

Comparison of Product Quality, Location, and Promotion of Kopi Kenangan and Leton Coffee Among Millennials and Generation Z in Pekanbaru City

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Abstract

This study aims to compare consumer perceptions of product quality, location, and promotion between Kopi Kenangan as a domestic brand and Leton Coffee as a local brand in Pekanbaru city. This study uses a quantitative approach. The population in this study consists of Kopi Kenangan and Leton Coffee consumers from the Millennial and Generation Z generations in Pekanbaru City. The sampling technique was obtained by distributing questionnaires to 100 respondents, then analyzed using descriptive analysis, data quality testing, normality testing, and Paired Sample T-Test with the help of SPSS software. The results show that there is no significant difference between the product quality of Kopi Kenangan and Leton Coffee among Millennials, but there is a significant difference between the product quality of Kopi Kenangan and Leton Coffee among Generation Z. Furthermore, there is a significant difference between the locations of Kopi Kenangan and Leton Coffee among Millennials and Generation Z. However, there was no significant difference between the promotion of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

Keywords: Product Quality, Location, Promotion, Kopi Kenangan, Leton Coffee, Millennials, Generation Z

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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in Indonesia's economy, both as employers and major contributors to the Gross Domestic Product (GDP). In the last five years, the number of MSMEs has continued to increase, reaching around 66 million business units in 2023, contributing 61% to the national GDP and employing 97% of the workforce in Indonesia (Indonesia, 2024). Among the various MSME sectors, the food and beverage industry is the largest and most developed, triggering increasingly high levels of competition and demanding the implementation of effective, consumer-oriented marketing strategies.

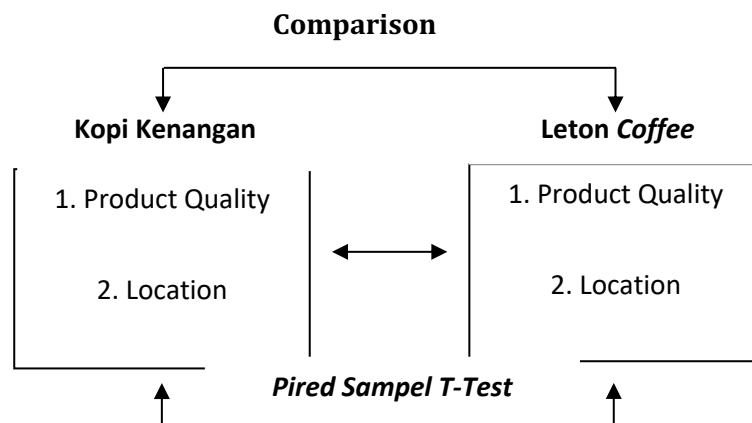
In line with this growth, the coffee shop industry has experienced rapid growth driven by increased coffee consumption and changes in people's lifestyles. Data shows that coffee consumption in Indonesia will continue to increase until the 2023-2024 period, reflecting growing interest and demand for coffee (Emanuella, 2024). This phenomenon is even stronger among Millennials and Generation Z, who see coffee shops not only as places to consume coffee, but also as social spaces, places of productivity, and symbols of lifestyle. Millennials utilize coffee shops as workspaces and meeting places (Leuwol et al., 2021). while Generation Z views coffee culture as part of their social identity, reinforced by social media and visual aesthetics (Huda & Putri, 2024).

Factors that influence consumers to visit coffee shops can be seen from product quality factors because they are directly related to taste, menu variety, and consistency of presentation (Kotler & Armstrong, 2018). In addition, location factors also play an important role in increasing accessibility, comfort, and frequency of consumer visits. Furthermore, promotional factors serve as a means of marketing communication to build brand image and attract consumer interest, particularly through social media in the digital era (Senduk et al., 2021).

