

Defining the Role of Multinational Corporations: Starbucks and Coffee Culture in Indonesia

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Abstract

Aktor-aktor non-negara dalam Hubungan Internasional memiliki kekuatan ekonomi, politik, dan sosial yang memiliki pengaruh dalam level nasional dan internasional. Tulisan ini akan fokus membahas salah satu aktor non-negara yaitu MNCs dengan mengambil studi kasus Starbucks. Starbucks merupakan salah satu MNCs yang berhasil menjadi *coffee shop* nomor satu dan pada tahun 2018 tercatat memiliki 27.000 outlet yang tersebar di seluruh belahan dunia. Indonesia telah menjadi *host country* sejak tahun 2002 saat Starbucks pertama kali hadir di Indonesia berlokasi di Plaza Indonesia. Starbucks telah berkembang pesat dan pada tahun 2018 tercatat memiliki 326 outlet di 22 kota besar di Indonesia. Starbucks tidak hanya menjual kopi, tetapi memberikan kesan baru dalam menikmati kopi yang dikenal dengan “*Starbucks experience*”. Starbucks telah mempromosikan *coffee culture* sejak 1971. Di Indonesia, Starbucks telah berkontribusi terhadap transformasi budaya *ngopi* dari cara tradisional menjadi modern, dimana tempat *ngopi* dibuat sangat nyaman dimanjakan dengan berbagai fasilitas. Starbucks menjadi bagian dari modernisasi budaya *ngopi* di Indonesia yang telah mendorong kedai-kedai kopi untuk mencontoh manajemen dan pemasaran Starbucks serta memiliki sasaran konsumen yang lebih luas. Starbucks menciptakan berbagai inovasi terutama dalam varian rasa yang memungkinkan kopi bisa dinikmati oleh siapa saja tanpa mengenal umur. Dalam tulisan ini, penulis ingin menganalisis kedatangan Starbucks kaitannya dengan transformasi budaya *ngopi* di Indonesia menggunakan konsep milik Arjun Appandurai yaitu “*5 dimensions of global cultural flow*” dan menganalisis kegagalan Starbucks dalam menciptakan produk hibrid di Indonesia.

Kata Kunci: Starbucks, *Coffee Culture*, Hibridisasi, MNCs, Indonesia

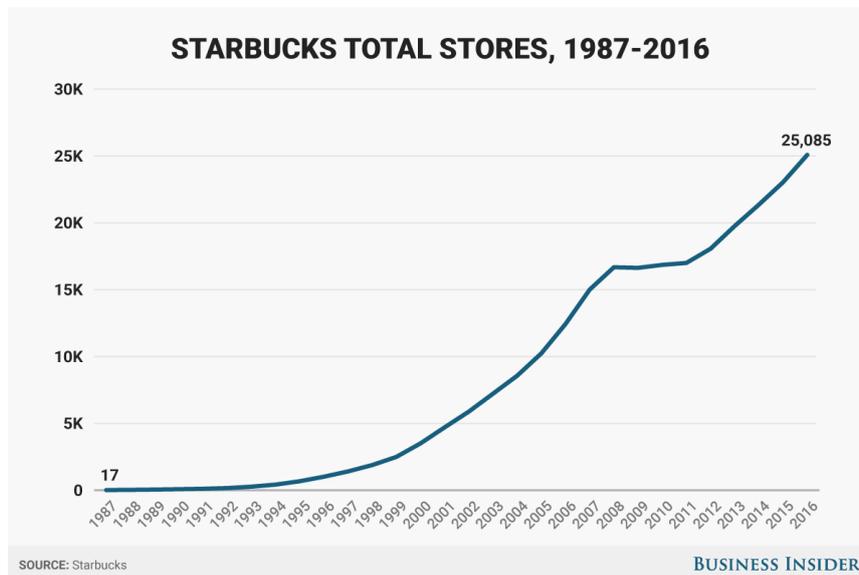
Introduction

Starbucks Corporation is a network of coffee shops from the United States based in Seattle, Washington. Starbucks is the largest roaster-retailer premium coffee corporation in the world with 25,085 in 67 countries. Starbucks sells hot and cold drinks (espresso, frappuccino, smoothies, tea), merchandise (glasses, tumblers, coffee beans), and food (sandwiches, salads, cakes). Since its founding in 1971 in Seattle, Starbucks has expanded rapidly. The increasing number of Starbucks outlets grows fast because the cooperation model is private to private

corporation. This system works well with the host countries. The development of Starbucks from 1967 to 2016 can be seen in the following figure:¹

