.05$, partially the independent variable does not influence the dependent variable.

The F-test in this study will determine whether the independent variable coefficient simultaneously had a significant influence on the dependent variable with $\alpha = 0.05$ [17]. Further explained, if the significance value is $\leq 0.05$, it indicates that the independent variable simultaneously influences the dependent variable. Otherwise, if the significance value $> 0.05$, it indicates that the independent variable simultaneously does not influence the dependent variable. In addition to the t-test and F-test, this study also applies the coefficient of determination test as part of the hypothesis testing. The coefficient of determination will examine the model's ability to define the variation of the dependent variable [16].

4 Data collection

The research data collected in this study is in the form of primary data. Primary data is data acquired from the first source. The data collection technique in this study is questionnaires distributed online to 100 respondents. The primary data in this study is from the answers to the questionnaires distributed to the respondents.

5 Results and discussion

5.1 Numerical results

The test of classical assumption consists of normality, multicollinearity, autocorrelation, and heteroscedasticity test. The normality test in this research will estimate the residual value of the independent variable on the dependent variable using the One Kolmogorov Smirnov test. The normality test revealed the value of Asymp. Sig. (2-tailed) is 0.806 $> 0.05$. It indicates that the data in this research are normally distributed. Table 1 display the result of normality test:

Table 1. Normality test.
The multicollinearity test in this study will examine the VIF value. A test is not affected by multicollinearity symptoms if the VIF value is < 10 or the tolerance value is > 0.1. The multicollinearity test in this study displayed a VIF value < 10 or a tolerance value > 0.1. Hence, there is no multicollinearity in the regression model so that the independent variables do not correlate.

The autocorrelation test employed the Durbin Watson (DW) test by comparing the value of DW statistic (d) with the value of DW table. If the D-W number is less than -2, then there is a positive autocorrelation; if the D-W number is between -2 to 2, then there is no autocorrelation; and if the D-W number is more than 2, then there is a negative autocorrelation. The Durbin Watson (DW) test on the regression model in this study displayed a DW value of 0.729. Hence, the DW value is between -2 to 2, so there is no autocorrelation in the regression model. In addition, the heteroscedasticity test in this research employed the Glejser test. The Glejser test revealed that all variables got a sig value > 0.05. It indicates that all data in this research are free from heteroscedasticity symptoms.

This study will apply multiple regression analysis to understand the impact of promotion, service, product, price, and experience on purchase decisions. The multiple regression test constructs the following equation:

$$ Y = 3.125 + 0.030X_1 + 0.165X_2 + 0.073X_3 + 0.352X_4 + 0.212X_5 $$

Whereas, variable Y is purchase decisions, X1 is the product, X2 is service, X3 is the experience, X4 is price, and X5 is promotion.

The Adjusted R Square value in this study is 0.681 or 68.1%. Hence, the independent variable consists of experience, product, promotion, price, and service influence the dependent variable (the purchase decisions of prospective Lexxy's Ground Cafe consumers) by 68.1%. The remaining 31.9% came from other variables that do not involve in this study. Table 2 display the result of the coefficient determination in this study:

<table>
<thead>
<tr>
<th>Model Summary*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

*Predictor (Constant), Promotion, Service, Product, Price, Experience

The value of R is 0.835 and close to one. It indicates that the correlation of variables X and Y is positive. In addition, the regression results obtained a standard error of estimate value of 0.82787, which shows the standard error estimate in this study.

5.2 Graphical results

The process of data collection in this research was conducted by distributing online questionnaires to 100 respondents. Respondents who have filled out the questionnaire have characteristics that fit the target market of Lexxy's Ground Cafe. The Respondents' profiles reveal that 72% of the respondents are women. Therefore, most of the target market of Lexxy's Ground Cafe is women. Figure 1 depicted respondent’s profiles based on gender:

![Respondent’s profile based on gender](image1.png)

In addition, 31% of the respondents in this study are 21-30 years. It indicates that most of Lexxy's Ground Cafe's target market is dominated by consumers within that age range. Figure 2 below display respondent’s profile based on age range:

![Respondent’s profile based on age range](image2.png)

Moreover, when considering the occupation factor, most of the respondents are students and private sector
employees with a percentage of 27% dan 37%. Based on these findings, mostly Lexxy's Ground Café's target market is students and private sector employees. Figure 3 display respondent’s profile based on occupation:

Fig. 3. Respondent’s profile based on occupation.

5.3 Proposed improvements

The F-test indicate that service, promotion, price, product, and experience simultaneously influence the purchase decisions of Lexxy's Ground Café prospective customers to buy healthy food dishes. The influence given by all independent variables on the purchasing decision of healthy food at Lexxy's Ground Café is 68.1%. It indicates that simultaneously the influence of service, promotion, price, product, and experience on the purchase decisions of healthy food dishes is quite large. These findings also confirm the basic assumptions of this study, which estimate that there is a simultaneous influence caused by service, promotion, price, product, and experience on the purchasing decision of Lexxy's Ground Café prospective customers for healthy food dishes.

