

Comparison of Product Quality, Promotion Strategy, Physical Evidence of Holland Bakery and Vanhollano Bakery in Millennial and Generation Z in The City Of Pekanbaru

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Abstract

This study aims to find out the comparison of product quality, promotional strategies, and physical evidence of Holland Bakery and Vanhollano Bakery in the Millennial Generation and Generation Z in the city of Pekanbaru. This study uses a qualitative approach with a survey method to collect data. The population needed is the Millennial Generation and Generation Z in the city of Pekanbaru who have bought and consumed products from Holland Bakery and Vanhollano Bakery. Data analysis was carried out by descriptive analysis and hypothesis testing using the paired sample t-test method and SPSS software version 22 to find out if there is a difference between the two objects studied. The results of this study show that there is a significant difference between Millennials and Generation Z regarding the promotional strategies of Holland Bakery and Vanhollano Bakery. However, in the variables of product quality and physical evidence, no difference was found between the two brands compared to the two generations. This shows that the rpomosi strategy is one of the distinguishing factors in assessing Holland Bakery and Vanhollano Bakery among the two generations.

Keywords: Product Quality, Promotion Strategy, Physical Evidence, Millennial Generation, Generation Z.

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INTRODUCTION

The food and beverage industry is one of the sectors that plays an important role in Indonesia's economic growth and continues to experience significant development. In 2024, the sector recorded growth of 5.53%, surpassing national economic growth. This growth is driven by increasing urbanization, changes in people's increasingly practical lifestyles, and the expansion of the middle class. These conditions encourage the development of culinary businesses, including cake shops and bakeries, both on national and local scales. The rapid development of this industry shows that bakery products have become part of modern consumption patterns that prioritize practicality, taste, and experience.

In the city of Pekanbaru, the development of the bakery industry is marked by an increase in the number of competing brands, ranging from national-scale products to local products managed by MSME actors. Some of the bakery brands widely known in Pekanbaru include Holland Bakery as a national brand and Vanhollano Bakery as a local brand. Holland Bakery is a national bakery chain that has long operated in Indonesia with a modern bread concept with European nuances and a wide distribution network. Meanwhile, Vanhollano Bakery is a local product that is growing rapidly in Pekanbaru by prioritizing local tastes, emotional approaches, and modern and comfortable outlet designs. The presence of both brands reflects increasingly competitive market dynamics and encourages companies to continue innovating in order to maintain market share.

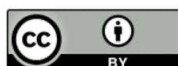
Competition between bakery businesses is not only based on product taste and price but also influenced by marketing strategies and customer perceived value. Kardinasari & Fachira, (2023) explain that the marketing mix strategy plays an important role in increasing competitiveness in the bakery industry, especially through product innovation, pricing strategies, promotional activities, and outlet location. Likewise, research by Wowor et al., (2021) shows that marketing mix factors significantly influence consumer purchasing decisions, indicating that companies must be able to design effective marketing strategies to attract and retain customers. In addition, comparative studies on marketing strategies also highlight the importance of adapting marketing mix elements to consumer characteristics and market conditions (Yeu et al., 2012).

The competition between the two brands can be seen from the significant expansion of outlets and the efforts of each brand in attracting consumer attention, especially the younger generation. Millennials and Generation Z are dominant consumer segments in the food and beverage industry today. These generations are characterized by being digitally active and sensitive to visual displays, promotions, and shopping experiences. Social media and digital influencers significantly influence Generation Z consumer behavior, especially in shaping brand awareness and purchase intention, indicating that digital promotion strategies are important for bakery businesses to reach younger consumers (Djafarova & Rushworth, 2017)

Promotional strategies that utilize digital platforms can increase consumer engagement and strengthen brand positioning, especially among younger consumers who are highly connected to technology. Visual appeal, interactive content, and online reviews also play an important role in influencing consumer perceptions and purchasing decisions. Younger consumers tend to seek brands that not only offer quality products but also provide memorable experiences and emotional connections (Kotler & Keller, 2016).