In Indonesia, Starbucks was first opened in 2002 at Plaza Indonesia, Jakarta. It was first operated by PT. Sari Coffee Indonesia which is a subsidiary of PT. Mitra Adi Perkasa Tbk as the sole right holder to introduce and market Starbucks in Indonesia. As of January 2018, Starbucks outlets in Indonesia have grown to 326 outlets in 22 cities.² Starbucks has become a

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modernization, not solely by Starbucks arrival. Nevertheless, the arrival of Starbucks can provide employment opportunities, training, knowledge transfer, and technology transfer, and add skills to local workers.³

Theory and research regarding the process of multinational enterprises have been given significant attention by many scholars and researchers after the Second World War because of the increased cost of production and the imbalance of resources.⁴ The majority of MNCs that

¹ Kate Taylor. "From Brooklyn to Billionaire: The Story of How Howard Schultz Transformed Starbucks into an \$84 Billion Business". Icons and Innovators. Business Insider. Retrieved on May 23rd, 2019 from <https://www.inc.com/business-insider/howard-schultz-chairman-former-ceo-starbucks-successful-billionaire-coffee.html>

² Starbucks. "Starbucks Indonesia". Retrieved on May 9th, 2019 from <http://www.starbucks.co.id/about-us/our-heritage/starbucks-in-indonesia>

³ O'Higgins, E.R.E. "Global Strategies – Contradictions and Consequences, Corporate Governance". 3(3) 2003 (52-56)

⁴ John H. Dunning & Sarianna M. Lundan. Multinational Enterprises and the Global Economy, Second Edition. Massachusetts: Edward Elgar Publishing, Inc., 2008

establish their companies in developing countries aim to find cheap raw materials and labor, whereas developing countries get technology transfers from MNC owner countries. It is stated by Ahmad & Kitchen that the capabilities of developing countries MNCs to catch up with their developed-countries counterparts is through the process of technology accumulation.⁵

This paper would like to discuss the influence brought by Starbucks to the people's culture directly or indirectly. The author analyzes this case using the concept of 5 dimensions of global cultural flow by Arjun Appandurai, the author also presents a hybridization analysis of Starbucks products in Indonesia.

The Influence of Starbucks Coffee Culture in Indonesia

Since ancient times the coffee culture in Indonesia was conducted in a simple place and did not require many facilities, it only takes the combination of black coffee and sugar in a local coffee shop called Warkop (Warung Kopi). However, since the 2000s coffee has become an activity related to lifestyle. This certainly cannot be separated from globalization, which created a function in 5 dimensions of global cultural flow by Arjun Appandurai which can be termed: a) ethnoscaples; b) mediascaples; c) technoscaples; d) ideoscaples; e) finanscaples.⁶ Ethnoscaples refer to the people who constitute the shifting world we live like tourists, refugees, exiles, and other moving groups and persons constitute a main feature of the world and emerge to affect the politics of and between nations to an antecedently unprecedented level. But in this case, Starbucks is not right when identified in ethnoscaples. Therefore, the author will focus on four other aspects, namely:

1. Mediascaples

Mediascaples refer to the distribution both to the electronic ability to produce and disseminate information in the form of newspaper, television, magazine, and film that are available to a growing number of both public and national interests all over the world. These media create images that will be believed by people in the international and regional level. In the case of Starbucks, mediascaples travel fast. Contemporary social media such as Facebook, Instagram, and Twitter have created an unprecedented image of coffee culture. Globalization has shaped the world to have plenty of similarities.

