Experiential Marketing Strategy And Its Influence On Brand Identity In The Café Business

Mia Indri Yani¹, Yogi Sugiaro Maulana²*, Dian Hadiani³
STISIP Bina Putera Banjar¹,²,³
Jl. Gerilya No.32 Sumanding Wetan, Kota Banjar Indonesia
miandryian.stisip@gmail.com¹, yogi.sm@stisipbp.ac.id²*, dian.hadiani@stisipbp.ac.id³

Abstract

Research Objectives: The purpose of this research is to determine the influence of experiential marketing on brand identity.

Design/Method/Approach: The research method used is explanatory research. The sample was 94 people using simple random sampling techniques. Data collection techniques through literature studies and field studies using questionnaires, observation, and documentation. Data analysis techniques are carried out by processing data statistically.

Research Findings: Based on the research results, it is known that the implementation of experiential marketing program has not been implemented optimally considering that there are still several indicators that are lacking in implementation, such as Café Overtime not providing a buy one get two promo and the lack of providing complimentary products for every minimum purchase. The creation of the brand identity at Café Overtime is good, but it still needs to be improved regarding how the brand can create a positive impression and increase creativity in developing the café so that sales activities can increase. Based on statistical tests, the experiential marketing program influences brand identity by 71.30%, while the remaining 28.70% is influenced by other factors not researched.

Theoretical Contribution/Originality: This research contributes to research on how to build brand identity, especially in the café industry.

Practical Implications: In the café industry, brand identity can be built through experiential marketing programs, especially regarding the spatial layout and atmosphere of cafés with distinctive characteristics.

Research Limitations: This research has limitations in the research location only the culinary sector.

Keyword: experiential marketing, brand identity, café business, strategy

Abstrak

Tujuan Penelitian: Tujuan dari penelitian ini adalah untuk mengetahui pengaruh experiential marketing terhadap identitas merek.

Desain/ Metode/ Pendekatan: Metode penelitian yang digunakan adalah eksplanatory research. Sampel sebanyak 94 orang dengan menggunakan teknik simple random sampling. Teknik pengumpulan...
data melalui studi kepustakaan dan studi lapangan dengan menggunakan angket, observasi, dan dokumentasi. Teknik analisis data dilakukan dengan mengolah data secara statistik.

**Temuan Penelitian:** Berdasarkan hasil penelitian diketahui bahwa pelaksanaan program experiential marketing belum dilaksanakan secara maksimal mengingat masih ada beberapa indikator yang kurang dalam pelaksanaannya, seperti Café Overtime tidak memberikan promo buy one get two dan kurangnya penyediaan produk gratis untuk setiap pembelanjaan minimal. Pembuatan brand identity di Café Overtime sudah baik, namun masih perlu ditingkatkan mengenai bagaimana brand tersebut dapat menimbulkan kesan positif dan meningkatkan kreativitas dalam mengembangkan café sehingga kegiatan penjualan yang dilakukan semakin meningkat. Berdasarkan uji statistik, program experiential marketing mempengaruhi brand identity sebesar 71,30%, sedangkan sisanya 28,70% dipengaruhi oleh faktor lain yang tidak diteliti.

**Kontribusi Teoritis/Originalitas:** Penelitian ini memiliki kontribusi terhadap penelitian tentang bagaimana membangun identitas merek, khususnya pada industry café.

**Implikasi Praktis:** Pada industry café, identitas merek dapat dibangun melalui program eksperiential marketing tertama dalam hal tata ruang dan suasana café yang memiliki ciri khas.

**Keterbatasan Penelitian:** Penelitian ini memiliki keterbatasan pada lokasi penelitian hanya pada bidang kuliner saja.

**Kata kunci:** Eksperiential Marketing, Identitas Merek, Bisnis Café.

1. **Introduction**

   Bisnis cafes and restaurants are growing rapidly. More than 10,000 cafes are predicted to continue to grow in Indonesia. In 2013 – 2018, total revenue from the café sector is estimated to increase from USD 3.4 billion to USD 14.6 billion (merdeka.com, 2016). The changing lives of the community have contributed to the rapid growth of the café and restaurant business in Indonesia. Therefore, the food and beverage industry, especially cafés, can be said that it is an industry that rarely dies.

   Many cafés with various concepts or ideas are offered to attract customers from various walks of life in terms of age, education, income, and gender. Long-established cafes and newly opened cafes are trying to introduce or offer new menus so that they can be well received by buyers or consumers. This condition will cause competition between cafes to be more intense.

