

Examining the Factors that Influence Consumer Willingness to Pay of Bubble Tea among Generation Z in Bandung, Indonesia

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Abstract

Bubble tea currently represents a popular drink among Generation Z in Indonesia. However, the quality of bubble tea varies depending on intrinsic and extrinsic factors to make it more appealing. On the basis of consumers' final economic activity actor, it is crucial to examine what factors influence the consumer purchase decision behavior. Due to the bubble tea shop, owners will effectively meet customer expectations for bubble tea beverages. This study examines factors that may influence the consumer purchase decision (willingness to pay) of bubble tea and analyzes the price limits disparities. The research uses a quantitative approach by distributing questionnaires to 300 Generation Z domiciled in Bandung, Indonesia. This research examines several aspects, including price, taste, product design, brand influence, and location accessibility. Also, it analyzes whether the consumers' purchase decision factor and the price limit of the respondents are different when it is divided based on demographics factors. The data were analyzed using multiple linear regression (MLR). This study found that taste, price, product design, brand image, and location accessibility individually and simultaneously affect the willingness to pay among Generation Z in Bandung City. Also, this study found differences in several decision factors and price limits on bubble tea based on demographics factors. In conclusion, the current study has successfully examined the factors that influence consumer purchase decisions (willingness to pay) and analyzed the price limits disparities of bubble tea in Bandung, Indonesia.

Keywords

Price, Taste, Product Design, Brand Influence, Location Accessibility, Willingness to Pay, Bubble Tea, Generation Z.

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