The Influence of Brand Equity on Consumer Purchase Decisions at Starbucks

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ABSTRACT

The purpose of this research is to study the influence of brand equity on consumer purchase decisions at Starbucks. Specifically, we predicted the brand equity of Starbucks would definitely affect the consumer purchase decisions. We distributed survey questionnaire consisting of 4 major aspects of brand equity with purchase decision and the results collected were analysed in order to obtain a meaningful conclusion. For the implementing, we designed a conceptual framework and hypothesized the correlation among its constructs which are brand equity and purchase intention. All the hypothesis which are tested based on the brand equity and consumer purchase decisions was accepted. The results showed that brand equity has a positive influence on consumer purchase decisions.

Keywords: Purchase Decisions, Starbucks, Brand Equity, Food and Beverages

INTRODUCTION

Starbucks is an American corporation and the largest coffee chain in the world. Starbucks was founded by three local businessmen, Jerry Baldwin, Zev Siegel, and Gordon Bowker. Lock (2020) stated that Starbucks business logo was designed and inspired based on the twin-tailed siren from Greek myths. In 1971, the first Starbucks store opened in Pikes Peak Plaza in Seattle, Washington. The first Starbucks store was not like the ones we have today, they did not have fresh brewed coffee in the store, and instead, they only sold the whole bean coffee. It was once known to attract around 60 million weekly visitors around the globe without cannibalising its own revenue (Michelli, 2007), their earnings decreased significantly in April-June of 2008 (York, 2010). Starbucks keeps innovating their product mix and adding product line to expand its market in food and beverage industry. Coffee, tea, bake goods, Frappuccino, smoothies and merchandise are the main categories of Starbucks products. Fortune magazine ranks Starbucks as the fifth most admired company in the world, the highest ranking among companies mainly engaged in food and beverage. Starbucks’ main goal is to provide high quality coffee along with product improvement, high quality customer
service and global retail expansion. Furthermore, their mission is to bring inspiration and innovation spirit, one individual, one cup, and one neighbourhood at a moment. Starbucks has six ways to deliver a stated mission which include coffee, partners, customers, stores, neighbourhoods, and shareholders. For coffee, Starbucks try to maintain it in high quality in order to provide the best for customers. For employees, they are very diverse as in their roles in being themselves as well as showing respect and dignity. Moreover, Starbucks sells coffee from its network of company-owned coffee shops, other retail stores licensed to sell Starbucks and a very limited number of franchised locations. The coffee industry is a huge global business. It is worth 100 billion U.S. dollars, and coffee is the second most valuable commodity in the world (Starbucks Company Timeline, 2018). Nowadays, Starbucks has become a worldwide coffee retailer, however, there are still many factors that may affect customers’ purchase decisions. Therefore, Starbucks should focus on those factors in order to improve their business.

**Product and Services**
Starbucks Corporation is an American multinational chain of coffeehouses and they offer a range of products that enable customers to enjoy. Its products include coffee, handcrafted beverages, merchandise and fresh food. Starbucks offers customers products and services of high quality. Starbucks is also quick to respond to customer-acquired knowledge with an average of ten tweets each day (Noff, 2009). Moreover, the maintenance of traditional products enables Starbucks company to retain the interest of its customers and to turn them away from fast-food restaurants. Starbucks also provide customers Wi-Fi and a comfortable environment. Customers get a great experience of feeling that they call the third place where they can relax between their journeys from home to work. Starbucks aims to satisfy the customers with the uniqueness of enjoying Starbucks’ coffee experience.

**Brand Equity**
“Brand equity can be defined as marketing and financial values linked to the power of a brand on the market, including real patented brand assets, brand awareness, brand loyalty, perceived brand quality and brand associations.” (Pride & Ferrell, 2003, p. 299).

