ABSTRACT

Coffee has become one of the most renowned beverages globally, particularly gaining prominence in Indonesia as a significant commodity. In recent times, the appeal of coffee has expanded among young people, particularly women, broadening its consumer base beyond its traditional audience of men and adults. With the growing popularity of coffee, coffee shop initiatives have surged, each employing various strategies to attract customers. This study aims to explore the impact of digital marketing on enhancing the brand image and customer loyalty of coffee shops, Kopi Kenangan in Pekanbaru. The qualitative research method employed a descriptive approach with case study research, incorporating surveys and interviews with employees of Kopi Kenangan in Pekanbaru. The results indicate a positive and substantial influence of digital marketing on the brand image of coffee shops, with a similarly positive and significant impact on customer loyalty.

Keywords: Digital marketing, Brand image, Customer loyalty

ABSTRAK

Kopi telah menjadi salah satu minuman paling terkenal secara global, khususnya meraih ketenaran di Indonesia sebagai komoditas yang signifikan. Dalam beberapa waktu terakhir, daya tarik kopi telah berkembang di kalangan pemuda, terutama wanita, memperluas basis konsumennya melebihi audience tradisionalnya yaitu pria dan dewasa. Seiring dengan popularitas kopi yang terus berkembang, upaya kafe juga meningkat, masing-masing menggunakan berbagai
Kata kunci: Pemasaran digital, Citra merek, Loyalitas pelanggan

INTRODUCTION

Business in Indonesia is rapidly growing, and one of the booming types of businesses is coffee shops. In this millennium era, cafes or coffee shops can be found almost everywhere. Many cafes offer various interesting concepts and unique beverages, making these places increasingly popular, especially among young people. This phenomenon occurs for various reasons, such as relaxation or engaging in work/business activities. Therefore, business practitioners must keep up with the latest trends to stay competitive. Hence, companies can enhance customer loyalty by maximizing brand image and customer loyalty through digital marketing (Wira & Tuti, 2022).

In 2011, the National Coffee Association United States reported that teenagers aged 18 to 24 consumed more coffee. Nowadays, coffee shops offer a comfortable and simple atmosphere. Coffee enthusiasts appreciate this atmosphere for its cozy location and atmosphere. Due to its significant potential for production both domestically and internationally, coffee is one of the most crucial plantation commodities in Indonesia. Most coffee production in Indonesia is shipped to the global market through export and import trade, playing a vital role in the Indonesian economy as a source of income for farmers and foreign exchange for the country. According to data collected by the International Coffee Organization (ICO), Indonesia is the world’s fourth-largest coffee producer, accounting for an average of 7.1% of the world’s total yield. Brazil holds the first position with an average of 39.3%, followed by Vietnam at 16.5%, and Colombia at 8.1% (Sutrisno et al., 2022).

Kopi Kenangan is a company operating in the field of coffee drinks which has helped enliven the coffee center in Indonesia. In 2017, Edward Tirtanata, James Prananto, and Cynthia Chaurunnisa founded Kopi Kenangan. After receiving funding in 2019, Kopi Kenangan succeeded in opening 230 coffee shops in Indonesia. According to Kopikenangan.com, as of November 2022, Kopi Kenangan has 868 outlets in 64 cities in Indonesia (Eka & Sutedjo, 2023).

Table 1. World Coffee Producing Countries in 2020

<table>
<thead>
<tr>
<th>No</th>
<th>Country</th>
<th>Production (in thousands of bags @60kg)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brazil</td>
<td>69.000</td>
<td>39.3%</td>
</tr>
<tr>
<td>2</td>
<td>Vietnam</td>
<td>29.000</td>
<td>16.5%</td>
</tr>
<tr>
<td>3</td>
<td>Colombia</td>
<td>14.300</td>
<td>8.1%</td>
</tr>
<tr>
<td>4</td>
<td>Indonesia</td>
<td>12.400</td>
<td>7.1%</td>
</tr>
<tr>
<td>5</td>
<td>Ethiopia</td>
<td>7.375</td>
<td>4.2%</td>
</tr>
<tr>
<td>6</td>
<td>Others</td>
<td>43.572</td>
<td>24.8%</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>175.647</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: ICO (International Coffee Organization)

