

# The Influence Of Service Quality Dimensions On Customer Loyalty With Customer Satisfaction As An Intervening Variable

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## Abstract.

*This study aims to determine the effect of the dimensions of service quality on customer loyalty at the coffee shop, with customer satisfaction as the intervening variable. The research method used in this study is a quantitative method by giving questions to a number of respondents using a questionnaire on the form (google form). The results of this study show that the responsiveness and empathy variables have a direct and significant influence on customer satisfaction at the Laju Coffee shop and this study also proves that the customer loyalty at Laju Coffee Shop is also influenced by the customer satisfaction.*

**Keywords:** Service Quality, Service Environment, Emotional Satisfaction, Behavioral Intentions, and Product Perceptions.

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## I. INTRODUCTION

Yogyakarta is a city that has a special atmosphere that is visited by many local and foreign tourists. The growing public interest in consuming processed coffee and changes in people's activity habits in Yogyakarta have led to the increasing number and development of coffee shops in Yogyakarta. People now prefer to do their activities in coffee shops because they believe that this place is more than just a place to consume coffee. More than that, they consider the coffee shop as a place for entertainment and self-actualization. This makes business competition in the food and beverage sector increasingly competitive, especially coffee shops in Yogyakarta. The increasing number of coffee shops has increased the freedom of consumers to choose a coffee shop that suits their tastes and needs, so that competition between coffee shops is increasing. As a result, it is very important for coffee shops in Yogyakarta to provide good quality service to consumers to provide satisfaction and foster a sense of customer loyalty. Consumer satisfaction can be felt by consumers after these consumers use the services or products offered by the company, then consumers will be able to provide their responses about these products or services in accordance with the wishes or expectations of consumers. Satisfaction is a consumer's short-term emotional reaction to the performance of certain services (Lovelock, Christopher H Widyantoro, Agus Samosir, Marianto Wright, 2007). Consumer satisfaction will be achieved if the main factor of the service is available, namely the readiness of human resources in serving potential customers (Khasmir, 2005).

Consumer satisfaction is determined by the quality of service desired by consumers so that the guarantee of the quality provided is a priority for the company (Hidayat, 2009). Service quality is very important for a well-known cafe. As the number of coffee shops increases, more and more people pay attention not only to the quality of the food and drinks served by the waiters, but also the conditions of the services offered, making consumers feel comfortable and appreciate good service and quality. Consumer Loyalty is a consumer who buys company products with an increased percentage of certain companies over others. In their efforts to retain consumers, they must prioritize consumer acquisition (Yuliawati, 2017). Therefore, loyalty can be defined as a future behavioral commitment to purchase a product or service, or engage with a service provider whenever other options are possible. From this point of view, loyalty can be measured directly, through buying behavior, by observing a higher frequency of purchasing a product or service, or a series of purchases for another person when this is not the case, and indirectly, by examining attitudes or measuring intentional repeat purchases (Lockshin, 2001). Measurement of consumer satisfaction

or dissatisfaction with a product is an indicator of the importance of product loyalty. Loyalty can be interpreted as a person's loyalty to an object. Consumer loyalty is very important for a company, both services and products (goods) to increase profits for a company, because if consumers are not loyal to a company's products, it is certain that they will switch to other products, to maintain that loyalty. consumers One way to increase consumer loyalty is to provide good service, which is expected to make consumers make repeated transactions.

## II. LITERATURE REVIEW AND HYPOTHESIS

### Consumer Loyalty

Consumer loyalty is the company's ability to continue to win the competition over other competitors. It is a continuous process that does not end with the satisfaction of consumer needs, but it continues with the establishment of long-term repeat purchase relationships with consumers in relation to a particular brand (Tweneboah-Koduah, E. and Farley, Y.D., 2015).

### Consumer Satisfaction

Consumer satisfaction is a post-purchase action behavior that shows how consumers feel after using a particular product or service. It shows the general assessment of consumers based on the consumption of goods or services (Ozkanet *al.*,2019).

### Services Concept

According to (Samat and Gopi, 2020) There are five dimensions of service quality, namely tangible, reliability, responsiveness, assurance, and empathy:

1. *Tangible* includes the appearance of physical facilities such as buildings and room layout, parking space availability, cleanliness, neatness and comfort of the room, completeness of communication equipment, and employee appearance.

2. *Reliability* is the ability to provide services as promised. Promised services such as providing appropriate information, helping to solve problems, and providing reliable services.

3. *Responsiveness* is the willingness of employees to help consumers and provide fast and responsive service, which includes readiness to serve consumers, speed of transaction handling, and handling of consumer complaints.