Brand equity is a series of assets and liabilities associated with its name, symbol, and brand, which decreases and increases the value provided by services or goods to the company’s customers or company (Astrid Puspaningrum, 2020). Aaker (2009) suggested that brand equity can be assessed through brand loyalty, perceived quality, brand awareness, brand association and other patented brand assets in five different dimensions. Aaker also stated that brand equity usually adds or subtract value to customers. They can help them to define, store and analyse vast amounts of product and brand information. They may also affect customer confidence in the purchase decision on the basis of either previous experience or trust in the brand and its characteristics. Competitors in the coffee shop industry requires Starbucks Coffee to maintain its brand in order to compete and maintain its market share. The strategy applied by Starbucks company is to build strong brand equity. Therefore, it is very vital for Starbucks to know which aspects of brand equity will affect the consumer purchase decision the most and they can focus on that particular aspect to improve the level of brand equity.

**Justification Idea**
In this research, we wanted to examine how much the influence of 4 major aspects of brand equity on consumer purchase decisions at Starbucks. Therefore, we built the conceptualization and operationalization to justify our research idea.
Conceptualization & Operationalization

We had finalised the concept, conceptualization and also indicators of the considering concept which are the survey questions. Then, we came up with a data operationalization table from the considering concepts, conceptual framework and the classification of those variables. Moreover, we had identified the independent variables and one dependent variable as well the correlation among variables with interpretations to the influence of brand equity on consumer purchase decisions at Starbucks.

Data Operationalization Table is shown below:

| Concept | Independent | Indicator | Measure | Question |
|---------|-------------|-----------|---------|----------|
| Influence of brand equity on consumer purchase decisions at Starbucks | Brand Loyalty | Motivating to recommend | Likert Scale | 5 |
| | | Motivating to purchase | Likert Scale | 6 |
| | | loyal to Starbucks | Likert Scale | 7 |
| | Brand Awareness | Recall of Starbucks brand | Likert Scale | 9 |
| | | Value of Money at | Likert Scale | 10 |
| | | Knowledge about | Likert Scale | 11 |
| | | Acknowledge the choice at | Likert Scale | 12 |
| | Perceived Quality | Starbucks’s product | Likert Scale | 14 |
| | | Value added features by | Likert Scale | 15 |
| | | Service quality of Starbucks | Likert Scale | 16 |
| | | Quality perception towards | Likert Scale | 17 |
| | | Innovation of Starbucks | Likert Scale | 18 |
| | Brand Association | Starbucks sells the highest | Likert Scale | 20 |
| | | Starbucks plays the roles | Likert Scale | 21 |
| | | Starbucks is more than a | Likert Scale | 22 |
| | | Starbucks is globally | Likert Scale | 23 |

**Conceptualization**

Before the measurement study is performed, we should define the applicable concept to the topic. A concept is a generalised idea of a set of objects, characteristics or processes. A few more concepts have a comparatively greater level of concrete properties and present few challenges in interpretation or measurement. However, on the other side, several other concepts have a comparatively greater level of conceptual characteristics and more uncertain. Conceptualization is the procedure of defining concisely what has been designed by a proper characterization used in research. The main task in the conceptualization of a theoretical construct is to specify the limits of other theoretical constructs. It must deal with precisely what should be in and exempted from the conceptual domain of the proposed construction. The conceptual framework for our study is shown as below.

a) Identifying Variables

For the customer purchase decisions at Starbucks coffee, we have identified brand equity as one of the key factors that affect consumer purchase decision. Brand equity consists of four independent variables, just like what is demonstrated in the conceptual framework. On the basis of independent variables, the purchase intention would be the dependent variable.
b) Brand Loyalty
Schiffman and Kanuk (2004) stated that brand loyalty is the most expected result of a study on customer behaviour. Kotler and Armstrong (2018) stated that brand loyalty is considered to be the outcome upon which customers generate a positive attitude towards a brand, dedicated to a specific brand and inclined to maintain to purchase the brand in the market. In research conducted by Ruiz, et. al (2020), brand loyalty is one of the key elements of success in any organization, in the context of high international competition and consumer awareness.

