

**FACTORS OF COFFEE SHOP REVISIT INTENTION AND WORD-OF-MOUTH
MEDIATED BY CUSTOMER SATISFACTION**

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Abstract

To create value that would surpass the expectation of coffee drinkers is pivotal for coffee shop business. However, only a few businesses are able to provide better and non-homogenous value for the customers. The main factors that would influence customer satisfaction of coffee shops are still yet to be further explored. Hence, this study aims to look into the determinants of customer satisfaction of coffee shops and to examine its influence towards revisit intention and word-of-mouth. Online survey questionnaires were distributed to the customers and 155 samples were gathered from March to June 2018. The findings showed that atmosphere and service quality factors had positive effects on customer satisfaction, while the variety of menu was not significant to the satisfaction, the fact that the satisfied customers would likely have the intention to revisit and spread word-of-mouth.

Keywords: *coffeeshop, variety of menu, atmosphere, service quality, revisit intention, word-of-mouth.*

1. Research Background

The trend of drinking coffee has resulted in the increase of coffee consumption around the world. Bloomberg reported that United States is currently reaching their highest consumption of coffee due to the new trend of drinking coffee by its millennial generations (Perez 2016). Indonesia, one of the world’s coffee producers, is also facing the same phenomenon of increasing coffee consumption. A developing country with a population of 261.1 million is reported to have an increasing number of coffee consumption in the last 5 years. This phenomenon, demand for consuming coffee, is happening as Indonesia faces the rise of coffee culture and growth of middle-class families (USDA Foreign Agricultural Services, 2017). This increasing number of consumptions is reported in Table 1.

Table 1. Indonesia Coffee Consumption (in thousand 60kg bags)

Domestic Coffee Consumption in Indonesia					
2013	2014	2015	2016	2017	2018
4,167	4,333	4,500	4,600	4,700	4,700

Source: Statista, 2019

Since Indonesian coffee market has an upward increasing trend, various coffee brands are starting to open up their branches in Indonesia. As a result, there is a growth of retail coffee (e.g. Starbucks, The Coffee Bean and Tea Leaf) and a rapid emergence of local coffee shops (e.g. Kopi Tuku, Filosofi Kopi). Indonesia’s specialty coffee shops had earned third place on

café/bars industry growth, and is estimated to grow more rapidly with 5.5% growth rate in the following years (Agriculture and Agri-Food Canada, 2014).

Creating value that surpass the expectation of customers and staying innovative would be essential in competition. The atmosphere of the café is an important factor. In the food and beverages industry, the physical environment (e.g. interior and atmosphere) plays a major role in customer's perception towards the business (Ryu and Jang 2008). Besides atmosphere, Indonesian people have the same expectation and concerns with selection of food and beverages at coffee shop, enabling Starbucks and Excelso Coffee to win Indonesians on coffee and hanging out (Agriculture and Agri-Food Canada 2014). Namkung and Jang (2007) suggested that service quality also adds value for the customers in the food and beverages industry. All these factors positively impact the customer experience and perception towards the coffee shop.

Some of these unexplored variety of menu, shop atmosphere, and service quality appear to be important and worthy of investigation in the context of revisiting coffee shops. An investigation of these issues is important because of the challenges in the foodservice industry that café operators need to investigate new ways of establishing and maintaining competitive advantage over rivals. Furthermore, previous empirical research has addressed several aspects of customer retention and its relationship with other factors: variety of menu (Baiomy et al. 2017), atmosphere (Lee et al. 2018), and service quality (Kuhon et al. 2016). Very little research has been done on coffee shop setting in Indonesia.

2. Research Method

3.1. Literature Review

As part of the café industry, coffee shops distinguish themselves as shops that highlight coffee in their main menu along with other dishes – e.g. food, snack and other beverages, which are served as the complimentary products (Ting and Thurasamy 2016). More than just a dining place, coffee shop becomes a place for both personal time, social interaction and experiencing new atmosphere (Ting and Thurasamy 2016; Kang et al. 2011). Based on that argument, a coffee shop is supposed to be designed as a place where customer may get more in-store experience compared to other conventional cafés. The in-store experience can be created through comfortability and quality – both service and product, which nowadays most of the coffee shops have done (Ganea 2012).