4. *Assurance*, including employee knowledge about the correct product, quality of hospitality, attention and courtesy in providing services, skills in providing information, ability to provide a sense of security, and ability to instill trust in consumers.

5. *Empathy* namely the individual attention given by the company to consumers such as the ease of contacting the company, the ability of employees to communicate with consumers, and the company's efforts to understand the wants and needs of consumers.

## HYPOTHESIS DEVELOPMENT

### Effect of Tangible on Consumer Satisfaction

Tangible is a form of physical means used by organizations to create and perform work. Supporting equipment and the appearance of employees used to serve consumers can create an impression that is easily remembered by consumers (Balinadoet *al.*, 2021) Apart from that, pleasant conditions are also felt by consumers when making transactions for services produced by companies. Thus, the tangible dimension is part of improving employee conditions to act in a timely manner according to consumer wishes (Othman *et al.*, 2019). The better the tangibles provided by the organization, the higher the satisfaction felt by consumers. In his research (Kotler, 2016) defines tangible as the company's ability to show its existence to outsiders. The appearance and ability of physical facilities and infrastructure to change as well as the condition of the surrounding environment is clear evidence of the services provided by service providers. The appearance and ability of the company's physical facilities and infrastructure that can be relied upon by the condition of the surrounding environment is clear evidence of the services provided by service providers. Thus, the researcher proposes the following hypothesis:

**H1: Tangible have direct influence and significant to consumer satisfaction.**

### **Reliability Effect on Consumer Satisfaction**

Reliability dimension is the ability and commitment possessed by employees to provide services in accordance with the abilities and skills they have. The decision taken is the desire to adjust performance with consumer expectations, which means timeliness and the same service to all consumers (Balinadoet *al.*, 2021). In the coffee shop industry, getting service or service from a reliable barista will increase the level of satisfaction a consumer. According to Parasuraman, in (Kotler, 2016) reliability is a company's ability to provide promised services accurately and reliably.

Performance that must match user expectations means timeliness. In addition, the research conducted (Heru Suprihhadi, Bambang Hadi Santoso Dwidjosumarno, 2020) defines reliability as the company's ability to provide services as promised accurately and reliably. Performance must match consumer expectations, which means timeliness, the same service for all customers without errors, a sympathetic attitude, and with high accuracy. Research conducted (Balinadoet *al.*, 2021) has findings by utilizing the SERVQUAL approach. Several dimensions of SERVQUAL such as tangibles, reliability, responsiveness, assurance, and empathy are analyzed simultaneously on customer satisfaction. Structural Equation Modeling (SEM) shows that among the five dimensions of SERVQUAL, reliability and empathy have a significant relationship to customer satisfaction. Thus, the researcher proposes the following hypothesis:

#### **H2: Reliability direct and significant effect on consumer satisfaction.**

### **Responsiveness Effect on Consumer Satisfaction**

Responsiveness is the behavior of employees in the organization to act in a timely manner and convey information according to consumer needs. The ability to respond to what employees have will be positively assessed by consumers so that they can create capabilities when serving consumers (Balinadoet *al.*, 2021). Employee motivation to solve problems faced by customers when using services has a positive effect on customer satisfaction. According to Parasuraman, in (Kotler, 2016) defines responsiveness as the ability to provide responsive services and the willingness of service providers, especially in their nature to help consumers and provide appropriate services according to consumer needs.

This dimension emphasizes the attitude of service providers who are attentive, fast and precise in dealing with consumer requests, questions, complaints and problems. Meanwhile according to (Heru Suprihhadi, Bambang Hadi Santoso Dwidjosumarno, 2020) *responsiveness* as a policy to help and provide fast and appropriate services to customers, with the delivery of clear information that will not let customers wait then negative perceptions arise in service quality. Research conducted by (Islamet *al.*, 2021). The research findings show that the visibility, responsiveness and commitment of employees have a positive and significant effect on customer satisfaction. Thus, the researcher proposes the following hypothesis:

#### **H3: Responsiveness direct and significant effect on consumer satisfaction**

### **The Effect Assurance on Consumer Satisfaction**

*Assurance* is one of the core dimensions of service quality that affects customer satisfaction. The acquired process knowledge exhibited by the barista in providing services can be very convincing to consumers (Balinadoet *al.*, 2021). This gives consumers confidence that the service delivery representative will carry out their duties in a professional manner, especially in their duties of making and serving coffee in the shop.