Generation Z and millennials have characteristics of being highly connected, information-oriented, and experience-driven, making them more responsive to innovative marketing approaches and digital communication. Therefore, bakery businesses must be able to adapt to changes in consumer behavior by integrating digital marketing strategies with attractive store atmospheres and experiential marketing to remain competitive in the market (Tapscott, 2009).

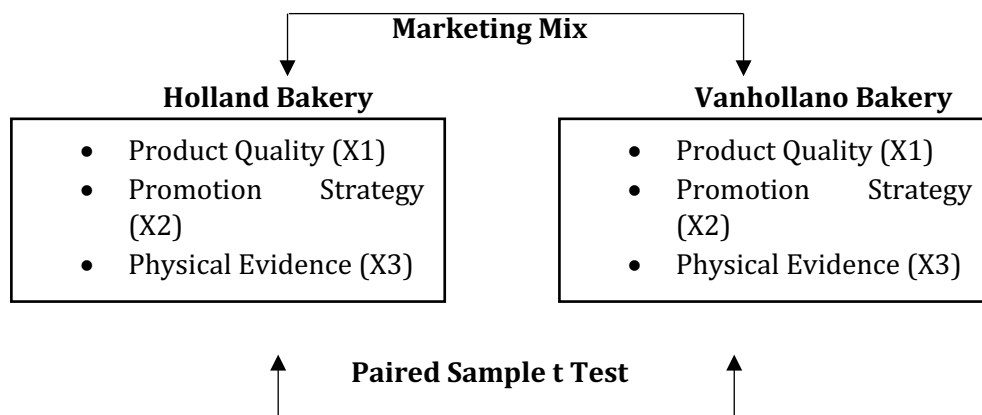
In choosing bakery products, consumers not only assess taste and product quality but also consider promotional strategies and physical evidence such as outlet design, comfort, and store atmosphere. Widhiasthini et al., (2020) state that bakery product choices are influenced by generational differences, where younger consumers tend to prioritize experience and lifestyle aspects compared to older generations. Meanwhile, product quality and price remain important factors influencing purchasing decisions, as explained by Iqbal & Nurdin, (2021), who found that consumers tend to compare product quality and price before deciding to buy bakery products.



Furthermore, perceived value plays an important role in building customer loyalty, especially among millennials who tend to evaluate products based on the benefits they receive compared to the costs incurred. Zeithaml, (1988) states that perceived value is the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given. (Immawati et al., 2024) explain that customer perceived value significantly affects loyalty, indicating that companies must be able to create added value through product quality, service, and customer experience. Therefore, bakery businesses must not only focus on product aspects but also on creating positive experiences that can build long-term relationships with consumers.

Based on these conditions, the competition between Holland Bakery and Vanhollano Bakery in Pekanbaru is interesting to study further, especially in terms of how marketing strategies, product quality, price, promotions, and physical evidence influence consumer purchasing decisions. Understanding these factors is important to see how national and local brands compete in attracting consumer interest, especially among millennials and Generation Z who dominate the current market. Consumer behavior among younger generations is strongly influenced by digital exposure, promotional content, and brand experience, which shape their perceptions and purchasing decisions (Saununu et al., 2023). In addition, consumer purchasing decisions are influenced by psychological, social, and experiential factors that shape preferences and evaluations of products, especially in competitive markets (Schiffman & Wisenblit, 2015).

Based on this phenomenon, product quality, promotion strategies, and *physical evidence* are important factors that need to be analyzed in looking at the competition between domestic and local products. Therefore, this study aims to compare the product quality, promotional strategy, and *physical evidence* of Holland Bakery and Vanhollano Bakery in the Millennial Generation and Generation Z in the city of Pekanbaru, to obtain a more significant picture of young consumers' perception of the two brands. Based on the research framework above, the hypotheses in this study can be described as follows:



Source: (Sari et al., 2023)

H_{o1} : There is no significant difference between the quality of the products from Holland Bakery and Vanhollano Bakery.

