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Factors Affect College Students' Intention to Purchase Starbucks Café Products

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Abstract:
This article intends to explore the reasons that affect college students' intention to purchase Starbucks café products in Taiwan. This study investigates 224 participants who come from different colleges and are of different majors to discover the factors that affect students' frequency of Starbucks visit. The hypotheses of this study are to explore the effects of brand image, guaranteed quality, reasonable price, delicious meals, shop equipment and quality of service factors on Starbucks visit frequency. The study utilized correlation and regression to measure how much there are variation in dependent variable (Starbucks visit frequency) due to change in one or more independent variables.

Keywords: price of Starbucks, purchase intention, Starbucks brand image

1. Introduction

Drinking coffee becomes more and more popular in Taiwan and Starbucks café is one of the trendiest cafes nowadays. Starbucks café was opened 1971 in America at first, and it has 19767 stores worldwide (Starbucks statistics). There are over 100 Starbucks cafés in Taiwan (About the company). This article intends to explore the reasons that affect college students' intention to purchase Starbucks café products in Taiwan.

2. Literature Review

Purchase intention referred to the probability of a consumer's decision on whether he or she would like to buy a product (Dodds, Monroe & Grewal, 1991;Grewal, Krishnan, Baker & Borin, 1998) or consumers' decision on whether the product is of value (Zeithaml, 1988).

Among the factors affecting consumers' choice of cafes, people normally consider the quality of cafe as an important factor of choosing café (Saravanan & Rao, 2006; Zeithaml, Rust, & Lemon, 2001). Another factor of why people choose a particular brand of café is brand image or the origin of the cafe (Sequeira, 2014). The reasons might be attributed to product category, knowledge of a particular country or patriotism. People might buy some products just because they are manufactured in a certain country.

Price is another element people might take into consideration. The relation between the price and the product performance, or consumer satisfaction could be taken into account (Xia & Monroe, 2008). Product design is an additional factor affecting consumers' selection of merchandise. Better product designs would further meet the consumers' needs (Beckman & Barry, 2008). Brand reputation accounts for one more reason for customers to choose a specific product. Advertisement helps to sell products (Veloutsou & Moutinho, 2009). Convenience also plays a vital role on consumers' option of cafe (Sequeira, 2014).

Based on the literature reviewed above, the researchers design the questionnaire that encompasses the possible variables. The items of the questionnaire are shown on table 2 below. The hypotheses of the research were as follows:

- H_1. Brand image relates positively to Starbucks visit frequency.
- H_2. Guaranteed quality relates positively to Starbucks visit frequency.
- H_3. Reasonable price relates positively to Starbucks visit frequency.
- H_4. Delicious meals relates positively to Starbucks visit frequency.
- H_5. Shop equipment relates positively to Starbucks visit frequency.
- H_6. Quality of service relates positively so Starbucks visit frequency.

3. Research Methods and Procedures

The questionnaire was composed by the researchers. The first part of the questionnaire was about students' age, the schools they attended, and their frequency of Starbucks visit; the second part of the questionnaire was about students' opinions on Starbucks products and service. Then the questionnaires were distributed to 225 students who were from different colleges in Taiwan. Snow ball and purposive sampling were used to choose the subjects. 224 students replied and filled up the questionnaire. SPSS was used to analyze the data collected.

4. Results

Questionnaires were sent to each target respondent by purposive sampling through the Internet. There were 225 questionnaires distributed online, and 224 were returned. The response rate was 99.56%. Of the returned 224 questionnaires, there are non-missing values in any questionnaire.

Table1 illustrates that the correlation between the following variables: gender (D1), Starbucks visit frequency (Y), A week's pocket money (X1), Monthly income (X2), Reasonable Price (X3), Delicious Meals (X4), Guaranteed quality (X5), Product Diversification (X6), Quality of Service (X7), Brand Image (X8) and Shop equipment (X9). Among them, the following correlations reached statistically significant level (.05) concerning correlations between Y and all the other variables: X3 and Y (r=.355**, P= .000), X4 and Y (r=.336**, p= .000), X5 and Y (r=.359**, p= .000), X7 and Y (r=.162*, p= .022), X8 and Y (r=.408**, p= .000), X9 and Y (r=.189*, p= .009)

