ABSTRACT

Coffee consumption in Indonesia has increased by 3.7% to 5 million bags. Coffee drinkers in Indonesia also grew by 8%, exceeding global growth of 6%. Now, coffee has become a lifestyle for people, especially in big cities. This has led to increasing interest in the industry. To differentiate themselves from competitors, companies need to differentiate their products. In the era of rapid technological development, the role of technology is crucial. There are 191 million social media users in Indonesia. Promotion is an important part of marketing to achieve optimal sales.

This research aims to determine the influence of product differentiation and promotion through the Line social media platform on purchase decisions at Starbucks in Greater Jakarta Area. The sample tested in this study consisted of 405 respondents who are customers in Starbucks Indonesia and actively using the Line social media platform while following the official LINE account of Starbucks Indonesia.

This research uses a quantitative method with a descriptive analysis approach. This research uses primary and secondary data sources. Primary data was obtained by conducting a questionnaire using Google Form and then processed using IBM SPSS version 25. The sampling method used was purposive sampling. The data analysis technique used was classical assumption tests by conducting tests of normality, multicollinearity, and heteroscedasticity. Hypothesis testing used multiple regression analysis by conducting F and t tests.

The results of this research indicate that all independent variables, namely product differentiation and promotion, have a significant and positive partial influence on the dependent variable of purchasing decisions. Furthermore, all independent variables, which are product differentiation and promotion variables in this study, have a significant and positive simultaneous influence on the dependent variable of consumer purchasing decisions.

Keywords: Product differentiation, Promotion, purchasing decision, Coffee, Social Media, IBM SPSS.