According to Parasuraman, in (Kotler, 2016) defines assurance as the ability of service providers to generate consumer confidence and self-confidence that service providers, especially employees are able to meet the needs of consumers. Includes knowledge, ability, courtesy, and trust worthiness possessed by employees. Meanwhile according to (Heru Suprihhadi, Bambang Hadi Santoso Dwidjosumarno, 2020) *assurance* is the knowledge, courtesy of compensation, and the ability of company employees to foster customer trust in the company. This includes several components including communication, credibility, security, *competence*, and manners. Research conducted by (Kadek et al, 2019) has finding assurance has a positive influence on consumer satisfaction. This, the researcher proposes the following hypothesis:

#### **H4: Assurance direct and significant effect on consumer satisfaction.**

### **The Effect of Empathy on Consumer Satisfaction**

Empathy is the individual attention given by the company to consumers such as the ease of contacting the company, the ability of employees to communicate with consumers, and the company's efforts to understand the wants and needs of consumers (Balinado *et al.*, 2021). Empathy significantly increases the level of consumer satisfaction. Without empathy, customers will remain dissatisfied with service quality; therefore, empathy greatly affects consumer satisfaction.

According to Parasuraman, in (Kotler, 2002) interprets empathy as individual attention to customers such as the ease of communicating well with employees and the company's efforts to understand the wants and needs of customers. Meanwhile according to (Heru Suprihhadi, Bambang Hadi Santoso Dwidjosumarno, 2020) *empathy* is giving sincere and individual or personal attention given to customers by trying to understand consumer desires. Where a company is expected to have understanding and knowledge about customers, understand customer needs specifically, and have a comfortable operating time for customers. Research conducted by (Ristanti, Shihab and Rekarti, 2011) Using path analysis, it was found that empathy has a positive influence on customer satisfaction. Thus, we propose the following hypothesis:

**H5: Empathy, direct and significant effect on consumer satisfaction.**

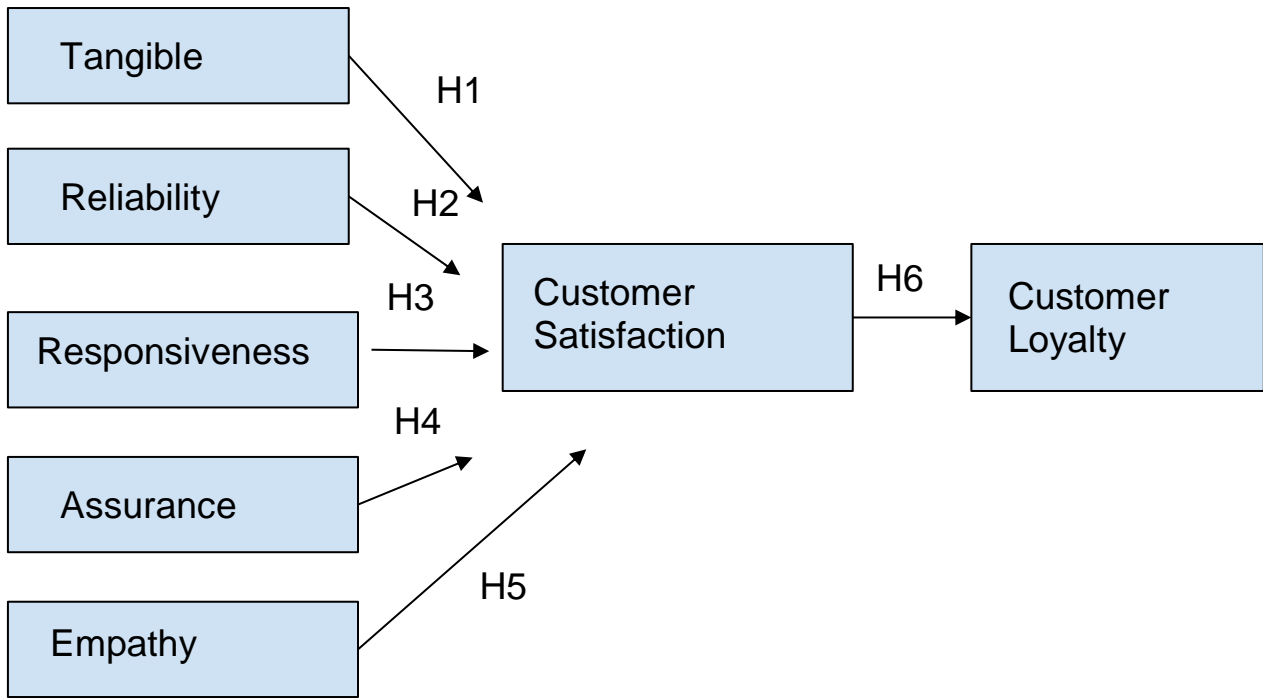
### **Effect of Consumer Satisfaction on Consumer Loyalty**