N	M	SD	D_1	X_1	X_2	X_3	X_4	X_5	X_6	X_7	X_8	X_9
D_1	1.75	0.43398	1									
X_1	2.8259	1.41137	-0.022	1								
X_2	2.7946	1.72369	-0.278**	0.049	1							
X_3	3.2679	0.66887	0.062	0.098	0.061	1						
X_4	2.3597	0.57827	0.11	0.089	0.021	0.561**	1					
X_5	2.7913	0.69529	0.203**	0.04	-0.071	0.41**	0.563**	1				
X_6	2.9475	0.65849	-0.022	-0.07	0.015	0.1	0.0148*	0.049	1			
X_7	2.0145	0.54973	0.057	-0.039	0.02	0.295**	0.455**	0.335**	0.317**	1		
X_8	1.936	0.66545	0.051	0.14*	-0.016	0.265**	0.49**	0.42**	0.044	0.421**	1	
X_9	2.4137	0.70833	0.242**	-0.045	-0.111	0.289**	0.401**	0.496**	0.161*	0.485**	0.32**	1
Y	3.4911	0.63522	0.054	-0.054	-0.117	0.355**	0.336**	0.359**	0.012	0.162*	0.408**	0.189*

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table 1: Correlations

To develop the scale, this study applied the Cronbach's α to assess the reliability. The overall Cronbach's α of the study is 0.916, which signifies the high level of reliability for the 30 items in the questionnaire. Table 2 shows the Cronbach's α value, if the particular item is deleted.

	Items	Cronbach's Alpha if Item Deleted
	Reasonable Price	**.935**
RP1	Reasonable price of beverage	.936
RP2	Reasonable price of coffee	.936
RP3	Even if price increases, I will purchase in Starbucks	.937
RP4	Reasonable price of food	.937
RP5	Reasonable price of products	.937
	Delicious Meals	**.934**
DM1	Food quality of guarantee	.935
DM2	Beverage quality of guarantee	.935
DM3	Coffee quality of guarantee	.934
DM4	Products quality of guarantee	.936
DM5	Coffee tastes good	.936
DM6	Beverage tastes good	.936
DM7	Meals are delicious	.937
	Guaranteed quality	**.935**
QG1	Mug does not produce toxins	.936
QG2	Insulated cup does not produce toxins	.935
QG3	Holding cup does not produce toxins	.936
QG4	No-concerned of food safety	.935
	Product Diversification	**.938**
PD1	Many kinds of beverage	.938
PD2	Many kinds of coffee	.938
PD3	Many kinds of product	.939
PD4	Many kinds of meal	.938
	Quality of Service	**.935**
QS1	Good service attitude in Starbucks	.937
QS2	The environment is clean	.936
QS3	Good after-sales service	.937
QS4	Overall quality of service is satisfactory	.935
	Brand Image	**.936**
BI1	If price reduce, I will purchase Starbucks commonly	.938
BI2	Friends' day is really attract me	.939
BI3	I will recommend Starbucks to friends	.935
	Equipment in Starbucks	**.936**
EP1	I am very satisfied with the socket device	.937
EP2	I am very satisfied with toilet facilities	.936
EP3	I am very satisfied with Wi-Fi equipment	.937

Table 2: The reliability of the questionnaire

A stepwise multiple regression analysis was performed: reasonable price, delicious meals, guaranteed quality, quality of service, brand image, and shop equipment as predictor variables, and Starbucks visit frequency as the criterion variable. The independent variable with the strongest correlation on the dependent variable is entered into the model first (Table3 and Table4). Brand imagewas entered first into the prediction equation model as the strongest predictor variable, and all the other variables were neglected at this step. Then the other variables were entered into the model step by step.

The results of stepwise regression analyses in table 3 and table 4 revealed that reasonable price, delicious meals and guaranteed quality have worked well in explaining the variation in Starbucks visit frequency. Brand image, $F_{(1, 222)} = 33.288$, $p = .000$, guaranteed quality, $F_{(2, 221)} = 23.695$, $p = .000$ and Reasonable price, $F_{(3, 220)} = 22.292$, $p = .000$. The scale of explained variance as measured by R^2 for Model 6 accounted for slightly over 23% ($R^2 = .239$) of the variance and demonstrated the strong correlation coefficient value, $R = .489$.

