THE RELATIONSHIP BETWEEN SENSORY MARKETING, BRAND EXPERIENCE, AND BRAND EQUITY ON REPURCHASE INTENTIONS AT COFFEE SHOP IN INDONESIA

A THESIS

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DECLARATION OF AUTHENTICITY

Here in I declare the originality of the thesis; I have not presented anyone else's work to obtain my university degree, nor have I presented anyone else's words, ideas or expression without acknowledgement. All quotations are cited and listed in the bibliography of the thesis.

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ABSTRACT

Marketing strategy has been changing throughout time and leading business nowadays, including using human senses. Sensory marketing has evolved to be considered part of the marketing concept to engage with the customers, whether directly or indirectly. The emergence of café in Indonesia has turned the competition into presenting the store with a unique and different style and acceptable to the customer segment. This study examines the effect of sensory marketing on repurchase intentions at coffee shops in Indonesia, with brand experience and brand equity as mediating variables. The data in this study are primary data using online questionnaires via Google form for 248 respondents. The data collected was processed using the Structural Equation Modeling (SEM) method and processed through AMOS version 24 application program. The result of the data analysis shows that sensory marketing has positively influenced brand experience and brand equity, which, in turn, have a positive impact on intentions to purchase the brand in question. The relevant contributions from this study include bridging the gap mentioned in the literature and offering significant managerial implications.

Keywords: sensory marketing, sensory stimuli, brand experience, brand equity, brand repurchase intention, Coffee Shop, Indonesia

HUBUNGAN ANTARA PEMASARAN SENSORI, PENGALAMAN MEREK, DAN EKUITAS MEREK TERHADAP NIAT PEMBELIAN KEMBALI DI TOKO KOPI DI INDONESIA

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ABSTRAK

Strategi pemasaran telah berubah sepanjang waktu dan mempengaruhi bisnis saat ini, termasuk indera manusia. Pemasaran sensorik telah berkembang untuk dianggap sebagai bagian dari konsep pemasaran untuk melibatkan hubungan dengan pelanggan, baik secara langsung maupun tidak langsung. Munculnya kafe di Indonesia mengubah persaingan menjadi menghadirkan tempat dengan gaya yang unik dan berbeda serta dapat diterima oleh segmen pelanggan. Penelitian ini menguji pengaruh pemasaran sensorik terhadap niat beli kembali di kedai kopi di Indonesia, dengan pengalaman merek dan ekuitas merek sebagai variabel mediasinya. Data dalam penelitian ini adalah data primer dengan menggunakan kuesioner online via Google form untuk 248 responden. Data yang terkumpul diolah dengan metode Structural Equation Modeling (SEM) dan diolah melalui program aplikasi AMOS versi 24. Hasil analisis data menunjukkan bahwa sensori pemasaran berpengaruh positif terhadap pengalaman merek dan ekuitas merek, yang selanjutnya berdampak positif terhadap niat membeli kembali merek yang bersangkutan. Kontribusi yang relevan dari penelitian ini termasuk menjembatani kesenjangan yang disebutkan dalam literatur dan menawarkan implikasi manajerial yang signifikan.

Kata Kunci: pemasaran sensori, stimulant sensori, pengalaman merek, ekuitas merek, niat beli kembali, kedai kopi, Indonesia

CHAPTER I:

INTRODUCTION

1.1 Background of the Study

For a long time, human senses have been ignored or considered a different field than marketing. In reality, human senses are crucial in making decisions, for instance, eyes for looking for an object and nose for smelling scents. From the sensory, connect to the brain and decide whether the object is beautiful or not. When the companies realized that they could invest strategy in human senses, they did sensory marketing (Sliburyte, 2017). Sensory marketing concepts evolved throughout last year. It focuses on influencing consumers' brains through all senses. When the experience with the company influences consumers' brains, they have imagination and concepts about the image of the company's brand. According to Petit (2019), there are five common sensory marketing: sense, sight, hearing, touch, and smell. One example is that many upscale hotel chains have adopted signature scents hoping that the scents will help their customers better remember other features of their hotel that they loved and bring them back (Krishna, 2012). Children tend to choose bright colors when choosing snacks because it is easier for them to see and is more interesting. Thus, sensory marketing is essential to do for marketers in order to compete with other companies.

Sensory marketing affects the customer to decide on a purchase. At this moment, consumers recognize the products and services in a package with the senses from heartwarming and stimulate the mind, matching their lifestyle and, above all, offering

experiences. Consumer decision-making is developed from time to time, from looking for convenience to searching for the experience of buying the product or service. Consumers, therefore, consider the experience they get when purchasing a product or service rather than simply making a practical profit decision (Chuchu et al., 2018).

Sounds, images, smells, and even tastes can affect how customers think about the company's brand. By coming to terms with the science of sensory marketing, businesses can begin to experiment with the alchemy of brand loyalty and discover the concepts that genuinely convince customers to buy. Sensory marketing has been known for a long time. For instance, the bottle's contour from Coca-Cola is made for hands easier to carry or reading perfume brochures with the scratch and sniff to smell the sample. Those are some examples of sensory marketing tactics. Use the right scent as part of sensory marketing tactics, and it could instantly remind your customers of a moment in their childhood or help them recall the brand of the product next time they notice a similar aroma in the area.

Moreover, food/beverage companies are eager to use sensory marketing to engage with their customers. The food and beverage industry can spend more than a billion dollars annually giving free samples to customers (Biswas, 2014). Another industry that uses sensory marketing is coffee shops. Customers want to visit the café that offers a relaxing atmosphere, unique decoration, and refined products (Nadiri, 2013). A large part of the literature concerned has examined how a specific location or environment significantly stimulates individuals' senses and further impacts their

behavioral intentions. However, few researchers have applied sensory marketing to the coffee shop perspective, especially in Indonesia.

Awareness of a person's senses could make a company's marketing campaign more effective and the customer's sensory experience more personalized (Sliburyte, 2017). It has been suggested that the emotional connection between brands and customers is a crucial differentiator in creating successful brands (Hulten, 2011). In order to maintain customer loyalty to a brand, it is transformed from a core product into an experiential product (Pullman and Gross, 2004). To adapt to the situation, marketers need to understand how much consumers experience brands is essential for future strategies and give an extra element of experiences to remain competitive (Brakus, Schmitt, & Zarantonello, 2009; Nadiri & Gunay, 2013).

Brakus (2009) stated that brand experience is subjective, internal consumer responses (sensations, feelings, and cognitions) and behavioral responses evoked by brand-related stimuli that are part of a brand's design and identity, packaging, communications, and environments. To adapt to the situation, marketers need to understand how much consumers experience brands is essential for future strategies and give an extra element of experiences to remain competitive (Brakus, Schmitt, & Zarantonello, 2009; Nadiri & Gunay, 2013). Using perspective, haptics, olfaction, audition, taste, and vision (Krishna, 2012) in sensory marketing can influence brand experiences and brand equity to engage with customers (Moreira, 2017). According to Moreira (2017), emotions and senses play an important role in differentiating and providing positive interactions because emotions give perception and judgment from

the evaluations of events that creates the brand's meaning. Experience in a brand is necessary to engage with the customer's mind because today's customers want to be involved and shape their own experiences in purchasing. It can be shown from the previous study by Roostika (2018) in terms of tourism and place attachment; when the visitors are satisfied with the place, it will lead to emotional engagement and positively impact tourism development. Thus, brand experience will arise within customers' satisfaction with direct involvement with the products or services.

Brand experience or the brand experience is conceptually different from that of other brands because the brand experience is a concept that describes the customer relationship with the brand that is formed on the responses subjectively, internal (feelings, sensations, and knowledge), and customer behavior is influenced by stimuli associated with and is part of the design and brand identity, packaging, communication and environment (Brakus et al., 2009). Exciting design elements and other tangible qualities of a product are most likely to trigger sensory effects. However, aspects of the design may evoke feelings, trigger behaviors, or even tap into the intellectual dimension with complex designs. This domain can be defined as emotional response and arousal, but its effects can be profound. In fact, from Brakus (2009), attitudes toward a product are primarily based on affective reactions to that product or its brand-related stimuli. In other words, if elements associated with the brand trigger positive feelings, the brand experience will be enhanced. It is also argued by Roostika (2020) when the customer has preference within the products or services, it leads to emotional attachment and builds a bond of closeness with the brand. Therefore, brand experience is essential because it provokes positive feelings among customers toward a brand (Brakus et al., 2009). Consumers with positive brand experience better remember the brand than those who do not positively experience the brand.

From the previous studies, brand experience will indeed benefit the company, including the coffee shop industry. For instance, Starbucks gives its best to give experiences to their customers from the moment you step on Starbucks, your name is asked, remembered, and called out when your coffee is ready. Customers can also personalize their coffee and secret recipe to give their coffee a unique and extraordinary feel. Furthermore, coffee shops in Indonesia also give their own brand experience to compete with other companies. The results of Toffin's (2020) research, a company providing business solutions in the form of the goods and services industry (hotels, restaurants, and cafes) in Indonesia, show that the number of coffee shops in Indonesia in August 2019 has increased rapidly from the past three years. The number of coffee shops in Indonesia in August 2019 reached more than 2,950 outlets, almost three times compared to 2016, which was only around 1,000. Coffee shops in Indonesia known as a place to hang out and meeting place for study; besides the educational spots like a library, many coffee shops view this as their chance to give an environment and experience that is student-friendly. They provide Wi-Fi, electricity, and a comfortable place for customers (students) to stay and return to their store. Thereby, the concept of brand experience and sensory marketing has a

beneficial impact on their company and brand due to choosing and purchasing the coffee.

Another thing discussed in this research is brand equity. One basic assumption of brand equity is that a brand's power lies in the minds of consumers and what they have understood and experienced over time about the brand (Keller, 2019). Brand equity in consumers' thoughts, words, and actions can be seen as the "added value" endowed to a product. Hepola (2017) views high-quality products with brand equity as less valuable without the brand name because customer-based brand equity is linked to situations where customers retain favorable, solid, and unique brand associations in their memory (Hepola, 2017). In order to measure brand equity, previous studies have been conducted. Collectively, Yoo (2001) proposed that brand equity is divided into four dimensions: brand loyalty, brand awareness, perceived quality of a brand, and brand associations (Aaker, 1991; Keller 1993).

The concept of a brand is one reasonably necessary part of the first phase of creating products and services. In developing a marketing strategy for individual products, sellers must decide to give the brand a significant problem in the product and services strategy. According to Kotler and Keller (2009), the value of a strong brand lies in its power to capture customer preference and loyalty. When a brand faces aggressive competition in the market (like in the coffee-shop business), a strong brand identity that the customer can easily understand and experienced will help develop trust and eventually differentiate the brand from the competition (Susanty, 2015). A company (in this case, a coffee shop) needs to establish a clear and

consistent brand identity by communicating its brand attributes in a way that prospective customers can easily understand.

Based on Moreira (2017), brand experience and brand equity are mediating variables of sensory marketing to customers' purchase intentions. Many studies researched purchase intentions to understand customers' motives for choosing their particular goods or services of the brand. Such expectations can be identified as the effort customers make and willingness to buy goods or brands (Moreira, 2017). As a result, brand experience and brand equity are part of why customers are willing to buy and spend money on specific brands. With the company's effort to give experience to customers through sensory marketing, their brand is more remembered by the customer, and they intend to purchase something familiar to them. Thus, the coffee shop industry needs to improve its strategies to survive from the competitive market; one way involves sensory marketing to intensify the overall product experience (Biswas et al., 2014).

Considering the importance of brand equity and brand experience using sensory marketing in companies' efforts to develop positive customer perception and win the tight competition in their industry by achieving customer purchase intentions, this study aims to investigate the relationship between sensory marketing, brand equity, brand experience, and purchase intentions in the coffee shop industry, represented by the coffee-shop brands in Indonesia. Previous studies by Saputra et al. (2020) prove if the store atmosphere of the shops has a positive impact on customer purchase intentions with dimensions of cleanliness, music, aroma, temperature, lighting, color,

display, and layout. Research by Suryaningprang & Merdiani (2019) entitled the impact of experiential marketing to customers to purchase intentions in café and restaurant in Bandung with the mediator brand image and price dispersion shows a significant impact. Also from the Koeswandi (2017) study shows that customer's impression of the store atmosphere has a positive impact, especially in lighting, but has no significance in the store's color. The recommendation from the previous study is to find other variables to enrich the study on sensory marketing with the impact of repurchase intentions. Therefore, this study was conducted to find the impact of sensory marketing on brand experience and brand equity as a mediator in repurchase intentions at coffee shops in Indonesia. Further information, this research is based on the research conducted in the catering industry in Portugal by Moreira et al. (2017). As for this research, it was conducted in the coffee shop industry in Indonesia.