⁵ S. Z. Ahmad & Phillip J. Kitchen. "Transnational corporations from Asian developing countries: the internationalization characteristics and business strategies of Sime Darby Berhad." *International Journal of Business Science and Applied Management* 2, No. 2 (2007): 21-36

⁶ Arjun Appandurai. *Disjuncture and Difference in the Global Cultural Economy. Theory, Culture, and Society* 1990, 7, 295

Thus, the advent of Starbucks in Indonesia and the image in the media has shown that the world we are living is similar to the Western world. Even, not all aspects can be equated. In this globalized world, people feel more secure when the food and the fashion they have are like people in other parts of the world. Media has huge role in shaping this idea. In addition to that, the media spreads the information exactly at a time when something is happening. The speed of information can easily escalate the model of the desired lifestyle to live in.

In the modern era, coffee culture has become the way of life among the community, including young people, both in developed and developing countries. In Indonesia, coffee culture has become a trend among young people, where the culture of coffee is used as an instrument for young Indonesian just to meet friends, family, or even do homework and assignment. In addition, the development of coffee culture in Indonesia had become one of the driving factors for many developed countries, such as the US, to establish coffee shops in developing countries, such as Indonesia. Starbucks does not only serve coffee, tea, or other types of beverages, but also provide snacks and foods such as French fries, cakes, pastries, bread, donuts, and pasta.

Not only that, Starbucks also provides adequate facilities for coffee connoisseurs, cozy room with air conditioner and most importantly everyone can access free Wi-Fi. The existence of free Wi-Fi makes young people willing to linger at the coffee shop just to get free Wi-Fi.⁷ In term of price, Starbuck puts up high price just for a cup of coffee. However, some young people are willing to pay higher price for higher quality.⁸ In other words, the facilities offered by Starbucks become the main attraction for consumers. It was mostly young people who become the main consumers of Starbuck and indirectly increase the US cultural hegemony through coffee culture.

It was easy for the US to spread and instill coffee culture in Indonesia because Starbuck have many outlets across the country. Currently, drinking coffee at Starbucks is considered as a lifestyle for people in urban areas, such as Jakarta. While Indonesian are used to drinking coffee, but there is a change of style of drinking coffee. Previously, not all ages like coffee, the typical coffee lovers are men ages 20-60. This is because the coffee that being offered before was only black strong coffee with small amount of sugar added. People, especially men, only drinking coffee to get rid of their drowsiness.

⁷ Hasyim, et.al. Coffee Culture Among Generation Y. *Pertanika Journal of Social Science and Humanities* 25, 2017

⁸ Ibid

Starbucks has changed that mindset. With the advent of Starbucks, coffee can be enjoyed by everyone, both men and women of all ages, even kids. This is because Starbucks offers wide range of coffee variants and mixed it with many others substances such as milk, fruits, and chocolate. Starbucks changed coffee's image to be enjoyable for anyone at any time and expanded their range of costumers at the same time.

Many Indonesian visits Starbucks not for the coffee, but for recognition of being a cool or an up-to-date person. This is the proof that drinking coffee has become a lifestyle. According to du Gay in the circuit of culture theory, the cultural production does not only refer to products that are traditionally related to literature, film, and music, but also anything that is intentionally made with a specific meaning or purpose when circulated. These products can be superficial, such as coffee.⁹ Coffee is the software to influencing young people to create a new lifestyle, while Starbucks is the hardware in delivering that mission.

2. Technoscapes

According to Appandurai, technoscapes appear from rapid technological diffusion and flow across national boundaries. Technoscapes has the biggest role in transferring technology from the home country of MNC to the host country. In the case of Starbucks, the US is the home country and Indonesia is the host country. With the presence of MNC, developing countries do not need to spend large amounts of funds to conduct Research and Development (R&D). Developing countries can use the results of MNC's R&D to be applied in their country, as well as in Indonesia. The marketing strategy is one of R&D that requires a huge fund. R&D in marketing is very closely related to sales that can be produced by a coffee shop in Indonesia. Starbucks transmits online marketing strategies using various social media that are very close to teenagers, this marketing strategy is very effective in attracting consumers to come to coffee shops.