H1: There is a significant difference between the quality of the products of Holland Bakery and Vanhollano Bakery.

H_{o2} : There is no significant difference between the promotional strategies of Holland Bakery and Vanhollano Bakery

H2: There is a significant difference between the promotional strategies of Holland Bakery and Vanhollano Bakery.

H_{o3} : There was no significant difference between the *physical evidence* from Holland Bakery and Vanhollano Bakery.

H3: There is a significant difference between *physical evidence* from Holland Bakery and Vanhollano Bakery.

RESEARCH METHODS

This study was conducted on Holland Bakery and Vanhollano Bakery in the city of Pekanbaru with a consumer population consisting of individuals who have purchased and consumed products from both brands. The sampling technique used in this study is purposive sampling, which selects respondents based on specific criteria relevant to the research objectives so that the data obtained are more representative. Based on the Lemeshow formula, the sample size in this study was determined to be 100 respondents, which is considered adequate for studies with unknown population sizes and sufficient to represent the population in statistical testing (Lemeshow et al., 1990). Data collection was carried out using a structured questionnaire distributed to respondents to measure perceptions and experiences related to the two bakery brands.

The collected data were then processed using SPSS software version 22 to facilitate statistical analysis. The data analysis techniques used in this study include descriptive analysis, validity test, reliability test, and normality test to ensure that the research instruments and data meet the required statistical assumptions. Hypothesis testing was conducted using the paired sample t-Test to determine whether there are significant differences in consumer perceptions between the two brands. The use of questionnaires as a data collection instrument is considered effective because it allows researchers to obtain standardized and measurable data from respondents systematically (Sekaran & Bougie, 2016).

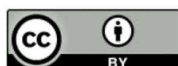
RESULTS AND DISCUSSION

Validity Test

The validity test is carried out to measure the ability of each statement item in the research variable precisely and accurately. The validity test is carried out by comparing with $r_{hitung} > r_{tabel}$ at a significant level of 5%. A statement can be said to be valid if and vice versa. The value is obtained by the equation $N - 2 = 50 - 2 = 48 = 0.2353 r_{hitung} > r_{tabel}$

Table 1: Holland Bakery Validity Test Results

Statement Item	r count	
	Millennial Generation	Generation Z
PQ 1 <- Product Quality	0,630	0,682
PQ 2 <- Product Quality	0,606	0,689
PQ 3 <- Product Quality	0,670	0,647
PQ 4 <- Product Quality	0,616	0,634
PQ 5 <- Product Quality	0,726	0,649
PQ 6 <- Product Quality	0,619	0,678
PS 1 <- Promotion Strategy	0,551	0,689
PS 2 <- Promotion Strategy	0,541	0,763
PS 3 <- Promotion Strategy	0,624	0,807
PS 4 <- Promotion Strategy	0,661	0,665
PS 5 <- Promotion Strategy	0,610	0,678
PS 6 <- Promotion Strategy	0,741	0,474
PS 7 <- Promotion Strategy	0,572	0,702
PE 1 <- Physical Evidence	0,727	0,737
PE 2 <- Physical Evidence	0,742	0,645
OR 3 <- Physical Evidence	0,822	0,721
OR 4 <- Physical Evidence	0,834	0,676
PE 5 <- Physical Evidence	0,788	0,700
PE 6 <- Physical Evidence	0,760	0,741
PE 7 <- Physical Evidence	0,803	0,738
PE 8 <- Physical Evidence	0,774	0,593



Statement Item	r count	
	Millennial Generation	Generation Z
PE 9 <- Physical Evidence	0,874	0,772
PE 10 <- Physical Evidence	0,807	0,748
PE 11 <- Physical Evidence	0,820	0,744
OR 12 <- Physical Evidence	0,806	0,736