1.2 Research Problems

Based on the research background above, the researcher has decided several research problems in this study. The problem formulations of the research are as follows:

- 1. Does sensory marketing influence on brand experiences?
- 2. Does sensory marketing influence on brand equity?
- 3. Does the brand experiences influence on brand equity?
- 4. Does the brand experiences influence on repurchase intentions?
- 5. Does brand equity influence on repurchase intentions?

1.3 Research Objectives

- 1. To investigate the influence of sensory marketing on brand experiences
- 2. To investigate the influence of sensory marketing on brand equity
- 3. To investigate the influence of brand experiences on brand equity
- 4. To investigate the influence of brand experiences on repurchase intentions
- 5. To investigate the influence of brand equity on repurchase intentions

1.4 Research Contributions

1.4.1 Theoretical Implication

Contributing to literature enhancement of sensory marketing in developing countries (Indonesia) is still little to be done because most studies focus on sensory marketing only, or the mediators are brand image and price dispersions. This study has different variables to enrich the study and has different values from previous studies.

1.4.2 Practical Implication

From a practical view, the result could be applied by coffee shop managers. Thus, the findings will serve as a more precise road map for managers to implement brand experience as a strategy to win customers' satisfaction and repurchase intentions in the coffee shop.

CHAPTER II:

LITERATURE REVIEW

2.1 Introduction

Coffee is one of the largest and most popular beverages and is a major value-adding enterprise for the coffee industry. However, the coffee shop market is highly saturated; the numbers of coffee shops of globally popular franchises and individual shops trigger a dramatic rise in the numbers of companies and lead to facing problems companies' competition. For instance, the coffee shop business in Indonesia is estimated to continue to increase in line with the increase in domestic consumption of Indonesian coffee. The market value is quite tempting, reaching IDR 4.8 trillion per year (Toffin, 2020). The number of coffee shops in Indonesia has increased significantly in the last three years. The results of Toffin's research with Mix Magazine showed that the number of coffee shops in Indonesia in August 2019 reached more than 2,950 outlets, an increase of almost three times compared to 2016, which was only around 1,000.

Furthermore, the coffee shop business is situated in a dynamic structure with an infinite number of new consumer entrants. As a result, distinct tactics are expected to thrive in their respective industries. Therefore, researchers carried out studies on different coffee shop marketing techniques. They concentrated on customer experience marketing strategies (Chiang, 2018). Moreira (2017) stated that one strategy of sensory stimulation leads to intentions to purchase a brand. To support this

argument, recent research has focused on the importance of sensory marketing utilizing human senses.

As previously mentioned, this research used a model that has been modified from the previous research by Moreira et al. (2017). Later on in this research, the researcher hypothesizes that sensory marketing, brand experience, and brand equity significantly influence repurchase intentions in coffee shops in Indonesia. Therefore, the following literature reviews try to exhibit and discuss the previous studies to support the proposed hypotheses.

2.2 Theoretical Review

2.1.1 Sensory Marketing

With the ongoing globalization trend, the competition among coffee shops has become fierce and harsh. They have to develop new marketing strategies to combat competition. Considering the vast amount of advertisement messages consumers receive every day, marketers noticed that unconscious triggers attracted to the primary senses might be more efficient than marketing. Especially in Indonesia, coffee shops have been trending as a favorite place to hang out for millennial kids. Thus, a new technique to disrupt marketing, the concept of sensory marketing, has been introduced. The emergence of sensory marketing also illustrates the transition from a traditional marketing approach which emphasizes the vision of need recognition, information search, evaluation of alternatives, and product's attributes to a new marketing approach that emphasizes

the vision of creating the experiences, senses as an emotional fraction of humans (Rajput & Dhillon, 2013).

Krishna (2012) said that sensory marketing could be used as a subconscious stimulus that defines the perception of consumers of abstract notions of the products (for example, sophistication, quality, elegance, innovation, modernity, interactivity) -- the brand personality. In that capacity, it can also be used to influence the perceived quality of an abstract attribute such as color, taste, smell, or shape (Krishna 2012) that play an important role every time consumers are before abstract, high-level, or cognitive representations, as is the case of brand experience that involves judgemental evaluation.

The following figure 1 shows Krishna's (2012) conceptual framework of sensory strategy, which suggests sensory marketing is an application of the understanding of sensation and perception to the field of marketing. The process contains all the sensation elements which create perception. Further, the perception creates emotion and cognition, defining the consumer's attitude, learning and memory, and behavior. Using a sensory marketing strategy based on this model, marketers are supposed to differentiate their products in a highly individualized manner to influence consumer behavior (Krishna, 2012).

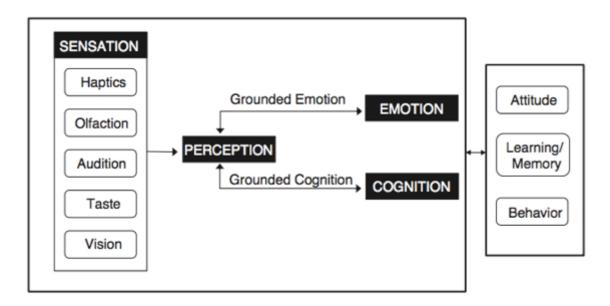


Figure 2. 1 A conceptual framework of sensory strategy (Krishna, 2012)

The five different sensations explained as follows (Krishna, 2012; p. 335-344):

- HAPTICS or touch is the first sense to develop in the womb, and the
 last sense one loses with age. The importance of touch for humans has been
 demonstrated in many studies, including in companies. Customers who can feel
 or hold goods will be more interested in buying than those who do not get
 samples that can be held.
- OLFACTION or smell is closely related to memory. Scent memories, therefore, exhibit flatter forgetting curves over time than do memories for information gained through the other sensory modalities. The relation of smell

and products positively impacts customers to recognize and remember the specific scent of the goods from the previous studies.

- AUDITION or music has been used as marketing communication. One hears radio and television advertising messages, jingles, and songs; one also hears ambient music in retail spaces, hotels, restaurants, and airplanes; then, there are signature sounds from products such as the sound for the Intel Pentium chip that one hears each time one starts a computer or the sounds for Motorola or Verizon cell phones. The sound symbolism, language, music, ambient music, and voice of spokespeople positively impact the customers recognizing the brand.
- TASTE is susceptible to external influences, e.g., physical attributes, brand name, product information (ingredients, nutritional information), product packaging, and advertising. However, as for physical attributes, fruit drink colors determine perceived flavors and discriminate in taste.
- VISION additional marketing research into the visual dimensions of goods and spaces considers the impact of spatial structure on information processing.

According to Schmitt (1999), companies from different industries no longer think under the line "features and benefits" and acknowledge the creation of experiences to the customer. Experiential marketing is an effort used by companies or marketers to design products to offer emotional experiences to touch the hearts and feelings of consumers (Schmitt, 1999). In a previous study

by Nadiri (2013), they use experiential marketing as the approach based on five types of experiences by Schmitt (1999):

- SENSE marketing may be used to differentiate companies and products, motivate customers, and add value to products (e.g., through aesthetics or excitement).
- FEEL marketing appeals to customers' inner feelings and emotions, to create practical experiences that range from mildly positive moods linked to a brand (e.g., for a non-involving, nondurable grocery brand or service or industrial product) to intense emotions of joy and pride (e.g., for consumer durables, technology, or social marketing campaign).
- THINK marketing appeals to the intellect to create cognitive, problemsolving experiences that engage customers creatively.
- ACT marketing enriches customers' lives by targeting their physical experiences, showing them alternative ways of doing things (e.g., business-to-business and industrial markets), alternative lifestyles, and interactions.
- RELATE campaigns appeal to the individual's desire for self-improvement (e.g., a future "ideal self that he or she wants to relate to").

From Nadiri (2013), experiential marketing is a strategy that provides new insights to know consumers to provide value to consumer needs and desires. The emotional value given from the company to the consumer induces a positive impact on customer satisfaction and leads to word of mouth and purchase intentions (Nadiri, 2013). Studies from Yoon and Park (2012) conducted a pre-

test of five groups representing a specific sensory appeal (i.e., visual, olfactory, palate, tactile and auditory) associated with five different product brands. From the experiment, it can be recapitulated that self-referencing and positive effects influence the relationship between sensory appeal preferences and attitudes towards brands..

2.1.2 Brand experience

Emotions and senses play an important role in differentiating and delivering better experiences, as emotions are mental readiness states resulting from assessments of events that enable individuals to give brands meaning (Moreira, 2017). Jung et al. (2012) argued that brand experience is how the brand, through emotions, cognitions, and attitudes, impacts the customer's response, whether positive or negative. As Brakus (2009) stated, not much research focused on the experiences provided by brands; meanwhile, these brand-related stimuli appear as part of a brand's design and identity, packaging, and marketing communications and in environments in which the brand is marketed or sold. These brand-related stimuli constitute the primary source of subjective, internal consumer responses, which we refer to as "brand experience."

This stream of research advocates creating sensory and emotional connections with consumers instead of focusing on the physical aspects of product and service. Brand experience forms when consumers search, examine, evaluate, purchase, or consume products or receive after-sales services (Schmitt, 2009). Specifically, sense experience involves perceptions and sensory characteristics,

emotional experience consists of moods and feelings, cognitive experience involves logical and analytical experience, and, ultimately, behavioral experience relates to behaviors concerning a particular brand (Risitano et al., 2017). Based on the literature, it shows that consumers impact the brand through brand experience in behavioral intentions.

2.1.3 Sensory marketing and brand experiences

As Moreira (2017) stated, multi-sensory brand experiences support individual value creation and allow consumers to react to companies' initiatives. This supports customers' purchase and consumption processes through the involvement of the five senses and the generation of customer value, experiences, and brand image (Hultén, 2011). When consumers search for, buy, and consume brands, they are exposed to various specific stimuli related to brands, such as colors, shapes, product types, background design elements, slogans, mascots, and characters (Brakus et al. 2009). As such, the present study proposed the following hypothesis:

H1: Sensory marketing has a positive impact on brand experiences.

2.1.4 Brand equity

The concept of brand equity has been discussed in many different ways. According to Aaker (1991), brands provide value to customers by intensifying their efforts to interpret and process information and their feeling of trust during purchase decision-making. He defines brand equity as a set of assets and

liabilities linked to brands that can create value for both customers and companies (Aaker, 1991). Insight from Lin (2015) brand equity is the emotions, thoughts, and how consumers act on the brand, translating into the market and corporate value. From the research studies, Foroudi (2018) stated that brand equity comes from six components: brand awareness, perceived quality, brand association, brand fondness, brand image, and product country image. In short, brand equity is combined with the factors that give value to the brand.

There are three essential concepts (Susanty, 2015) in this definition, i.e., differential effect, brand knowledge, and consumer response to marketing. The differential effect is determined by comparing customer response to a brand's marketing with similar marketing from a fictitiously named or unnamed version of the product or service. Brand knowledge is defined in terms of brand awareness and brand image and is conceptualized according to the characteristics and relationships of brand associations described previously. Customer response to marketing is defined in terms of customer perceptions, preferences, and behavior arising from marketing-mix activities (e.g., brand choice, comprehension of copy points from an ad, reactions to coupon promotions, or evaluations of a proposed brand extension).

2.1.5 Sensory marketing and brand equity

Sensory marketing means that customers are convinced of their brand's unique and distinctive importance, which they are given unforgettable experiences and are encouraged to repeat their experiences (Costa et al., 2012). Human senses are

linked to emotions and memory that influence behavior (Krishna, 2012; Nadiri, 2013). They can reinforce positive feelings, following an experiential rationale, generating specific value for individuals, and, in particular, creating a brand image (Hultén, 2011).