   Cafes that want to successfully penetrate the competition, in addition to their menu, are also required to be as creative as possible to conceptualize the café itself. In addition, it must have a brand that provides value. A brand is an important thing for the company because the brand will provide an identity to the products that the company sells. The brand is not only part of the product but it is precisely the brand that provides positive value for a product. A brand is needed by a product, because a brand has strong values, and has more benefits for producers and consumers.
Banjar City is one of the cities that has an increasing number of cafes. There are many cafes with a variety of concepts or ideas offered to customers, both young and old. One of them is Café Overtime Banjar, which is the object of our research. The Overtime café provides various facilities such as live music, free Wi-Fi, and other facilities. Based on the findings in the field, Overtime Café Banjar has a strategy for building a brand identity so that this is expected to affect the interest of buyers to come. A product that has a solid brand identity can form a solid brand foundation and be able to increase the existence of a brand in any competition in the long term. Consumers make the brand one of the important considerations when they want to buy a product. If a product already has a good brand identity, it will not be difficult for business people to attract consumers.

The establishment of the Overtime Café Banjar brand identity is carried out by improving the consumer experience in using the products and services offered so that consumers have a unique and attractive experience that makes the desire to repurchase the product or service increase. Based on the opinion of Sankaran (2010), said that customer experience can affect emotions and satisfaction levels and also build competitive advantages for service providers that are difficult to imitate, thus if the company can provide a good experience to customers, it will be able to provide positive emotions to these customers so that it can increase product identity [1]. Furthermore, to be able to approach, obtain, and retain loyal consumers, producers through their products must introduce unique, positive, and impressive experiences to consumers so that they can form the brand identity of a product [2].

Overtime Café Banjar has tried to provide an experience to customers, from the aspect of sense, this café provides an experience to a sense of sight through attractive interior design, and attractive lighting to provide a sense of comfort and tranquility when in the café and also add music to stimulate the sense of hearing. From the aspect of feel, this café provides friendly service that makes customers feel comfortable so that it can cause positive emotions for customers. From the aspect of think, this café tries to provide a unique and interesting menu of food and drinks. Furthermore, in the acting aspect, this café offers a unique and interesting concept that customers are interested in trying. In the last aspect, namely relate, the café becomes a place for customers to gather with the people closest to them. However, based on the results of observations, it is known that creating a brand identity is not an easy thing, even though Café Overtime has implemented an experiential marketing strategy but has not been able to create a brand identity. This is evidenced by the number of visits at overtime cafés that fluctuate every month. The following is the data of visitors to Café Overtime Banjar in 2020:
Total Overtime café visitors in Banjar every month experience fluctuations, and tend to decrease. However, the management continues to improve the best quality so that the public continues to visit, namely by implementing experiential marketing strategies so that it is hoped that it can create brand identity in customers.

Several previous studies have revealed that experiential marketing programs can influence purchasing decisions [3], customer satisfaction [4], customer loyalty [5][6][7][8], brand image [9][10], revisit intention [11], and repurchase intention [12], however, no one has yet examined its effect on brand identity. In fact, in the opinion of Sankaran (2010) stated that if the company can provide a good experience to customers, it will be able to provide positive emotions to these customers so that it can increase product identity [1]. Based on these backgrounds and phenomena, we conducted this study to prove whether the theory presented corresponds to what is happening in the field.

Statement of Problem

The problem in this study was raised from the phenomenon of the observed number of café visitors fluctuating and not experiencing a significant increase. The café industry needs to build a good brand identity, to provide a distinctive feature and be easy for customers to remember. Building a brand identity can be done by implementing an experiential marketing program.

Brand identity is very important for companies, many researchers observe how to improve brand identity or what factors affect it. One of them is Budiarto (2019) revealed that experiential marketing affects purchasing decisions on smartphones [3]. The research focused on one of the smartphone products, while our research focused on the café industry. The dimensions of the experiential marketing variables used are the same as our research. Other researchers also examined the impact of experiential marketing programs, including customer loyalty. Although the focus is different, the result is the same there is an effect on customer loyalty [5][6][7][8]. The interesting thing is from the research of Wang (2021), who examined...
the effect of brand identity in mediation and the influence of experiential marketing on customer citizenship behavior, where the results of experiential marketing have a positive and significant effect on brand identity [13]. The results of the research support the opinion of Sankaran (2010) stated that if the company can provide a good experience to customers, it will be able to provide positive emotions to these customers so that it can increase product identity [1].

Research Objectives

Based on the preliminary presentation and research problems mentioned above. The purpose of this study is to find out how the application of experiential marketing in the café industry and its influence on brand identity.