Variety is defined as numbers of products – both goods and services, provided by the business (Pattarakitham 2015). Further, menu is described as list of food and beverages available at the restaurant (Labensky et al. 2001). From the customer's perspective, they prefer to be offered by various numbers of food items available in the menu due to three reasons: the feeling of satisfaction, external situation (e.g. promotional stimuli), and preference of uncertainty in the future (Kahn 1995). Sulek and Hensley (2004) have proved that menu variety plays a role in customer satisfaction. In Goyal and Singh's (2007) study, variety is one of the main reasons why customers revisit a fast food restaurant.

Aesthetics and ambiance may enhance the attributes of a café or store (Sitinjak et al. 2019). According to Ballantine et al. (2010), the elements of a spatial design are manipulated to create affective responses for human sensors, i.e. sight, sound, scent, and touch. To create an impactful in-store experience by designing a specific and "right" physical environment is crucial since the service provided is being consumed at the same time (Brady and Cronin, 2001; Ryu and Jang, 2008). Yusof et al. (2016) found that customers tend to spend more money in a café with good atmosphere and even spend longer time there.

Widely adopted service quality description is the SERVQUAL model proposed

by Parasuraman et al. (1988). Specifically, they describe service quality as a gap between expectation of the customer with services provided by the business. The model proposed by Parasuraman et al. (1988) consist of 5 dimensions: tangibility, reliability, responsiveness, assurance and empathy. The staff behavior and service quality they serve become the distinctive point of one business and a tool to accelerate business performance (Bharadwaj et al. 2014). Additionally, the overall quality of the restaurant – service provider, was also measured by the service level and quality (Chow et al. 2007).

In general, customer satisfaction is usually referred as after-consumption evaluation of a product or service (Arora and Singer, 2006). The result of customer evaluation can be both pleasure or disappointment depending on the expectations (Kotler and Keller, 2008). Weiss et al. (2014) found that food quality, service quality and atmosphere of the restaurant are crucial in triggering the customer satisfaction. Accordingly, satisfied customers would have higher possibility to decline the offer from competitor and prefer to revisit the same restaurant (Chow et al. 2013). According to Anwar and Gulzar (2011), customer satisfaction is becoming the catalyst for revisit intention, WOM and loyalty.

The term revisit intention is described as the willingness of customer to come back to the same place or probability of them to repurchase a product from the same place (Forgas-Coll et al. 2012; Oliver 1997). It becomes the customer's initiative to continue the relationship with the store. The revisit intention itself has some sort of relation with WOM. The customers that have revisited the place – coffee shop, would voluntarily help the marketing through WOM, e.g. giving referral to other potential customers (Wong and Kwon, 2004). Therefore, positive intention from the customers is crucial for it can lead to revisit intention and referrals, while negative intention would lead to the opposite (Cibro and Hudrasyah, 2017; Jani and Han, 2011).

The term word-of-mouth (WOM) is defined as person-to-person communication – orally, evaluating and recommending product to others (Hartline and Jones, 1996). Brown et al. (2005) have highlighted that process of spreading information can be done through person-to-person and communication medium, e.g. social media and Internet forum. Kwun et al. (2013) argued that WOM itself has an important role to help businesses introduce and market their products. Delgadillo and Escalas (2004) also suggested the role of WOM in shaping the customer behavior intention because WOM allowed people to share the evaluation of their experiences whether it is positive or negative and influence others (Sallam, 2016).

3.1. Methodology

The study was conducted from March until June 2018. The approaches taken for completing the study included eductive approach to constitute the hypothesis from previous study. Secondly, the quantitative approach that would test the relationship among variables of hypothesis which will involve numeric data and tends to use statistical model for data analysis (Creswell 2013). Besides, the study also relied on primary data and utilized the quantitative method to analyze further the findings further from the online surveys. The online survey questionnaire was structurally designed into several parts according to the variables that had been constructed in the framework model. Also, it was designed with Level of Agreement in the form of 5-point Likert scale, ranging from strongly agree to strongly disagree.

The target population of this study was the Coffee Smith customers or people who had visited in the past for at least once. The entire population would be counted and represented by the number of Coffee Smith customers in one month. The samples of 155 respondents filled out the online survey. Social media (Instagram and WhatsApp) were the main tools to approach the respondents. The researchers also

managed to approach the customers directly on site during the process of distributing the online survey questionnaires.