According to (Lo *et al.*, 2010) consumer satisfaction is measured by measuring the difference between beliefs and experiences of service quality and is positively related to consumer loyalty. Meanwhile, according to (Ngo *et al.*, 2019) Service quality and customer satisfaction are important antecedents of consumer loyalty. Meanwhile, consumer satisfaction mediates the effect of service quality on consumer loyalty. To develop and grow a service-oriented business, the implementation of customer satisfaction has become very important and important for business companies (Cheshin, Amit and van Kleef, 2019). (Kotler and Keller, 2013) illustrates the term "customer satisfaction" as "a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance or results with his or her expectations".

The concept of consumer loyalty is very important for every business organization (Bhat *et al.*, 2018), although it is an important challenge for service companies to create and maintain loyal customers (Mainardes *et al.*, 2020). Loyalty is a construct that includes multidimensional attributes (Zeithaml *et al.*, 1996). Consumer loyalty reflects behavioral actions, which develop within consumers, followed by repeated purchase habits (Fida *et al.*, 2020). Because the cost to attract new consumers is relatively higher than retaining existing customers, so maintaining loyal customers is very important for service business companies. In addition (Henny & Januarko, 2018) shows that the dimensions of service standards (*tangible, reliability, responsiveness, assurance and empathy*) allegedly has a strong effect on consumer satisfaction and customer satisfaction also has a strong effect on consumer loyalty. Consumer satisfaction is said to have a positive correlation with consumer loyalty (Kandampully and Suhartanto, 2000). Understanding the role of consumer satisfaction has been approved by (Han & Ryu, 2009) as a potential way to increase consumer loyalty. Thus, the researcher proposes the following hypothesis:

**H6: Overall consumer satisfaction has a direct effect and significant to consumer loyalty.**

**III. RESEARCH FRAMEWORK**



**Fig 1.** Research Framework

**IV. RESEARCH METHODS**

The approach used in this study uses quantitative methods. The population in this study are consumers of the Laju coffee shop who live in the city of Yogyakarta and its surroundings. Meanwhile, the sample in this study were consumers from the Yogyakarta Laju Coffee Shop. The technique of taking samples is generally carried out by, *non random sampling* data collection uses research instruments, data analysis is quantitative/statistical in nature with the aim of testing predetermined hypotheses. Sample size guidelines are calculated on the number of indicators X 5 to 10 (Hair et al, 2014). Researchers used a multiplication of 10 the number of samples in this study as follows: Number of samples = 25 x 10 = 150 where 250 is the minimum sample and in this study the sample size is approximately 250 respondents. The research data consists of primary data obtained directly through a survey of respondents using a list of questions in the form of a combination of digital (*google form*) with an assessment based on a Likerts scale of 1 to 6. Furthermore, data were analyzed using descriptive analysis and statistical analysis using The *Structural Equation Model* (SEM) by using software PLS SEM data processing tool.

**V. RESULTS AND DISCUSSION**

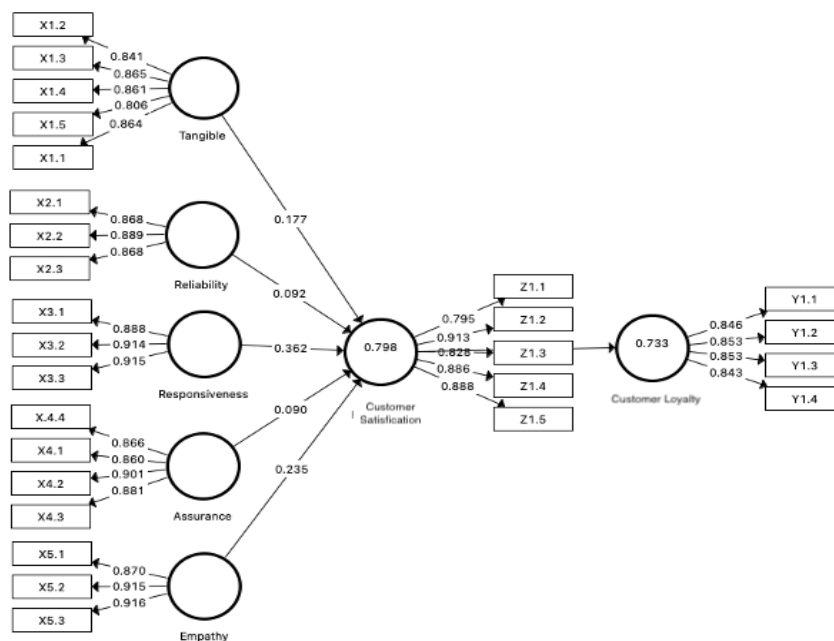
The following describes the descriptive data of the respondents obtained from distributing the questionnaires seen in Table 1:

