WHAT MATTERS IN SELECTING A CAFÉ? A CASE OF MILLENNIALS

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Abstract
This paper aims to portray the criteria considered important by Millennials in selecting a café and investigate the gender preference regarding those criteria. The questionnaires were distributed to 100 café visitors. The research results using Rasch analysis showed that ‘comfort’ is generally the most important criterion of a café. Nonetheless, male and female Millennials do not always have a consensus where male Millennials prefer ‘innovativeness’ to other criteria while female Millennials prefer ‘comfort, varied menus, and unique menus’ to others. Other criteria aside from these four criteria are not significantly different among the two groups of gender. This paper gives implication for the culinary businesses in setting strategies targeting the Millennials who are presently the largest population group in Indonesia. This research also benefits any party interested in studying the characteristics and selection criteria of the Indonesian Millennials.

Keywords: café; millennial; selection criteria; warunk upnormal

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INTRODUCTION

As a city where many creative entrepreneurs were born, Bandung keeps innovating to be one of the popular tourist destinations in Indonesia. One of the most famous business sectors in Bandung is culinary tourism. This paper studies a café namely Warunk Upnormal, designed for the millennial customers or those, who in 2018 are 18 to 35 years old (Pomarici & Vecchio, 2014).

The café under the study is located at Dipatiukur Street in the city of Bandung, Indonesia selling the very Indonesian food such as improved Indomie (a famous instant noodle based in Indonesia), coffee, and toast. This café is situated in the campus area where the market is dominated by college students and graduates. Warunk Upnormal is one of the brands of CRP (Cita Rasa Prima) Group, and it becomes the most expansive one in terms of business growth. The approach used by the owner of this café may be interesting to study as the café provides uniqueness in many aspects. For example, the café sells instant noodle which is necessarily a common food for Indonesian people because of its distinctive taste, low-price, and ease to
make. Nonetheless, Warunk Upnormal brings innovation by ‘upgrading’ the regular instant noodle to be something different and ‘cool’ for Millennials.

Using the keywords “generasi milenial” in google scholar search, the researchers found abundant of search results showing the research in millennials in Indonesia. Some of those studies focused on the communication (Mansyur, 2018; Shahreza, 2018), religion (Mutia, 2017), human resource (Forastero, Sjabadhyni, & Mustika, 2018) and education (Lalo, 2018; Martini, 2018). Only a few of them focused relatively on the millennials in a business context. Thus, this study is expected to add to the literature focusing on millennials study in creative business. The unique approach implemented by Warunk Upnormal is essential to be studied who in 2018 was awarded the Digital Popular Brand Award 2018 (Hidayat, 2018).

This paper aims at describing the selection criteria of the millennials in choosing a café with Warunk Upnormal as the research object. Specifically, this paper tries to investigate those criteria among male and female customers. This paper adds the present literature by presenting the facts about selection criteria of the millennials in the context of Indonesia as an emerging economy.

LITERATURE REVIEW

Cohort of millennials

The millennials are a cohort in generation pyramids which are also called as the Facebook generation. Their age is between 18 and 35 years old (Pomarici & Vecchio, 2014). Besides, they are the offspring of Generation X or Baby Boomers. Understanding the millennial generation is crucial (Farrell & Hurt, 2014). Governments, businesses and academia or universities should understand this generation because the percentage of this population is high. According to the Statistical Center Bureau (BPS), as reported by Tirto.ID, in 2019 the Indonesian Millennials (aged 20-34 years old) is projected to reach 23.77% of the total population or around 62 million people (Garnesia, 2018).

Those such as political parties also try to understand the millennials because they want to get their votes (Garnesia, 2018). Businesses also pay attention to the millennials because their proportion in the demographic is significant, making them the promising market. The millennial generation is also in the eyes of many researchers around the globe, making the research of the millennial generation quite extensive. The research ranges from the characteristics of the millennial, teaching approach for millennials, motivating the millennials and so on. The research focusing on millennials is outlined in the following section.

Previous research

Monaco & Martin (2007) had awareness about the millennial generation coming to colleges. They asserted the importance of the educators to change their role because the millennials prefer the learning approaches such as collaborative and social interaction (Monaco & Martin, 2007). Among the learning styles of millennials are online discussion boards, discussions, and presentations.