Table 2. Top Brand Index Coffee Shop

<table>
<thead>
<tr>
<th>Brand</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenangan</td>
<td>36.7%</td>
<td>42.6%</td>
<td>39.7%</td>
</tr>
</tbody>
</table>

Source: Kopikenangan.com
Kopi Kenangan envisions becoming the largest coffee retailer in Indonesia and globally by utilizing high-quality yet affordable ingredients, technology, fast and friendly service, quality control, and creative innovation. Additionally, Kopi Kenangan has a mission to be a leading coffee retailer in Indonesia and globally, leveraging a new retail environment where there is no boundary between offline and online trading, as the company focuses on meeting consumer needs (Riswandani & Mahargiono, 2023). Several other coffee brands are in competition with Kopi Kenangan. Based on the table above, Janji Jiwa occupied the first position among coffee shops in 2021 with 39.5%, indicating that Janji Jiwa was the top brand. However, in 2022 and 2023, Kopi Kenangan took the first position with 42.6% and 39.7%, showing that Kopi Kenangan is the top brand. Therefore, it can be concluded that Kopi Kenangan has the ability to win the competition in an era with numerous coffee shops because through the implementation of digital marketing strategies, Kopi Kenangan can enhance brand image and customer loyalty to their products.

One local non-franchise coffee shop named Kopi Kenangan stands out with its coffee-to-go concept. The initial idea was to meet the market demand for affordable and high-quality domestic coffee. Kopi Kenangan also employs internationally standardized coffee machines comparable to international coffee brands like Starbucks. In its coffee shops, Kopi Kenangan adopts a Dine-in concept to cater to the needs of highly mobile customers. Customers can order directly and use common facilities such as the internet, seating, and electricity. This concept also allows for group activities with friends or colleagues, such as meetings or just hanging out.

In the midst of the globalization era, marketing and business growth continue to increase every year. With the current technological advancements, people find it easier to carry out their daily activities. Indonesia is a great place for manufacturers to produce innovative products to meet customer needs (Rahmadhani et al., 2022). Creating a brand image is one way companies can retain customers in a competitive environment. Businesses are expected to create and develop products that are easily remembered, recognizable, and meet customer expectations (Narendra, 2018).

For entrepreneurs themselves, it is hoped that digital marketing, with its low cost and rapid information dissemination, will significantly increase sales to achieve revenue.
targets (Khoirunnisa & Riva’i, 2023). Furthermore, research has shown that digital marketing has a significant impact on customer loyalty. Studies indicate that customer loyalty encourages customers to remain loyal and satisfied with purchased products, leading them to make repeated purchases.

Digital marketing can extend its reach to social media and include features to advertise on platforms such as the Internet, email, and social media like Instagram, Facebook, and Twitter. There are two ways digital marketing can thrive in the digital era; it may be necessary to use advertising in digital marketing as there are virtual consumers interacting with digital marketing. With the presence of virtual consumers, digital marketing can make significant progress and provide opportunities to market products to customers who were initially virtual customers (Sembiluh & Sulistiadi, 2022).

LITERATURE REVIEW

Digital marketing

Digital marketing is a type of marketing that involves the use of internet technology and digital media, such as social media marketing, online advertising, email marketing, and collaboration with other websites to achieve certain marketing goals (Seng, 2016). Entertainment, interaction, trendiness (trendy/following or updates), customization, and perceived risk are some of the indicators that form this variable (Amelia Dahlan & Rizal Rivai, 2022). Digital marketing is a type of marketing that uses digital media using the internet and using media such as websites, social media, email, databases, mobile/wireless, and digital TV to achieve marketing goals by increasing the profile, behavior, product value, and loyalty of customers or targets consumers (Ramadhan & Ayu Nofirda, 2023; Yasmin et al., 2015; Lady et al., 2023).