In short, sensory marketing seeks to generate customer loyalty through a process of differentiation in the provision of services, which often goes beyond colors that captivate consumers' attention, flavors that provide tranquility, sounds that stimulate stays in specific ambiances, and flavors that surprise the palate (Costa et al., 2012). Furthermore, a study by Moreira (2017) supported that unforgettable experiences offer brands an exciting perspective to include their consumers in the creation and delivery of value-added services personally. Therefore, based on Hulten (2011), Moreira (2017), Costa, et al. (2012) findings, the present study proposed the following hypothesis:

H2: Sensory marketing has a positive impact on brand equity.

2.1.6 Brand experiences and brand equity

The role of the five senses in developing the multi-sensory perception of brands is thus related to how customers perceive and interpret products (inexperience) and their images. This has consequences for building brands and their identity, loyalty base, and image (Hultén 2011; Moreira, 2017).

Brand experience is also expected to influence the four dimensions of brand equity. First, brand experience affects brand loyalty (Brakus, Schmitt, and Zarantonello 2009). Second, because powerful brand experiences create lasting

memories (Dolbec, 2013), Dolbec et al. (2013) propose that brand experience affects brand awareness. Third, brand associations are driven by "sensory pleasure, variety, and/or cognitive stimulation" (Keller 1993), components of brand experience. According to Dolbec (2013), expect the brand experience to affect brand associations. Fourth, perceived quality should be influenced by the in-store brand experience (Dolbec, 2013). In conclusion, brand experience is expected to have an impact on brand equity, then the following hypothesis:

H3: Brand experiences have a positive impact on brand equity.

2.1.7 Repurchase Intentions

The aim to have repurchase intentions from the customer is the objective of many organizations, both the marketing and product divisions, who strive to create innovations and approaches that will entice customers to buy the products they offer constantly. Repurchase intentions, stated by Hellier et al. (2003), are a decision made by the customer when they purchase a product or service of a specific brand again. When a buyer expresses an interest in a product from a specific brand, the likelihood of purchasing that item again increases (Peyrot & Doren, 1994). The intention to purchase again is mainly translated into two actions: the intention to repurchase and recommend other consumers to use the same product (referral) (Fitzgibbon & White, 2005; Yi & La, 2004). Repurchase is influenced by several factors, such as brand preference, perceived value, perceived quality, and perceived price (Hellier, 2003). Trivedi and Yadav (2018) stated that repurchase intention is a psychological behavior and desire for

customers to continue purchasing products, and if the organization can match their demands while also building trust, the opportunity for repurchasing will be enormous.

2.1.8 Brand experience and repurchase intentions

Many researchers found the relation between brand experience to the customers willing to buy the brands or the products. Chuchu et al. (2018) examined the influence of the store environment on brand experiences, brand attitude, and repurchase intentions. The study found evidence that brand experience positively influences purchase intentions. Brakus et al (2009) study the relationship for customers interested in experience has a high relationship with the brand and purchase intentions rather than customers who did not feel interested in the brand's experience. According to Barnes et al. (2014), the brand experience that customers have gained by sensory, behavioral, affective, and intellectual means will influence their intent to purchase or revisit, as well as their willingness to suggest to others. In summary, formulation of hypothesis:

H4: Brand experiences have a positive impact on repurchase intentions

2.1.9 Brand equity and repurchase intentions

Consumer-based brand equity has been considered the condition or requirement for brand choice or preference, affecting the purchasing intention. As cited in Moreira (2017) argues that attributes, whether related or not to the products of a specific brand, strongly contribute to the formation of brand associations, which may directly affect consumers' purchase or consumption

processes. Otero and Wilson (2018) argued that when customers develop brand impressions based on the characteristics, features, and benefits that favor them, this influences their decision to repurchase products or visit a place. In the study by Vahdati et al. (2014), the brand equity used by the bank in the form of tangible things such as decoration and the process of service has a positive effect on customer repurchase intention. Other studies also showed a positive relationship between the dimensions of brand equity and purchase intention (Moreira, 2017; Akturan, 2018). Therefore, this study assumes that for repurchase intention, brand equity would be a significant indicator. On that basis, the hypothesis is:

H5: Brand equity has a positive impact on brand repurchase intentions.

2.3 Theoretical Framework

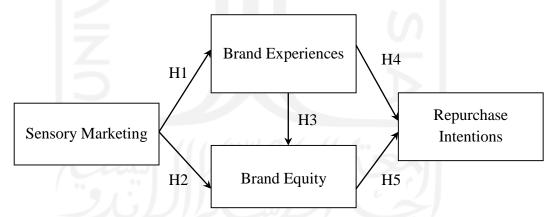


Figure 2. 2 The theoritical framework adopted from Moreira et al. (2017)

2.4 Hypotheses Formulation

H1: Sensory marketing has a positive impact on brand experiences.

H2: Sensory marketing has a positive impact on brand equity.

H3: Brand experiences have a positive impact on brand equity.

H4: Brand experiences have positive impact on brand repurchase intentions

H5: Brand equity has a positive impact on brand repurchase intentions.



CHAPTER III:

RESEARCH METHOD

3.1 Population and Sample

3.1.1 Type of Study

In general, this research was conducted based on the quantitative method focused on examining the correlation among the variables. By doing so, it is expected that these correlations examined in this research will provide clear insight into the effect of sensory marketing toward brand experience, brand equity, and repurchase intentions of the customer. In this research, the primary data was gathered using the quantitative method by spreading the questionnaire survey and using the Seven-Point Likert Scale who had experienced visit coffee shops in Indonesia.

3.1.2 Population

According to Sekaran et al. (2016), population refers to the entire category of individuals, activities, or things of interest that the researcher needs to explore. In conclusion, therefore, a population may be assumed to be an abstract study of subjects bound together by a shared characteristic. This study aims to know the impact of sensory marketing on purchasing in the coffee shop; hence the population is customers who have visited the coffee shop intended. In this study, the coffee shop chosen is located in Indonesia that provides sensory marketing to engage with the customer.

3.1.3 Sample

Sekaran et al. (2016) stated that the sample is part of the population and the selected object part of the population but not all of it. From the sample, the researcher can make a summary that generalizable to the population of the research. This study is choosing the non-probability sampling with the convenience sampling method. Non-probability sampling is a technique of sampling which relies on researcher judgment to choose the sample elements (Malhotra, 2017). From non-probability sampling, the study will get the sample with a convenience sampling method, which is the selection of sampling units is left primarily to the interviewer. Often, participants are selected because they happen to be in the right place at the right time. Therefore, this study collected the sample from respondents who have visited a coffee shop in Indonesia. The question to the respondents is 32 questions with 18 questions for sensory marketing and brand experience, eight questions for brand equity of the coffee shop, and six questions for the purchase intentions. Hair (2006) suggested that the minimum number of study samples for which the exact population was unknown is 5-10 times the variable analyzed or indicator question. The minimum number of respondents is 32x5 = 160. While the maximum number for the respondent is 32x10 = 320. Hence, for this study, the author plans to collect the respondent 32x7 = 224.

The sampling method used in this study is purposive sampling, where the sample will be sorted into several narrower characteristics. Respondents are consumers who belong to the X, Y, and Z generations live in Indonesia. Also,

respondents have been to coffee shops in Indonesia at least once in the last six months. This is done to ensure that respondents are pretty actual and have sufficient experience and good perspectives when visiting and choosing coffee shops in Indonesia.

3.2 Data Collection

The data collection method was carried out in two ways:

- Google Form. Google form is used for online data collection. Respondents only need to fill it indirectly and send back to the researcher.
- Questionnaire Sheet. Respondents only need to answer questions by putting a tick mark or tick on the questionnaire to collect data at the location. The question posed is about the indicators in each of the research variables.

To measure primary data, the researcher distributes questionnaires related to research variables to respondents. The scale used in this study is a seven-point Likert scale. The following table is a Likert scale rating score.

Table III-1 Assessment Score

Category	Scale
Strongly Disagree	1
Disagree	2
Slightly Disagree	3
Neutral	4
Slightly Agree	5
Agree	6
Strongly Agree	7

3.3 Operational Definition of Research Variables

A study using SEM analysis has two main types of variables: empiric and latent variables. Exogenous variables are determined and influenced by other variables outside the model (not subject to arrows). The empiric variable in this study is sensory marketing. In comparison, the second endogenous variable or variable latent is a value influenced by the value of other variables in the model (hit by the arrow). In this study, latent variables include brand experiences, brand equity, and purchase intentions. The operational definitions of each of these variables are:

1. Sensory Marketing. Sensory marketing can be used as a subconscious stimulus that defines consumers' senses and affects consumer perception of abstract notions of the product (Krishna, 2012). Indicators used in the study:

Table 3. 1 Sensory Marketing Indicators

	Haptics / Touch	
1.	The furniture are clean and comfortable	Nadiri et al. (2013),
		Chang (2019)
2.	This coffee shop offers good quality tableware	Ryu et al. (2012),
		Chang (2019)
	Olfaction / Smell	21
1.	The smell of the food was enticing	Ryu et al. (2012)
2.	There were no unpleasant odors in the coffee shop	Bothma & Kuhn
		(2018)
3.	The air quality of the coffee shop is good	Chang (2019)
	Auditory / Music	
1.	The coffee shop's noise level allows for comfortable	Bothma & Kuhn
	conversation	(2018)

2.	I found the music that played in the coffee shop well suited	Cuny et al. (2015)	
	Taste		
1.	The tastes of the products match my expectation	Nadiri et al. (2013)	
2.	The products offered for eating are fresh	- Nadiri et al. (2013)	
3.	The restaurant offered a variety of menu items	Ryu et al. (2012)	

2. Brand Experience. Brand experiences are actual sensations, feelings, cognitions, and behavioral responses from the perception of customers (Brakus, 2009). Indicators used in this study are:

Table 3. 2 Brand Experience Indicators

	Brand Experience	
1.	I find the coffee shop interesting to all five senses.	Haase et al. (2018), Slaton (2020)
2.	The coffee shop stimulates my curiosity.	Haase et al. (2018)
3.	I like to be directly involved in enjoying the service at this coffee shop.	Slaton et al. (2020)
	Service Quality	All
1.	Overall this coffee shop served it well.	17
2.	I feel safe in my transactions with this café.	5 /
3.	This café provides its service at the time it promises to do so.	Nadiri et al. (2013)
4.	Employees of this café insist on to fully understand what	
	I want.	
5.	Employees have a neat appearance.	

3. Brand Equity. Brands provide value to customers by intensifying their efforts to interpret and process information and their feeling of trust during purchase decision-making (Aaker, 1991). The indicators for this study are:

Table 3. 3 Brand Equity Indicators

	Brand Image		
1.	I like the coffee shop very much.	Haase et al. (2018)	
2.	The coffee shop is likeable.	11aase et al. (2016)	
3.	This coffee shop has an image different from other coffee	Song et al. (2010)	
	shops.	Song et al. (2019)	
	Brand Loyalty		
1.	I would regret if the coffee shop did not existent.		
2.	This coffee shop would be my first choice in the future	Haase et al. (2018)	
	for the alternation.		
	Brand Associations		
1.	I can recognize the coffee shop brand among other	Slaton et al. (2020)	
	competing brands.	Statoff et al. (2020)	
2.	Some characteristic of the coffee shop brand come to my		
	mind quickly.	Faraudi (2019)	
3.	I would feel proud to buy the products from the coffee	Foroudi (2018)	
	shop.		

4. Repurchase Intentions. According to Hellier (2003), repurchase intentions are a decision taken by a consumer when purchasing a product or service from a particular brand for the second time. The main factors motivating purchase intentions can be attitudes, evaluations, and brand perceptions (Moreira, 2017). The indicators of this study is:

Table 3. 4 Repurchase Intentions Indicators

	Intention to Revisit	
1.	I plan to visit the coffee shop in the future.	Nadiri et al. (2013),
		Haase et al. (2018)
2.	I intend to buy products of the coffee shop in the future.	Haase et al. (2018)
3.	I choose this coffee shop according to my favorite brand name, regardless of price.	Foroudi (2018)
4.	I do not mind talking positively about this coffee shop.	
5.	If anyone asks for advice on a good coffee shop, then I would recommend this coffee shop.	Yrjölä et al. (2019)
6.	I do not mind recommending this coffee shop to others.	