Models	Sum of Squares	df	Mean Square	F	Sig.
1.Brand image	11.733	1	11.733	33.288	.000
2.Brand image	15.889	2	7.944	23.695	.000
Guaranteed quality					
3.Brand image	20.977	3	6.992	22.292	.000
Guaranteed quality					
Reasonable price					
1. Brand image	21.046	4	5.262	16.715	.000
Guaranteed quality					
Reasonable price					
Delicious meals					
2. Brand image	21.153	5	4.231	13.399	.000
Guaranteed quality					
Reasonable price					
Delicious meals					
Shop equipment					
3. Brand image	21.499	6	3.583	11.354	.000
Guaranteed quality					
Reasonable price					
Delicious meals					
Shop equipment					
Quality of service					

Table 3: ANOVAb
Note. Dependent Variable: Starbucks visit frequency

Models	R	R^2	Adjusted R^2	Std. Error of the Estimate
1.Brand image	.361	.130	.126	.59369
2.Brand image	.420	.177	.169	.57902
Guaranteed quality				
3.Brand image	.483	.233	.223	.56006
Guaranteed quality				
Reasonable price				
4.Brand image	.484	.234	.220	.56105
Guaranteed quality				
Reasonable price				
Delicious meals				
5.Brand image	.485	.235	.218	.56190
Guaranteed quality				
Reasonable price				
Delicious meals				
Shop equipment				
6.Brand image	.489	.239	.218	.56177
Guaranteed quality				
Reasonable price				
Delicious meals				
Shop equipment				
Quality of service				

Table 4: Model Summary
Note. Dependent Variable: Starbucks visit frequency

As indicated in Table5, after entering the six predictor variables, brand image (β=.269, t = 3.872, p = .000), guaranteed quality (β = -.018, t = -.186, p = .853), reasonable price (β = .150, t = 2.086, p = .038), delicious meals (β = -.090, t = -1.048, p = .296), shop equipment (β = .236, t = 3.398, p = .001), and quality of service (β = -.009, t = -.130, p = .896), into the regression model, only brand image, reasonable price and shop equipment have significant positive influences on Starbucks visit frequency. Therefore, Hypothesis 1, 2 and Hypothesis 5 are supported. According to the results of Standardized Coefficients column, with level of confidence under .05 the variable brand image (β=0.345) was the strongest predictor of Starbucks visit frequency, followed by shop equipment (β=0.236), and then is reasonable price (β=0.150). This result underlined the importance of brand image which is statistically significant in

predicting the dependent variable Starbucks visit frequency. The unstandardized regression equation can thus be expressed in the following manner.

FV = 1.983+ 0.269*BI+ 0.236*SE+ 0.150*RP

FV, BI, SE and RP stand for Starbucks visit frequency, brand image, shop equipment and reasonable price, respectively. The most important reason that Taiwan college students consume Starbucks café products is the good image of Starbucks. In addition, Taiwan college students due to their limited allowance or income from part-time jobs might choose a café charging reasonable price, while still offering high quality apparatus. This information is of value to those who want to open a café close a college in Taiwan.

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std.Error	Beta	t	p
1(Constant)	2.824	.122		23.093	.000
Brand image	.345	.060	.361	5.770	.000
2(Constant)	2.406	.168		14.310	.000
Brand image	.246	.065	.258	3.813	.000
Guaranteed quality	.218	.062	.238	3.521	.000
3(Constant)	1.901	.205		9.259	.000
Brand image	.208	.063	.218	3.297	.001
Guaranteed quality	.129	.064	.141	2.021	.044
Reasonable price	.253	.063	.266	4.028	.000
4(Constant)	1.908	.206		9.253	.000
Brand image	.220	.071	.230	3.239	.001
Guaranteed quality	.141	.069	.154	2.050	.042
Reasonable price	.267	.069	.281	3.843	.000
Delicious meals	-.045	.096	-.041	-.470	.639
5(Constant)	1.935	.212		9.143	.000
Brand image	.222	.068	.232	3.258	.001
Guaranteed quality	.152	.072	.167	2.128	.034
Reasonable price	.269	.070	.283	3.861	.000
Delicious meals	-.039	.097	-.035	-.398	.691
Shop equipment	-.035	.061	-.040	-.518	.562
6(Constant)	1.983	.217		9.157	.000
Brand image	.269	.0170	.284	3.872	.000
Guaranteed quality	-.018	.099	-.017	-.186	.853
Reasonable price	.150	.072	.164	2.086	.038
Delicious meals	-.090	.086	-.078	-1.048	.296
Shop equipment	.236	.069	.247	3.398	.001
Quality of service	-.009	.066	-.010	-.130	.896

Table 5: Coefficients[a]

Note. Dependent Variable: Starbucks visit frequency

5. Conclusion

This article intends to explore the reasons that affect college students' intention to purchase Starbucks café products. Two hundred and twenty four participants received the questionnaire. They came from different colleges with different majors. According to the result, reasonable price and brand image were the main factors to buy coffee at Starbucks. Besides, the equipment of Starbucks was also an important factor for college students to buy coffee at Starbucks café. To sum up, according to the analysis, those who want to set up a café nearby a college in Taiwan might want to consider the brand image of the café, charging reasonable price, and offering better apparatus.

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