Ng, Schweitzer, & Lyons (2010) in their study found that millennials aspire to carrier advancement when they work. Besides, millennials value the relationship in the workplace, so
they expect for good people on their team (Ng et al., 2010). They found that the expectation and values of millennials vary by gender. From their research, it implies that male and female millennials are different when deciding café for them to hang out.

Millennial Muslim travelers are the sub-segment representing the native digital generation with unique needs and service expectation. Thus, the product characteristics offered to that cohort should fulfill the three concepts known as 3A(s), namely, authentic, affordable, and accessible (Annuar, 2018).

**Conceptual framework**

Many factors may determine people to visit a restaurant or café for having a meal. Sampling 150 customers in India, Srivastava (2015) studied the preferences of customers in selecting a restaurant. Among all the factors, this author found that there were six factors which were considered the most by the customers in choosing a restaurant (or a café), namely, the quality of the food, taste, hygiene, service, coziness, and atmosphere. From that research, this study selected three attributes to be considered as criteria for selecting café. These criteria are the first, second, and fifth criteria as shown in Figure 1.

The first criterion (comfort) can be defined as anything that may provide support to the customers. It can be tangible factors such as the arrangement of table and chairs (Han & Ryu, 2009) or intangible factors such as the easiness to have a meal because the customers do not have to cook beforehand (Srivastava, 2015). The second criterion (excellent service) in this research refers to the aspect of human resources or the waiters. The decent behavior of the waiter is something that is appreciated by the customers and essential to be paid attention. Any mistake from the waiter may result in a complaint to the manager or owner (Srivastava, 2015).

Annuar (2018) proposed that affordability and authenticity are two essential factors for millennials. Affordability means the price offered by the company which is in the range of customer purchase power. Authenticity may refer to the uniqueness of the service or good provided by the company. These factors become motivation for us to determine that affordability (third criterion) and uniqueness (sixth criterion) are the essential criteria for the respondents in selecting a café.

The fourth criterion (various products) refers to the variety of the product offered by the café. Menu variety is also a part of the quality of food which has a connection with the buying intention of the customers (Xiao, Yang, & Iqbal, 2019). The fifth criterion (complete facilities) refers to the existence of supporting facilities such as internet connection (Wi-Fi) and cord extension which are essential for millennials because they usually carry their gadgets to the café or restaurant. This aspect is central and needs to be considered by business (Rinandiyyana, Kurniawati, & Kurniawan, 2017).

The seventh criterion (influence of friends) in this conceptual framework is inspired by the work of (Monaco & Martin, 2007) stating that collaboration and social interaction is essential for millennials. Parment (2013) also noted that the purchase intention of millennials is highly influenced by friends or other people. This notion implies that friends might affect selecting behavior of a customer in going to a place such as a café.
The eighth criterion (reflecting social status) means that whether or not visiting a café can indicate a particular image or prestige. Eating at a café or restaurant often results in prestige to the visitors (Aryani & Rosinta, 2010). Innovativeness is one of the labels of millennials in the optimistic viewpoint (Ordun, 2015). Thus, this study assumes that an innovative product (ninth criterion) is also the criteria considered necessary by the millennials.

Thus, based on those works this research proposes a framework with a slight modification by comparing the male and female millennials in order to gain more insight between the two gender groups. The research framework is as follows:

Criteria
1. Comfortable place
2. Good service
3. Affordable price
4. Varied products
5. Complete facilities
6. Unique menus
7. Influence of friends
8. Reflecting social status
9. Innovative products

![Conceptual Framework](image)

**Figure 1**
Conceptual Framework

**Hypothesis development**

Grounded on the explanations in the preceding section, the hypotheses in this research are formulated as follows:

H1: The criterion comfortable place is differently viewed by male and female millennials in selecting a café.

H2: The criterion varied product is differently viewed by male and female millennials in selecting a café.

H3: The criterion innovative product is differently viewed by male and female millennials in selecting a café.

H4: The criterion unique menu is differently viewed by male and female millennials in selecting a café.

H5: The criterion complete facilities are differently viewed by male and female millennials in selecting a café.

H6: The criterion good service is differently viewed by male and female millennials in selecting a café.

H7: The criterion friend recommendation is differently viewed by male and female millennials in selecting a café.

