Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

The Influence of Product Innovation on Purchasing Decisions (Case Study of Davino Tea in Kudus)

Wahidatul Afrina[1*], Ratih Pratiwi[2]
Wahid Hasyim University, Semarang, Indonesia
***Corresponding email: afrinawahidatul@gmail.com**

Received: June 27, 2025 | Revised: July 10, 2025 | Accepted: July 15, 2025

Abstract. This study aims to analyze the impact of product innovation on consumers' purchase decisions, using Davino Tea as a case study. Davino Tea is an iced-tea beverage brand with a trendy concept and affordable pricing, targeting millennial and Gen Z consumers in strategic areas such as campuses and schools. Its innovations include a wide array of tea flavors, milk-based variants, Yakult-infused options, coffee flavors, eye-catching packaging, and locally inspired branding that resonates with everyday life. Adopting a quantitative approach, the research distributes questionnaires to Teh Davino customers to examine how flavor, packaging, and serving innovations influence their buying decisions. The findings are expected to provide insights for developing more effective product and marketing strategies, especially for modern iced-tea businesses seeking sustainable competitiveness in local markets.

Keyword : Product Innovation; Purchasing Decision; Modern Tea; Davino Tea; Marketing Strategy

INTRODUCTION

Indonesia's modern beverage trends are expanding quickly, particularly in the market for tea-based beverages. In recent years, consumers, especially young people, not only consider taste, but also uniqueness, packaging aesthetics, and visual experience as factors in purchasing decisions. This encourages businesses to innovate continuously in order to compete in an increasingly competitive market.

Ellitan and Anatan (2009) in (Ajy & Purnama, 2023) innovation means "creativity in creating new products, services, ideas, or processes, whether they have been implemented in the organization or developed outside the organization. In simple terms, innovation is defined as "accompanying organizational change". According to Kotler and Keller (2009: 279) in Prasaja (2018) Product innovation is modifying and improving old products. With product innovation as an expansion of the brand in related product categories can also expand the meaning of the brand. Meanwhile, according to Law Number 19 of 2002 (Widiyanto et al., 2021) in (Dharma, 2024) innovation is : "A series of developments by applying science in knowledge and technology to products, such as feedback from consumers, a combination of previously existing matters, to new findings."

Kotler & Keller (2012) state in Cherstiawan, A1. Cherstiawan, 2019 that customers discover brand preferences throughout the evaluation stage of purchasing decisions and intend to purchase the brand they like the most. Engel (Firmansyah, 2018) states in (Pertiwi, 2022) that decision-making is a multi-step process that includes identifying needs, gathering information, weighing alternatives prior to making a purchase, making a purchase, consuming the product, and evaluating alternatives after the purchase. According to Simarmata et al. (2021: 102) in Junifanto et al. (2024), purchasing decisions are made by selecting from a range of available options, which can be impacted by a number of variables like beliefs and values.

Davino Tea comes as one of the contemporary local tea brands developing in the Kudus region. As a brand that is still in the market strengthening stage, Teh Davino has made various

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

innovations in products such as flavor variations, attractive packaging, and visual strategies that are relevant to the trends of the younger generation. It is yet unknown empirically, though, how well these advances have worked to influence customer purchase decisions.