3.1. Research Model

This study aims to find the correlation between variety of menu, atmosphere and service quality of a specific coffee shop and the customer satisfaction, revisit intention and Word of Mouth (WOM). Accordingly, the research model of the research is described in Figure 1.

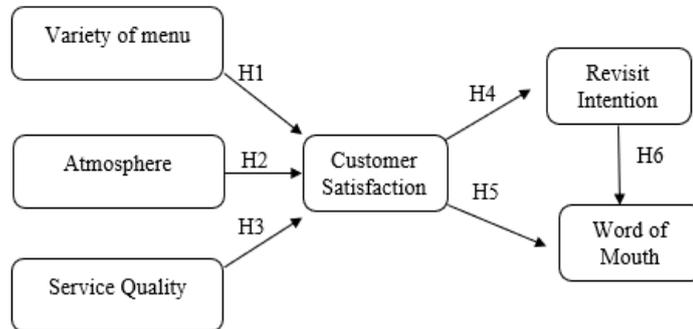


Figure 1. The Proposed Model of the Study

3.1. Operational Variables

The independent variables used in this research would be further explained in Table 2.

Table 2. Operational Variables

Variable	Definition	Measurement
Variety of Menu	The number of food items available and ready to be served by the business (Pattarakitham, 2015; Labensky, Ingram & Labensky, 2001).	5 Likert Scale – Level of Agreement
Atmosphere	How the design elements of a space are manipulated in order to create certain affective responses that the main sensory channels for atmosphere are sight, sound, scent, and touch (Ballantine et al, 2010).	5 Likert Scale – Level of Agreement
Service Quality	A gap between the expectations of the customer with services provided from the business (Parasuraman, Zeithaml, & Berry, 1988).	5 Likert Scale – Level of Agreement
Customer Satisfaction	Overall customer feeling from the evaluation between what is received and what was expected.(Kotler, Bowen, & Makens,2013).	5 Likert Scale – Level of Agreement
Revisit Intention	The willingness of customer to come back to the same place or probability of them to repurchase the product from the same place(Forgas-Coll, Palau-Saumell, Sánchez-García&Callarisa-Fiol, 2012).	5 Likert Scale – Level of Agreement
Word-of-Mouth	Positive or negative statement made by customers experiences about a product or company (Hennig- et al., 2010).	5 Likert Scale – Level of Agreement

3.1. Hypothesis Development

Variety of menu is a part of food quality together with taste, freshness, smell, etc. (Gagic, Tesanovic and Jovicic, 2013). In other studies (e.g. Mattila, 2001), food quality has the highest impact on customer satisfaction. A study from Sulek and Hensley (2004) specifically stated that menu variety is one of the factors affecting customer satisfaction.

However, not all studies found that menu variety significantly affects customer satisfaction. Cibro and Hudrasyah (2017) found that there is no significant impact of food quality towards customer satisfaction in the case study of Siete Café in Bandung. In other cases, Zhong and Ryu (2010) tried to assess some possibilities of a correlation between menu variety and customer satisfaction. First, they assessed the direct relation between menu variety with customer satisfaction and found that the correlation is insignificant. Second, they assessed menu variety with disconfirmation and it turned out significant. Third, they also assessed the relationship between disconfirmation and customer satisfaction which resulted in a significant correlation. Although variety of menu has no direct influence towards customer satisfaction, it can be argued that it would possibly affect the customer satisfaction and disconfirmation mediates both of them.

H1: Variety of menu positively affects customer satisfaction.

Some of the research has mentioned the correlation between atmosphere, customer satisfaction and revisit intention. One of them is done by Chang, Chen, Hsu, and Kuo (2010) where it was found that customer purchase behavior is indirectly affected by the enjoyment and satisfaction of the place. Moreover, Heung and Gu (2012) suggested that there is a positive relationship between the atmosphere of a café with customer satisfaction. The more the customers feel comfortable with the café design, the more satisfied they would be (Turhan, 2014). It then will positively impact the revisit intention where satisfied customer would intend to come again to the place they are satisfied and comfortable with (Azzuhri and Tanjung, 2017). Namkung and Jang (2008) mentioned that atmosphere quality could affect repurchase intention. Meanwhile, Azzuhri and Tanjung (2017) successfully found the positive correlation between interior design - *as part of atmosphere*, with customer revisit intention. Additionally, the long-term impact of the revisit intention itself would be the loyalty of the customer where coziness and design play a crucial part in it (Azzuhri and Tanjung, 2017). On the other hand, Pettijohn et al. (1997), argued that variety of menu together with atmosphere of the café play insignificant roles for the customers.