H8: The criterion reflecting social status is differently viewed by male and female millennials in selecting a café.

H9: The criterion affordable is differently viewed by male and female millennials in selecting a café.
RESEARCH METHODS

This research was conducted in one month, i.e., in March 2018 at Warunk Upnormal (café), located at Dipatiukur street, Bandung. This research is descriptive research studying the selection criteria of Millennials in choosing a café designed especially for them. To obtain the data, this study disseminated questionnaires to 100 visitors visiting the café. Though the number of sampling is relatively small, the researchers hope this research can contribute to the existing knowledge especially at the explanatory level because the café under study is unique and new. The respondents were taken randomly as the research sample using convenient sampling technique. This sampling technique is appropriate considering the number of population which is unknown. The convenient survey was used in previous research such as (Tang et al., 2015).

The study used an online questionnaire by using a Google Form application to reach the respondents, and build the atmosphere during the interview was calming and friendly. Another reason for using this is because the target respondents are the millennials who are familiar with technology and gadget. Thus, using a cellphone is deemed more appropriate than using the printed regular questionnaire. The answers from the respondents are then tabulated using Microsoft Excel.

The questionnaires used in this research cover several questions which are grouped into two sections, namely the profile of the respondent and the criteria of millennials in selecting a café. The questions in the first section consist of closed questions covering gender, age, origin, monthly expenditure, and social media. The questions in the second section, consisting of criteria in selecting a café, use Likert scale (1-5) where 1 specifies strong discrepancy, 2 specifies discrepancy, 3 points to neutral, 4 designates agreement, and 5 specifies high degree of agreement to the questions or statements. Thus, the data of the questionnaire in this research are ordinal data.

As this study randomly asked the respondents, the researches made sure that none of them was asked more than once. This approach was made because some people might visit the café more than once within a month or even a week. In order to do this, the first question asked each respondent whether or not they had been interviewed before. The response rate in this research is 100% (100/100).

This research adopts the work of Hamid and Masood to perform the data analysis (Hamid & Masood, 2011). In this research, frequency analysis was used to figure out the characteristics of respondents. Subsequently, the writers used the logit value item (LVI) in Rasch analysis for ranking the selection criteria of a café by the millennials. The items with the smallest LVI scores mean they are the items which most considered by the respondents (Setiawan, Panduwangi, & Sumintono, 2018). The software the writers used for performing Rasch analysis was Winstep version 3.73.

This research employed the independent sample t-test to find the dissimilarity which may appear between the criteria in selecting a café and gender which is a part of the demographic summary. This t-test allows the writers to compare the means whether the difference is significant from zero or not.
RESULTS AND DISCUSSION

Section one of the questionnaire consists of the demographic information of the respondents. The profiles of the respondents are shown in table 1.

Table 1
Summary of Respondents (N=100)

<table>
<thead>
<tr>
<th>No</th>
<th>Category</th>
<th>N</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>37</td>
<td>37%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>63</td>
<td>63%</td>
</tr>
<tr>
<td>2</td>
<td>Age Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less than 20</td>
<td>15</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>21-25</td>
<td>78</td>
<td>78%</td>
</tr>
<tr>
<td></td>
<td>26-30</td>
<td>7</td>
<td>7%</td>
</tr>
<tr>
<td>3</td>
<td>Origin</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bandung</td>
<td>86</td>
<td>86%</td>
</tr>
<tr>
<td></td>
<td>Out of Bandung</td>
<td>14</td>
<td>14%</td>
</tr>
<tr>
<td>4</td>
<td>Monthly expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less than IDR 1,500,000</td>
<td>6</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>IDR 1,600,000 until IDR 2,500,000</td>
<td>75</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>IDR 2,600,000 until IDR 3,500,000</td>
<td>17</td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>More than IDR 3,600,000</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>5</td>
<td>Knowing Warunk Upnormal from what Social media?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Instagram</td>
<td>80</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>Facebook</td>
<td>12</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>Twitter</td>
<td>8</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: Processed data (2018)

From table 1, it is known that most visitors to Warunk Upnormal are female youngsters. It does make sense because the population of Indonesian is dominated by women. From the age perspective, the total sample of respondents is included as millennials where most respondents are 21-25 years old. This group of people is mostly newly graduated students or college students. The college students at this age need a cozy place for doing their homework or final paper. The place such as a cafe or café has always been a good choice where they can enjoy the food, atmosphere and get prestige.