According to Low et al. (2020), digital marketing indicators include several key elements that play an important role in online marketing strategies. First, the existence of a website is considered the most vital aspect in the digital realm, allowing companies to interact directly with customers. The website is a forum for presenting interesting and up-to-date information. Furthermore, social media has become a strategic online platform for promoting products or conveying business information to a wide audience. In addition, the presence of application platforms is a supporting factor that allows companies to host their services, optimize performance and increase accessibility. Finally, the importance of attractive programs is also highlighted, where the uniqueness of each promotional program can add value to the company and encourage customers to make purchases. All these indicators together form the basis of an effective digital marketing strategy.

Brand Image

Brand image is a personal phenomenon and perception formed by customers’ interpretation of a brand based on reasons or feelings (Wijaya & Hidayati, 2020). According to Zollo et al. (2020), brand image is a set of brand associations. This aligns with Aaker’s (1991) view that brand associations are something related to the brand in the consumer’s memory. According to Aaker (2014), recognition, reputation, affinity, and domain are indicators of brand image. To create and build a strong and positive brand, brand image is built on consistent and lasting positive perceptions. Brand image is a collection of information in the minds of customers that enhances brand awareness (Sääksjärvi & Samiee, 2011). As the competition among coffee shops is increasingly fierce, shaping a positive brand image is crucial. By having a brand image, sellers promise buyers consistent benefits and services, rather than just using the brand to differentiate a particular company’s products from its competitors (Aisyiyah & Dhewi, 2023).

Brand image is the consumer perception reflected in the brand. This enduring perception or response is shaped by experience and consistency, so customers’ reactions to brand image are a crucial factor that drives them to make purchases. A good brand reputation makes customers trust the product and buy because they feel secure. Brand image encompasses the overall view customers have of the company, which can be
derived from the actions of the company or organization in the past, present, and future, as well as from what they offer (Theodora & Kurnia2, 2022).

The purpose of Brand Image is to create an image for the product or service that will be created, according to customer tastes. Brand image must be able to provide positive reactions because it has an impact on brand loyalty and leaves a lasting and pleasant impression on customers and their level of trust in the brand (Bashir et al., 2020). A strong brand image plays a crucial role in product marketing and can significantly improve a company's reputation (Zameer et al., 2020). The benefits of a superior brand image include several strategic aspects. First, consumers who form a positive view of a brand are more inclined to make a purchase. This positive attitude creates trust and loyalty, opening up opportunities for increased sales. Furthermore, companies can take advantage of a good brand image to develop new products by involving public opinion. A positive opinion of a brand creates a strong foundation for the acceptance and success of an innovative product. Thus, a positive brand image has a broad positive impact in supporting business growth and sustainability. Establishing a strong brand image involves several key dimensions that play a role in shaping consumers' positive perceptions of the brand. First, the strength of brand associations is a key factor influencing how consumers form a relationship with a brand (Ebrahim, 2020). This can relate to the quality of the product, the offered excellence, as well as the general views or attitudes toward the brand. The uniqueness of a brand, both in terms of the products or services offered, can prevent customers from switching to other brands because of differentiating characteristics. Therefore, it is important for a brand to have distinctive features to create a positive perception and counter the potential imitation by competitors.

Customer Loyalty

According to Kolonio and Soepeno (2019), customer loyalty is the result of customer satisfaction with a product or service. Customer loyalty has a positive impact on the company because loyal customers will continue to purchase the company's products. However, according to Dick and Basu (1994), customer loyalty is defined as the strength of the relationship between a person's relative attitude toward a company (brand, service, store, or supplier) and repeat purchases. According to Kolonio and Soepeno (2019), loyalty is a process, ultimately satisfaction influences the perceived quality, which can affect loyalty and a customer's intention to behave in a certain way (Lathifa & Silvianita, 2023).