**Table 1.** Respondent Descriptive Analysis

Information	N	%
<b>Gender</b>		
Man	138	55%
Male	112	45%
<b>Age</b>		
17 - 20 Age	85	34%
21 - 30 Age	150	60%
31 - 40 Age	8	3.2%
41 - 50 Age	4	1.6%
> 50 Age	3	1.2%

<b>Last Education</b>		
High School	155	62%
Diploma/Sarjana	90	36%
Magister	1	0.4%
Doktor	1	0.4%
Other	3	1.2%
<b>Profession</b>		
Student	126	50.4%
Civil Servant /SOLDIER/POLICE	12	4.8%
Entrepreneur	37	14.8%
Unemployed / Housewife	7	2.8%
Other Professions	13	5.2%
<b>Average Spending per Month</b>		
< Rp 2.000.000	93	37.2%
Rp 2.000.000 - Rp 5.000.000	120	48%
Rp 5.000.000 - Rp 10.000.000	30	12%
> Rp 10.000.000	7	2.8%

**ANALYSIS SEM**  
**Structural Equation Model**



**Fig 2.** Structural Equation Model

**Value Test Loading Factor**

Based on the output value of the loading factor for the variable *tangible* with 4 measurement indicators are X1.1: 0.864 X1.2: 0.841, X1.3: 0.865, X1.4: 0.861. Then variables *reliability* with 3 indicators: X2.1: 0.868, X2.2: 0.889, X3.3: 0.868. Then for variables *responsiveness* with 3 measurement indicators is X3.1: 0.888, X3.2: 0.914, X3.3: 0.915. Then for variables *assurance* with 3 measurement indicators are X4.1: 0.860, X4.2: 0.901, X4.3: 0.881. Then for variables *empathy* with 3 measurement indicators are X5.1: 0.870, X5.2: 0.915, X5.3: 0.916. As for the variable consumer satisfaction with 5 indicators are: Z1.1: 0.795, Z1.2: 0.913, Z1.3: 0.828, Z1.4: 0.886, Z1.5: 0.886. Meanwhile, the consumer loyalty variable with 4 indicators is Y1.1: 0.846, Y1.2: 0.853, Y1.3: 0.853, Y1.4: 0.843. Based on the loading factor value for the indicator *tangible*, *reliability*, *responsiveness*, *assurance*, *empathy*, customer satisfaction, and consumer loyalty values already exist above 0.60. Thus, the indicator *tangible*, *reliability*, *responsiveness*, *assurance*, *empathy*, consumer satisfaction, and consumer loyalty declared valid.



**Uji Nilai Average Variance Extracted (AVE)**

Then, the AVE value for each construct, namely tangibles: 0.719, reliability: 0.765, *responsiveness*: 0,820, *assurance*: 0.770, empathy: 0.811, customer satisfaction: 0.745, and customer loyalty: 0.720. The five constructs already have a value  $\geq 0.50$ . That is, the five constructs are categorized as valid

**Discriminant Validity****1. Cross Loading Value****Table 2.** Cross Loading Value

	Tangible	Reliability	Responsiveness	Assurance	Empathy	Customer Satisfaction	Customer Loyalty
X1.1	0,864	0,730	0,670	0,712	0,685	0,695	0,689
X1.2	0,841	0,654	0,691	0,656	0,666	0,647	0,661
X1.3	0,865	0,731	0,702	0,700	0,652	0,702	0,697
X1.4	0,861	0,769	0,759	0,771	0,755	0,739	0,731
X2.1	0,769	0,868	0,703	0,672	0,680	0,698	0,681
X2.2	0,746	0,889	0,758	0,779	0,745	0,723	0,744
X2.3	0,698	0,868	0,719	0,711	0,672	0,687	0,715
X3.1	0,772	0,704	0,888	0,746	0,712	0,741	0,671
X3.2	0,757	0,787	0,914	0,784	0,758	0,785	0,745
X3.3	0,765	0,766	0,915	0,813	0,800	0,803	0,752
X4.1	0,706	0,711	0,749	0,860	0,711	0,685	0,685
X4.2	0,769	0,753	0,765	0,901	0,791	0,748	0,726
X4.3	0,740	0,753	0,792	0,881	0,767	0,762	0,738
X5.1	0,697	0,707	0,732	0,766	0,870	0,695	0,690
X5.2	0,764	0,728	0,759	0,785	0,915	0,745	0,721
X5.3	0,724	0,727	0,769	0,786	0,916	0,800	0,738
Z1.1	0,710	0,748	0,740	0,767	0,774	0,795	0,724
Z1.2	0,730	0,681	0,795	0,738	0,732	0,913	0,774
Z1.3	0,647	0,642	0,702	0,637	0,635	0,828	0,725
Z1.4	0,698	0,712	0,723	0,732	0,738	0,886	0,761
Z1.5	0,683	0,679	0,737	0,689	0,701	0,888	0,705