Most respondents are from Bandung and around, but there are also who come from out of Bandung such as the capital city of Indonesia, Jakarta. The availability of Warunk Upnormal in several cities makes this cafe popular quite fast. Since it was firstly launched in June 2014, the number of the outlet is now 65 outlets all across Indonesia.

In terms of spending habit, the respondents we interviewed are categorized as a middle group where most of them spend IDR 1,600,000 – IDR 2,500,000 per month. This amount of money spent is outside of the monthly or annual rental for paying the lodging house (if they are not from Bandung. The relatively high expenditure of millennials in Bandung is caused by impulse buying in their shopping patterns. Monthly, they spent around 54% for foods and 42%
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for clothing. This segment is mostly college students whose earnings are only from their parents (Rozana, Nugrahawati, & Dwarawati, 2016).

Most of the respondents knew Warunk Upnormal from Instagram social media. This social media is more popular among millennials than other social media such as Facebook and Twitter. As social media, Facebook is losing its popularity among millennials because it is considered less irrelevant for them (Macmanus, 2018). Seeing this reality, Warunk Upnormal decorates its outlet to be friendly for the youngsters, so they create the walls and interior which are Instagramable. It allows the young people or teens to take photos with them as the background. Since selfie or wefie have been somewhat the parts of young people’s culture, Warunk Upnormal quickly understands it and sets its decoration which suits the millennials.

In part two of the questionnaire, it asked respondents about the essential factors in selecting a cafe. It is shown in table 2 where the nine criteria that this investigation offered to respondents are analyzed using LVI in Rasch analysis.

<table>
<thead>
<tr>
<th>Category</th>
<th>Criteria</th>
<th>Item/LVI (Logit Value Item)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The most difficult to be considered</td>
<td>LVI ≥ 0.01</td>
<td>Innovative products (LVI= 0.18)</td>
</tr>
<tr>
<td>Difficulty Strata I</td>
<td></td>
<td>Reflecting social status (LVI= 0.13)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unique menus (LVI= 0.10)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Influenced by friends (LVI= 0.10)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Complete facilities (LVI= 0.05)</td>
</tr>
<tr>
<td>The easiest to be considered</td>
<td>LVI &lt; 0.01</td>
<td>Varied products (LVI=0.00)</td>
</tr>
<tr>
<td>Easy Strata I</td>
<td></td>
<td>Good service (LVI= -0.13)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Affordable price (LVI= -0.13)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comfortable place (LVI= -0.30)</td>
</tr>
</tbody>
</table>

Source: Processed data using Rasch analysis (2018)

From table 2 and figure 2, it is known that most of the respondents agree that the comfort (logit value = -0.30) is the most important factor in choosing a café, shown by the lowest LVI scores and the lowest-right position in the item-person map. This result is in line with Srivastava (2015), and this does make sense because Warunk Upnormal also sets its café as a convenient place where the visitor can enjoy the food in a relaxing environment. One of the things that may make the millennials feel comfortable in a café and the presence of a fast internet connection. Wi-Fi and the latest technology are indeed crucial for millennials (Shaw & Fairhurst, 2008). The millennials want to be highly accessible and visible online, whenever and wherever. The cafe provided Wi-Fi as well as the electric port where the visitors may charge their phones, tablets or laptops.

The second most important reason for determining a café is the price (logit value = -0.13). The café targeting college students should set the price affordable, considering that most of the college students only rely on their parents to fulfill their monthly needs.

The third most important factor in selecting a café by millennials is the service of the servants (logit value = -0.13). It includes several factors such as the speed in fulfilling the order...
and the warmth of the servants. These three factors are the most factors considered most important by the millennials. According to the results, other factors, i.e., varied products, complete facilities, unique menus, friend’s influence, social status force, and product innovativeness are not as important as the first three factors outlined above.