Source: Researcher's Processed Data, 2025

Table 2: Vanhollano Bakery Validity Test Results

Statement Item	r count	
	Millennial Generation	Generation Z
PQ 1<- Product Quality	0,813	0,738
PQ 2 <- Product Quality	0,689	0,815
PQ 3 <- Product Quality	0,589	0,609
PQ 4 <- Product Quality	0,604	0,754
PQ 5 <- Product Quality	0,591	0,733
PQ 6 <- Product Quality	0,728	0,770
PS 1 <- Promotion Strategy	0,572	0,487
PS 2 <- Promotion Strategy	0,504	0,488
PS 3 <- Promotion Strategy	0,531	0,444
PS 4 <- Promotion Strategy	0,509	0,247
PS 5 <- Promotion Strategy	0,380	0,411
PS 6 <- Promotion Strategy	0,623	0,429
PS 7 < Promotion Strategy	0,530	0,505
PE 1 <- Physical Evidence	0,806	0,668
PE 2 <- Physical Evidence	0,709	0,521
OR 3 <- Physical Evidence	0,614	0,407
OR 4 <- Physical Evidence	0,652	0,473
PE 5 <- Physical Evidence	0,683	0,467
PE 6 <- Physical Evidence	0,728	0,537
PE 7 <- Physical Evidence	0,642	0,673
PE 8 <- Physical Evidence	0,773	0,549
PE 9 <- Physical Evidence	0,687	0,563
PE 10 <- Physical Evidence	0,746	0,663
PE 11 <- Physical Evidence	0,694	0,706
OR 12 <- Physical Evidence	0,652	0,534

Source: Researcher's Processed Data, 2025

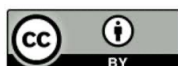
r_{hitung} All variable statement items $\geq 0,2353$, so that each item used to measure each variable is declared to be able to carry out its measurement function and provide accurate and precise measurement results.

Reliability Test

The reliability test was carried out to determine the level of consistency in measuring the variables studied. A data can be said to be relib by looking at the size of the Cronbach's Alpha whose value is greater than 0.70.

Table 3: Reliability Test Results

Fire	Variable	Cronbach's Alpha
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		Millennial Generation	Generation Z
Holland Bakery	Product Quality	0,856	0,867
	Promotion Strategy	0,846	0,888
	Physical evidence	0,959	0,935
Vanhollano Bakery	Product Quality	0,868	0,903
	Promotion Strategy	0,787	0,720
	Physical evidence	0,930	0,874

Source: Researcher's Processed Data, 2025

Cronbach's Alpha value of the entire variable $\geq 0,70$. Thus, it can be interpreted that the measuring tools used in this study can be trusted or reliable.

Normality Test

The normality test is carried out to determine whether the feasibility of data in the study is normally distributed or not. The normality test was recognized using *the Kolmogorov Smirnov test*, where the data was declared to be normally distributed if the Asymp. Sig. (p-value) value was greater than 0.05.

Table 4: Normality Test Results

Fire	Variable	Asymp. Sig. (2-tailed)	
		Millennial Generation	Generation Z
Holland Bakery	Product Quality	0.170c	0.075c
	Promotion Strategy	0.122c	0.143c
	Physical evidence	0.200c	0.200c
Vanhollano Bakery	Product Quality	0.063c	0.065c
	Promotion Strategy	0.073c	0.105c
	Physical evidence	0.200c	0.200c

Source: Researcher's Processed Data, 2025

Asymp value. The sig (p-value) on all variables is greater than 0.05. These results show that the assumption of normality has been met, so the data is worth analyzing.

HYPOTHESIS TEST

Paired Sample T-Test

The t-test difference test using a related sample is used to test the average difference between two related samples, to measure the test using a different test tool for paired samples (Imam Ghozali, 2018).