Y1.1	0,710	0,722	0,689	0,703	0,603	0,772	0,846
Y1.2	0,671	0,680	0,653	0,649	0,686	0,721	0,853
Y1.3	0,665	0,682	0,627	0,653	0,628	0,699	0,853
Y1.4	0,698	0,683	0,738	0,724	0,720	0,761	0,843

Z1.3	0,647	0,642	0,702	0,637	0,635	0,828	0,725
Z1.4	0,698	0,712	0,723	0,732	0,738	0,886	0,761
Z1.5	0,683	0,679	0,737	0,689	0,701	0,888	0,705
Y1.1	0,710	0,722	0,689	0,703	0,603	0,772	0,846

From the table above it can be seen that all the loading indicators for the construct > cross loading. Hence all indicators for variables tangible, *reliability*, *responsiveness*, *assurance*, *empathy*, consumer satisfaction, and consumer loyalty declared valid.

## 2. Normality Test

Indicator	NO	Lost	Average	Median	Minimum
Maksimum	STD	Dev	Kurtosis	C.R	
X1.1	1.000	0.000	4.652	5.000	
	3.000	6.000	0.841	-0.690	0.041
X1.2	2.000	0.000	4.660	5.000	
	2.000	6.000	0.938	-0.391	-0.296
X1.3	3.000	0.000	4.700	5.000	
	2.000	6.000	0.935	-0.182	-0.372
X1.4	4.000	0.000	4.596	5.000	
	2.000	6.000	1.036	-0.845	-0.237
X1.5	5.000	0.000	4.788	5.000	
	2.000	6.000	0.838	-0.691	0.008
X2.1	6.000	0.000	4.672	5.000	
	3.000	6.000	0.856	-0.758	0.032
X2.2	7.000	0.000	4.752	5.000	
	2.000	6.000	0.977	-0.658	-0.339
X2.3	8.000	0.000	4.800	5.000	
	2.000	6.000	0.947	0.047	-0.530
X3.1	9.000	0.000	4.636	5.000	
	2.000	6.000	1.054	-0.652	-0.424
X3.2	10.000	0.000	4.824	5.000	
	2.000	6.000	0.992	-0.619	-0.381
X3.3	11.000	0.000	4.732	5.000	
	2.000	6.000	1.010	-1.009	-0.192
X4.1	12.000	0.000	4.708	5.000	
	2.000	6.000	0.829	-0.061	-0.215
X4.2	13.000	0.000	4.736	5.000	
	2.000	6.000	0.882	-0.695	-0.054
X4.3	14.000	0.000	4.616	5.000	
	2.000	6.000	1.010	-0.633	-0.273
X.4.4	15.000	0.000	4.708	5.000	
	2.000	6.000	0.946	0.065	-0.441
X5.1	16.000	0.000	4.696	5.000	
	2.000	6.000	0.940	-0.257	-0.317
X5.2	17.000	0.000	4.664	5.000	
	2.000	6.000	1.019	-0.611	-0.360
X5.3	18.000	0.000	4.636	5.000	
	2.000	6.000	1.035	-0.650	-0.270



Z1.1	19.000	0.000	4.648	5.000	2.000
	6.000	0.940	-0.587	-0.202	
Z1.2	20.000	0.000	4.632	5.000	2.000
	6.000	1.207	-0.729	-0.525	
Z1.3	21.000	0.000	4.608	5.000	2.000
	6.000	1.317	-0.839	-0.601	
Z1.4	22.000	0.000	4.660	5.000	2.000
	6.000	1.159	-0.606	-0.502	
Z1.5	23.000	0.000	4.676	5.000	2.000
	6.000	1.097	-0.573	-0.464	
Y1.1	24.000	0.000	4.672	5.000	
	2.000	6.000	0.928	-0.156	-0.361
Y1.2	25.000	0.000	4.704	5.000	
	2.000	6.000	0.964	-0.468	-0.348
Y1.3	26.000	0.000	4.656	5.000	
	2.000	6.000	1.230	-0.580	-0.629
Y1.4	27.000	0.000	4.804	5.000	
	3.000	6.000	0.852	-0.899	-0.042