Still within the scope of technology, In the past, the processing and serving of coffee in Indonesia did not use many tools, but after the arrival of Starbucks, local coffee shops use a variety of technologies to produce tastes of coffee that is more

⁹ Paul du Gay, et.al. *Doing Cultural Studies: The Story of the Sony Walkman*. London: Open University/Sage (1997)

delicious and varied. The following is a transformation of local coffee shops in Indonesia as seen from various indicators:

Table 1 The Differences Among Warkop (Warung Kopi), Coffee Shop, and Premium Coffee Shops in Indonesia

Differences	Warung Kopi	Local Coffee Shops	Premium Coffee Shops
Glass	Porcelain glass	Porcelain glass, cup	Plastic glass, paper glass
Facility	-	Wifi, Air Conditioner, plug, live music, game tool, lavatory, smoking area	Wifi, Air Conditioner, plug, smoking area
Coffee making method	Normal brew (stirring using a spoon)	Espresso machine, French Press, Vietnam Drip, Percolator	Espresso machine, Pour Over
Topping	-	Whipped cream, foam, sugar, milk, syrup, chocolate	Whipped cream, sugar, cream, syrup

Source: Meliala, Raden roro Atiah Sekararum Dewanti. 2017. *Tingkat Konsumsi Kopi Berdasarkan Pendapatan, Usia, dan Harga di Kota Depok*. Skripsi Universitas Islam Negeri Syarif Hidayatullah.

From the table above, it can be seen that technology transfer has a good influence on the coffee industry in Indonesia. Technology transfer has enabled local coffee shops to present a varied menu utilizing modern processing tools. In addition, local coffee shops also provide various facilities in a wide location. This facility is sometimes more adequate than the premium coffee shops (MNC ones) because the location of premium coffee shops tends to be in vital places such as the malls, airports, workplaces, and hotels so that the space is very limited. Whereas local coffee shops are more flexible in choosing places to create the coffee shop concept as desired.

3. Ideoscapes

In terms of ideoscapes, Starbucks is also an important instrument for the US to disseminate liberal ideology or free trade. Through Starbucks operating throughout the world including Indonesia, these countries are indirectly brought into the ideology of economic liberalism. Liberalism is an economic system in which economic decisions are determined by each individual instead of institution, organization, and even government. This economic system includes freedom in carrying out economic activity. In another word, this economic system is opposite to socialist system in which government intervenes the economic activities and decisions. Economic liberalism is an order that has become the foundation of the US in its international political economy. It means that the pulse of the US economy is very dependent on the extent to which the values of economic liberalism are obeyed by other countries. However, the ideology of liberalism that the US seeks to instill through Starbucks has a negative impact on the destination countries.

Starbucks is considered as an agent of cultural imperialism so that the host countries lose control of their local culture. It means that Starbucks indirectly damages traditional values in host countries by introducing new values and tastes for consumers in host countries that often being conflicting with traditional values. Ever since Starbucks open their stores in Indonesia, the trend of coffee culture has become widespread and has even become a lifestyle for urban individuals. There is nothing wrong with this new coffee culture, however it changes the traditional values as coffee is usually enjoyed every morning and evening. Oppositely, Starbucks makes people can enjoy it anytime they want.

Beside their variety of choices in beverages, some people choose Starbucks due to prestige. Even though the price is expensive and some of the basic ingredients come from Indonesian coffee. However, Starbucks remains a highly desired option because it is located everywhere, such as in malls, at airports, in offices, even in hotels. It is easily reached by people. The following is the price comparison of one of the Starbucks beverage menus compared to local coffee shops that have a similar menu:

Table 2 Comparison between a drink variant in Starbucks and several local coffee shops

Name of Coffee Shop	Price of Cappuccino
Starbucks	Rp. 46,000
Ruang Seduh	Rp. 35,000
Armor Kopi	Rp. 25,000
One Eighty Coffee	Rp. 24,000
7 Speed Coffee	Rp. 30,000

(Sources: accessed through official websites, <https://www.starbucks.com/>, <https://manual.co.id/directory/ruang-seduh/>, <https://kumparan.com/@kumparanfood/5-kedai-kopi-unik-yang-wajib-kamu-kunjungi-ketika-berlibur-ke-bandung>, <https://manual.co.id/directory/7-speed-coffee/>)