Method

We seek to describe and interpret the relationship between variables and their influence based on data and supporting information on the nature, problems, and objectives of the research. Therefore, we use a quantitative approach with explanatory research type. In terms of implementation, this study uses correlational analysis, which is a technique to determine the relationship between one variable and another. As for the operationalization of variables in this study, we present in Table 1 below:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiential Marketing (EM)</td>
<td>Has a modern design</td>
</tr>
<tr>
<td></td>
<td>Featuring modern store coloring</td>
</tr>
<tr>
<td></td>
<td>Shows bright room light</td>
</tr>
<tr>
<td></td>
<td>Keeping the shop clean</td>
</tr>
<tr>
<td></td>
<td>Has a large parking lot</td>
</tr>
<tr>
<td></td>
<td>Provide completeness of goods required by customers.</td>
</tr>
<tr>
<td></td>
<td>Gives the feel of music that is popular with young people.</td>
</tr>
<tr>
<td></td>
<td>Provide a food package menu according to the visitor's time</td>
</tr>
<tr>
<td></td>
<td>Forming a sense of concern by creating the &quot;Go Green&quot; movement on shopping bags.</td>
</tr>
<tr>
<td></td>
<td>Organize charity programs for those in need.</td>
</tr>
<tr>
<td></td>
<td>Organizing special events for customers</td>
</tr>
<tr>
<td></td>
<td>Create a website to establish a direct relationship with customers.</td>
</tr>
<tr>
<td></td>
<td>Offers shopping cards for customers who shop at the store</td>
</tr>
<tr>
<td></td>
<td>Provide discounts for customers</td>
</tr>
<tr>
<td></td>
<td>Give a buy one get two promo</td>
</tr>
<tr>
<td></td>
<td>Provide free products every time there is a minimum spend.</td>
</tr>
<tr>
<td>Brand Identity (BI)</td>
<td>Positioning the product correctly</td>
</tr>
</tbody>
</table>

The data was collected using literature study techniques, and field studies through observation, documentation, and distribution of questionnaires. The population in this research is all customers who have purchased Café Overtime Banjar products from January to December 2020, totaling 1511 people. The sample in this study used a probability sampling method and the sampling technique used was random sampling, namely taking samples from some members of the population at random. The sample size taken was using the Slovin formula. With an error tolerance of 10%, the sample in this panel consisted of 94 respondents who were customers of Café Overtime Banjar who had visited and purchased products.

The research data is sourced from primary data obtained directly from Café Overtime Banjar, as well as other data obtained indirectly related to research problems, such as theories, journals, documents, and others. The data measurement scale uses an ordinal scale. Once the data is collected, we conduct validity tests and reliability tests using the help of the SPSS version 24.0 application. The next stage is to process the data statistically, with stages as below:

1. Rank Spearman
2. Coefficient Determination
3. T-test
4. Simple Regression Analysis

Result and Discussion

Based on the results of the questionnaire shared with respondents about the strategy of the experiential marketing program at Overtime Café Banjar, it is known that the indicator that has the highest value is the indicator "Overtime Café Banjar has a modern design" with a total score of 271. The lowest indicator score is still on the indicator "Café overtime Banjar can provide buy one get two promos" with a total score of 224. The average score is 249, with a score of 3,981, and it is in the sufficient category. This means that the experiential marketing program at Café overtime Banjar has been said to be quite good.
One of the actions taken by Overtime café Banjar in providing a memorable experience to its customers is the formation of identity, covering physical aspects that are displayed specifically and uniquely. Overtime Café Banjar offers an atmosphere that touches the five senses of the customer an attractive interior design, the coolness of the room, the music, and in its products has an image of taste and aroma that has been attached to the customer's heart. Therefore, every restaurant and café is required to apply a unique differentiation strategy, to distinguish one restaurant from another, to create a sustainable advantage [14].

Based on the results of the questionnaire distributed to respondents about making brand identity at Café Overtime Banjar, it is known that the indicator that has the highest value is the indicator of the statement "Overtime Café Banjar can pose products appropriately" with a total score of 399. The lowest indicator score is in the statement "Café overtime Banjar has creativity in developing cafés" with a total score of 359. The average score is 330.67, with a total score of 2,976, and is in the good category. This means that the creation of a brand identity at Café Overtime Banjar has been carried out properly.

The brand identity built by Café Overtime Banjar is by applying the Vintage concept to its café with the typical grandmother's house. The innovation and quality carried out and provided by Café Overtime Banjar are also included in the core identity because innovation and quality are included in a value that will be considered and maintained by Café Overtime Banjar. Brand using the name 'Café Overtime Banjar" we can see if the most prominent product in this café is coffee products in addition to other products. Of course, building the brand identity of Overtime Café Banjar does several important things in the development process such as determining the concept, employee involvement, determining the target market according to the café concept, logo, and so on.