Fig 2. Normality Test

Based on the normality test table, it shows that the majority of the univariate normality tests are normally distributed because the critical ratio (C.R) values for kurtosis and skewness are within the range of  $\pm 2.58$ . Meanwhile, the multivariate data meets the normal assumption because the value of -0.639 is within the range of  $\pm 2.58$ .

### 3. Correlation Between Latent Constructs

	Tangible	Reliability	Responsiveness	Assurance	Empathy	Customer Satisfaction	Customer Loyalty
Tangible	1,000	0,844	0,827	0,829	0,808	0,817	0,809
Reliability	0,844	1,000	0,831	0,824	0,800	0,803	0,815
Responsiveness	0,827	0,831	1,000	0,863	0,837	0,858	0,799
Assurance	0,829	0,824	0,864	1,000	0,865	0,828	0,805
Empathy	0,808	0,800	0,837	0,865	1,000	0,831	0,796
Customer Satisfaction	0,817	0,800	0,858	0,828	0,831	1,000	0,856
Customer Loyalty	0,809	0,815	0,799	0,805	0,796	0,856	1,000

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Tangible	0,902	0,903	0,927	0,719
Reliability	0,847	0,847	0,907	0,765
Responsiveness	0,890	0,892	0,972	0,820
Assurance	0,900	0,902	0,930	0,770
Empathy	0,883	0,888	0,928	0,811
Customer Satisfaction	0,914	0,915	0,936	0,745
Customer Loyalty	0,870	0,871	0,911	0,720

Fig 3. Correlation Between Latent Constructs

Based on the output analysis, the value of the latent variable correlation is obtained which is greater than the AVE Square Root value, meaning that all indicators are for variables tangible, *reliability*, *responsiveness*, *assurance*, *empathy*, consumer satisfaction, and consumer loyalty declared valid.

#### Confirmatory Model Conformity Test

	R Square	Q Square
Customer Satisfaction	0,798	0,794
Customer Loyalty	0,733	0,732

**Fig 4.** Table R Square

The R Square measure describes the size of the endogenous variables that can be explained by other exogenous/endogenous variables in the model. According to Chin (1998) the qualitative interpretation of R Square is 0.19 (low effect), 0.33 (moderate effect) and 0.66 (high effect). Based on the processing results above, it can be said that the magnitude of the influence of consumer satisfaction is 79.8% (high influence), the magnitude of the influence of consumer loyalty is 73.3% (high influence). Q Square describes a measure of prediction accuracy, namely how well each change in exogenous/endogenous variables is able to predict endogenous variables. This measure is a form of validation in PLS to state predictive relevance. A Q Square value above 0 indicates that the model has predictive relevance but in (Hair et al, 2019) the Q Square interpretation value qualitatively is 0 (low effect), 0.25 (moderate effect), and 0.50 (high effect). Based on the processing results above, the Q Square value of the variable consumer satisfaction is  $0.794 > 0.50$  (high prediction accuracy) and consumer loyalty is  $0.732 > 0.50$  (high prediction accuracy).

	Estimated Model
SRMR	0,057

**Fig 5.** SRMR test

SRMR stands for Standardized Root Mean Square Residual. In (Yamin, 2022) this value is a measure of model fit (model fit), namely the difference between the data correlation matrix and the estimated model correlation matrix. In (Hair et al, 2021) values, SRMR below 0.08 indicates a fit model. However, in (Karin et al, 2003), the SRMR value is between 0.08 - 0.10 indicating an acceptable fit model. The estimation result of the model is 0.057, it shows that the model used is fit.

Average Communality	Average R Square	GoF Index
0,574	0,765	0,662

**Fig 6.** GoF Index

The Goodness of Fit Index (GoF Index) is an evaluation of the entire model which is an evaluation of the measurement model and the structural model. GoF This index can only be calculated from the reflective measurement model, namely the root of the geometric multiplication of the community average with the average R Square. According to (Wetzels et al, 2009) in (Yamin, 2022), the interpretation of the GoF Index value is 0.1 (Low GoF), 0.25 (Medium GoF), and 0.36 (High GoF). The calculation results show the GoF Index at 0.662 (High GoF). This means that the measurement model (outer model) with the structural model (inner model) is feasible or valid.