In tests *Paired Sample T-Test*, the basis for decision-making is seen if the value of Sig. (2-tailed) is below 0.05, then the null hypothesis (H0) is rejected and the alternative hypothesis (H1) is accepted. This shows that there is a significant difference between the two objects being studied.

Table 5: Paired Sample T-Test Test Results

Generation	Variable	Sig. (2-tailed)	Interpretation
		Holland Bakery & Vanhollano Bakery	
Millennial Generation	Product Quality	0,922	No Difference
	Promotion Strategy	0,010	Significantly Different
	Physical evidence	0,281	No Difference
Generation Z	Product Quality	0,092	No Difference
	Promotion Strategy	0,040	Significantly Different
	Physical evidence	0,609	No Difference

Source: Researcher's Processed Data, 2025

Based on test results *Paired Sample T-Test* Above is a significant difference in the variables of promotional strategies from the two brands to the two generations. As for the product quality variables and physical evidence (*physical evidence*) no significant difference was found.



DISCUSSION

Based on the results of hypothesis testing using the Paired Sample T-Test method to determine whether or not there is a difference between Holland Bakery and Vanhollano Bakery against the Millennial Generation and Generation Z by looking at the Sig. (2-tailed) value below 0.05, there is no significant difference in the product quality variable with a value of $0.922 > 0.05$ in the Millennial Generation and $0.092 > 0.05$ in Generation Z, so that from the test results H_0 was accepted and H_1 was rejected. Through the results of the test, it was concluded that Holland Bakery and Vanhollano Bakery can meet the product quality preferences of Millennials and Generation Z.

In the promotion strategy variable, the hypothesis test results showed a significant difference between Holland Bakery and Vanhollano Bakery in the Millennial Generation and Generation Z, where the hypothesis test results in the Millennial Generation with a value of $0.010 < 0.05$ and in Generation Z with a value of $0.040 < 0.05$. So that from the results of hypothesis testing on the promotion strategy variable, it was concluded that H_0 was rejected and H_2 was accepted. Through the results of the hypothesis testing, it can be concluded that in Holland Bakery and Vanhollano Bakery there are differences in carrying out promotional strategies according to Millennial Generation and Generation Z in this study.

In contrast to the promotion strategy variable, through hypothesis testing on the physical evidence variable, no significant difference was found. In the results of the test on the Millennial Generation, a significance value of $0.281 > 0.05$ and Generation Z $0.609 > 0.05$ were obtained, so it can be concluded that in this variable H_0 was accepted and H_3 was rejected. Through the results of the hypothesis testing, it can be concluded that *the physical evidence variable* is able to meet the consumer expectations of the Millennial Generation and Generation Z in this study, so that there is no significant difference between the two brands.

CONCLUSION

Based on the results of the study, it can be concluded that: (1) There is no significant comparison between the quality of products from Holland Bakery and Vanhollano Bakery in the Millennial Generation and Generation Z in the city of Pekanbaru. (2) There is a significant difference between the promotional strategies of Holland Bakery and Vanhollano Bakery in the Millennial Generation and Generation Z in the city of Pekanbaru. (3) There is no significant difference between the physical evidence of Holland Bakery and Vanhollano Bakery in the Millennial Generation and Generation Z in the city of Pekanbaru. (4) Overall, the results of this study show that there are different preferences from Millennials and Generation Z in assessing a product. Millennials tend to judge a product simply and functionally, while Generation Z considers that the two brands have different characters, especially in the promotional strategies conveyed by the two brands to consumers.

Likewise, through the research carried out, there are several suggestions that can be given, such as: (1) Holland Bakery is recommended to improve the cleanliness of the outdoor environment area. (2) Holland Bakery is advised to improve consumer comfort when visiting by expanding the parking area to facilitate consumer access when wanting to buy products. (3) Vanhollano Bakery is advised to improve promotional strategies such as delivering interesting information by following trends on social media.

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