

FACTORS THAT INFLUENCE DINE IN DECISION MAKING IN MELAKA
HIPSTER HANGOUT CAFES

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DECLARATION

“I admit that this report is the result of my own except the summarizes and quotes that I have explained the sources.”

SIGNATURE

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NAME

: CHOW PUI TENG

DATE

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DEDICATION

I would like to dedicate the appreciation to my family members who supported me from spiritually and financially, beloved supervisor and panel who guided me throughout the research, course mates that assisted me through the journey of research.

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I would like to express my deepest appreciation to all those who provided me the possibility to complete this Project Sarjana Muda (PSM) successfully. Then, big appreciation to my beloved family who always give me supports in term of

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ABSTRACT

The purpose of the research is to determine the factors that influence dine in decision making in Melaka Hipster Hangout Cafes. To attain the objective of this research project, research question and nine hypothesis are developed and tested. Thus, each hypothesis is measured accordingly and result obtain are subsequently.

Besides, literature reviews are included in this research project as to provide better understanding toward the influence on consumer buying decision making in Hipster Hangout Cafes. Primary data were collected through survey questionnaire for this research and 400 sets questionnaires were distributed to target respondent who live in Melaka including student, working adult, self-employed, professional and retiree. Data collected through survey questionnaire was analyzed by using Statistics Package for Social Science (SPSS) and result obtained are discussed in form of table as well as graph. The result of the analysis show that factors which are motivation, cultural, personal, Corporate Social Responsibility (CSR) have significant influence on people buying decision making in Hipster Hangout Cafes. The result of this study contributes exceptional judgment to cafes entrepreneur to give emphasis of factors that influence dine in decision making in Melaka Hipster Hangout Cafes.

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motivation, perception, learning, memory, cultural, social, personal, psychological, Corporate Social Responsibility (CSR) toward buyer decision.

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LIST OF SYMBOL

SYMBOL	DESCRIPTION	PAGE
a	the constant (point at which line crosses Y axis)	
b	slope (regression coefficient) for variable	
x	variable	
y	Y-axis	

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CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

Chapter 1 will include background of research, Malaysia Hipster Hangout Cafe Industry overview in the food and beverage sector, problem statement, significant of study, research question, research objectives, study scope, limitation and summary.

1.1 BACKGROUND OF RESEACH

1.1.1 Cafe

According to (Wong,2014) ,cafe has become fast developing sector in the food and beverage market.Cafe usually provides foods including breakfast, western food, dessert, snacks and coffee, and there is combination of foods and beverages for cafes nowadays. Cafe is a business entity focusing on the management of serving coffee and other food and beverage to consumer (“Different between Cafe”, 2012).Coffee shops can provides variety of choices when compared with restaurants, clubs or bar if people want to choose a best places hang out with friends (Carolyn, 2014).Dining in cafes is increasing in daily life as it becomes popular trend in people lifestyle. (Swipely Team, 2014).

1.1.2 Hipster Hangout Cafe

According to Cambridge Dictionary, word “Hipster” means someone who is very influenced by the most recent ideas and fashions. Hipster culture is a contemporary subculture. Hipster’s culture is becoming increasingly visible in Malaysian society.(Hanani.H,2016)Another important part of hipster culture is the food. We can see even in Malaysia, many cafe are getting smart by combining hipster trends into their menus and designs.(Hanani.H,2016)Hence, Hipster culture combined with cafe is called “Hipster Hangout Cafe”. The trends that revolve around a typical hipster cafe involve creative cakes, coffee, hipster indie music, unique latte art and so on. Hipster Hangout Cafes are being developed all over the places,especially in the city areas.Hipster Hangout Cafes in Malaysia can be identified through the creative name in food and beverage, the ingredients used as well as their unique presentation (Syakirah, 2015).However,,hipster food culture in Malaysia has cause difficulty and impact of hipster food culture has affected not only their food consumption pattern but also lifestyles(Syakirah,2015). Unique latte art has attracted people attention such as 3D cartoon, heart design, rosettes design and so on.

Hipster Hangout Cafe distinguish themselves because they are an expression of creativity, whether it comes in the form of electric interior designs or menu combinations(Syakirah,2015).Hence, Hipster Hangout Cafe has become favorite places for gathering and dining among young people. Understanding the status consumer behavior of young people is a critical issue enable Hipster Hangout Cafe marketer expert in creating relationships between young consumers.

1.2 PROBLEM STATEMENT

The competition of growing gourmet Hipster Hangout Cafe is increasing exponentially, even with its accessibility globally(Adriana,2013).Cafe entrepreneur are facing a big challenges in fast changing of customer due to competition (Adriana,2013).Additionally,the increasing income level and growing populations lead to expansions of cafes in Malaysia where these young people love hangout in Hipster Hangout Cafes with buddies and willing to invest more time and money.(Yee, Y. S., & Yuen, J. L. F.,2014).In order to compete in saturated cafe industry,Hipster Hangout Cafe are trying hard on new ideas and concepts by offering more food options, loyalty programs,promotion and new drink recipes to customer. Other than that, coffee culture among the people has increase concept design coffee shops and cafes and this creates business opportunities to fulfill to the increasing demand(BorneoPost,2014). Hipster Hangout Cafes is one of the strategic places for people to chat, business discussion,relax and other events for individuals (Korf, 2002). Hipster Hangout Cafes is considered as one of the public area that people use for various purposes (Lim, 2012). Cafe are usually have similar product and services.This situation also happened to the Hipster Hangout Cafe. Therefore, Hipster Hangout cafe business tend to be very competitive. The ever-changing lifestyle allow people embracing new eating habits from the current waves of food trend (Ali & Abdullah, 2012). Noraziah, Norihan and Abdullah (2008), Mat (2003) and Baweh (2004) stated that changes of the consumption pattern,lifestyle,dining places and food variety are linked to cultural transition in society.Based on the statistics Suruhanjaya Syarikat Malaysia(SSM),