H2: Atmosphere of the coffee shop positively affects customer satisfaction.

Study from Kadir, Rahmani and Masinaei (2011) stated that service quality is a part of customer satisfaction measurement. Another study from Ting and Thurasamy (2016) also argued that service quality is a part in measuring customer satisfaction of a business. What customers perceive from the services quality given would also hugely impact the business. The perceived quality may lead to the customer satisfaction and loyalty in which can be built through service quality and physical environment (Lai, Griffin and Babin, 2009; Cibro and Hudrasyah, 2017). Moreover, according to Ting and Thurasamy (2016), the revisit intention is also significantly affected by how the customer perceives the services quality. One example is found from Kopitiam in Malaysia where the service quality is perceived as good and it resulted in the intention to revisit the coffee shop from the customer (Ting and Thurasamy, 2016). In addition, the impact of this will also trigger positive word-of-mouth from the customer (Nadiri and Gunay, 2013).

H3: Service Quality of the coffee shop positively affects customer satisfaction.

Customer satisfaction and revisit intention are interrelated. One study found that together with satisfaction, past visit and evaluation of the overall experience would determine the willingness of customer to revisit the place (Chen and Tsai, 2007). Especially about satisfaction, many studies have suggested the importance of satisfaction on driving the intention to revisit, repurchase and even WOM, one of the studies was done by Oliver (1999). The higher the satisfaction, the more likely the customer will have the intention to

revisit or repurchase from the business they are satisfied with (Turhan and Özbek, 2013). According to the statistics, one satisfied customer could attract 3 more potential customers (Jordan and Prinsloo, 2001).

H4: Customer satisfaction has a positive relationship with revisit intention.

Some of the studies have reported that customer satisfaction has an impact on WOM (e.g. Allahham and Alijumaa, 2014). Once the customers are satisfied, they would be willing to give favorable recommendations towards the company and invite other people (Turhan, 2014). In case of retail banking, satisfied customers tend to relate with the bank and give them positive WOM (Dimitriadis, 2010). Moreover, Park (2004) suggested that satisfied customers become loyal customers by showing repurchase behaviors or by making positive WOM. Besides satisfaction, loyalty and customer relation can also boost the WOM (Anwar and Gulzar, 2011). The relationship can also be reversed where WOM is also able to boost loyalty (Ryu and Feick, 2007). The main point of loyalty is the tendency of spreading positive information –WOM, once the customer has become loyal to the restaurant (Lewis and McCann, 2004).

H5: Customer satisfaction has a positive relationship with word-of-mouth.

H6: Customer's revisit intention has a positive relationship with word-of-mouth

3.1. Method of Analysis

There are several tests or method of analysis being used in this study. The validity and reliability tests were being the first. McDaniel & Gates (2010) defined Validity as the exactness of the measurement, whether the things being measured is measuring what is supposed to. Moreover, the tools for measuring validity used in this study including Kaiser-Meyer-Olkin (KMO) Test for Sampling Adequacy, then Anti-image Correlation. Both of them should have a cut-off above 0.5, thus the sampling categorized as valid. Moreover, McDaniel & Gates (2010) defined reliability test as a test to measure the consistency of data. This study decided to use 0.65 which categorized as minimal acceptance for the standard of reliability test (DeVellis, 2011).

The hypothesis tests were based on an F-test which examined the whole model and its correlation or effect towards the responses (Stine & Foster, 2011). The rule of thumb is $F\text{-Statistic} < \alpha$ (0.05) or $F\text{-test} \geq F$ table, then reject H_0 or model is significant. The next one is t-test which examined the correlation of each independent variable towards the dependent variable. The rule of thumb is t-statistics probability ($p\text{-value}$) $< \alpha$ or $t\text{-test} < t\text{-table}$, then reject H_0 or the independent variable is significant towards dependent variable.