3.4 Pre-Testing (Study Pilot)

The problem most often faced in research using questionnaires is that respondents misunderstood the questionnaire instrument. Therefore, pre-testing is a significant part of the data testing phase. Pre-testing is a checking method that aims to ensure that the items in the questionnaire work as expected and can be understood by each respondent. Pre-testing can also help to reduce sampling errors (sampling error) and increase the questionnaire response rate (De Leeuw, 2001; Drennan, 2003). Pre-testing can also help evaluate whether a questionnaire instrument can work on the planned research object (Greco & Walop, 1987). In this study, pre-testing will be carried out before all questionnaires are distributed. A total of 40 online questionnaires was used as a pre-test to see how the instruments in the questionnaire can be understood and work as expected.

3.5 Validity

When experimenting, a researcher has two goals: (1) to draw valid conclusions about the effects of independent variables on the study group, and (2) to make valid generalizations to a larger population of interest (Birks, 2017). Validity is concerned with measuring the right concept and reliability with stability and consistency of measurement (Sekaran et al., (2016). A previous study conducted convergent and discriminant validity to measure the questions. According to Sekaran (2016), convergent validity is established when the scores obtained with two different instruments measure the same concept are highly correlated. Discriminant validity is established when, based on theory, two variables are predicted to be uncorrelated, and the scores obtained by measuring them are indeed empirically found to be so. Validity can thus be established in different ways (Sekaran, 2016).

Table 3. 5 Instrument Validity Test

Question Items	Validity Coefficient	Significant 5%	Annotation
Sensory Marketing		D	
SM 1	0.641	0.312	Valid
SM 2	0.495	0.312	Valid
SM 3	0.650	0.312	Valid
SM 4	0.428	0.312	Valid
SM 5	0.669	0.312	Valid
SM 6	0.645	0.312	Valid

SM 7	0.397	0.312	Valid
SM 8	0.671	0.312	Valid
SM 9	0.823	0.312	Valid
SM 10	0.264	0.312	Invalid
Brand Experience	DEAN	/	1
BE 1	0.843	0.312	Valid
BE 2	0.783	0.312	Valid
BE 3	0.756	0.312	Valid
BE 4	0.747	0.312	Valid
BE 5	0.658	0.312	Valid
BE 6	0.717	0.312	Valid
BE 7	0.725	0.312	Valid
BE 8	0.599	0.312	Valid
Brand Equity		D	
BQ 1	0.696	0.312	Valid
BQ 2	0.492	0.312	Valid
BQ 3	0.753	0.312	Valid
BQ 4	0.812	0.312	Valid
BQ 5	0.725	0.312	Valid
BQ 6	0.806	0.312	Valid
BQ 7	0.860	0.312	Valid

BQ 8	0.664	0.312	Valid
Repurchase Intentions			
PI 1	0.865	0.312	Valid
PI 2	0.821	0.312	Valid
PI 3	0.852	0.312	Valid
PI 4	0.877	0.312	Valid
PI 5	0.797	0.312	Valid
PI 6	0.744	0.312	Valid

The r-table value can be seen by looking at the degree of freedom (df), which is n-2 (40-2), which means 38. Then the significance level is 5%, then the r-table value is 0.3120. Therefore, based on the test results above, there is one invalid indicator, but it is continued because the sample is still low. However, it can be concluded that all indicators used are valid because the calculated r-value exceeds the r-table value.

3.6 Reliability

The reliability of a measure indicates the stability and consistency with which the instrument measures the concept and helps to assess the "goodness" of a measure (Sekaran, 2016). Reliability is assessed by determining the proportion of systematic variation in a scale. This is done by determining the association between scores obtained from different administrations of the scale. If the association is high, the scale yields consistent results and is therefore reliable (Malhotra, 2017). Approaches for assessing reliability include the test-retest, alternative-forms, and internal

consistency methods. George and Mallery (2003) classify the results of reliability testing into several levels, depending on the resulting Cronbach Alpha values, namely: > 9 = Excellent; > 8 = Good; > 7; Acceptable; > 6 = Questionable; > 5 = Poor; and < 5 = Unacceptable. The following are the results of the reliability testing:

Table 3. 6 Instrument Reliability Test

No	Variables	Indicators	Cronbach Alpha
1	Sensory Marketing	10	0.744
2	Brand Experience	8	0.871
3	Brand Equity	8	0.874
4	Repurchase Intentions	6	0.903

Based on the table above, it can be concluded that all indicators used have met the reliability aspect. This can be seen through the Cronbach Alpha value of all variables that exceeds 0.5.

3.7 Technique of Data Analysis

3.7.1 Descriptive Analysis

The analysis is used to describe the characteristics of the study; respondents are researched then data is collected. After the completion of analyzing the data, it will be discussed descriptively. The data retrieval tool used in this research is a questionnaire. In the first part, respondents are asked to fill in data related to the data research context. The next part will be respondent assessment data on variables.

3.7.2 Structural Equation Model Analysis

This study uses SEM (Structural Equation Modeling) analysis of the AMOS statistical package. SEM combines factor analysis and regression analysis to

explain the relationship between many variables when viewed from the modeling and how it works. Analyzing the research model with SEM can identify the dimensions of a construct and, at the same time, measure the influence of the degree of relationship between the factors that have identified the dimensions (Ferdinand, 2002). Structural equation modeling (SEM) is a set of statistical techniques that simultaneously test a series of relatively complex relationships. Some of the steps that must be followed in making complete modeling (Ferdinand, 2002), namely:

3.7.3 Theory Based Model Development

The first step in developing SEM models is the search or development of a solid theoretical justification model. After that, the model is empirically validated through computational SEM programs. Without a solid theoretical basis, SEM cannot be used. Therefore, SEM is not used to produce a model but is used to confirm the theoretical model through empirical data. Maybe a new theory developed by the researcher, or an old theory, in essence, it must be a theory, which requires an empirical test carried out through.

3.7.4 Path Diagram

The theoretical model that has been built in the first step will be described in a path diagram. The path diagram will make it easier for researchers to see the causality relationship to be tested. The causality relationship is expressed in the form of an equation. In SEM using AMOS program operations, the causality relationship is described in a path diagram, and then the program language will

convert the image into equations, and the equation becomes an estimate. In SEM modeling, researchers usually work with constructs or factors, which are concepts that have sufficient theoretical footing to explain various forms of relationships. The constructs built in the flow diagram can be divided into two groups, namely exogenous constructs and endogenous constructs. Exogenous constructs are known as source variables or independent variables (independent variables) that other variables in the model do not predict. Endogenous constructs are predicted by one or several other endogenous constructs (dependent variable), but exogenous constructs can only have a causal relationship with endogenous.

3.7.5 Conversion into Flow Diagram Equation

After the theory or theoretical model is developed and depicted in a flowchart, the researcher can convert the model specifications into equations. The equation that is built will consist of:

 Structural equations. This equation is formulated to state the causality relationship between various constructs. The structural equation is built with the following guidelines:

Endogenous Variable = Exogenous Variable + Endogenous Variable + Error

2. Equation of measurement model specifications. In this specification, the researcher determines which variables measure which constructs

and determines a series of matrices that show the hypothesized correlation between constructs or variables.

3.7.6 Selecting Matrix Input and Model Estimation

In this study, in theory testing, the input matrix is a covariance/variance matrix because it meets the assumptions and methodology, where the standard error reported will show a more accurate number than using a correlation matrix. A computer program used as an estimation tool in this measurement is an AMOS program. The AMOS program is seen as a convenient program and easy to use.

3.7.7 Anticipating Identification Problems

Some of the causes of identification problems that need to be identified in AMOS measurements are as follows:

- 1. The standard error for one or more substantial coefficients
- The program is unable to produce the information matrix that should be presented
- 3. The appearance of strange numbers, such as a negative variance error
- 4. The emergence of a very high correlation between the estimated coefficients obtained. The problem in principle is the inability problem, and the model used is to produce unique estimates

3.7.8 Evaluation of Goodness of Fit Criteria (Suitability Test)

In this step, the model's suitability is evaluated through a review of the various goodness-of-fit criteria. For this reason, the first action taken is to evaluate whether the data used can meet the SEM assumptions. When these assumptions

have been met, the model can be tested through various test methods described in this section. However, first, it will be described here regarding the evaluation of the SEM assumptions that must be met.

- SEM assumptions. The assumptions that must be met in the data collection and processing procedures analyzed by SEM modeling are as follows:
- a. Sample size. The sample size that must be met in this modeling is a minimum of 175 and then compares five observations for each estimated indicator. Therefore, if we develop a model with 35 indicators, the maximum sample used is 350 samples.
- b. Normality and Linearity. The data distribution must be analyzed to see whether the normality assumption is fulfilled so that the data can be processed further for this SEM modeling. Normality can be tested by looking at the data histogram image or being tested by statistical methods. This normality test needs to be done for normality for single data and multivariate normality, where several variables are used simultaneously in the final analysis. The linearity test can be done by observing the scrap lot from the data, namely selecting data pairs and observing the distribution pattern to predict linearity.
- c. Outliers. Outliers are observations that arise with extreme values both univariate and multivariate, namely those that arise due to a combination of unique characteristics. There can be special treatment for these outliers

- as long as it is known how the outliers appeared. Outliers can appear in four categories, namely:
- Outliers appear due to procedural errors, such as errors in entering data or errors in coding data.
- Outliers arise because a special allow the data profit is different from others, but the researcher explains what causes the emergence of the extreme value.
- Outliers can appear for any reason, but the researcher cannot know what
 the cause is or why there is no explanation for the causes of the emergence
 of the extreme value.
- Outliers can appear in a range of values, but the combination becomes unusual or very extreme when combined with other variables. This is what is called the multivariate outliers.
- d. Multicollinearity and singularity. Multicollinearity can be detected from the determinant of the covariance matrix. The determinant value of the covariance matrix is very small (extremely small), which indicates a multicollinearity problem. In general, SEM computer programs provide a warning facility whenever there is an indication of multicollinearity or singularity. When this message appears, the data used must be examined again to determine whether there is a linear combination of the analyzed variables. The action that can be taken is to exclude the variable caused the singularity. When singularity and multicollinearity are found in the

- excluded data, one of the treatments that can be taken is to create the composite variables and then use the subsequent analysis's composite variables.
- 2) Suitability test and statistical test. In this step, an evaluation of the model's suitability is carried out through a review of various goodness of fit criteria. Some of the measurements that are important in evaluating the goodness of fit criteria are:
 - 1. CM Square Statistic (X2). The most basic measure is the likelihood ratio chi-square statistic (X2). The lower X2 value indicates that the model used in the study is getting better and can be accepted based on probability with a cut of the value of p> 0.05 or n> 0.10.
 - 2. RMSEA (The Root Mean Square Error of Appreciation) shows the expected goodness of fit if the model is estimated in the population. The RMSEA value that is smaller or equal to 0.08 is an index for accepting a model that shows a close fit of the model based on the degrees of freedom.
 - 3. GFI (Goodness Of Index) is a non-statistical measure that has a range of values, between 0 (poor fit) to 1.0 (perfect fit). High scores on this index indicate a better fit. The significant probability value that can be accepted is p≥0.05.
 - 4. AGFI (Adjust Goodness Of Fit Index), where the recommended level of acceptance is if AGFI has a value equal to or greater than 0.90.