Prior research has mostly not looked closely at how product innovation affects consumers' decisions to buy regional tea goods like Davino Tea, especially in the Kudus region which has unique consumer characteristics and local preferences (Permatasari & Maryana, 2021) in (Teguh & Cahyono, 2023). These studies tend to focus on national brands that already have strong brand equity such as Es Teh Indonesia and Frestea (Putra, 2021), or combine product innovation with other variables such as promotion and price, so the effect of product innovation independently has not been widely revealed (Permatasari & Maryana, 2021). In addition, there is no research that specifically examines how product innovation in the contemporary tea category, including aspects of taste, packaging, and style that appeal to the youth segment, impacts purchasing decisions in regional markets such as Kudus (Rahmi & Rizki Diyah Purwanti, 2016) by (Azid et al., 2024). Therefore, there is a need to specifically explore the product innovation of Teh Davino as a contemporary local tea brand and how it affects consumer purchasing behavior in the region without being influenced by external moderating variables, in order for the study's findings to offer more pertinent and contextual information for creating marketing plans for regional tea goods in the modern day. In addition, past research has focused more on product innovation and purchasing decisions, mostly focusing on products from large and national companies, such as Frestea or Es Teh Indonesia, and many have incorporated other variables such as promotion, price, or the influence of unique reference groups (Permatasari & Maryana, 2021; Teguh & Cahyono, 2023; Putra, 2021; Azid et al., 2024). However, there are no studies that specifically examine the effect of product innovation on purchasing decisions for local tea brands such as Davino Tea operating in regional markets such as Kudus. In addition, not many studies have looked at young consumers' perceptions of the flavor, packaging, and style innovations that characterize local contemporary beverages. Thus, by examining the direct impact of product innovation on Davino Tea customers' purchase decisions, this study seeks to close the gap, as well as making theoretical and practical contributions to product strategy development in the local contemporary beverage sector.

Thus, it's critical to assess how much Davino Tea's product innovation can influence consumers to select and purchase their goods, particularly in the face of competition from bigger, more well-known companies.

METHOD

Descriptive and associative quantitative methods are used in this study. The quantitative method is employed since the information gathered is numerical (questionnaire scores), which are subsequently statistically examined to ascertain how product innovation affects consumer choices. Because it seeks to examine the influence or relationship between variables—specifically, between product innovation (an independent variable) and purchase decisions (a dependent variable)—this kind of study is associative. Customers of Davino Tea were given online surveys to complete in order to collect data. 50 respondents who fit the following criteria were selected using a non-probability sampling technique with a purposive sampling method: they had to be between the ages of 15 and 35 (representing millennials and Gen Z), have purchased Davino Tea products at least twice in the previous three months, and be aware of Davino Tea products as active consumers. In the meanwhile, a closed questionnaire measuring respondents' agreement with each

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

statement that had been examined for validity and reliability was used to gather primary data. The questionnaire used a Likert scale from 1 to 5, then analyzed using multiple linear regression analysis which was preceded by a classical assumption test and complemented by a partial test (t), simultaneous test (F), and coefficient of determination (R^2) to determine how much influence each product innovation variable has on consumer purchasing decisions significantly and thoroughly. The study's Product Innovation indicators are based on Kotler & Armstrong's (2014) thesis, which is cited in Ilham & Isfianadewi (2024), namely Relative Advantage; Compatibility / Suitability; Observability; Product Design and Design and Uniqueness. The indicators of purchasing decisions adopt Tjiptono's theory in (Effendi & Chandra, 2020), including product selection; Brand choice; Choice of dealer; Purchase amount or quantity; Purchase time.

RESULTS AND DISCUSSION

50 respondents provided information for the study, which was based on the results of questionnaires given to Davino Tea Consumers in Karangrowo Village, Kudus Regency. A validity test and a reliability test were conducted to ascertain the condition and validity of the data used. Every variable utilized in this study is tested by the validity test. Respondents are required to respond to 20 statements for each research variable.

Table 1. Validity Test Results

Variable	Indicator	Code	r - count	r - table	Description
Product Innovation (X)	1	X1	0,365	0,2787	Valid
	2	X2	0,388	0,2787	Valid
	3	X3	0,374	0,2787	Valid
	4	X4	0,052	0,2787	Invalid
	5	X5	-0,221	0,2787	Invalid
		X6	0,358	0,2787	Valid
		X7	0,104	0,2787	Invalid
		X8	0.443	0,2787	Valid
		X9	0,316	0,2787	Valid
		X10	0,578	0,2787	Valid
Purchase Decision (Y)	1	Y1	0,142	0,2787	Invalid
	2	Y2	0,505	0,2787	Valid
	3	Y3	0,456	0,2787	Valid
	4	Y4	0,394	0,2787	Valid
	5	Y5	0,188	0,2787	Invalid
		Y6	0,281	0,2787	Valid
		Y7	0,207	0,2787	Invalid
		Y8	0,508	0,2787	Valid
		Y9	0,349	0,2787	Valid
		Y10	0,560	0,2787	Valid

Source: Primary Data that has been processed, 2025

Certain statement items are known to not meet the r-count> r-table value (0.2787) based on the results of the validity test. This could be because the respondent didn't comprehend the statement's contents, or it could be because there wasn't much variation in the responses because everyone understood the item. To guarantee correct analysis results, only elements that have been deemed legitimate are used as the foundation for computations in the regression analysis procedure.