In the context of competition in the coffee industry, national-scale domestic coffee brands such as Kopi Kenangan demonstrate market dominance through consistent product quality strategies, widespread locations, and digital promotion (Pratiwi et al., 2023). On the other hand, local coffee shops such as Leton Coffee in Pekanbaru City have also shown significant growth and are able to compete by relying on local proximity, comfortable surroundings, and strategic locations. This situation reflects the dynamic competition between national-scale coffee brands and local-scale coffee brands in attracting consumer interest, where experiential value and service experience play an important role in shaping customer preferences in choosing coffee shops (Chen & Hu, 2010).

This competitive dynamic is in line with studies showing that the rapid growth of the coffee shop industry is driven by changing consumer lifestyles, especially among young consumers who view coffee shops not only as places to drink coffee but also as social and experiential spaces (Samoggia & Riedel, 2019). In addition, research indicates that brand image and store atmosphere play an important role in influencing customer preferences and purchase intentions in the coffee business, particularly in highly competitive urban markets (Hussain & Ali, 2015). Furthermore, the presence of local coffee shops with unique concepts and localized experiences can create competitive advantages by building emotional connections with consumers and offering differentiated value compared to large national brands (Pine & Gilmore, 1998).

This study aims to analyze the comparison of product quality, location, and promotion of Kopi Kenangan and Leton Coffee among Millennials and Generation Z in Pekanbaru City. With the implementation of the right marketing strategy, it is expected to increase consumer purchasing perception of coffee shops.



Source: (Putri & Rianty N, 2020)

Based on the framework research above, the hypothesis in this study can be formulated as:

H01: There is no significant difference between the product quality of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

H1: There is a significant difference between the product quality of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

H02: There is no significant difference between the locations of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

H2: There is a significant difference between the locations of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

H03: There is no significant difference between the promotion of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

H3: There is a significant difference between the promotion of Kopi Kenangan and Leton Coffee among Millennials and Generation Z.

RESEARCH METHODS

This study was conducted at Kopi Kenangan and Leton Coffee in Pekanbaru City with a population of consumers who had purchased and tried Kopi Kenangan and Leton Coffee. The sampling technique used in this study was purposive sampling (Sugiyono, 2019). Based on calculations using the Lemeshow formula, the sample size for this study was 100 respondents, consisting of 50 Millennial Generation respondents and 50 Generation Z respondents. This sampling was intended to ensure that respondents had relevant experience and could provide appropriate assessments related to the research variables.

The data processed using the SPSS 25 application. The data collection technique used in this study was a questionnaire. The questionnaire was prepared using structured questions to measure respondents' perceptions of service quality, price, and physical evidence. Data analysis in this study included descriptive analysis, validity testing, reliability testing, normality testing, and hypothesis testing (paired sample T-Test) (Field, 2018). The analysis was conducted to determine whether there were significant differences between the two research objects based on respondents' perceptions.

RESULTS AND DISCUSSION

Validity testing is conducted to determine the extent to which the items in the questionnaire are able to measure the research variables precisely and accurately. Validity testing is conducted by comparing $r_{\text{count}} > r_{\text{table}}$ at a significance level of 5%. A statement is considered valid if $r_{\text{count}} > r_{\text{table}}$. The r_{table} value is obtained using the equation $N-2= 50-2= 48 =0.235$.

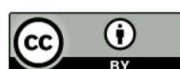
Table 1. Kopi Kenangan Validity Test

Question Item	R count	
	Millennial	Generation Z
PQ 1 <- Product Quality	0,824	0,447
PQ 2 <- Product Quality	0,817	0,331
PQ 3 <- Product Quality	0,835	0,575
PQ 4 <- Product Quality	0,784	0,299
PQ 5 <- Product Quality	0,776	0,613
PQ 6 <- Product Quality	0,894	0,533
PQ 7 <- Product Quality	0,784	0,620
PQ 8 <- Product Quality	0,842	0,660
PQ 9 <- Product Quality	0,756	0,464
PQ 10 <- Product Quality	0,769	0,652
PQ 11 <- Product Quality	0,699	0,514
PQ 12 <- Product Quality	0,686	0,464
LC 1 <- Location	0,475	0,552
LC 2 <- Location	0,665	0,528
LC 3 <- Location	0,688	0,384
LC 4 <- Location	0,619	0,351
LC 5 <- Location	0,471	0,529
LC 6 <- Location	0,570	0,292
LC 7 <- Location	0,373	0,352
LC 8 <- Location	0,406	0,512
LC 9 <- Location	0,620	0,498
PM 1 <- Promotion	0,428	0,268
PM 2 <- Promotion	0,714	0,303
PM 3 <- Promotion	0,411	0,372
PM 4 <- Promotion	0,479	0,280
PM 5 <- Promotion	0,435	0,329
PM 6 <- Promotion	0,435	0,348
PM 7 <- Promotion	0,647	0,360