c) Brand Awareness
Keller (2008) stated that a brand awareness which represents brand recognition and brand recall performance. In the context of brand awareness, it explains how essential brand awareness is at the time of purchase. It will also enhance the trust and loyalty to be regarded. Aaker (2004) stated that brand awareness refers to the ability of a potential buyer to recognise or remember that a brand is part of a certain product category. Starbucks is an innovative company in developing market presence, user satisfaction and engaging social media audiences.

d) Perceived Quality
Aaker (1996) stated that one of the key aspects of brand equity is perceived quality and perceived quality is really a vital part of the analysis of brand equity. Perceived quality can be defined also as total customer perception about the greatness and product or service quality in comparison with the rivalry offered (Aaker, 1991, p.85-86). Zeithaml (1988) and Erenkol (2010) stated that the product quality differs from perceived quality since this perceived quality is the subjective assessment of the product by the consumers. Thus, perceived quality could not necessarily be relatively measured, because perceived quality is in itself a summary construct (Aaker, 1991, p. 85-86). Zeithaml (1988) referred that perceived quality can act as a major factor in affecting consumer choice. Starbucks not only serves high-quality coffee, but also keep a small wide variety of food items with plenty of coffee-free drinks, creating them more approachable to kids and dessert lovers, and also provide a good service.

e) Brand Association
Brand association is memory or everything in customers’ minds related to a particular brand (Aaker, 2004). That kind of association not only existed, but also has a degree of strength. Based on a lot of experience, appearance, or anything shared and used to communicate with customers will make a connection with a brand will be stronger. Various associations that stick in a customers’ mind can form a brand image. Aaker (2004) stated that there are several indicators of brand association, relative price, competitors, product, class, and personality or lifestyle.

Conceptual Framework

| Independent Variables              | Dependent Variable |
|-----------------------------------|--------------------|
| Brand Loyalty                     | Purchase Decision  |
| Brand Awareness                   |                    |
| Perceived Quality                 |                    |
| Brand Association                 |                    |

The conceptual framework of this research consists of four independent variables which influence a single dependent variable. Independent variables affect the dependent
variable by different rates, it can be said that the purchasing decision will be distinctive inevitably based on the conceptual framework.

**Description of Hypothesis**
Hypothesis is an assumption of a correlation between one or more variables and a study problem that can be tested. Here that the study is trying to measure the influence of brand equity on consumer purchase decisions at Starbucks when they make their purchase decision.

- **H₁** – There is a moderate relationship between Brand Loyalty and Consumer Purchase Decisions at Starbucks.
- **H₂** – There is a moderate relationship between Brand Awareness and Consumer Purchase Decisions at Starbucks.
- **H₃** – There is a moderate relationship between Perceived Quality and Consumer Purchase Decisions at Starbucks.
- **H₄** – There is a strong relationship between Brand Association and Consumer Purchase Decisions at Starbucks.

**RESEARCH METHOD**

The research methodology conducted with an aim to obtain reliable information with a high population recognition (Gunawardane, 2015). First, the collection of secondary data needs to be conducted in providing valuable insights into the area of study and, following a significant understanding of the research area, and then conducting a primary research. This methodology section is to formulate a strategy of research and data collection used in this study.

a) Secondary Data
Kotler, et. al (1999) mentioned that secondary data provides a good reference point for research. Therefore, the study will begin with secondary data analysis in an effort to gain an overview of the research area. After obtaining some additional insight from secondary data, such as intermediaries, books, notes, existing evidence or archives, then this research gets a proper insight and start to conduct a primary research.

b) Primary Data
Primary data would be the first data from the study. Primary data is also data source collected directly from the site of the initial or the product of the first party. In this study, a questionnaire survey used as primary data to gather data mostly on the influence of brand equity on consumer purchase decisions at Starbucks. The questionnaire survey was conducted by using google form to ensure that respondents could easily obtain the questionnaires.