As for the extended identity structure that produces a focus both on the customer and on the organization, that is, all elements of brand identity that are not included in the core identity are organized into groups that have meaning. Elements of this extended identity such as products, slogans, logos, and others. In this element, Café Overtime Banjar gives an easily recognizable name, namely "Café Overtime Banjar" with the letter W logo as a symbol that is easy to remember.

Has a validity test using SPSS application version 24.0 on each variable it is known that all items are valid. This is based on the calculation results showing that all items are greater than 0.444. Furthermore, the results of the reliability test using the SPSS application version 24.0 on the Experiential Marketing variable found that the value of Cronbach's alpha was 0.781 so it was greater than 0.444. Thus all items are reliable. Likewise, in the Brand Identity variable, the value of Cronbach's alpha is 0.895 so it is greater than 0.444. Thus all items are reliable.
We use rank spearman coefficient correlation, and the result is to find out the relationship that occurs between experiential marketing and brand identity at Café Overtime Banjar. Through several steps, at the final stage, we use the rank spearman formula as follows:

\[
rs = \frac{\Sigma X^2 + \Sigma Y^2 - \Sigma d_i^2}{2\sqrt{(\Sigma X^2)(\Sigma Y^2)}}
\]

\[
rs = \frac{68031 + 68258 - 19718.5}{2\sqrt{(68031)(68258)}}
\]

\[
rs = \frac{137534.5 - 19718.5}{2\sqrt{4643659998}}
\]

\[
rs = \frac{116570.5}{2(68144,4055)}
\]

\[
rs = \frac{116570.5}{136288.8}
\]

\[
rs = 0.855
\]

From the calculation above, a rs value of 0.855 was obtained using guidelines to provide an interpretation of the correlation coefficient proposed by Sugiyono [15]. This value is in the very strong category, so it can be concluded that there is a very strong relationship between experiential marketing and brand identity at Café Overtime Banjar.

The next stage is the Coefficient of Determination Test, whose purpose is to find out the magnitude of the percentage of influence between bound variables, as well as to find out the influence of other factors outside the free variable, a formula from Sugiyono was used, as follows [15]:

Coefficient of Determination:

\[
kd = r^2 x 100 \%
\]

\[
kd = (0.855)^2 x 100 \%
\]

\[
kd = 0.7310 x 100 \%
\]

\[
kd = 73.10 \%
\]

Based on the calculations above, it can be concluded that experiential marketing affects the brand identity in Café Overtime Banjar by 73.10%, while the remaining 26.90% is
influenced by other factors that are not studied. Next, we tested the hypothesis using the formula from Sugiyono [15], the calculation is as follows:

\[
t = \frac{r\sqrt{n - 2}}{\sqrt{1 - (r)^2}}
\]

\[
t = \frac{0,85532\sqrt{94 - 2}}{\sqrt{1 - (0,85532)^2}}
\]

\[
t = \frac{0,8532\sqrt{92}}{\sqrt{1 - (731572)}}
\]

\[
t = \frac{0,85532(9,591663)}{\sqrt{0,268428}}
\]

\[
t = \frac{8,203938}{0,518101}
\]

\[
t = 15,835
\]

Based on the calculation results obtained with the calculated t value of 15.835, the next is to compare the calculated t and t tables. Based on the t-table for n = 94, dk = n−2 so that dk = 92 is not in the table, then with an error rate of 5% to find out the value of t the table in table t i.e. for n = 60 t the table is 2,000 and for n = 120 t the table is 1,980. So the interpolation formula is used, namely:

\[
a : b = c : d
\]

\[
(92-60) : (120-60) = (x - 2,000) : (1,980 - 2,000)
\]

\[
32: 60 = (x - 2,000) : (2,000 - 0,042)
\]

\[
60x - 2,000 = 32 (- 0,002)
\]

\[
60x - 120 = - 0,064
\]

\[
60x = 120 - 0,064
\]

\[
60x = 119,936
\]

\[
X = \frac{119,936}{60}
\]

If \( t_{table} = 1,998 \)
The correlation can be said to be significant if $t$ counts > $t$ table of the calculation results above with $\alpha$ (alpha) for the two-party test and $dk = n-2$ (92) obtained the weight $t$ count = 15.835 while the weight $t$ table = 1.998. So from the calculation results, it can be seen that experiential marketing affects the brand identity at Café Overtime Banjar. This means that the hypothesis is acceptable/tested for truth.