According to Oliver (2014), customer loyalty is a strong commitment that customers have to regularly purchase or prioritize a product, whether goods or services. This allows customers to continue buying products from the same brand, even though they may be influenced by situational factors or promotions from competitors. However, according to Griffin (2010) cited in Dharma (2017), customer loyalty is defined as a loyal consumer when they make purchases regularly or in situations where they are required to buy goods at least twice within a certain period. According to Tjiptono (2011), there are three dimensions of customer loyalty. First, repeat purchase indicates the consumer's intention to buy the same product repeatedly. Second, recommending to others reflects the consumer's intention to provide advice or recommendations for the products they have purchased to others. Third, not intending to switch reflects the consumer's intention to remain loyal to the brand or product they like, indicating a reluctance to switch to another brand. In this context, talking about good things about the product involves discussing the benefits of the purchased goods, which indirectly contributes to measuring and maintaining customer loyalty to a brand or product.
METHODS
This research is qualitative in nature and uses a descriptive analysis approach, which collects data from observations and interviews to describe and present phenomena or situations that are currently occurring. Primary data is obtained through research by reading literature and ideas from books, the internet and other sources, and secondary data is obtained through field research from the objects studied through surveys or interviews. The survey or interview method involves talking directly with one of the Kopi Kenangan employees in Pekanbaru.

RESULTS AND DISCUSSION
Digital Marketing and Brand Image
Digital marketing, also known as online marketing, is conducted to build customer trust and enhance brand image. If a brand is well-known and visible everywhere, customers will believe that Kopi Kenangan's beverage products have good quality. According to research conducted using a descriptive method, it has been found that digital marketing has a positive and significant influence on brand image at Kopi Kenangan in Pekanbaru. This means that greater use of digital marketing will increase the brand image of Kopi Kenangan in Pekanbaru, and conversely, lower usage will decrease the brand image of Kopi Kenangan.

In terms of digital marketing, Kopi Kenangan has implemented effective and successful strategies to enhance its brand image. This is evident from the creation of the Kopi Kenangan application available on both PlayStore and the AppStore, allowing users of Android or Apple devices to purchase Kopi Kenangan anytime and anywhere through their smartphones. Not only that, but in boosting its brand image, Kopi Kenangan has also established an e-commerce platform that enables people from all regions to enjoy Kopi Kenangan. The e-commerce platforms provided by Kopi Kenangan include Tokopedia, Shopee, Astro, Blibli, Bukalapak, and others. In enhancing its brand image, Kopi Kenangan frequently creates and uploads stories, feeds, and other content on its social media platforms such as Instagram or TikTok, often initiating challenges like "Create Your Memories."
Digital marketing for Kopi Kenangan, particularly concerning social media, has the capability to enhance brand image by delivering information that aligns with current trends. This is due to the fact that Kopi Kenangan’s general consumers are more assisted in keeping up with the latest information on their social media to meet their needs and expectations. Additionally, the simple heart-shaped red logo of Kopi Kenangan makes it easy for customers to remember the brand.

**Figure 2.** Social Media Kopi Kenangan (a) and Kopi Kenangan E-Commerce Platform (b)

**Figure 3.** Digital Marketing of Kopi Kenangan
Based on the interview results with one of the Kopi Kenangan employees in Pekanbaru named Fadli regarding "Does the digital marketing created by Kopi Kenangan have an impact on enhancing the brand image of Kopi Kenangan beverages?" The interviewee stated that, in general, effective digital marketing can enhance the brand image of Kopi Kenangan beverages. Consumers use platforms such as social media, websites, and others to find information about brands in the growing digital era. By employing effective digital marketing strategies, a brand can outperform the competition and increase brand awareness for its products. Digital marketing also allows a brand to create a stronger and more appealing image for customers. Furthermore, engaging and informative content helps the brand showcase its values, such as quality, authenticity, and local engagement.

Digital Marketing and Customer Loyalty

In essence, the goal of any business is to ensure customer satisfaction. Customer satisfaction can bring several benefits, such as fostering a better relationship between the company and customers, providing a solid foundation for repeat purchases, building customer loyalty, and generating positive word-of-mouth recommendations that benefit the company.