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Description
Product Innovation	-0,350	Not Realiable
Purchase Decision	0,243	Not Realiable

Source: Primary Data that has been processed, 2025

It is known that variable X's Cronbach's Alpha value is less than 0.60 based on the reliability test findings in table 2. As a result, the Product Innovation variable (X) reliability test findings are deemed unreliable, and variable Y's Cronbach's Alpha value is known to be more than 0.60. As a result, the Purchasing Decision variable (Y) reliability test results are deemed trustworthy and appropriate for use in the following study procedure.

Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		50
Normal Parameters[a,b]	Mean	0E-7
	Std. Deviation	3,16101722
Most Extreme Differences	Absolute	,048
	Positive	,048
	Negative	-,043
Kolmogorov-Smirnov Z		,341
Asymp. Sig. (2-tailed)		1,000

Source: Primary Data that has been processed, 2025

Table 3's normality test findings indicate that the significant value is greater than 0.05 or 1,000 greater than 0.05. Therefore, it may be said that the research instrument variables' normality test findings are valid for use in the following research procedure.

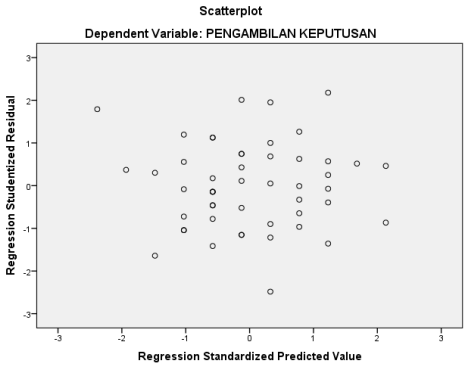
Table 4. Multicollinearity Test

Coefficients[a]							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std.Error	Beta			Tolerance	VIF
1. Constant	32,141	8,109		3,964	,000		
2. Product Innovation	,192	,206	,134	,934	,355	1,000	1.000
a. Dependent Variable: PURCHASE DECISION							

Source: Primary Data that has been processed, 2025

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

To ascertain if the independent variables in the regression model are related, a multicollinearity test is performed. The Variance Inflation Factor (VIF) and tolerance values are the indicators used to identify multicollinearity. If a variable's VIF value is less than 10 and its tolerance value is greater than 0.10, it is considered free from multicollinearity. Table 4 indicates that the Product Innovation variable (X1) has a VIF value of 1.000, which is less than 10. In the meantime, 1.000> 0.10 is the tolerance value. Multicollinearity does not occur in the data.



Source: Primary Data that has been processed, 2025

The t-value and the critical t-table value are compared in order to decide whether a hypothesis is accepted or not. The hypothesis is accepted if the t-value exceeds the critical t-table value. Please refer to Table 4 below for a better comprehension.

Table 5. Multiple Linear Regression Results

Coefficients[a]					
Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std.**	**Beta**		
1. Constant	32,141	8,109		3,964	,000
2. Product Innovation	,192	,206	,134	,934	,355
a. Dependent Variable: PURCHASE DECISION					

Source: Primary Data that has been processed, 2025

The coefficients table of the independent variable Product Innovation shows a value of 0.206, which is based on the outcomes of multiple linear regression tests in table 5. This yields the following multiple lier regression model:

$Y = \alpha + \beta\iota X\iota$ Y = 32.141 + 0.192X1.

This leads to the following explanation:

1. The constant value α of 32,141 means that the value of the dependent variable, which is the purchasing decision, will stay at 32,141 if it is assumed that the Product Innovation and Purchasing Decision variables have a value of 0.
2. The independent variable Product Innovation has a regression coefficient value of 0.192, meaning that for every unit increase in Product Innovation, Purchasing Decisions will rise by 0.192.