The t-test in this study implies that the product does not partially influence the purchase decision of prospective customers for healthy food dishes at Lexxy's Ground Café. It indicates that even though there is an increase in the variety of healthy food products at Lexxy's Ground Café, it will not influence the purchase decision of potential consumers. The characteristics of Lexxy's Ground Café consumers are mostly students and private sector employees who prioritize the price factor over product variety. It suggests that the selling price is the main factor that influences consumers' purchase decisions for healthy food dishes. The findings in this study confirm the research conducted by [5-7], which state that purchase decisions of Lexxy's Ground Café prospective customers for healthy food dishes is quite large. These findings also confirm the basic assumptions of this study, which estimate that there is a simultaneous influence caused by service, promotion, price, product, and experience on the purchasing decision of Lexxy's Ground Café prospective customers for healthy food dishes.

The management of Lexxy's Ground Café should remain consistent in serving high-quality healthy food dishes and providing a delightful dining experience for consumers. Furthermore, Lexxy's Ground Café can provide intensive training to its employees to provide outstanding service to consumers. In addition, the management team should formulate and implement innovative marketing strategies to deliver services that satisfy customers. Lexxy's Ground Café also needs to plan attractive promotional activities. The promotions factors are quite an influential factor, although not as significant as the service factor. The selling price should be affordable without compromising the quality of the dishes so that the money paid by consumers is proportionate with the product quality obtained. Setting the right selling price could create added value for healthy food dishes offered by Lexxy's Ground Café.

5.4 Validation

The validity test in this research will examining the Pearson product-moment (r) correlation, which measured the closeness of the correlation between the question scores and the total scores of the observed variables. In addition, a valid questionnaire item will have R-value with a significance level less than 5%
The test will be employed using the SPSS model with the provision that the significance value of each indicator should not be more than 0.05. The validity test indicates that the sig value of the product quality, service, experience, price, promotion, and purchase decision is 0.000 or below 0.05. Hence, the data of all variables in this study were valid. Table 3, table 4, table 5, table 6, table 7, and table 8 summarize the result of validity test for each variable:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Reliability Statistics</th>
<th>N of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Cronbach's Alpha</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Cronbach's Alpha</td>
<td></td>
</tr>
<tr>
<td>Experience</td>
<td>Cronbach's Alpha</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>Cronbach's Alpha</td>
<td></td>
</tr>
<tr>
<td>Promotion</td>
<td>Cronbach's Alpha</td>
<td></td>
</tr>
</tbody>
</table>

Furthermore, the F-test applied in this study to answer the basic assumptions about the influence of service, price, product, experience, and promotion toward the purchasing decisions of Lexxy's Ground Cafe potential consumers. Table 11 summarize the result of F-test (simultaneous):

Table 11. The f-test (simultaneous).

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>148.015</td>
<td>5</td>
<td>29.603</td>
<td>43.192</td>
<td>0.000</td>
</tr>
<tr>
<td>Residual</td>
<td>64.425</td>
<td>94</td>
<td>0.685</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>212.440</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Furthermore, the t-test in this study revealed the t-statistic value of the service variable was 3.841, and the value of t-table was 1.984 with a significance of 0.000 < 0.05. It means that the t-statistic value is more than the t-table (3.841 > 1.984). Hence, the service variable has a significant influence on consumer purchasing decisions. In addition, the t-statistic value of the experience variable is 1.498, while the t-table value is 1.984 with sig 0.138 > 0.05. Hence, the value of t-statistic is less than the t-table (1.498<1.984). Therefore, the experience variable does not influence consumers' purchase decisions. Moreover, the t-statistic value of the price variable is 6.502, while the value of t-table is 1.984 with a significance of 0.000<0.005. Therefore, the t-statistic value is greater than the t-table (6.502>1.984), which means that the price influences purchase decisions. In line with the price variable, the promotion variable obtained a t-statistic value of 5.068 and a t-table with a significance of 0.000<0.005. Therefore, the t-statistic value is greater than the t-table (5.068>1.984). Hence, the promotion has a significant influence on consumers' purchase decisions.

6 Conclusion

Product, promotion, price, service, and experience variables influenced healthy food purchasing decisions. Hence, those factors simultaneously influence the decisions of Lexxy’s Ground Café’s prospective consumers in purchasing healthy food dishes. However, partially, the service factor has a very significant influence on the decisions to purchase healthy food. Furthermore, partially the promotion and price variables also influence purchase decisions on healthy food products. Yet, product and experience variables do not influence healthy food purchasing decisions. The findings in this study indicate that service factors in the culinary business becomes dominant influence for customers’ purchase decisions on healthy food dishes. The findings in this study will provide a reference for the owner of café business that offer healthy food dishes to define the strategy for their business expansion. For further research, it is suggested to use new variables such as location to analyze comprehensively regarding consumer purchasing decisions.

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