The next test used was multicollinearity test which examined whether or not there is high correlation between the independent variables. The rule of thumb for multicollinearity test is considering both result of tolerance and VIF. If the tolerance is above 0.1 and VIF is below 10, the variable is free of multicollinearity. The t-test was used to check the different mean value of two independent samples. Thus, it will then be assessed whether or not there is significant difference of the two group mean scores statistically.

3. Result and Discussion

3.1. Validity & Reliability Test

The researchers assessed the validity and reliability through a pre-test that was done by acquiring the inquiries from 39 respondents. The questionnaire consisted of 6 variables. In total, there are 25 items on the questionnaire. In order to check both validity and reliability, IBM SPSS Statistics version 24 was used. The minimum value of KMO and Anti-image correlation for validity test was 0.5 and reliability test was

0.65 for the Cronbach’s Alpha value.

Table 3. Validity and Reliability Tests of the Variables

Items	Cronbach’s Alpha	KMO	Anti-image correlation	N
Customer Service	0.794			39
CS1			0.722	39
CS2		0.741	0.768	39
CS3			0.749	39
CS4			0.731	39
Variety of Menu	0.692			39
VM1			0.598	39
VM2		0.631	0.609	39
VM3			0.753	39
Atmosphere	0.848			39
ATM1			0.841	39
ATM2			0.779	39
ATM3		0.796	0.837	39
ATM4			0.756	39
ATM5			0.777	39
Service Quality	0.807			39
SQ1			0.705	39
SQ2			0.661	39
SQ3		0.729	0.782	39
SQ4			0.775	39
SQ5			0.767	39
SQ6			0.700	39
Revisit Intention	0.866			39
RI1			0.853	39
RI2		0.817	0.771	39
RI3			0.886	39
RI4			0.791	39
Word of Mouth	0.914			39
WOM1		0.750	0.690	39
WOM2			0.759	39
WOM3			0.818	39

3.2. Multicollinearity Test

The multicollinearity test measured whether there was a high correlation between the independent variables. The relationship of the dependent variable was biased if there was a strong correlation between the independent variables. The rule of thumb for multicollinearity test is considering both result of tolerance and VIF where if the tolerance above 0.1 and VIF is below 10, it means that the variable is free of multicollinearity. There was no significant collinearity detected and the results represent in Table 4.

Table 4. Multicollinearity Tests

Model 1	Collinearity Statistics	
	Tolerance	VIF
Variety of Menu (X1)	0.532	1.879

Atmosphere (X2)	0.202	4.944
Service Quality (X3)	0.231	4.327
<i>a. Dependent Variable: Y1_CS</i>		
Model 2	Collinearity Statistics	
	Tolerance	VIF
Customer Satisfaction (X1)	1.000	1.000
<i>a. Dependent Variable: Y2_RI</i>		
Model 3	Collinearity Statistics	
	Tolerance	VIF
Customer Satisfaction (X1)	1.000	1.000
<i>a. Dependent Variable: Y3_WOM</i>		
Model 4	Collinearity Statistics	
	Tolerance	VIF
Revisit Intention	0.203	4.933
Customer Satisfaction	0.203	4.933
<i>a. Dependent Variable: Y3_WOM</i>		

3.3. F-Test Result

In order to get the F-Test results, we compared the F-statistics probability with the “ α ” used in this study (0.05 or 5% where if $F\text{-statistic} < \alpha$), it means the model is significant. Since the F-statistics from Model 1 in Table 5 is $0.000 < 0.05$, the regression model is significant. The F-statistics from Model 2 is $0.000 < 0.05$, hence the significance of the regression model. The F-statistics from Model 3 is $0.000 < 0.05$, hence the significance of the regression model. Since the F-statistics from Model 4 is $0.000 < 0.05$, the regression model is significant.