From the table above, it can be seen that Starbucks offers a high price for one cup of Cappuccino. Although many similar local coffee shops serve the same menu, Starbucks remains the number one most wanted coffee. This is because Starbucks has offered “Starbucks experience” that has higher value than just drinking coffee. Starbucks experience is a coffee drinking experience accompanied by good service from all employees, involvement and the best service of employees is needed here so that customers feel comfortable and feel a different experience in enjoying coffee. The employee also acts as a customer friend so the customer feels a warm welcome. In a bigger picture, Starbucks experience is associated to the excellent management of company that make people willing to repeat purchase and come at another time.

By adopting coffee as a culture, Starbucks has increased the value of coffee and taught how coffee can be used as a tool for profit. This is certainly related to the idea of capitalism originating from the US. On the one hand, the capitalization of coffee contributes to the ability of Indonesians to process resources and make better use of them compared to before for coffee shop producers or owners. While viewing from the consumer side, Starbucks has transmitted the culture of consumerism. As revealed by Farida that Starbucks marketing tricks actually make consumers to repeat purchases such as green marketing to consumers who use Starbucks tumblers will get a 50% discount on Starbucks drinks on the 22nd of each month and a 20% discount every time they buy drinks using Starbucks glasses.¹⁰ Indeed, green marketing has a good intention to reduce the use of plastic waste that contributes to the maintenance of the environment

¹⁰ Naili Farida & Ella Ardyan. Repeat Purchase Intention of Starbucks Consumers in Indonesia: A Green Brand Approach. Preliminary communication Vol. 27, No. 2, 2015, p. 190

and in the long term reduce global warming. However, behind these good intentions, there is still the main goal to be achieved which is the increase in product sales.

4. Finanscapes

Starbucks as a non-state actor in international relations has provided global investment platform in which every party in the world can invest in this global-scale company. In addition, Starbucks has also practiced a type of financial collaboration in the opening of a new franchise where individuals can apply to create a Starbucks franchise with agreed terms and conditions. Furthermore, with the presence of Starbucks in developing countries such as Indonesia also aims to ensure the production costs as small as possible so that the motive of capital fertilization can be achieved in the shortest possible time.

These objectives can be realized through the selection of locations that guarantee the highest efficiency of production factors. These efficiency considerations include tax concessions and environmental costs from countries that become the production locations.¹¹ By opening outlet in developing countries, Starbucks is able to minimize cost of production and labor cost.

MNCs has created interdependence economy between the home country and the host country. This means that MNCs such as Starbucks can be used as a means of economic diplomacy from the governments of home countries to persuade or force host countries to be able to follow Starbucks country policies including economic policies. In addition, Starbucks is an instrument for home countries namely the United States to market the ideology of free trade. Through Starbucks operating throughout the world, host countries are brought into the orbit of economic liberalism, which is an order that supports US leadership in international economy and politics. In this case, the United States is very dependent on how far liberal values in the economy are obeyed by host countries. This is what is meant by the country of home countries MNC has economic interdependence with host countries.

This interdependence does not protect Starbucks from investment risks because Starbucks depends on the economic and political situation in the country.¹² Investment

¹¹ Umar Suryadi Bakry. *Ekonomi Politik Internasional: Suatu Pengantar*. Yogyakarta: Pustaka Pelajar, 2015, p. 193

¹² *Ibid.*, p. 195

conducted by the US MNCs abroad like Starbucks is an instrument for the US government to maintain its relative position in the world economy. Starbucks is the spearhead in collecting foreign exchange for the US. The more Starbucks operates overseas and the more Starbucks gets a lot of profits, the more foreign exchange the US will get.

These four aspects are very influential in the development of the coffee culture in Indonesia, particularly mediascapes and technoscapes. Adhere to the mediascapes changing from traditional to modern lifestyle, while technoscapes have big roles in transferring the information technology that is very useful for the advancement of production in term of its efficiency and innovation. Those two things entangle in the survival of MNCs in developing countries.