**Data Collection Method**
The survey was created with particular questions and followed by 5-point Likert Scale answer methods. Scaling techniques are mostly used to measure how much the influence of brand equity on consumer purchase decisions through the questionnaire. The survey was conducted on the early November 2020 and distributed to all people on the Internet, especially through WhatsApp. Collection of data from articles, academic work and journal articles was carried out in the secondary data sources and the primary survey approach was taken.
Population and Sample Size
Netra (1974) stated that the population is a whole set of people of a general or particular nature who have character traits that tend to have the same. The targeted population is the target population for the process of the research results (Sukmadinata, 2009). The targeted population for our research is Starbucks consumers from Malaysia, India and Indonesia and the sample size is 100 respondents.

RESULTS AND DISCUSSION

Table 1. The Demography of Respondents. (N=100)

| Response            | Frequency | Percentage (%) |
|---------------------|-----------|----------------|
| **Gender**          |           |                |
| Male                | 12        | 12             |
| Female              | 78        | 78             |
| **Age**             |           |                |
| 20 years old and below | 44         | 44             |
| 21 - 29 years old   | 54        | 54             |
| 30 - 39 years old   | 0         | 0              |
| 40 years old and above | 2          | 2              |
| **Marital Status**  |           |                |
| Single              | 99        | 99             |
| Married             | 1         | 1              |
| **Employment Status** |         |                |
| Student             | 90        | 90             |
| Private Sector      | 5         | 5              |
| Public Sector       | 0         | 0              |
| Self Employed       | 3         | 3              |
| Unemployed          | 2         | 2              |
| **Income level**    |           |                |
| No income           | 81        | 81             |
| RM1,000 and below   | 7         | 7              |
| RM1,001 - RM2,000   | 4         | 4              |
| RM2,001 - RM3,000   | 2         | 2              |
| RM3,000 - RM4,000   | 1         | 1              |
| RM4,001 and above   | 5         | 5              |

From Table 1, it can be concluded that the responses are collected from 100 respondents which carried their demography. There are 78% respondents are females, and 12% respondents are males. It means, Starbucks customers are dominated by females rather than males. Moving to the age groups, the majority of the respondents are among the age of 20 to 30 years old which accounted for 98%. Following is the marital status of respondents, which most of the respondents are single with the percentage of 99%. Furthermore, there are 90% respondents are students followed by respondents who are employed which are only 8% and the 2% respondents are unemployed. This proves that most of Starbucks’s consumers are students. Based on respondents’ income level, there are 81% respondents with no income, meanwhile, there are 7% respondents who have low income RM1,000, the minority 6% respondents’ income are between RM1,001 to RM3,000, and 6% respondents have earning above RM 3,000.

A questionnaire survey was designed to obtain data related to the influence of brand equity on consumer purchase decisions which are used to analysis by using SPSS.
Variables and Relationship Analysis
We analysed the correlation between independent variables and dependent variable by using correlation analysis in SPSS. Firstly, we took the questions related to independent variables and obtain the median of all the variables. Similarly, we took the questions related to the dependent variable and got the median of those variables. Then, we used spearman's correlation analysis to compare the relationships of every independent variable with the dependent variable. The analysis of variables and relationship are shown below.

Table 2. Correlation between Brand loyalty and Purchase Intention

|                        | Purchase Intention |
|------------------------|--------------------|
| Brand Loyalty          | .687**             |

Based on the statistics above, we concluded that there is a strong positive relationship between the brand loyalty and purchase intention. It means, consumers are convinced would consider the brand loyalty of Starbucks when they want to purchase food and beverages at coffee shop. Therefore, we can tell that brand loyalty is an important factor on consumer purchase decisions at Starbucks.

Table 3. Correlation between Brand Awareness and Purchase Intention

|                        | Purchase Intention |
|------------------------|--------------------|
| Brand Awareness        | .621**             |

Based on the statistics above, we could interpret that there is a strong positive correlation between the brand awareness and purchase intention, which means when consumers are going to purchase food and beverages, brand awareness affects the consumers purchase decisions directly.