- 5. CMIN / DF is the minimum sample discrepancy function divided by the degree of freedom. CMIN / DF is nothing but a chi-square statistic, X2 divided by its DF is called relative X2. If X2 is relatively less than 2.0 or 3.0, it is an indication of acceptable fit between the model and data.
- 6. TLI (Truck Lewis Index) is an incremental index that compares a tested model against a baseline model, where the recommended value as a reference for acceptance of a model is ≥ 0.95. g) CFI (Competitive Fit Index), which, if it approaches 1, indicates the highest level of fit. The recommended value is CFI ≥ 0.95. In summary, the indices that can be used to test the feasibility of a model are presented in the table below:

Table 3. 7 Goodness of Fit Index

Goodness of fit index	Cut of value
X2 – Chi Square	smallest
Significance probability	≥ 0,05
RMSEA	≥ 0,05
GFI	≥ 0,90
AGFI	≥ 0,90
CMIN/DF	≤ 2,0
TLI	≥ 0,95
CFI	≥ 0,95

3.7.9 Model Interpretation and Modification

The final step is to interpret the model and modify the model that do not meet the test conditions. The guidelines are for considering whether or not to modify the model by looking at the number of covariance residuals produced by the model. The safety limit for the number of residuals more significant than 5% of the total covariance residuals produced by the model; a modification should be considered. However, if the residual value generated by the model is large enough (> 2.58), then another way to modify the model is to consider adding a new path to the estimated model. Possible modifications to a tested model can be made by first testing the standardized residuals generated by this model. The cut-off value of 2.58 can be used to assess the significance of the residuals generated by the model. Residual values greater than or equal to \pm 2.58 are interpreted as statistically significant at the 5% level, and this residual significance indicates a substantial prediction error for the indicator pair. The researcher can do the modification with the help of the modification index.

CHAPTER IV:

RESEARCH RESULT AND DISCUSSION

This chapter describes a research analysis entitled "The Relationship between Sensory Marketing, Brand Experience, and Brand Equity on Purchase Intention at Coffee Shops in Indonesia." The first data analysis is descriptive in the form of a description or description of the data as a whole, and then the second is the analysis of Structural Equation Modeling (SEM) with AMOS software.

The total number of questionnaires received was 248 respondents. The research questionnaire was conducted online with the google form platform, distributed via Twitter and Telegram. Respondents in this study were Indonesian citizens who had and/or enjoyed going to coffee shops in Indonesia. Online data collection is more effective and efficient because data must be filled in completely before sending. Respondents also have to fill in age, average expenditure, recent education used for descriptive analysis and mention favorite coffee shops and why they like the coffee shop. Data collection took 11 days, from March 20, 2021, to March 31, 2021.

4.1 Characteristics Description

4.1.1 Gender

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on gender as shown in the following table:

Table 4. 1 Characteristics of Respondents based on Gender

Gender	Total	Percentage (%)
Male	69	27.8%
Female	179	72.2%
Total	248	100%

From the table above, it can be seen that the number of male respondents was 69 or with a percentage of 27.8%, while female respondents were 179 or with a percentage of 72.2%. Thus, it can be concluded that the composition of the respondents in this study was dominated mainly by female respondents.

4.1.2 Age

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on age, as shown in the following table:

Table 4. 2 Characteristics of Respondents based on Age

Age	Total	Percentage
12-24	175	70%
25-34	29	12%
35-44	10	4%
>45	34	14%
Total	248	100%

From the table above, it can be seen that the respondents aged 12 to 24 years are 175 people or 70%, respondents aged 25 to 34 years are 29 people or 12%, respondents aged 35 to 44 years are ten people or equal to 4%, respondents who

are more than 45 years old are 34 people or 14%. Therefore, it can be concluded that the respondents in this study were dominated by respondents aged between 12 to 24 years.

4.1.3 Average expenses

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on average expenditure as shown in the following table:

Table 4. 3 Characteristics of Respondents based on Average Expenses

Expenses	Total	Percentage (%)
< Rp. 2.000.000,-	141	56.9%
Rp. 2.000.000 – Rp. 4.000.000	66	26.6%
Rp. 4.000.000 – Rp. 6.000.000	23	9.3%
> Rp. 6.000.000	18	7.3%
Total	248	100%

Based on Table 4.3, it can be seen that the majority of respondents had expenses less than Rp. 2,000,000 as many as 141 respondents or 56.9%. Meanwhile, the other expenditure groups, namely expenditures between Rp. 2,000,000 to Rp. 4,000,000 were 66 respondents or equal to 26.6%, expenditures of more than Rp. 4,000,000 to Rp. 6,000,000 were 23 respondents or equal to 9.3%, and expenses of more than Rp. 6,000,000 for 18 respondents or equal to 7.3%

4.1.4 Average Number of Coffee Shop Visits in The Last 6 Month

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on frequency visiting coffee shops in the last six month as shown in the following table:

Table 4. 4 Characteristics of Respondents based on Average Number of Visits

Number of visit	Total	Percentage(%)
1 – 2	68	27.4%
3 – 4	74	29.8%
5 – 6	51	20.6%
7 – 8	14	5.6%
>8	41	16.5%
Total	248	100%

Based on Table 4.4, most respondents visited a coffee shop during the last six months 3-4 times; there were 74 respondents or 29.8%. Whereas for the frequency of 1-2 times as many as 68 respondents or the value of 27.4%, the frequency of visits 5 - 6 times as many as 51 respondents or equal to 20.6%%, then the visits for 7-8 times there were 14 respondents or 5.6%, and the frequency of visits was more than 8 as many as 41 respondents or 16.5%.

4.1.5 Respondents Region

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on respondents' region in Indonesia, as shown in the following table:

Table 4. 5 Characteristics of Respondents based on Respondents Region

Region	Number	Percentage
Yogyakarta	72	29,03%

Jakarta	40	16,13%
Surabaya	25	10,08%
Semarang	15	6,04%
Bandung	12	4,83%
Denpasar	6	2,41%
Solo	5	2,01%
Malang	5	2,01%
Others	83	33,46%
Total	248	100%

From Table 4.5 above, it can be seen that the respondents are across Indonesia and dominated from Yogyakarta with 29.03% and Jakarta with 16.13%. In the third position, respondents from Surabaya had 10.08%, followed by Semarang with 6.04%. Then, respondents from Bandung (4.83%), Denpasar with 2.41%, Solo and Malang (2.01%), last but not least the others region with less than 5 respondents.

4.1.6 Educational Background

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on the educational background of respondents as shown in the following table:

Table 4. 6 Characteristics of Respondents based on Educational Background

Education	Number	Percentage
Elementary – Junior High	4	1.6%
High school	146	58.9%
Diploma Degree	88	35.5%

Magister Degree	10	4%
Total	248	100%

According to Table 4.6, this study was dominated with high school students as respondents with 58.9%. The second was filled with a diploma degree with 35.5% and a Magister degree with 4%. In the last were respondents from elementary and Junior High school with 1.6%.

4.1.7 Occupation

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on the occupation of respondents as shown in the following table:

Table 4. 7 Characteristics of Respondents based on Occupation

Occupation	Number	Percentage
Students	175	70.6%
Entrepreneur	23	9.3%
Government	13	5.2%
Private employee	26	10.5%
Did not work/ housewives	11	4.4%
Total	248	100%

Here, it can be seen that respondents were dominated by students with 70.6% of the whole sample. With 10.5%, respondents were working in a private company, and 9.3% were entrepreneurs. Moreover, 5.2% of the respondents worked in government, and about 4.4% did not go to work or housewives.

4.1.8 Frequency of Visiting Coffee Shops during a Pandemic

From the results of distributing questionnaires to 248 respondents, data was obtained from the characteristics of respondents based on the frequency of visiting the coffee shop during the pandemic, as shown in the following table:

Table 4. 8 Characteristics of Respondents based on Frequency of Visiting Cafe during pandemic

Number	Percentage
184	74.2%
46	18.5%
18	7.4%
248	100%
	184 46 18

From all the data gathered, it is acknowledged that there was a decreasing frequency of respondents visiting the coffee shops, 74.2% of the respondents. In contrast, 18.5% of respondents said no change of frequency in visiting the coffee shop during the pandemic. On the other hand, 7.4% stated that they visited the coffee shops more often during the pandemic.

4.2 Variables Description

Based on the data collected, the respondents' variables are sensory marketing, brand experience, brand equity, and repurchase intentions. The assessment criteria use the Interval Scale with the formula:

Therefore, the interval for this study = (7-1/7) = 0.86

Table 4. 9 Table of Interval

Interval	Category
1,00 - 1,86	Very Bad
1,87 - 2,72	Bad
2,74 - 3,58	Slightly Bad
4,00 - 4,44	Neutral
4,46 - 5,30	Slightly Good
5,31 – 6,16	Good
6,18 - 7,00	Very Good

Sensory marketing consists of ten indicators, eight indicators of brand experience, eight indicators of brand equity and six indicators of repurchase intentions. So that the data processed in AMOS consists of 4 variables and 32 indicators. From the respondents' assessment of the variables, 25 indicators were categorized as good, six indicators were categorized as very good. The results of the assessment for each indicator are attached in the table.

Table 4. 10 The result of assessment

List of Questions				Me	an	Description
Sensory Marketing	5					
The furniture	is clean and	Nadiri	et a	al. 6.19	9	Very Good
comfortable.		(2013),	Chai	ng		
		(2019)		1		
This coffee shop of	offers good quality	Ryu	et a	al. 6.0	1	Good
tableware		(2012),	Chai	ng		
		(2019)		\bigcirc		
The smell of the fo	ood was enticing	Ryu et a	1. (201	2) 5.8	7	Good
There are no unple	easant odors in the	Bothma	& Kul	nn 6.0	1	Good
coffee shop		(2018)		(/)		
The air quality of	the coffee shop is	Chang (2	2019)	5.9	4	Good
good.						
The coffee shop's	noise level allows	Bothma	& Kul	nn 5.4	5	Good
for comfortable co	nversation.	(2018)		24		
I found the music	that played in the	Cuny	et a	al.		Good
coffee shop well su	uited.	(2015)	Ct -	5.4	5	
The tastes of the p	products match my	Nadiri	et a	al. 6.02	2	Good

expectation.	(2013)		
The products offered for eating are		6.29	Very Good
fresh.			
The restaurant offered a variety of menu items	Ryu et al. (2012)	6.19	Very Good
Brand Experience		7	
I find the coffee shop interesting to	Haase et al.	6.21	Very Good
all five senses.	(2018), Slaton	71	
S	(2020)		
The coffee shop stimulates my	Haase et al.	6.12	Good
curiosity.	(2018)		
I like to be directly involved in enjoying the service at this coffee shop.	Slaton et al. (2020)	5.66	Good
Overall this coffee shop served it		5.58	Good
well.	((Kz	411	
I feel safe in my transactions with this café.	Nadiri et al. (2013)	5.71	Good
This café provides its service at the	/	5.51	Good
time it promises to do so.			
Employees of this café insist on to		5.80	Good

fully understand what I want.			
Employees have a neat appearance.		5.33	Good
Brand Equity	A A		
I like the coffee shop very much.	/ / /	5.89	Good
	Haase et al.		
The coffee shop is likable.	(2018)	5.73	Good
		41	
This coffee shop has an image	Song et al.	5.46	Good
different from other coffee shops.	(2019)		
I would regret it if the coffee shop		6.08	Good
did not exist.	Haase et al.	.	
This coffee shop would be my first	U	6.22	Very Good
choice in the future for the	(2018)		
alternation.			
I can recognize the coffee shop	Slaton et al.	6.16	Good
brand among other competing	1 2 2	21	
brands.	(2020)	-	
Some characteristics of the coffee		6.15	Good
shop brand come to my mind	Foroudi (2018)		
quickly.			

I would feel proud to buy the products from the coffee shop.		6.10	Good
Repurchase Intentions			
I plan to visit the coffee shop in the future.	Nadiri et al. (2013), Haase et al. (2018)	5.97	Good
I intend to buy products of the coffee shop in the future.	Haase et al. (2018)	5.96	Good
I choose this coffee shop according to my favorite brand name, regardless of price.	Foroudi (2018)	5.83	Good
I do not mind talking positively about this coffee shop.	Ú	6.20	Very Good
If anyone asks for advice on a good coffee shop, then I would recommend this coffee shop.	Yrjölä et al. (2019)	5.96	Good
I do not mind recommending this coffee shop to others.		6.16	Good

4.3 Analysis SEM (Structural Equation Modelling)

The analysis used to prove the hypothesis is the Structural Equation Model (SEM) calculation with AMOS 24 software. The sequence of the analysis steps includes:

4.3.1 Theory Based Model Development

The model developed in this study is based on the concept of data analysis. In general, this research model consists of one exogenous variable and three endogenous variables. The exogenous variable in this study is Sensory Marketing (SM). The endogenous variables in this study are Brand Experience (BE), Brand Equity (BQ), and Repurchase Intention (PI).