As seen in Table 6, the R value of Model 1 is 0.899 which indicates strong correlation between customer satisfaction with the values predicted by the model. Meanwhile, the R-squared value of 0.808 indicates that 80.8% of Customer Satisfaction at the coffee shop can be explained by all of the independent variables. The rest 19.2% was influenced by other factors excluded from the model. The R value of Model 2 is 0.896 which indicates strong correlation between revisit intention with the values predicted by the model. Meanwhile, the R-squared value at 0.803 indicated that Revisit Intention can be explained by the independent variable. The rest 19.7% was influenced by other factors excluded from the model. For Model 3, the R value is 0.870 which indicates strong correlation between Word-of-Mouth and the values predicted by the model. Meanwhile, the R-squared value resulted 0.757 which indicate that Word of Mouth can be explained by the independent variable. The rest 24.3% influenced by other variables (or factors) that are excluded from the model. For Model 4, the R value is 0.912 which indicates strong correlation between word of mouth with the values predicted by the model. Meanwhile, the R-squared value 0.831 indicates that the word-of-mouth factor can be explained by all of the independent variables. The rest 16.9% was influenced by other factors excluded from the model.

Table 5. ANOVA of Multiple Regression

		Sum of Squares	df	Mean Square	F	Sig.
Model 1	Regression	9353.975	3	3117.992	211.441	0.0000
	Residual	2226.709	151	14.746		
	Total	11580.684	154			
Model 2	Regression	10110.379	1	10110.379	622.357	0.0000
	Residual	2485.53	153	16.245		

	Total	12595.91	154			
Model 3	Regression	9390.095	1	9390.095	476.363	0.0000
	Residual	3015.944	153	19.712		
	Total	12406.039	154			
Model 4	Regression	102.843	2	51.421	373.775	0.0000
	Residual	20.911	152	0.138		
	Total	123.754	154			

Table 6. Summary of Multiple Regression

	R	R Square	Adjusted R Square	Std. Error of the Estimate
Model 1	0.899	0.808	0.804	3.84011
Model 2	0.896	0.803	0.801	4.03055
Model 3	0.870	0.757	0.755	4.43983
Model 4	0.912	0.831	0.829	0.37091

3.4. t-Test Result

In assessing the t-Test from all models, if t-statistics probability (ρ -value) $<\alpha$ or if t-test $<$ t-table, then reject H0 or the independent variable will be significant towards the dependent variable. According to rule of thumb, if ρ -value $<$ α , and the result is $0.000 < 0.05$, the variable is significant, thus the H0 is rejected and H1 is accepted. However, from Model 1 (see Table 7), the ρ -value of variety of menu is 0.549 and the α is 0.05 where $0.549 > 0.05$. It means that the variable is not significant and null hypothesis (H0) is accepted while H1 is rejected. In other words, variety of menu did not affect customer satisfaction significantly. While the other two independent variables indeed significantly influenced customer satisfaction. For Model 2, the ρ -value of customer satisfaction is 0.000 and the α is 0.05 where $0.000 < 0.05$. It means that the variable is significant and null hypothesis (H0) is rejected while H1 is accepted. In other words, customer satisfaction affected revisit intention significantly. For Model 3, the ρ -value of customer satisfaction is 0.000 and the α is 0.05 where $0.000 < 0.05$. It means that the variable is significant and null hypothesis (H0) is rejected while H1 is accepted. In other words, customer satisfaction influenced word-of-mouth significantly. For Model 4, the ρ -value of customer satisfaction is 0.000 and the α is 0.05 where $0.000 < 0.05$. It means that the variable is significant and null hypothesis (H0) is rejected while H1 is accepted. In other words, revisit intention influenced word-of-mouth significantly.

Table 7. Coefficients of Multiple Regression

	B	Std. Error	Beta	t	Sig.
Model 1 (Constant)	0.022	1.653		0.014	0.989
X1_VM	0.030	0.050	0.029	0.600	0.549
X2_ATM	0.344	0.081	0.339	4.276	0.000
X3_SQ	0.609	0.080	0.567	7.653	0.000
Model 2 (Constant)	0.673	1.487		0.452	0.652
Y1_CS	0.934	0.037	0.896	24.947	0.000
Model 3 (Constant)	2.753	1.638		1.669	0.097
Y1_CS	0.900	0.041	0.870	21.826	0.000
Model 4 (Constant)	0.240	0.136		1.759	0.081
CS	0.348	0.077	0.336	4.539	0.000
RI	0.594	0.073	0.599	8.086	0.000

3.5. Independent Sample t-Test

This section explained about the correlation between the variable that was not significant (Variety of Menu) and utilized an Independent t-test to measure the significance of the influence of independent variables individually towards the dependent. In this case, Variety of Menu will be measured with the respondents' age to find out which group is significant by comparing p-value to the α :

- If Sig. value for Levene's test $> \rho$ of 0.05, the group variances are the same and the equal variances assumed.
- If Sig.(2-tailed) $\leq \rho$ of 0.05, there is a significant difference between two groups in its mean scores.

