

ANALYSIS OF COFFEE CONSUMER BEHAVIOR IN JEMBER AND ITS IMPLICATIONS TO DEVELOPMENT STRATEGY OF LOCAL COFFEE AGRO-INDUSTRY

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Abstract

This research is aimed to identify: (1) consumer perception towards the local ground coffee (powder) products; (2) factors affecting consumer decision to purchase coffee; (3) characteristics of coffee powder sought by consumers; and (4) right product development strategy for the local coffee. Study area is determined by deliberately (purposive method). Analyses of the data used are analytical hierarchy process (AHP) and factor analysis. The results show: (1) the respondents perceived that “Kapal Api” coffee is better than the local coffee and other branded coffee, (2) availability and product, price and social environment factors, and product quality are identified as the factors affecting consumer decision to purchase coffee in Jember, (3) Based on priority scales, characteristics of coffee powder sought by consumers are price (St2), product (St1), promotion (St4), and place (St3) respectively, (4) Based on the perceptions of respondents in details, product strategy consists of the taste (P5), aroma (P6), brand (P4), practicality (P1), packaging design (P3), package size (P2), meanwhile promotion strategies consists of advertisement (P7), sales promotion (P8), public relations (P10), and face to face sales (P9).

Keywords: Coffee, Consumer Behavior, Development Strategy

Introduction

Per capita consumption of coffee in Jember District reach 2.91 kg. This figure shows that coffee consumption in Jember is relatively high. This phenomenon of high amount of coffee powder (ground coffee) consumption, however, is not run on coffee produced by smallholder businesses but on that manufactured by factory. Thus, this requires study to make local coffee agroindustry more acceptable coffee products to consumers. The development is surely associated with consumer perceptions and characteristics needed in processed coffee products and the factors that influence consumer purchasing decisions on coffee. Knowledge supported by a research on the consumer market (coffee drinkers) will drive marketing efforts undertaken by local ground-coffee agro-industry become more focused and effective.

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