Source: Researcher Processed Data, 2025

Table 2. Leton Coffee Validity Test

Question Item	R count	
	Millennial	Generation Z
PQ 1 <- Product Quality	0,600	0,708
PQ 2 <- Product Quality	0,583	0,602
PQ 3 <- Product Quality	0,698	0,805
PQ 4 <- Product Quality	0,619	0,740
PQ 5 <- Product Quality	0,716	0,769
PQ 6 <- Product Quality	0,792	0,757
PQ 7 <- Product Quality	0,850	0,749
PQ 8 <- Product Quality	0,747	0,613
PQ 9 <- Product Quality	0,816	0,693
PQ 10 <- Product Quality	0,623	0,622
PQ 11 <- Product Quality	0,754	0,763
PQ 12 <- Product Quality	0,610	0,447
LC 1 <- Location	0,340	0,474
LC 2 <- Location	0,474	0,553
LC 3 <- Location	0,634	0,671
LC 4 <- Location	0,495	0,548
LC 5 <- Location	0,404	0,271



LC 6 <- Location	0,551	0,301
LC 7 <- Location	0,369	0,250
LC 8 <- Location	0,341	0,303
LC 9 <- Location	0,636	0,369
PM 1 <- Promotion	0,550	0,630
PM 2 <- Promotion	0,534	0,519
PM 3 <- Promotion	0,441	0,486
PM 4 <- Promotion	0,566	0,398
PM 5 <- Promotion	0,608	0,451
PM 6 <- Promotion	0,585	0,491
PM 7 <- Promotion	0,501	0,435

Source: Researcher Processed Data, 2025

The r_{count} for all variable statement items is ≥ 0.2353 , that mean the items used to measure each variable are capable of performing their measurement function and providing accurate and precise measurement results, or are declared valid so that they can be used as research instruments.

Reliability Test

Reliability testing is conducted to determine the level of consistency and reliability of research instruments in measuring the variables under study. Reliability is measured using Cronbach's Alpha formula, whereby if the value is greater than 0.70, the instrument used is considered reliable or trustworthy.

Table 3. Kopi Kenangan Validity Test

Brand	Variable	Cronbach's Alpha	
		Millennial Generation	Generation Z
Kopi Kenangan	Product Quality	0,957	0,844
	Location	0,836	0,761
	Promotion	0,779	0,704
Leton Coffee	Product Quality	0,931	0,926
	Location	0,787	0,740
	Promotion	0,806	0,765

Source: Researcher Processed Data, 2025

The Cronbach's Alpha value for all variables was ≥ 0.70 . This means that the measuring instrument used in this study is reliable.

Normality Test

A normality test was conducted to determine whether the research data was normally distributed. The normality test was conducted using the Kolmogorov-Smirnov test, where the data was declared normally distributed if the Asymp. Sig. (p-value) was bigger than 0.05.

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Table 4. Normality Test

Brand	Variable	Asymp. Sig. (2-tailed)	
		Millennial Generation	Generation Z
Kopi Kenangan	Product Quality	0,095	0,103
	Location	0,063	0,084
	Promotion	0,081	0,200
Leton Coffee	Product Quality	0,062	0,081
	Location	0,072	0,060
	Promotion	0,073	0,135

Source: Researcher Processed Data, 2025

The Asymp. Sig. (p-value) for all variables is greater than 0.05. These results indicate that the assumption of normality has been met, so the data is suitable for analysis using parametric statistical methods.