The last statistical technique used in this study was to use a simple linear regression analysis. Using Sugiyono's formula the calculation is as follows:

$$a = \frac{(\Sigma Y)(\Sigma X^2) - (\Sigma X)(\Sigma XY)}{n(\Sigma X^2) - (\Sigma X)^2}$$

$$a = \frac{(2976)(169433) - (3981)(126853)}{94(169433) - (15848361)^2}$$

$$a = \frac{50523608 - 505001793}{15926702 - 15848361}$$

$$a = 769185$$

$$a = 78341$$

$$a = 9,8184$$

$$b = \frac{n(\Sigma XY) - (\Sigma X)(\Sigma Y)}{n(\Sigma X^2) - (\Sigma X)^2}$$

$$b = \frac{94(126853) - (3981)(2976)}{94(169433) - (15848361)^2}$$

$$b = \frac{11924182 - 11847456}{159267052 - 15848361}$$

$$b = 76726$$

$$b = 78341$$

$$b = 0,979$$

From the calculation of regression analysis, it can be known that the regression equation is $y = a + bX$ or $Y = 9.884 + 0.979X$, meaning that if the value of $X$ increases by 1, the value of $Y$ will increase by 9.884. Meanwhile, if $X$ does not increase or $X = 0$, then $Y$ is 0.979. Thus,
the calculation results show that with the increase in experiential marketing programs, the creation of brand identity will increase.

Based on the results of the study, it is known that there is an influence of experiential marketing program strategies on making brand identity at Café Overtime Banjar. This is evidenced by the results of the analysis of statistics which shows that the hypothesis that the author proposes is accepted. These results are in line with other studies, such as [13] Although brand identity in the study serves as a mediation variable, it is proven that experiential marketing has a positive and significant effect on brand identity. In addition, our research is also in line with the opinion expressed by Sankaran (2010), that customer experience can affect emotions and satisfaction levels and also build competitive advantages for service providers that are difficult to imitate, so if the company can provide a good experience to customers, it will be able to provide positive emotions to these customers so that they can improve the product Identity [1]. As well as Schmitt's (1999) opinion is that to be able to approach, obtain, and retain loyal consumers, producers through their products must introduce unique, positive, and impressive experiences to consumers so that they can form the brand identity of a product [2].

Experiential marketing strategies need to be carried out so that they can be considered by consumers to decide to come back. This strategy does not only focus on product sales, but also the sensation of new experiences experienced and have never been felt before by consumers. With experiential marketing, consumers will be able to distinguish one business from another because they can experience and gain hands-on experience through 5 approaches of Schmitt (1999), namely: Sense, Feel, Act, Relate, and Think; both before and when they use a service [2]. Furthermore, Dewanti et al., (2011) stated that: In order to approach, get and maintain loyal consumers, producers through their products need to present unique, positive and impressive experiences to consumers so that they can form the Brand Identity of a product [16].

In the end, brand identity is important in brand management, including in the café business which is increasingly in each city and has many similarities so people start to find it difficult to distinguish between one brand and another. If a brand does not have value but wants to be remembered by the public, then it will be easy to beat it in the market.

Conclusions

Based on the results of the study, it can be concluded that the implementation of experiential marketing program strategy at Café Overtime Banjar has not been implemented optimally, this is evidenced by the responses of respondents, most of whom stated that they
quite agreed with what was implemented by the overtime café with a score of 3981 being in the sufficient category. There are still indicators that get low scores, Overtime Café Banjar does not provide buy one get two promos to its consumers and fails to provide free products every time there is a minimum purchase. Making a brand identity pada Café Overtime Banjar obtained a score of 2976 in the good category. This means that the creation of a brand identity at Café Overtime Banjar is good. However, there is something that must be improved because there are still low indicators, such as the way the Brand Café overtime Banjar to cause a positive impression and the lack of creativity in developing the café so that sales activities have not increased. Based on statistical tests, there is an influence of experiential marketing on brand identity at Café Overtime Banjar by 73.10%, while the remaining 26.90% is influenced by other factors that are not studied, such as product displays carried out by the company. Thus, the café should increase the experiential marketing program because it is proven to create a positive impression on customers.

The practical implication of this research is that creating unique and memorable experiences for consumers can increase their involvement and satisfaction, and ultimately improve brand identity. Thus, marketing practitioners can design strategies that focus on creating engaging experiences for their consumers. Companies can incorporate experiential marketing concepts and theories into their marketing strategies to create unique and valuable consumer experiences.

This research has limitations. Among other things, the object of study is only in one café. In addition, it is hoped that other researchers will add the loyalty variable as an output variable so that it can provide a clear understanding of the impact of a good experiential marketing strategy and whether it can increase customer loyalty through brand identity as an intervening and coding variable.

Reference