In order to examine the factors influencing respondents in selecting a café, this study performed an independent t-test for the items. This test is employed to find the mean difference between the two sample groups. The t-test was also utilized in previous research to examine the mean differences between two sample groups (Adnan & Ajija, 2015; Ibrahim & Alqaydi, 2013; Lantara & Kartini, 2015; Taft, Hosein, & Mehrizi, 2013). In this research, the number of samples is unequal if seen from the gender side. Thus it used the t-test two-sample assuming unequal variances in a spreadsheet program, Microsoft Excel. Ordinal data in this section were converted to interval data using the method of successive interval or MSI also in Microsoft Excel. This conversion of the data is required before conducting the t-test (Sarwono & Budiono, 2012). Table 3 depicts the results of our calculations.
Table 3
Criteria in Selecting Café and Gender

<table>
<thead>
<tr>
<th>Criteria in selecting café</th>
<th>Mean</th>
<th>Independent sample t-test</th>
<th>p-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comfortable place</td>
<td>1.49</td>
<td>3.51</td>
<td>0.00</td>
<td>Hypothesis supported</td>
</tr>
<tr>
<td>Varied products</td>
<td>2.43</td>
<td>3.50</td>
<td>0.00</td>
<td>Hypothesis supported</td>
</tr>
<tr>
<td>Innovative products</td>
<td>3.30</td>
<td>2.58</td>
<td>0.00</td>
<td>Hypothesis supported</td>
</tr>
<tr>
<td>Unique menus</td>
<td>2.22</td>
<td>3.50</td>
<td>0.00</td>
<td>Hypothesis supported</td>
</tr>
<tr>
<td>Complete facilities</td>
<td>2.22</td>
<td>2.26</td>
<td>0.84</td>
<td>Hypothesis not supported</td>
</tr>
<tr>
<td>Good service</td>
<td>2.35</td>
<td>2.34</td>
<td>0.93</td>
<td>Hypothesis not supported</td>
</tr>
<tr>
<td>Friend’s recommendation</td>
<td>3.30</td>
<td>2.96</td>
<td>0.07</td>
<td>Hypothesis not supported</td>
</tr>
<tr>
<td>Reflecting social status</td>
<td>2.35</td>
<td>3.50</td>
<td>0.00</td>
<td>Hypothesis not supported</td>
</tr>
<tr>
<td>Affordability</td>
<td>2.24</td>
<td>2.38</td>
<td>0.40</td>
<td>Hypothesis not supported</td>
</tr>
</tbody>
</table>

Source: Processed data (2018)

Using the degree of confidence of 95% (Hair, Anderson, Tatham, & Black, 2010), this study found that, as shown in table 3, only comfortable place, varied products, innovative products, and unique menus criteria which are significantly different among male and female respondents. Other five criteria in this research are insignificant, meaning that male and female millennials may have the same perception on them, nothing more important than one another. The first four items in table 3 have alpha of less than 0.05 (other criteria have significance value of more than alpha of 0.05). According to results obtained, this research hypothesis of H1, H2, H3, and H4 are therefore accepted while H5-H9 is rejected. In this study, it is shown that male millennials prefer product innovativeness (significantly higher mean) over other factors while the female millennials prefer comfort, product variety, and unique menus as these three criteria have a significantly higher mean. To a minor degree, the result of this research is in line with (Pomarici & Vecchio, 2014) stating that female millennials may have a different expectation on the product they are going to buy. It means that male and female millennials may have a different preference in consuming any goods or services.

CONCLUSIONS

According to the results of this research, there are generally three criteria which are considered important in selecting millennials’ café, namely, comfort, price affordability, and good service. Millennials customers set comfort as the first criteria for choosing a café.

The result of the second part of this research studying the difference in gender profile shows that male millennials have a different view from female millennials where male ones prefer product innovativeness while female millennials prefer comfort, varied products, and unique menus.
IMPLICATIONS

The results of this research imply that any business targeting millennials should generally prioritize comfort as this variable is considered most important by people of those ages. The comfort can be shaped by the company by providing a friendly atmosphere and complete information about the café. It will ease the millennials to do online benchmarking directly through their gadgets. They can easily compare one café from another, especially in terms of services and facilities.

LIMITATIONS AND SUGGESTIONS

This research is not free from flaws. Aside from the small sample size, this research is also limited in terms of research scope as it was only conducted in one of the branches in Bandung. These limitations may, therefore, hamper us to generalize the results. Further research may be performed by extending the number of respondents and adding the branches of the café located in other cities in Indonesia.

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