4.3.2 Constructing Path Diagrams and Structural Equations

The next step is to construct causality with path diagrams and construct structural equations. Two things need to be done, namely compiling a structural model, connecting between endogenous and exogenous latent constructs and determining the model, connecting endogenous and exogenous latent constructs with variable indicators or manifest as in Figure 4.1.

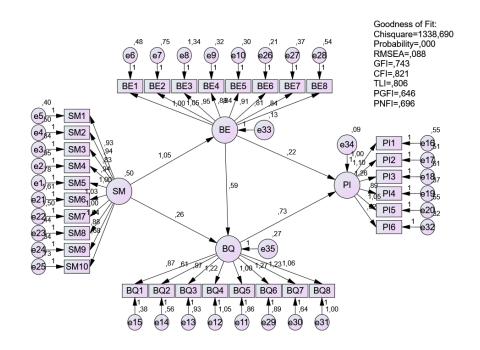


Figure 4. 1 Path Diagram

Table 4. 11 Goodness of Fit Test Result before modification

Fit Index	Goodness of Fit	Criteria	Cut-off value	Description	
Absolute Fit	Chi-square	Kecil	1338,690	Not Fit	
	Probability	\geq 0.05	0,000	Not Fit	
	RMSEA	≤ 0.08	0,088	Marginal Fit	
	GFI	≥ 0.90	0,743	Not Fit	
Incremental	CFI	≥ 0.90	0,821	Marginal Fit	
Fit	TLI	≥ 0.90	0,806	Marginal Fit	
Parsimony	PGFI	≥ 0.60	0,648	Fit	
Fit	PNFI	≥ 0.60	0,696	Fit	

4.3.3 Selecting the Input Matrix Type and Estimates of the Proposed Model

Structural equation modeling differs from other multivariate analysis techniques. SEM only uses the data input of variance or covariance matrix or ma trick correlation. The model estimate used is the maximum likelihood (ML) estimate that has been met with the following assumptions:

4.3.4 Outliers

Outliers are observations or data that have unique characteristics that look different from other observations and appear in the form of extreme values, either for a variable or for combined variables. The outliers can be evaluated using an analysis of the multivariate outliers seen from the Mahalanobis Distance value.

Mahalanobis Distance test is calculated using the chi-square value of the degree of freedom of 33 indicators at the level of p <0.001 using the formula $X\ 2\ (32;\ 0.001)=62.48$. The results of the analysis of outliers can be seen in Table 4.12.

Table 4. 12 Mahalanobis Distance test results

Observation number	Mahalanobis d-squared	p1	p2
128	109,086	,000	,000
218	105,503	,000	,000
161	96,870	,000	,000
113	93,854	,000	,000
90	84,790	,000	,000
73	84,754	,000	,000
186	82,431	,000	,000
11	79,066	,000	,000
53	78,659	,000	,000
91	76,457	,000	,000
176	72,407	,000	,000

Observation number	Mahalanobis d-squared	p1	p2
233	71,062	,000	,000
29	70,468	,000	,000
230	69,466	,000	,000
55	68,485	,000	,000
138	68,309	,000	,000
192	65,315	,000	,000
100	63,891	,001	,000
49	61,970	,001	,000
210	61,216	,001	,000
172	60,485	,002	,000
155	59,574	,002	,000
78	58,968	,003	,000
142	58,368	,003	,000
205	58,091	,003	,000

In Table 4.12, it is known that there are still many outlier data because they have a Mahalanobis d Square value of more than 62.48 so that the outlier data must be dropped from the analysis. The process of deleting data from outliers eliminates 28 respondents' data. Thus, the data analyzed in the following process is 220 data with the results of the results as shown in Table 4.13.

Table 4. 13 Mahalanobis Distance test results after drop outlier

Observation number	Mahalanobis d-squared	p1	p2
10	62,083	,001	,000
93	62,030	,001	,000
180	61,999	,001	,000
215	61,951	,001	,000
132	61,517	,001	,000
99	61,396	,001	,000
59	60,994	,001	,000
185	60,618	,002	,000
33	60,605	,002	,000
182	60,400	,002	,000

Observation number	Mahalanobis d-squared	p1	p2
21	60,032	,002	,000
82	59,659	,002	,000
79	58,937	,003	,000
46	57,654	,004	,000
175	57,433	,004	,000
171	57,023	,004	,000
168	56,821	,004	,000
161	55,875	,006	,000
174	55,702	,006	,000
103	55,611	,006	,000
70	55,576	,006	,000
192	55,402	,006	,000

In Table 4.13, it is known that the highest Mahalanobis d Square value is 62.083 so that it does not exceed the c-square value of 62.48. From these results, it can be concluded that the data are not outliers.

4.3.5 Data Normality

The assumption of data normality must be fulfilled to be further processed for SEM modeling. Testing for normality is by observing the value of the Critical Ratio (CR) of the data used, if the CR value of the multivariate data is between \pm 2.58, and the research data can be said as normal. The results of the data normality test empirically and can be seen in Table 4.14.

Table 4. 14 Data Normality Test Results

Variable	min	max	skew	c.r.	kurtosis	c.r.
PI6	3,000	7,000	-1,084	-6,565	,928	2,809
BQ8	1,000	7,000	-,518	-3,136	-,122	-,369
BQ7	2,000	7,000	-,949	-5,747	,353	1,069
BQ6	2,000	7,000	-,693	-4,199	-,274	-,831

Variable	min	max	skew	c.r.	kurtosis	c.r.
BE8	2,000	7,000	-1,376	-8,333	2,264	6,855
BE7	3,000	7,000	-1,007	-6,096	,787	2,383
BE6	3,000	7,000	-1,141	-6,907	1,626	4,922
SM10	3,000	7,000	-1,109	-6,718	,767	2,322
SM9	3,000	7,000	-1,299	-7,863	1,853	5,610
SM8	3,000	7,000	-,952	-5,765	,438	1,327
SM7	1,000	7,000	-,838	-5,074	,536	1,622
SM6	1,000	7,000	-,834	-5,053	,057	,172
PI5	2,000	7,000	-1,007	-6,095	,671	2,032
PI4	2,000	7,000	-1,407	-8,518	2,464	7,460
PI3	1,000	7,000	-1,128	-6,833	1,245	3,770
PI2	1,000	7,000	-1,257	-7,611	2,241	6,783
PI1	3,000	7,000	-,886	-5,366	,057	,171
BQ1	3,000	7,000	-1,246	-7,543	1,514	4,584
BQ2	3,000	7,000	-,867	-5,251	,261	,791
BQ3	2,000	7,000	-,776	-4,701	-,008	-,023
BQ4	2,000	7,000	-,685	-4,148	-,590	-1,786
BQ5	2,000	7,000	-1,093	-6,619	,939	2,843
BE5	3,000	7,000	-1,154	-6,989	1,617	4,897
BE4	2,000	7,000	-1,217	-7,370	2,244	6,793
BE3	1,000	7,000	-1,033	-6,255	1,259	3,811
BE2	1,000	7,000	-,946	-5,731	,875	2,650
BE1	3,000	7,000	-,808	-4,891	-,090	-,273
SM1	3,000	7,000	-1,214	-7,348	1,622	4,912
SM2	2,000	7,000	-,966	-5,850	,887	2,686
SM3	2,000	7,000	-,900	-5,453	,390	1,180
SM4	1,000	7,000	-1,529	-9,258	2,511	7,602
SM5	2,000	7,000	-1,023	-6,197	,617	1,867
Multivariate	•				232,866	37,022

Table 4.14 shows that the multivariate CR value is 37.022, which means it is still above 2.58. Therefore, the data in this study can be said to be not normally distributed. To overcome data that is not normally distributed in SEM, Ghozali (2008) provides a solution by performing a bootstrap method

through AMOS software. The bootstrap method is resampling-based. In this study, resampling was performed 500 times, and bias-corrected confidence intervals of 90%.

4.3.6 Confirmatory Analysis

The confirmatory analysis is used to test a concept that is built using several measurable indicators. In the confirmatory analysis, the first thing to look at is the loading factor value of each indicator. The loading factor can be used to measure the validity of the construct where a questionnaire is said to be valid if the questions on the questionnaire reveal something measured by the questionnaire. According to Hair et al. (2010), the minimum number of loading factors is ≥ 0.5 or, ideally, ≥ 0.7 . If there is a value that is still below 0.5, it will be excluded from the analysis. The value of the loading factor results can be seen in Table 4.15.

Table 4. 15 Loading factor value

			Estimate
SM5	<	SM	,649
SM4	<	SM	,591
SM3	<	SM	,560
SM2	<	SM	,703
SM1	<	SM	,741
BE1	<	BE	,776
BE2	<	BE	,701
BE3	<	BE	,534
BE4	<	BE	,819
BE5	<	BE	,836
BQ5	<	BQ	,678
BQ4	<	BQ	,769

			Estimate
BQ3	<	BQ	,662
BQ2	<	BQ	,543
BQ1	<	BQ	,805
PI1	<	PΙ	,774
PI2	<	PΙ	,823
PI3	<	PI	,861
PI4	<	PI	,859
PI5	<	PΙ	,811
SM6	<	SM	,555
SM7	<	SM	,502
SM8	<	SM	,775
SM9	<	SM	,788
SM10	<	SM	,512
BE6	<	BE	,894
BE7	<	BE	,792
BE8	<	BE	,743
BQ6	<	BQ	,759
BQ7	<	BQ	,819
BQ8	<	BQ	,708
PI6	<	PI	,803

From the Table 4.15, it is known that all indicators in this study already have a loading factor value of more than 0.5; it can be concluded that all indicators in this study can be said to be valid.

4.3.7 Reliability Test

The reliability coefficient ranges from 0-1 so that the higher the coefficient (close to number 1), the more reliable the measuring instrument is. The reliability of the construct is good if the value of the construct reliability is > 0.7 and the value of the variance extracted is > 0.5 (Yamin & Kurniawan, 2009). The results were then obtained as reliability test results in Table 4.16.

Table 4. 16 Reliability Test Results

Indicator	Standard Loading	Standard Loading ²	Measurement Error	CR	VE
SM5	0,649	0,421	0,579		
SM4	0,591	0,349	0,651		
SM3	0,56	0,314	0,686		
SM2	0,703	0,494	0,506		
SM1	0,741	0,549	0,451	0,9	0,5
SM6	0,555	0,308	0,692		0,5
SM7	0,502	0,252	0,748		
SM8	0,775	0,601	0,399		
SM9	0,788	0,621	0,379		
SM10	0,512	0,262	0,738		
BE1	0,776	0,602	0,398		
BE2	0,701	0,491	0,509		
BE3	0,534	0,285	0,715		
BE4	0,819	0,671	0,329	0,9	0,6
BE5	0,836	0,699	0,301		0,0
BE6	0,894	0,799	0,201		
BE7	0,792	0,627	0,373		
BE8	0,743	0,552	0,448		
BQ5	0,678	0,460	0,540		
BQ4	0,769	0,591	0,409		
BQ3	0,662	0,438	0,562		
BQ2	0,543	0,295	0,705	0,9	0,5
BQ1	0,805	0,648	0,352	0,9	0,5
BQ6	0,759	0,576	0,424		
BQ7	0,819	0,671	0,329		
BQ8	0,708	0,501	0,499		
PI1	0,774	0,599	0,401		
PI2	0,823	0,677	0,323	0.0	
PI3	0,861	0,741	0,259		0,7
PI4	0,859	0,738	0,262	0,9	0,7
PI5	0,811	0,658	0,342		
PI6	0,803	0,645	0,355		

From Table 4.16, it can be seen that the construct reliability of all variables has shown ≥ 0.7 . As for the variance extracted in this study, each variable also has a value of ≥ 0.5 . Then, it can be concluded that the questionnaire used for this study is stated reliable.

Furthermore, the confirmatory model suitability test is tested using the Goodness of Fit Index. Hair et al. (1998) divided the GOFI (Goodness of Fit Index) criteria into three criteria: absolute fit indices, incremental fit indices, and parsimony fit indices. Of the three types of GOFI, there are 25 criteria in total; however, according to Hair et al. (2010) in the SEM-Amos analysis does not require all criteria to be met, 4 - 5 criteria alone are sufficient as long as there are criteria that represent the three types of GOFI criteria.