Table 4. Correlation between Perceived Quality and Purchase Intention

|                        | Purchase Intention |
|------------------------|--------------------|
| Perceived Quality      | .583**             |

Based on the table above, we could interpret that the relationship between the perceived quality and purchase Intention at Starbucks has a moderate positive correlation. It indicates that consumers would have consider about the service quality before they want to purchase food and beverages at Starbucks.

Table 5. Correlation between Brand Association and Purchase Intention

|                        | Purchase Intention |
|------------------------|--------------------|
| Brand Association      | .744**             |

Based on the table above, we concluded that there is a strong positive correlation between brand association and purchase intention. This implies that when consumers are going to purchase products at Starbucks, Brand Association is highly affected to their purchase decisions due to have a strong positive relationship between the two variables.
Hypothesis Testing

**Hypothesis 01**: There is a moderate relationship between Brand Loyalty on Consumer Purchase Decisions at Starbucks.

**Table 6. Descriptive Statistics – Hypothesis 01**

|                          | Mean     | Std. Deviation | N  |
|--------------------------|----------|----------------|----|
| Purchase Intention       | 3.6450   | .92194         | 100|
| Brand Loyalty            | 3.2150   | .96728         | 100|

**Table 7. Model summary - Hypothesis 01**

| Model | R | R Square | Adjusted R Square | Std. Error | Change Statistics | F | df | df2 | Sig. F |
|-------|---|----------|-------------------|------------|-------------------|---|----|-----|--------|
| 1     | .687 | .472     | .466              | .67354     | .472              | 87.487 | 1   | 98  | .000   |

a. Predictors: (Constant), Brand Loyalty
b. Dependent Variable: Purchase Intention

**Table 8. ANOVA - Hypothesis 01**

| Model | Sum of Squares | df | Mean Square | F     | Sig. |
|-------|----------------|----|-------------|-------|------|
| 1     | Regression     | 1  | 39.689      | 87.487 | .000 |
|       | Residual       | 98 | .454        |       |      |
|       | Total          | 99 | 84.148      |       |      |

a. Dependent Variable: Purchase Intention
b. Predictors: (Constant), Brand Loyalty

**Table 9. Coefficients - Hypothesis 01**

| Model | Unstandardized Coefficients | Standardized Coefficients | 95.0% Confidence Interval for B |
|-------|----------------------------|---------------------------|--------------------------------|
| 1( Constant) | 1.541 | .235 | 6.559 | .00 | 1.074 | 2.007 |
| Brand | .655 | .070 | .687 | .00 | .516 | .793 |

a. Dependent Variable: Purchase Intention

Based on the research findings, there is a moderate relationship between brand loyalty and consumer purchase decisions at Starbucks. From model summary above, the R value is 0.472 or in other word, 47.2% changes of purchase decision are addressed by brand loyalty. Respective independent variables represent a governance of 46.6% over the purchase decision after the goodness of fitness is adjusted for number of variables and observation. Thus, we concluded that there is a regression correlation between purchase decision and the respective independent variable, brand loyalty. Then, we can assume that brand loyalty is a quite important factor that would influence badly on the consumers purchase decisions at Starbucks due to moderate influence on purchase intention by brand loyalty. Based on ANOVA table, the relationship between brand loyalty and purchase decision is significant at .000%. By comparing the table value, the F value is a fair value. Based on that details, hypothesis 1 can be accepted.