In this context, digital marketing plays a crucial role in enhancing customer loyalty for Kopi Kenangan. The perceived convenience by customers when purchasing Kopi Kenangan beverages through the app, especially in situations where customers feel lazy to go out or are busy, contributes to customer loyalty. Consequently, customers will remain loyal and consistently choose to buy Kopi Kenangan products. To retain loyal consumers, a strategy is needed that not only focuses on product quality but also recognizes the significant role of digital marketing in boosting customer loyalty for Kopi Kenangan in Pekanbaru. Therefore, with the implementation of digital marketing, it will improve the product image as well as the sales turnover of Kopi Kenangan products due to the presence of customers who are always loyal and consistent in purchasing Kopi Kenangan. In conclusion, digital marketing has a positive and significant influence on customer loyalty for Kopi Kenangan in Pekanbaru. This means that each increased use of digital marketing will enhance customer loyalty for Kopi Kenangan, and conversely, reduced use of digital marketing will decrease customer loyalty for Kopi Kenangan in Pekanbaru.

![Figure 4. Loyalty Feature on Kenangan Coffee](image)
In terms of digital marketing, Kopi Kenangan has already provided a feature within the Kopi Kenangan app called "Kenangan Loyalty." "Kenangan Loyalty" is one of the program/features in the Kopi Kenangan app offered to Kopi Kenangan customers. In this context, it functions to provide special promotions such as monthly vouchers, birthday vouchers, and others for users of the Kopi Kenangan app.

Based on the interview conducted by the researcher with one of the employees of Kopi Kenangan in Pekanbaru named Fadli regarding, "Does the digital marketing created by Kopi Kenangan have an influence on increasing customer loyalty, such as repeat purchases of Kopi Kenangan beverages?"

The interviewee stated that Kopi Kenangan has the ability to enhance customer loyalty through the use of digital marketing, similar to making customers continue to purchase Kopi Kenangan. In today's digital era, a significant number of buyers prefer to purchase products through digital platforms. Therefore, effective digital marketing can increase brand awareness for Kopi Kenangan and introduce it to more customers. By utilizing digital marketing, Kopi Kenangan can provide information, education, and product promotions, enhancing customer trust and interest in the brand. If customers are satisfied with the product and experience, they are likely to return to purchase Kopi Kenangan products and become loyal to the brand. Thus, effective digital marketing can play a crucial role in increasing customer loyalty to Kopi Kenangan products.

CONCLUSION

Based on the conducted research, it can be concluded that digital marketing has a positive and significant impact on enhancing brand image and customer loyalty for Kopi Kenangan in Pekanbaru. This is evident from the marketing strategies implemented by Kopi Kenangan across various social media platforms such as Instagram, TikTok, and the Kopi Kenangan app, as well as the establishment of e-commerce platforms like Tokopedia, Shopee, Astro, Blibli, Bukalapak, which facilitate and reach a broader customer base to enjoy Kopi Kenangan products.

Several limitations in this study include the focus only on the variables of brand image and customer loyalty, while there are many other variables that can influence digital marketing. The study specifically concentrated on the Kopi Kenangan object within the Pekanbaru region, and results may vary or improve with a broader distribution. Additionally, there is a limitation in the literature sources addressing digital marketing's impact on brand image and customer loyalty. It is hoped that with these limitations, future researchers can expand discussions with more extensive literature sources.
The research's goal was to determine the influence of digital marketing on brand image and customer loyalty for Kopi Kenangan in Pekanbaru. Kopi Kenangan is a popular local coffee brand among Indonesian society, and, as its name suggests, it has become a significant player in the contemporary coffee market in Indonesia. In this study, digital marketing was identified as an appropriate method to enhance brand image and customer loyalty. Therefore, it is crucial for the company to continually improve the ease of purchasing products for consumers, ensuring they continue to choose Kopi Kenangan repeatedly.

REFERENCES