In this study, several criteria were taken from each type of GOFI, namely Chisquare, probability, RMSEA, and GFI representing absolute fit indices, CFI and TLI represent incremental fit indices, then PGFI and PNFI representing parsimony fit indices. The results of the confirmatory analysis can be seen in Figure 4. 2.

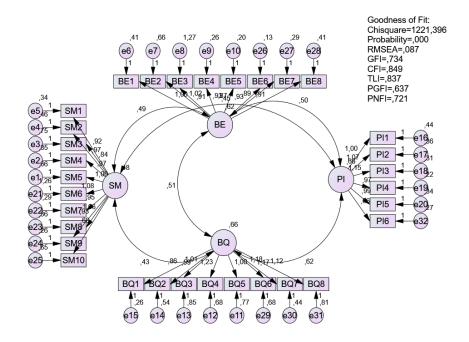


Figure 4. 2 Confirmatory analysis results

The results of the Goodness of Fit are as shown in Table 4.17 below.

Table 4. 17 Goodness of fit test results confirmatory analysis

Fit Index	Goodness of Fit	Criteria	Cut-off value	Description
** 60	Chisquare	Kecil	1221,396	Not Fit
Absolute Fit	Probability	≥ 0.05	0,000	Not Fit
Absolute Fit	RMSEA	≤ 0.08	0,087	Marginal Fit
	GFI	≥ 0.90	0,734	Not Fit
Incremental	CFI	≥ 0.90	0,849	Marginal Fit
Fit	TLI	≥ 0.90	0,837	Marginal Fit
Parsimony	PGFI	≥ 0.60	0,637	Fit
Fit	PNFI	≥ 0.60	0,721	Fit

From the goodness of fit test results in Table 4.17, it can be seen that there are still two criteria that are not fit. Therefore, to increase the GOF value, it is necessary to modify the model, which refers to the table modification index, by providing a covariance relationship or removing indicators that have a high MI (Modification Index) value.

4.3.8 Modify the Model and Test the complete GOF model

The following is a research model modified by referring to the modification index table by providing a covariance relationship or removing indicators with a high MI (Modification Index) value. Several indicators must be removed in the model modification process because they have high MI (Modification Index) values, namely SM1, BE2, BE3, BE6, BQ1, BQ2, BQ3, and PI4. Modification results are shown in Figure 4.3.

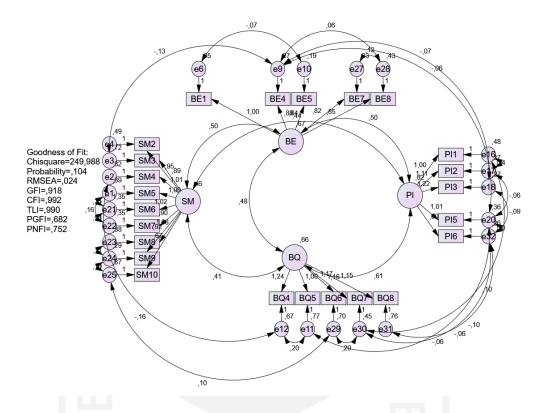


Figure 4. 3 The CFA Model After Modification

After modification, the results show that the Goodness of Fit value has met all the criteria so that the model in this study can be said to be fit as in Table 4.18.

Table 4. 18 Goodness of Fit Value after Modification

Fit Index	Goodness of Fit	Criteria	Cut-off value	Description
1	Chi-square	Kecil	249,988	Fit
Absolute Fit	Probability	≥ 0.05	0,104	Fit
Absolute Fit	RMSEA	≤ 0.08	0,024	Fit
	GFI	\geq 0.90	0,919	Fit
Incremental	CFI	\geq 0.90	0,992	Fit
Fit	TLI	≥ 0.90	0,990	Fit
Parsimony	PGFI	\geq 0.60	0,682	Fit
Fit	PNFI	\geq 0.60	0,752	Fit

4.3.9 Hypothesis Testing

The following analysis is the *Structural Equation Model* (SEM) analysis as a complete model to test the hypotheses developed in this study. The results of the *regression weight* test in this study are as shown in Figure 4.4 and Table 4.19.

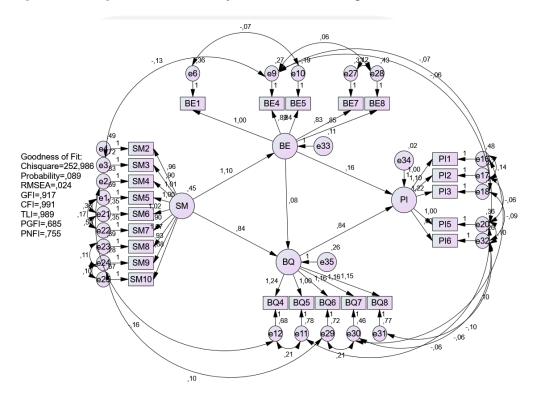


Figure 4 4 Final Model After Modification

Table 4. 19 Regression weight test results

			Estimate	S.E.	C.R.	P	Description
BE	<	SM	1,103	,122	9,053	***	Positive Significant
BQ	<	SM	,838	,291	2,879	,004	Positive Significant
BQ	<	BE	,079	,225	,350	,726	Not Significant
PΙ	<	BE	,159	,065	2,426	,015	Positive Significant
PΙ	<	BQ	,837	,104	8,075	***	Positive Significant

The results of hypothesis testing can be seen by looking at the Critical Ratio (CR) value and the probability (P) value of the data processing results. The relationship between variables can be seen from the estimated value; if the estimated value is positive, then the relationship between the variables is positive, whereas if the estimated value is negative, then the relationship is negative. Furthermore, if the test results show a CR value above 1.96 and a probability value (P) below 0.0 5/5%, the relationship between exogenous and endogenous variables is significant. In detail, the research hypothesis testing will be discussed in stages according to the hypothesis that has been proposed. The results of the analysis in Table 4.19 show that:

- 1. Sensory Marketing (SM) has a positive and significant effect on Brand experience (BE). A positive estimate value proves this result, the t-statistic value is above 1.96, and the P-value value is below 0.05.
- 2. Sensory Marketing (SM) has a positive and significant effect on brand equity (BQ). A positive estimate value proves this result, the t-statistic value is above 1.96, and the P-value value is below 0.05.
- 3. Brand experience (BE) has a positive but insignificant effect on brand equity (BQ). This result is proven by a positive estimate value, a t-statistic value below 1.96, and a P-value value above 0.05.
- 4. Brand experience (BE) has a positive and significant effect on Repurchase Intention (PI). A positive estimate value proves this result, the t-statistic value is above 1.96, and the P-value value is below 0.05.

5. Brand equity (BQ) has a positive and significant effect on Repurchase Intention (PI). A positive estimate value proves this result, the t-statistic value is above 1.96, and the P-value value is below 0.05.

4.4 Discussion

After the researcher tests the hypothesis based on the research findings, the following discussion can be drawn.

1. The Influence of Sensory Marketing on Brand Experience

The results showed that the variable sensory marketing has a positive and significant effect on brand experience. The result showed that the better sensory marketing, the better the brand experience those consumers receive. Moreover, the more little use of sensory marketing toward their coffee shops, the lower the engagement of brand experience by customers. This study indicated that by having good use of sensory marketing in coffee shop facilities and services, consumers would feel comfortable and having a great experience while in the coffee shop. Thus, the customers can enjoy visiting without worrying about being uncomfortable with the furniture or waiters.

Sensory marketing will impact brand experience, and further may lead to repurchase intentions. Tangible sensory marketing can be increased by upgrading the furniture and utensil to be more convenient and environmentally friendly. Intangible sensory marketing can be increased by applying delightful music or using the open window for the kitchen. Similarly, the waiters may also support sensory marketing

strategy by being more considerate with the customers and engaging more with them. When visitors are satisfied with the quality of hanging out time in a coffee shop and having a positive experience with the coffee shop, visitors would happily share their experiences with others. This result follows previous research conducted by Moreira et al. (2017), which states that marketing stimuli positively affect the brand experience. Moreira et al. (2017) also argue that the coffee shop's decorations, services, products, and environment impact customers' minds, and they enjoy their stay plus have a remarkable experience.

2. The Influence of Sensory Marketing on Brand Equity

The results showed that the variable sensory marketing has a positive and significant effect on brand equity. Therefore, the better the sensory marketing, the better the brand equity will be received by the coffee shop owner. Moreover, the lesser sensory marketing used toward the coffee shop, the lesser the customers' value. This study indicated that coffee shop owners who use sensory stimulation on their brands would generate awareness and attachment to customers. Other than that, unique brands will be easier for consumers to remember.

This result is also consistent with previous research conducted by Moreira et al. (2017), which stated that marketing stimuli positively affect brand equity. Truly memorable experiences provide brands with a one-of-a-kind opportunity to personally engage consumers in developing and delivering added-value services (Moreira et al., 2017). Therefore, it can be concluded that sensory marketing directly affects the perceived value among customers. Hence, this study implied that sensory

marketing plays a vital role in the brand equity perceived by customers of the coffee shop.

3. The Relationship between Brand Experience and Brand Equity

Unlike Moreira et al. (2017), brand experience does not directly impact brand equity. This result could be explained by the sample composed of young individuals who feel their experience at the coffee shop is not influenced by the brand because they prefer to enjoy the service regardless of the brand. Youngsters in Indonesia like to try and visit many coffee shops with different services and experiences.

4. The Relationship between Brand Experience and Repurchase Intentions

Our study also supports the finding of a significant correlation between brand experiences and repurchases intentions. The result showed that the greater the brand experience perceived by the customers, the higher the probability of motivation to repurchase the products. Moreover, the lesser the brand experience perceived by the customers, the lower the probability of repurchasing the products. This study indicated that consumers who have a unique and memorable experience would remember the coffee shop and desire to buy again. On the other hand, if the customers perceived a bad experience and services in a coffee shop, they did not have engagement and motivation to come back to the coffee shop in the future.

This finding is in line with the previous study by Brakus et al. (2009) argued that whenever a customer prefers a brand because it offers different forms of experiential pleasure, he or she will be able to purchase with no further scrutiny. Thus, the more

brand experience can give by the coffee shops, the higher the motivation of consumers to choose and buy back in the relevant brand.

5. The Relationship between Brand Equity and Repurchase Intentions

In this study, the relationship between brand equity and repurchase intentions has positive and significant same with the previous study by Moreira et al. (2017). The result showed that the greater the level of brand equity received by the customers, the higher the motivation to repurchase the products. This study indicated that customers who get an emotional attachment to the brand would buy back products and services from the coffee shop. Moreover, if the customers remember specific products and brands, they will likely recommend it to others. They are motivated to come back to the same coffee shop in the near future and spread the positive word to their relatives to have the same experience. Moreira et al. (2017) supported that the greater the brand equity will affect the consumer's desire and motivation to choose the preference to make repeat purchases with the related brand.

CHAPTER V:

CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

The research was conducted to determine the relationship between sensory marketing toward repurchase intentions with mediating variables that included brand experiences and brand equity. The relationships of these variables constructed were gathered from the online questionnaires spread out by Google form platform through several social media. The research sample was the Indonesian people in the range of 12-40 years old who had experienced visiting coffee shops around Indonesia. With the most majority of consumers are high school students thus this research does not represent all kind of customers.

The findings of this research indicated significant relationships of several indicators of Sensory Marketing toward the consumers' brand experience and brand equity. Moreover, other relationships of brand experience and brand equity were also significant toward repurchase intentions. However, the findings also showed one insignificant relationship among one of the indicators of brand experience toward brand equity. From all of the results, there were four approved hypotheses and one disapproved hypotheses.

This study is very useful for coffee shop managers to provide insight into the effect of sensory marketing on brands, both in experience and equity, and the influence of consumers to visit and repurchase. This research revealed that sensory marketing had created an impact on customers for choosing their coffee shop

preference. People will choose how the coffee shop provides the comfort and uniqueness of their experience by buying at the coffee shop. Therefore, the coffee shop manager must be able to provide a high-quality experience for customers. To fulfill all of this, the manager must provide a comfortable place and ensure that visitors have the opportunity to learn something unique and exciting. In this case, the manager must always innovate.