**Hypothesis 02**: There is a moderate relationship between Brand Awareness on Consumer Purchase Decisions at Starbucks.
Table 10. Descriptive Statistics – Hypothesis 02

| Variable          | Mean   | Std. Deviation | N  |
|-------------------|--------|----------------|----|
| Purchase Intention| 3.6450 | .92194         | 100|
| Brand Awareness   | 3.8100 | .87554         | 100|

Table 11. Model summary – Hypothesis 02

| Model  | R         | R Square   | Adjusted R Square | Std. Error of Estimate | Change Statistics | F Change | df1 | df2 | Sig. F Change |
|--------|-----------|------------|-------------------|------------------------|-------------------|----------|-----|-----|---------------|
| 1      | .607      | .368       | .362              | .73641                 | .368              | 57.167   | 1   | 98  | .000          |

a. Predictors: (Constant), Brand Awareness  
b. Dependent Variable: Purchase Intention

Table 12. ANOVA - Hypothesis 02

| Model      | Sum of Squares | df | Mean Square | F        | Sig.     |
|------------|----------------|----|-------------|----------|----------|
| 1 Regression | 31.002         | 1  | 31.002      | 57.167   | .000b    |
| Residual   | 53.146         | 98 | .542        |          |          |
| Total      | 84.148         | 99 |             |          |          |

a. Dependent Variable: Purchase Intention  
b. Predictors: (Constant), Brand Awareness

Table 13. Coefficients - Hypothesis 02

| Model          | Unstandardized Coefficients | Standardized Coefficients | 95.0% Confidence Interval for B |
|----------------|----------------------------|---------------------------|--------------------------------|
|                | B                          | Std. Error                | Beta                           | Lower Bound | Upper Bound |
| (Constant)     | 1.210                      | .330                      | 3.00                           | .554        | 1.865       |
| Brand Awareness| .639                       | .085                      | .607                           | .471        | .807        |

a. Dependent Variable: Purchase Intention

Based on the above data analysis, the Goodness of fitness of the selected independent variable which is brand awareness represents 0.368, or it is 36.8% of the changes of purchase decision is addressed by the brand awareness. After the goodness of fitness is adjusted for number of variables and observation, a governance of 36.2% is represented by respective independent variables over the purchase decision. Therefore, it is revealed that purchase intention and the respective variables, brand awareness have a regression relation. However, changes in brand awareness have fairly moderate impact on the purchase intention. Based on the survey details, there is a moderate impact to purchase intention by the brand awareness. And based on the above ANOVA Table, the relationship between brand awareness and purchase intention is significant at .000%. By comparing the table value, the F value is a fair value. Based on that details, hypothesis 2 can be accepted.

**Hypothesis 03:** There is a moderate relationship between Perceived Quality on Consumer Purchase Decisions at Starbucks.

Table 14. Descriptive statistics – Hypothesis 03

| Variable          | Mean   | Std. Deviation | N  |
|-------------------|--------|----------------|----|
| Purchase Intention| 3.6450 | .92194         | 100|
| Perceived Quality | 4.0400 | .89803         | 100|
According to survey result, there is a moderate positive relationship between perceived quality and purchase intention. R value represents as 0.300, or it is 30% changes of purchase decision are addressed by perceived quality. Based on ANOVA table above, there is a significant value at .000% between perceived quality and purchase intention. By comparing the table value, the F value is a fair value. Based on that details, hypothesis 3 can be accepted.

**Hypothesis 04** - There is a strong relationship between Brand Association on Consumer Purchase Decisions at Starbucks.

**Table 15. Model summary - Hypothesis 03**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics R Square | F | df1 | df2 | Sig. F |
|-------|---|----------|-------------------|---------------------------|---------------------------|---|-----|-----|-------|
| 1     | .548* | .300 | .293 | .77509 | .300 | 42.06 | 1 | 98 | .000 |

a. Predictors: (Constant), Perceived Quality
b. Dependent Variable: Purchase Intention

**Table 16. ANOVA - Hypothesis 03**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|-------|----------------|----|-------------|---|------|
| 1     | Regression     | 1  | 25.273      | 42.06 | .000* |
|       | Residual       | 98 | .601        |     |      |
| Total | 84.148         | 99 |             |     |      |

a. Dependent Variable: PurchaseIntention
b. Predictors: (Constant), PerceivedQuality