The Failure of Hybridization of Culture in Indonesia

Hybridization has become an element of an ongoing trend in cultural production with the localization of the culture industry.¹³ Nevertheless, it is not solely mixing, blending and synthesizing different elements that eventually forms a culturally faceless whole. In the journey of transformation, culture often constitutes new forms and make new connections with one another. Globalization as hybridization is a strong economic, political, social and the most important one is cultural force and a phenomenon that is continually transforming the societies worldwide and the way they interact with each other. Globalization and hybridization disseminate awareness and preserve a country through various products that connect people at a global level. The joint collaboration of two or more races and ethnicities allows the creation of a new cultural product through combination of ideas rather than the erosion of a culture. Ideas from a country preserve cultural values through the products of culture.

It is not easy to analyze cultural hybridization caused by Starbucks in Indonesia. Starbucks has become an agent in channeling Western culture in Indonesia. The factor that brings hybridization is nothing but globalization. With the objective of eradicating distinctions between core and periphery, and other forms of binarism, this post-colonial interpretation of cultural change is an essential departure from the linear diffusion model of "the West to the rest".¹⁴ The West or core countries can be addressed to countries with giant economic power

¹³ Jan Nederveen Pieterse. Globalization as Hybridization. Research Gate, 2019. p. 4

¹⁴ Georgette Wang & Emille Yueh-yu Yeh. "Globalization and Hybridization in Cultural Production: A Tale of Two Films." Working Paper 36, (2005)

that at the same time as the MNC owners such as the United States, the United Kingdom, France, and others. Whereas the rest is usually aimed at host countries of MNC as developing countries. Hybridization can be interpreted a combination of two cultures, namely a new culture brought by the MNC with the indigenous culture in the host country.

If hybridization really happened, it would certainly be seen in the menus presented by Starbucks. However, this is not visible. Following are the drink menus at Starbucks, which can be said to be very western.

Table 3 Beverage Menu at Starbucks Indonesia

No	Name of Beverages	No	Name of Beverages
1	Vanilla Latte	19	Caffe Americano
2	Caffe Latte	20	Brewed Coffee
3	Cappuccino	21	Caffe Misto
4	Caffe Mocha	22	Con Panna
5	Risretto Bianco	23	Espresso Valencia Orange
6	Asian Dolce Latte	24	Caramel Coffee Frappuccino
7	Caramel Macchiato	25	Asian Dolce Coffee Frappuccino
8	White Chocolate Mocha	26	Caramel Coffee Jelly Frappuccino
9	Caramel Coffee Jelly Latte	27	Dark Mocha Coffee Cappuccino
10	Java Chip Coffee Frappuccino	28	Mocha Coffee Frappuccino
11	Vanilla Coffee Frappuccino	29	Green Tea Cream Frappuccino
12	Double Chocolate Chip Cream Frappuccinno	30	Caramel Cream Frappuccinno
13	Hazelnut Cream Frappuccino	31	Vanilla Cream Frappuccino
14	Raspberry Black Currant Juice	32	Mango Passion Fruit Juice
15	Full-Leaf Brewed Tea	33	Chai Tea Latte
16	Vanilla Black Tea Latte	34	Iced Shaken Lemon Tea
17	Green Tea Latte	35	Signature Chocolate
18	Hazelnut Signature Chocolate	36	Caramel Signature Chocolate

Source: Starbucks. 2019. *Starbucks Beverages*. Accessed May 10, 2019.

<http://www.starbucks.co.id/menu/beverage-list>.

From 36 Starbucks beverage menus available in Indonesia, only three of them are locally based, they are Asian Dolce Latte, Asian Dolce Coffee Frappuccino, and Java Chips Coffee Frappuccino. The locality value of these menus is less specific to Indonesian

characteristics. Indonesia is indeed in Asia, but Asia is a vast region so the menu does not represent Indonesia. Then there is a menu that uses the name Java, after being explored further the menu is only named Java, but in the physical form the drink remains in the Western appearance. This has shown Starbucks's failure in hybridizing Western culture with Indonesian culture through its products. As for Starbucks use of local Indonesian coffees as raw materials such as Gayo coffee, Flores coffee, Sumatra coffee, is one of Starbucks efforts to approach raw materials only. The use of these raw materials does not necessarily create hybridization.