Table 8. Age in Correlation with Variety of Menu

	Age	N	Mean Risk Score	Std. Deviation	Sig.	Sig. (2-tailed)	Mean Difference
VM	1	116	3.9310	0.81729	0.524	0.002	0.48642
	0	39	3.4446	0.86955		0.003	

In Table 8, the mean value of variety of menu is significantly different between respondent ages of 18-24 (indicated by 1) and 25-44 (indicated by 0). The mean value or risk score indicates that ages 18-24 have a higher variety of menu awareness than the group age of 25-44. This result is aligned with the findings from Startt's (2017) and Negrete's (2014) studies which stated that the Millennials and Generation Z are more concerned with variety of menu in restaurants.

3.6. Further Discussion

The constant value for Model 1 is 0.022 and all three independent variables have a positive sign, meaning that the Variety of Menu, Atmosphere and Service Quality all have positive relationships with Customer Satisfaction of the coffee shop. However, the t-test showed that Variety of Menu is playing an insignificant role for the customer satisfaction. Even though it brings positive impact towards customer satisfaction, there is no significant effect of it. Accordingly, the constant value for Model 2 is 0.673 and the independent variable has a positive sign, which indicates that Customer Satisfaction has a positive relationship with Revisit Intention. Hence, if Customer Satisfaction is increased by 1, then the revisit intention increases by 0.934. The constant value for Model 3 is 2.735 and the independent variable has a positive sign, which means that Customer Satisfaction has a positive relationship with Word-of-Mouth. Hence, if Customer Satisfaction is increased by 1, then the Word-of-Mouth increases by 0.900. The constant value for Model 4 is 0.240 and all two independent variables have positive signs, which indicate that Customer Satisfaction and Revisit Intention have positive relationships with Word-of-Mouth. Hence, if Customer Satisfaction is increased by 1, then the Word-of-Mouth increases by 0.348. If Revisit Intention is increased by 1, then Word-of-Mouth increases by 0.594.

4. Conclusion

The findings in current study show that variety of menu does not have a significant relationship with customer satisfaction. The result of current study is in line with Zhong and Ryu's (2010). The result of hypothesis 2 validates several previous studies which found that atmosphere of a café has a significant relationship with customer satisfaction (Chang, Chen, Hsu, & Kuo, 2010; Heung & Gu (2012; Turhan, 2014; Azzuhri & Tanjung, 2017). Based on hypothesis 3, this study found that service quality is a part of customer satisfaction measurement and it validates past studies from Kadir, Rahmani, and Masinaei (2011), Ting and

Thurasamy (2016), Lai, Griffin and Babin (2009), and Cibro and Hudrasyah (2017). Meanwhile, the research also found that customer satisfaction and revisit intention are interrelated. It aligns with prior studies which suggested the importance of satisfaction on driving the intention to revisit (Chen & Tsai, 2007; Turhan & Özbek, 2013). This study also found that customer satisfaction and revisit intention have a positive relationship with word-of-mouth. The finding supports the discovery in prior studies of Allahham and Alijumaa (2014) and Turhan (2014) that argued once the customers are satisfied, they would be willing to give favorable recommendations towards the company and invite other people (Turhan, 2014).

This study contributed a managerial insight to business practice of coffeeshop industry. In terms of atmosphere, it is important to make the coffee shop as comfortable. Creating a good ambience by setting the right lighting would be preferable. For the service quality, the coffee shop may want to enhance hospitality while making quick responses in meeting the needs of the customers. Future research may consider the e-WOM factor to enrich the findings and improve the understanding as the shifting of the trend. There is no doubt that the sample used in this study is the main customers of the coffee shop who is in Jakarta. However, it will be more meaningful to include whole regions in the sample.

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