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

Table 6. F Test Results

ANOVA[a]					
Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig**
1. Regression	8,891	1	8,891	,872	,355[b]
Residual	489,609	48	10,200		
Total	498,500	49			
a. Dependent Variable: Purchase Decision					
b. Predictors: (Constant), Product Innovation					

Source: Primary Data that has been processed, 2025

The influence of the Product Innovation variable (X1) on Purchasing Decisions (Y) has a significant value of 0.355, which is higher than the significance level of 0.05 (0.355> 0.05), according to Table 6. Furthermore, the F table value of 3.20 (0.872 < 3.20) is larger than the computed F value of 0.872. Therefore, it may be said that Ho3 is not rejected and Ha is not accepted, indicating that Product Innovation (X1) has no discernible impact on Purchasing Decisions (Y).

Table 7. T Test Results

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
1. Constant	32,141	8,109		3,964	,000
2. Product Innovation	,192	,206	,134	,934	,355
a. Dependent Variable: Purchase Decision					

Source: Primary Data that has been processed, 2025

The Product Innovation variable (X1) on Purchasing Decisions (Y) has a significant value of 0.355, which is higher than the significance level of 0.05 (0.355> 0.05), according to Table 7's t test results. The t table of 2.012 (0.934 < 2.012) is larger than the computed t value of 0.934, however, suggesting that the Product Innovation variable X1 does not statistically significantly affect the Purchase Decision variable Y.

Table 8. Determination Coefficient Test Results

Model Summary				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	, 134[a]	-,018	-,003	3,19377
a. Predictors: (Constant), Product Innovation				
b. Dependent Variable: Purchase Decision				

Source: Primary Data that has been processed, 2025

The R Square value is 0.018, which indicates that the Product Innovation variable jointly influences the Purchasing Decision variable by 1.8%, with the remaining 98.2% being impacted by variables not included in this study, according to the findings of the determination coefficient test in Table 8.

CONCLUSION

The purpose of this study is to examine how product innovation affects Davino Tea customers' decisions to buy in the Kudus region. The product innovation under study encompasses a number of elements, including flavor variations, packaging, presentation,

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

and a modern branding strategy. Data were collected from 50 respondents who actively purchase Davino Tea using quantitative methodologies with descriptive and associative approaches. Validity, reliability, multiple linear regression, t test, F test, and coefficient of determination test were used in the investigation. The analysis's findings indicate that, either entirely or in part, product innovation has little influence on consumers' decisions to buy. The t test yielded a significance value of 0.355 (> 0.05), whereas the F test yielded a coefficient of determination (R2) of 0.018, or 1.8%. This indicates that product innovation accounts for just 1.8% of the diversity in consumer purchase decisions, with other factors not included in this study influencing the remaining 98.2%.

Despite the fact that business actors view product innovations such tea flavor variations, eye-catching packaging, and modern presentation styles as their primary draws, the study's findings indicate that these factors are insufficient to have a substantial impact on customer purchasing decisions. Other criteria including pricing, brand loyalty, location convenience, service quality, and promotion could have a greater impact on consumers.

Based on the findings of this investigation, it is recommended that Davino Tea not only focus on product innovation, but also start considering other strategies that can improve consumer purchasing decisions. Some strategies that can be considered include: Developing more active and measurable promotional programs, such as discounts on purchases every Friday, membership systems, or menu bundling; Improving service quality at every point of sale to make the consumer experience more enjoyable; Conducting periodic evaluations of selling prices, especially for the price-sensitive youth market; Expanding market reach through cooperation with online platforms and campus/school communities. This research only tested one independent variable, namely product innovation. Therefore, for future research it is recommended to: Adding other variables such as price, promotion, brand image, or service quality as factors that influence purchasing decisions; Using a larger sample size to make the research results more representative; Trying a qualitative or mixed-method approach to explore consumer perceptions in more depth; Comparing local brands and national brands to find out the relative advantages and disadvantages of each. This study illustrates that product innovation is not always the dominant factor in determining consumer behavior, especially in the local market. . This shows the need for a multidimensional approach in designing MSME marketing strategies. For academics, these results can be used as a basis for developing consumer behavior theory in the context of contemporary local businesses. Meanwhile, for observers of MSMEs, the results of this study show the importance of business assistance not only in terms of products, but also in terms of marketing management and consumer relations.