This is different from McDonald's, which has long been operating in Indonesia. The first McDonald's was present in Indonesia in 1991.¹⁵ In 2018, McDonald's launched menu of Indonesian specialties including Mangga Susu Pai, Gulali Waffle Cone, Burger Balado Special, Burger Rendang, Durian Cendol McFlurry, and Soda Kedondong.¹⁶ After that, McDonald's also launched other menu with Indonesian specialties such as Chicken Porridge (Bubur Ayam), Rica-Rica, and Nasi Uduk.¹⁷ McDonald is considered to have succeeded in carrying out cultural hybridization in which it made Indonesian foods into a whole menu that can be presented by McDonald's as a cultural product mixing local culture with Western culture. To further show McDonald's success in hybridization, it can be seen from McDonalds' menus in other countries around the world summarized in the table below:

Table 4 Name of McDonald's Menu as Result of Hybridization in Several Countries

No	Country	Name of Menu
1	India	Chicken Maharaja Mac
2	Canada	McLobster lobster roll
3	Japan	Ebi Filet-O shrimp burger, Koroke Burger, Ebi-Chiki shrimp nuggets, Green Tea milkshake
4	Norway	McLacks (a sandwich made of grilled salmon and dill sauce)
5	Chile	McPollo Jr with avocado dressing
6	Greece	Greek mac
7	Israel	McShawarma

¹⁵ McDonald's 25 Tahun Melayani Masyarakat Indonesia. "Berita".
<https://mcdonalds.co.id/media/pr/25?ref=47>

¹⁶ 6 Menu McDonald's Bercita Rasa Nusantara, Burger Rendang sampai McFlurry Durian Cendol, Mau Coba?. "TribunJatim.com". <http://jatim.tribunnews.com/2018/08/14/6-menu-mcdonalds-bercita-rasa-nusantara-burger-rendang-sampai-mcflurry-durian-cendol-mau-coba?page=all>

¹⁷ See McDonald's menu at <https://mcdonalds.co.id/menu/menu-favorit/semua-menu>

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Source: Pieterse, Jan Nederveen. 2019. "Globalization as Hybridization." *Research Gate* 1-13.

Those menus have indicated that McDonald's has succeeded in hybridizing culture. While Starbucks menus remain the same over time. As a recommendation, Starbucks can use names and materials that represent Indonesia such as Gayo coffee, Sumatra coffee, and Flores coffee. Starbucks can also combine the Western concept with traditional Indonesian drinks such as bajigur, sekoteng, teler ice, wedang round, wedang uwuh, cendol, doger ice, and oyen ice and make them a whole menu. Moreover, Starbucks has used jelly as a topping, which will be very interesting to combine the topping with typical Indonesian foods.

Conclusion and Recommendation

From those explanations above, it can be concluded that Starbucks influence can be seen from four perspectives, namely, mediascapes, finanscape, technoscapes, and ideoscapes. Each of these points of view has the positive and negative influences of Starbucks to host countries. The positive influence is the changes of mindset in Indonesian to utilize coffee for making the business of coffee shops with modern concept. Starbucks also has done a technology transfer that supports Indonesian attempt to a modern coffee shops and enables the workers to increase their skills. As Starbuck conducts their economic activities, their negative impact can be found in others areas such as political, social, cultural, or security. One of the most tangible negative aspect of Starbuck is from cultural aspect in which they create consumerism behavior.

In addition to that, Starbucks operating in host countries, particularly Indonesia does not create a hybridization as other MNCs do such as McDonald's. It implies that Starbucks just wants to westernize Indonesia, instead of embracing local cultures. As Indonesian youth, people have to consume MNC products wisely. It means that we have to think twice in accepting the culture that being promoted by Starbucks so that we will not accept it fully without thinking about the implications. However, the influence of Starbucks in Indonesia cannot be fully expressed in one short paper. For further research, the authors wish to be able to go into the field to gather more data in order to better understand the influence of Starbucks in Indonesia.

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