Furthermore, managers must create a quality experience that makes visitors enjoy and relax in the coffee shop. To make this happen, the manager must ensure that his staff is friendly and knowledgeable and always develops the staff's ability to provide service. This study also shows the connection between sensory marketing and brand experience and equity mediators that will influence customers to come and purchasing again. Furthermore, this research contributes to providing additional information of research that has only been done a little on sensory marketing, especially in Indonesia.

5.2 Research limitations

The researcher believed that this research was far from a definition of perfect and flawless in its making. There were still several things that were taken into account when the author conducted this study, as listed below:

- The sample of this research does not represent all of the customers who visited coffee shops around Indonesia
- 2. Acknowledge that the respondent age does not represent the whole population of customers of coffee shop in Indonesia.

- The 248 respondents who participated as the sample of this study did not represent the whole population of Indonesia, as they did not come from all places across this country.
- 4. This research does not guarantee the same result and findings when the framework is tested in another different platform because behavior and trend of customer might be different from time to time.

5.3 Recommendations

Based on the overall results of this study, the researcher proposes several suggestions that are expected to be useful for both coffee shop owner and future research, namely:

- 1. With the acceptance of the four hypotheses and the positive and significant effects of sensory marketing, brand experience, brand equity, and repurchase intention, coffee shop owners must increase these variables to increase consumer purchase intentions. The right strategy should be formulated by taking into account the indicators of each variable.
- 2. Coffee shop owners need to focus on considering services that can provide stimuli to the human senses. This is because sensory marketing is one of the sales strategies that can provide engagement to customers. Quality service and also a memorable experience will motivate customers to visit and buy again.

3. This research certainly still has limitations in assessing the problem.

Therefore, it is hoped that future research can provide a better and more comprehensive assessment and with more diverse research objects.



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APPENDICES

1. Initial Modification Index

1.1 Covariances: (Group number 1 - Default model)

		M.I.	Par Change	
e32 <>	e35	4,327	-,041	A A A
e31 <>	e32	5,952	-,084	$\triangle \triangle \triangle$
e30 <>	e35	5,772	,060	
e30 <>	e32	8,275	-,076	
e29 <>	e30	28,535	,220	
e27 <>	e35	4,448	-,043	
e27 <>	e28	18,489	,108	
e26 <>	e29	7,323	,065	
e26 <>	e28	5,079	-,041	
e25 <>	e34	7,851	-,062	
e25 <>	e29	4,296	,098	
e24 <>	e25	6,423	,075	
e23 <>	e34	4,388	,036	
e23 <>	e32	4,342	-,050	
e23 <>	e27	7,852	-,069	
e23 <>	e24	21,293	,107	
e21 <>	e30	6,512	-,140	
e21 <>	e29	7,097	-,178	
e21 <>	e25	6,009	-,154	
e21 <>	e22	29,555	,484	
e20 <>	e32	31,127	,126	
e19 <>	e35	6,921	-,048	02/11
e19 <>	e29	6,708	-,076	
e18 <>	e33	5,427	-,044	
e18 <>	e35	6,599	,055	'الراس
e18 <>	e32	12,065	-,077	
e18 <>	e25	4,757	-,072	
e18 <>	e23	7,217	,070	
e17 <>	e31	9,756	,125	
e17 <>	e24	5,638	-,055	
e17 <>	e20	17,102	-,109	
e16 <>	e31	4,140	,088	

		M.I.	Par Change
e16 <>	e30	9,078	,099
e16 <>	e17	22,350	,139
e15 <>	SM	9,902	,082
e15 <>	e35	23,157	-,092
e15 <>	e31	11,923	-,117
e15 <>	e30	7,003	-,068
e15 <>	e28	13,520	,088
e15 <>	e23	4,353	,049
e15 <>	e19	7,155	,049
e14 <>	e35	9,459	-,082
e14 <>	e32	24,089	,135
e14 <>	e30	7,285	-,096
e14 <>	e25	18,918	,178
e14 <>	e23	4,518	-,069
e14 <>	e18	4,113	-,061
e14 <>	e15	15,032	,105
e13 <>	e35	7,520	-,093
e13 <>	e34	12,908	-,091
e13 <>	e23	7,903	-,116
e13 <>	e21	5,338	,169
e13 <>	e19	7,686	-,090
e13 <>	e18	6,297	-,097
e13 <>	e17	4,047	-,082
e12 <>	e35	9,604	,095
e12 <>	e27	5,367	-,077
e12 <>	e18	4,278	,073
e11 <>	e35	7,216	,087
e11 <>	e27	4,021	-,069
e11 <>	e20	5,189	-,086
e11 <>	e18	5,969	,090
e11 <>	e12	22,332	,250
e10 <>	e31	5,478	-,070
e10 <>	e26	18,780	,056
e10 <>	e21	4,209	-,075
e10 <>	e14	4,288	,049
e9 <>	e28	6,794	,063
e9 <>	e20	6,678	-,058

			M.I.	Par Change
e9	<>	e18	4,961	-,049
e8	<>	e26	5,061	-,071
e8	<>	e21	7,666	,244
e8	<>	e12	5,848	,162
e7	<>	e33	4,907	-,058
e7	<>	e35	9,967	,095
e7	<>	e31	30,575	,292
e7	<>	e28	8,832	-,111
e7	<>	e13	15,457	,211
e7	<>	e10	19,957	-,120
e7	<>	e9	5,195	-,070
e7	<>	e8	17,874	,273
e6	<>	e33	8,233	-,059
e6	<>	e31	6,992	,111
e6	<>	e26	7,463	-,050
e6	<>	e13	6,307	,107
e6	<>	e10	6,514	-,054
e6	<>	e7	24,528	,186
e5	<>	e33	5,233	,043
e5	<>	e35	7,676	-,061
e5	<>	e28	19,373	,120
e5	<>	e27	5,355	,054
e5	<>	e24	10,242	-,071
e5	<>	e23	4,005	-,053
e5	<>	e15	5,461	,052
e4	<>	e18	5,183	,065
e4	<>	e11	4,495	-,091
e4	<>	e5	36,242	,175
e3	<>	e31	5,567	,131
e3	<>	e15	6,645	-,082
e3	<>	e9	10,562	-,104
e3	<>	e8	4,246	-,139
e3	<>	e7	9,138	,150
e3	<>	e6	5,831	,095
e2	<>	e13	4,511	-,128
e2	<>	e12	7,613	-,153
e2	<>	e7	4,285	-,111

			M.I.	Par Change
e1	<>	e22	4,157	,133
e1	<>	e21	25,918	,331
e1	<>	e19	4,160	,059

2. Modification Index Final

2.1 Covariances: (Group number 1 - Default model)

		T 4	M.I.	Par Change
e25	<>	e32	4,063	,052
e20	<>	e23	4,377	,046
e18	<>	e33	4,784	-,044
e6	<>	e31	9,102	,123
e6	<>	e25	5,546	,084
e4	<>	e11	4,194	-,086
e3	<>	e16	5,047	-,081

2.2 Direct Effect

Direct Effects (Group number 1 - Default model)

	SM	BE	BQ	PI
BE	1,103	,000	,000	,000
BQ	,838	,079	,000	,000
PI	,000	,159	,837	,000
PI6	,000	,000	,000	,899
BQ8	,000	,000	1,152	,000
BQ7	,000	,000	1,157	,000
BQ6	,000	,000	1,165	,000
BE8	,000	,854	,000	,000
BE7	,000	,830	,000	,000
SM10	,684	,000	,000	,000
SM9	,927	,000	,000	,000
SM8	1,066	,000	,000	,000
SM7	,901	,000	,000	,000
SM6	1,018	,000	,000	,000
PI5	,000	,000	,000	1,005

	SM	BE	BQ	PI
PI3	,000	,000	,000	1,217
PI2	,000	,000	,000	1,105
PI1	,000	,000	,000	1,000
BQ4	,000	,000	1,241	,000
BQ5	,000	,000	1,000	,000
BE5	,000	,843	,000	,000
BE4	,000	,885	,000	,000
BE1	,000	1,000	,000	,000
SM2	,958	,000	,000	,000
SM3	,904	,000	,000	,000
SM4	1,009	,000	,000	,000
SM5	1,000	,000	,000	,000

Indirect Effects (Group number 1 - Default model)

	SM	BE	BQ	PI
BE	,000	,000	,000	,000
BQ	,087	,000	,000	,000
PI	,949	,066	,000	,000
PI6	,853	,202	,753	,000
BQ8	1,065	,091	,000	,000
BQ7	1,070	,091	,000	,000
BQ6	1,077	,092	,000	,000
BE8	,943	,000	,000	,000
BE7	,916	,000	,000	,000
SM10	,000	,000	,000	,000
SM9	,000	,000	,000	,000
SM8	,000	,000	,000	,000
SM7	,000	,000	,000	,000
SM6	,000	,000	,000	,000
PI5	,954	,226	,841	,000
PI3	1,155	,273	1,018	,000
PI2	1,049	,248	,925	,000
PI1	,949	,225	,837	,000
BQ4	1,148	,098	,000	,000
BQ5	,925	,079	,000	,000

	SM	BE	BQ	PI
BE5	,930	,000	,000	,000
BE4	,977	,000	,000	,000
BE1	1,103	,000	,000	,000
SM2	,000	,000	,000	,000
SM3	,000	,000	,000	,000
SM4	,000	,000	,000	,000
SM5	,000	,000	,000	,000

Total Effects (Group number 1 - Default model)

	SM	BE	BQ	PI
BE	1,103	,000	,000	,000
BQ	,925	,079	,000	,000
PI	,949	,225	,837	,000
PI6	,853	,202	,753	,899
BQ8	1,065	,091	1,152	,000
BQ7	1,070	,091	1,157	,000
BQ6	1,077	,092	1,165	,000
BE8	,943	,854	,000	,000
BE7	,916	,830	,000	,000
SM10	,684	,000	,000	,000
SM9	,927	,000	,000	,000
SM8	1,066	,000	,000	,000
SM7	,901	,000	,000	,000
SM6	1,018	,000	,000	,000
PI5	,954	,226	,841	1,005
PI3	1,155	,273	1,018	1,217
PI2	1,049	,248	,925	1,105
PI1	,949	,225	,837	1,000
BQ4	1,148	,098	1,241	,000
BQ5	,925	,079	1,000	,000
BE5	,930	,843	,000	,000
BE4	,977	,885	,000	,000
BE1	1,103	1,000	,000	,000
SM2	,958	,000	,000	,000
SM3	,904	,000	,000	,000

	SM	BE	BQ	PI
SM4	1,009	,000	,000	,000
SM5	1,000	,000	,000	,000

3. Model Fit Summary

3.1 CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	76	252,986	224	,089	1,129
Saturated model	300	,000	0		
Independence model	24	3633,525	276	,000	13,165

3.2 RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	,043	,917	,889	,685
Saturated model	,000	1,000		
Independence model	,492	,169	,097	,155

3.3 Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	,930	,914	,991	,989	,991
Saturated model	1,000		1,000		1,000
Independence model	,000	,000	,000	,000	,000

3.4 Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	,812	,755	,805
Saturated model	,000	,000	,000
Independence model	1,000	,000	,000

3.5 NCP

Model	NCP	LO 90	HI 90
Default model	28,986	,000	72,238

Model	NCP	LO 90	HI 90
Saturated model	,000	,000	,000
Independence model	3357,525	3166,613	3555,755

3.6 FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	1,155	,132	,000	,330
Saturated model	,000	,000	,000	,000
Independence model	16,591	15,331	14,459	16,236

3.7 RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	,024	,000	,038	1,000
Independence model	,236	,229	,243	,000

3.8 AIC

Model	AIC	BCC	BIC	CAIC
Default model	404,986	424,574	662,902	738,902
Saturated model	600,000	677,320	1618,088	1918,088
Independence model	3681,525	3687,711	3762,972	3786,972

3.9 ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	1,849	1,717	2,047	1,939
Saturated model	2,740	2,740	2,740	3,093
Independence model	16,811	15,939	17,716	16,839

3.10 HOELTER

Model	HOELTER	HOELTER
Model	.05	.01
Default model	225	240
Independence model	20	21