ACKNOWLEDGMENTS

For their parents' unwavering prayers, moral support, and encouragement throughout the writing of this piece, the authors would like to extend their sincere gratitude.

The authors also express their sincere gratitude to Mrs. Dr. Ratih Pratiwi, S.Pd., MSi., M.M. as the supervisor, for the guidance, direction, and knowledge that has been given so that this article can be completed properly. All the attention and support that has been given is very meaningful for the smooth running of this research process.

Finally, the author hopes that this small contribution can provide benefits for the development of science, especially in the field of marketing MSME products.

Proceeding of 5th International Conference on Research and Development (ICORAD)
Vol. 4 No. 2 (2025)
Page : 99-106
ISSN : 2828-4925
DOI : 10.47841/icorad.v4i2.349

REFERENCES

Ajy, M. D. K., & Purnama, N. (2023). The effect of product innovation, product design, and product quality on IKEA's competitive advantage. Selekta Manajemen: Journal of Business & Management Students, 2(1), 69–84. http://ejournal.uika-bogor.ac.id/index.php/MANAGER

Cherstiawan, A. (2019). The effect of price and promotion on purchasing decisions on Tokopedia for Krida Wacana Christian University students. [Nama jurnal tidak disebutkan]. (Catatan: Penulisan dan detail penulis perlu klarifikasi, referensi ini tampak tidak lengkap.)

Dharma, U. B. (2024). The effect of product quality, product innovation, and marketing strategy on customer loyalty at Konnichiwa Kebon Jahe Coffee Tangerang. [Nama jurnal tidak disebutkan], 4(1). (Catatan: Tambahkan nama jurnal dan halaman jika tersedia.)

Ilham, M., & Isfianadewi, D. (2024). The effect of product innovation, product design, and product quality on competitive advantage in Ventela shoe products: Case study on millennial generation and Generation Z in Yogyakarta Special Region Province. [Nama jurnal tidak disebutkan], 3(1), 218–229.

Junifanto, I., Agustina, T., & Handoko, Y. (2024). The influence of brand image, lifestyle, and word of mouth on purchasing decisions for Kenangan Coffee in Surabaya. Scientific Journal of Management Application Research, 2(1), 619–632. https://doi.org/10.32815/jiram.v2i1.48

Pertiwi, D. (2022). [Article title not specified]. Journal of Gold, 3(9), 51–70. (Catatan: Judul artikel perlu ditambahkan, dan URL file lokal tidak digunakan dalam sitasi resmi.)

Rahmi, P. P., & Purwanti, R. D. (2016). The effect of product innovation and promotion on purchasing decisions for NU Green Tea products at PT ABC President Indonesia, Garut Branch. Journal of Indonesia Building, 1(April), 122–138. http://jurnal-inaba.hol.es

Effendi, I., & Chandra, H. (2020). Marketing management (Revised ed.). Mitra Wacana Media.

Teguh, N. M., & Cahyono, E. (2023). The effect of product innovation and social media marketing on purchasing decisions of Indonesian Es Teh Muslim consumers with reference group as a moderating variable. MISSY: Management and Business Strategy, 2(1). (Catatan: Tambahkan halaman jika tersedia.)

Prasaja, R. (2018). Marketing strategy and the role of product innovation in increasing competitiveness. Journal of Economics and Management, 9(1), 45–59.

Putra, F. Y. (2021). The effect of product innovation and price on purchasing decisions for Frestea brand tea beverage products [Thesis, STIE Malangkucecwara].

Simarmata, M., Lubis, S., & Muda, I. (2021). The effect of value, service quality, and trust on consumer loyalty. Journal of Management and Business, 21(1), 95–107.

Law of the Republic of Indonesia Number 19 of 2002 concerning copyright. (2002). Jakarta: State Secretariat.

Permatasari, B., & Maryana, S. (2021). The effect of promotion and product innovation on purchasing decisions (Case study at New Indonesian Ice Tea outlets in Bandar Lampung). Technobiz: Scientific Journal of the Informatics Management Study Program, 14(2), 138–145.