there were a total of 54,515 Hipster Hangout Cafes from year 2014 to 2018. However, only 6,109 (11.2%) Hipster Hangout Cafes in active state, 27,831 (51.05%) cafes expired and 20,575 (37.74%) cafes terminated. This figure shows that more than half of Hipster Hangout Cafes expired and 37.74% of Hipster Hangout Cafes terminated from year 2014 to 2018. Other than that, as a strong advocate of youth empowerment and entrepreneurship in the Hipster Hangout Cafes Melaka, it is important to determine factors that influence dine in decision making in Melaka Hipster Hangout Cafes to ensure whether can this business sustainable and profitable in the future.

1.3 Significant of Study

Malaysia also influenced by the hipster food culture. This is obvious when hipster hangout restaurants, generally in metropolitan regions, are mushrooming all over the place. This study is to determine the factors that influence dine in decision making in Melaka Hipster Hangout Cafes. Understanding on how these factors influence the decision people dine in decision making in Melaka Hipster Hangout Cafe.

Today, the success of Hipster Hangout Cafe business depends upon the satisfaction food consumption of customers and group segmentation especially young people. To satisfy the young people, cafe owner should know about the factors influence the decision making of young people dine in at Hipster Hangout Cafe. In these circumstances, understand young people decision making dine in at Hipster Hangout Cafe is a difficult task young people decision making influence by various factors and changes in life style. Studying the factors influence the decision making of young people dine in at Hipster Hangout Cafe is important because it will enable cafe owner further understand young people behaviors when dine in at Hipster Hangout cafe and upgrade their foods and services to cater needs and wants of young people. With better goods and services results in more sales and therefore more profit. Not only is it important to factors influence the decision making of young people dine in at Hipster Hangout Cafe., but it is necessary to know what type of hipster hangout cafe to attract young people insight.

The results of this study provide a framework allow cafe owner identify young people decision making on food consumption and improve itself problems to compete among cafe business. The findings have potential to assist cafe owner in maintaining their cafe business based on understanding young people decision making dine in at Hipster Hangout Cafe.

1.4 Research Question

In this research, research questions are developed to obtain the relevant information to answer specific issue or concern. The aims of this research was to determine factors that influence dine in decision making in Melaka Hipster Hangout Cafes.

The proposed questions to be answered in this research are as follow:

RQ1: What are the factors that influence dine in decision making in Melaka Hipster Hangout Cafes?

RQ2: What is the relationship between factors and people dine in decision making in Melaka Hipster Hangout Cafes?

RQ3: Does Corporate Social Responsibility(CSR) affecting people dine in decision in Melaka Hipster Hangout Cafe?

1.5 Research Objective

This research is focus on the factors that influence dine in decision making in Melaka Hipster Hangout Cafes. There are three objective were developed to achieve the goal and better result for this study. These objectives are needed to be answered at the end of the study.

RO1: To determine the factors that influence dine in decision making in Melaka Hipster Hangout Cafes.

RO2: To investigate relationship between factors and people dine in decision making in Melaka Hipster Hangout Cafes.

RO3: To identify whether Corporate Social Responsibility(CSR) affecting people dine in decision in Melaka Hipster Hangout Cafe.

1.6 Scope,Limitation and Key Assumption

1.6.1 Scope

The different types of cafe are differentiated by their nature. Type of cafe consists of corporate store, grab and go cafe. However, this study only focus on only one type of cafe which is Hipster Hangout Cafe. This study covers all Hipster Hangout Cafe in Malacca.

People who age above 15 were selected as the target group since they can carry own transport such as motorcycle and part time salary to afford expenses in Hipster Hangout Cafes.Target respondent as mentioned above can provide comprehensive information

on study of factors influencing the decision making of young people dine in at Hipster Hangout Cafe.

1.6.2 Limitation

There are several limitation will be faced by researcher in this study. The major limitation is researcher only focus on Melaka area. However, some respondents consist of different generations such as student, self-employed, working adults, professional, retiree and so on.

Second limitation is the limitation in terms of the study location's geographical region. Only Hipster Hangout Cafes in Melaka were the focus of this study.

1.6.3 Key Assumption

This research can be used as guideline and provide useful information that cafe owner can understand people decision making when dine in at Hipster Hangout cafe. The key assumption of this study is that the findings can be correspond into a different Hipster Hangout Cafes. In additional, second assumption of this research is the answer from the respondents is honesty and accurate. Other than that, the result of this study is consistent to the past research.

1.7 Definition of General Terms

Table 1.1 Meaning of General Terms

Terms	Definition	Citation
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