Paired Sampel T-Test

The t-test with related samples is used to test the difference in the average of two related samples. To measure this test, a paired sample difference test tool is used (Imam Ghozali, 2018). In a Paired Sample T-Test, the basis for decision making is that if the Sig. (2-tailed) value is less than 0.05, then the null hypothesis (H0) is rejected and the alternative hypothesis (H1) is accepted. This indicates that there is a significant difference between the two objects being tested.

Table 5. Paired Sampel T-Test

Generation	Variable	Sig. (2-tailed)	Interpretation
		Kopi Kenangan dan Leton Coffee	
Millennial Generation	Product Quality	0,651	No Significant Difference
	Location	0,017	Significantly Different
	Promotion	0,234	No Significant Difference
Generation Z	Product Quality	0,050	Significantly Different
	Location	0,008	Significantly Different
	Promotion	0,921	No Significant Difference

Source: Researcher Processed Data, 2025

Based on the Paired Sample T-Test above, a significant difference was found in the product quality variable for Generation Z, but no significant difference was found for Millennials. In the location variable, a significant difference was found between the two brands for both generations. Meanwhile, in the promotion variable, no significant difference was found between the two brands for both generations.

DISCUSSION

Based on the results of the statistical test above, the product quality variable in the Millennial Generation obtained a significance level of 0.651. From these results, it can be concluded that H01 is accepted and H1 is rejected because 0.651 is greater than 0.05. Thus, the conclusion obtained is that there is no significant difference between the product quality of Kopi Kenangan and Leton Coffee in the Millennial Generation. Meanwhile, among Generation Z, a significance level of 0.050

was obtained, which leads to the conclusion that H1 is accepted and H01 is rejected because 0.050 is at the significance level threshold, indicating that there is a significant difference between the product quality of Kopi Kenangan and Leton Coffee among Generation Z.

In the results of the location variable statistical test on the Millennial Generation, a significance level of 0.017 was obtained. From these results, it can be concluded that H2 is accepted and H02 is rejected because 0.017 is smaller than 0.05. Similarly, Generation Z obtained a significance level of 0.008, which is smaller than 0.05, so it can be concluded that H2 is accepted and H02 is rejected. This means that there is a significant difference between the locations of Kopi Kenangan and Leton Coffee, both for Millennials and Generation Z.

In contrast to the results of the variable promotion statistical test, the Millennial Generation obtained a significance level of 0.234, which is greater than 0.05. Thus, it can be concluded that H03 is accepted and H3 is rejected. Similarly, Generation Z obtained a significance level of 0.921, which is greater than 0.05. Therefore, it can be concluded that H03 is accepted and H3 is rejected. This means that there is no significant difference between the promotions of Kopi Kenangan and Leton Coffee, both for Millennials and Generation Z.

CONCLUSION

Based on the results of data analysis and discussion, it can be concluded that: (1) There is no significant difference between the product quality of Kopi Kenangan and Leton Coffee in the Millennial Generation, but there is a significant difference between the product quality of Kopi Kenangan and Leton Coffee in Generation Z. (2) There is a significant difference between the location of Kopi Kenangan and Leton Coffee in both Millennial Generation and Generation Z. (3) There is no significant difference between the promotion of Kopi Kenangan and Leton Coffee in both Millennial Generation and Generation Z. (4) Overall, this study shows that the Millennial Generation tends to assess Kopi Kenangan and Leton Coffee as two equal coffee brands, especially in terms of product quality and promotion, with the main difference being the location factor. Meanwhile, Generation Z is more selective, especially in assessing product quality and location, making it easier to distinguish the advantages of each coffee shop.

With the research conducted, the following suggestions were obtained: (1) Kopi Kenangan needs to improve the comfort and atmosphere of the outlet, especially for consumers who want to use the coffee shop as a place to work or gather. (2) Leton Coffee needs to improve and make consistent product quality, especially in terms of taste and serving standards, in order to be able to compete more strongly with domestic products such as Kopi Kenangan, especially in attracting the attention of Generation Z. (3) Further researchers can add new variables or use different analysis methods such as SEM PLS.

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