**Table 17. Coefficients - Hypotheses 03**

| Model (Constant) | Unstandardized Coefficients | Standardized Coefficients | t | Sig | 95.0% Confidence Interval for B |
|-----------------|-----------------------------|---------------------------|---|-----|-------------------------------|
| Perceived Quality | .563 | .087 | .548 | 6 | .00 | .390 | .735 |

a. Dependent Variable: Purchase Intention
Based on data analysis above, the goodness of fitness of the selected independent variables represents 0.753, or 75.3% changes of purchase decision are addressed by the brand association. After the goodness of fitness is adjusted for number of variables and observation, respective independent variables represented a governance of 75.1% over the purchase decision. Thus, it is proof that there is a strong regression relation among the purchase decision, the respective variable, and brand association. Therefore, we concluded that changes in brand association have strong influence on the purchase decision. By comparing the table value, the F value is a fair value. Based on that details, hypothesis 4 can be accepted.

**Discussion**

This study examined the impact of brand equity consisting brand loyalty($H_1$), brand awareness($H_2$), perceived quality($H_3$) and brand association($H_4$) on consumer purchase decision. From the result obtained, we can conclude that brand association of Starbucks has the highest impact on consumers purchase decision. Sasmita and Suki (2015) mentioned that young consumers trust the company that owns a particular product or brand that appears in social media and seems familiar to them. When exploring social media by using smartphones, they notice that a particular product or brand has its own personality and differs from other competing products or brands. Therefore, Starbucks had done a great job in improving their brand association as it is the most affected aspect of brand equity on consumers purchase decision in this study. Moreover, most of respondents are students, so they spend a lot of time using smartphones more than older generations. The results conclude that brand association has the most impact on consumer purchase decision. Besides, brand loyalty has the second strongest relationship with purchase intention. Sasmita and Suki (2015) stated that when young consumers are satisfied with a product or brand that appears in social media, they will not switch to another product or brand. Therefore, customers tend to choose Starbucks if they want to buy food and beverages.
CONCLUSIONS

In conclusion, the findings about the influence of brand equity on consumer purchase decisions were found and analysed. The four hypotheses which are the relationship between brand loyalty ($H_1$), brand awareness ($H_2$), perceived quality ($H_3$) and brand association ($H_4$) with purchase intention can be accepted from the data analysis. Therefore, the findings on the influence of the four major areas of brand equity have shown that either of these increases would result in greater levels of brand equity. The results study suggested that brand association would have a greater influence on consumers purchasing decisions compared to brand awareness, perceived quality and brand loyalty. This implies that the brand association of Starbucks is the strongest area among the 4 areas of brand equity and it is most-influenced the consumers’ purchase decisions. Thus, Starbucks should make more efforts to raise customers’ awareness in order to gain higher rates of brand equity and increase revenue. Furthermore, the second highest influence of the brand equity aspect is the brand loyalty because the results of the analysis shown that it has moderate relationship with purchase intention and its correlation percentage was approaching to strong relationship. Thus, Starbucks has quite a number of loyal customers, where they choose to purchase products at Starbucks although other coffee shops. Since the analysis shown that brand loyalty is also an important point, Starbucks should continue in improving their brand loyalty in order to increase the selling revenues. However, the rest of the 2 areas which are brand awareness and perceived quality also have moderate correlation with consumer purchase decision, but both of them have slightly lower percentage compared to brand loyalty.

Overall, we analysed that the brand equity has strong positive influence on consumer purchase decisions. In short, all research hypotheses are accepted. Therefore, we concluded that brands with higher levels of brand equity would generate higher levels of customer purchase decisions. In turn, higher customer purchase decisions are associated with more willingness to continue purchasing the same brand. If it is refered to the integrated framework of brand equity in this study, the research hypotheses are completely supported by the analysis. The framework helps Starbucks company to understand better on the concepts of brand equity from the customers’ perspectives. The result of this study provided Starbucks with a valuable analysis of the selection of various advertising to engage customers by highlighting the brand equity of goods and services. This feedback is essential because coffee drinking trend, including service provider, producing other than food and drink, also take into account the customers’ lifestyle and culture (Pongsiri, 2013).

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