**Fig 7.** PLS Predict Test Table

Measurement Items	PLS		LM	
	RMSE	MAE	RMSE	MAE
Z1.1	0,580	0,453	0,589	0,448
Z1.2	0,741	0,553	0,760	0,571
Z1.3	0,950	0,693	1,025	0,735
Z1.4	0,746	0,545	0,776	0,568
Z1.5	0,740	0,547	0,771	0,579
Y1.1	0,640	0,483	0,658	0,495
Y1.2	0,688	0,520	0,726	0,546
Y1.3	0,906	0,608	0,938	0,705
Y1.4	0,560	0,447	0,539	0,463

Most of the endogenous variable measurement items (satisfaction and loyalty) of the proposed PLS model have lower RMSE and MAE values than the LM (Linear Regression) model, so the proposed PLS model has medium predictive power.

#### 4. Reliability Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Tangible	0,902	0,903	0,927	0,719
Reliability	0,847	0,847	0,907	0,765
Responsiveness	0,890	0,892	0,972	0,820
Assurance	0,900	0,902	0,930	0,770
Empathy	0,883	0,888	0,928	0,811
Customer Satisfaction	0,914	0,915	0,936	0,745
Customer Loyalty	0,870	0,871	0,911	0,720

**Fig 8.** Reliability Test

As a result, composite reliability for tangible constructs: 0.927, reliability: 0.907, responsiveness: 0.932, assurance: 0.930, empathy: 0.928, customer satisfaction: 0.936, and customer loyalty: 0.911. All composite reliability values are above 0.70. Therefore *tangible*, *reliability*, *responsiveness*, *assurance*, *empathy*, consumer satisfaction, and consumer loyalty already have good reliability or are categorized as reliable.

#### HYPOTHESIS TESTING

**Table 3.** Hypothesis Testing

	hypothesis	Results	Information
H1	<i>Tangible</i> has a direct and significant influence on consumer satisfaction.	There is no significant effect	Rejected
H2	<i>Reliability</i> has a direct and significant influence on consumer satisfaction.	There is no significant effect	Rejected

H3	<i>Responsiveness</i> has a direct and significant influence on consumer satisfaction.	Koef.Beta= 0,362 T Statistics=4,790 P value= 0.000	Accepted
H4	<i>Assurance</i> has a direct and significant influence on consumer satisfaction.	There is no significant effect	Rejected
H5	<i>Empathy</i> has a direct and significant influence on consumer satisfaction.	Koef.Beta=0,235 T Statistics=3,338. P value= 0.001	Accepted
H6	Consumer satisfaction has a direct and significant influence on consumer loyalty.	Koef.Beta=0,856 T-Statistics=41,495 P-value= 0.000	Accepted

In the results of the first hypothesis testing results show the value of the beta coefficient tangible of 0.177 and the t-statistic is equal to 1.804. From these results it is stated that the t-statistic is not significant. because  $<1.96$  with  $p \text{ value} >0.05$  so the first hypothesis is rejected. This proves that tangible not proven to have a direct and significant effect on consumer satisfaction. These results are due to the fact that most of the respondents were quite satisfied with the responsiveness given by the barista of the speed coffee shop. These results are contrary to the results of previous research conducted by (Bestoon, et al 2019), where the results of his research prove that the better the tangibles provided by the company, the higher the satisfaction felt by consumers. On the results of the second hypothesis in this study the test results show the value of the beta coefficient reliability of 0.092 and the t-statistic is equal to 1.117. From these results it is stated that the t-statistic is not significant. because  $<1.96$  with  $p \text{ value} >0.05$  so the second hypothesis is rejected. This proves that variable reliability not proven to have a direct and significant influence on consumer satisfaction. This is because the majority of the respondents are satisfied with the empathy given by the barista at the coffee shop. These results are in contrast to the results of previous research conducted by (Balinado, et al 2021) where the results of his research prove that the better the reliability provided by the company, the higher the satisfaction felt by consumers. The results of the third hypothesis in this study prove that this proves that the variable responsiveness has a direct and significant influence on consumer satisfaction. This is indicated by the variable beta coefficient value responsiveness of 0.362 and the t-statistic of 4.790.

From these results it is stated that the t-statistic is significant. because  $>1.96$  with  $p \text{ value} <0.05$  so the third hypothesis is accepted. *Responsiveness* can be seen from the coffee shop baristas who are ready and responsive in serving consumers, the speed in handling transactions, and the coffee shop baristas who handle consumer complaints well. These results are in accordance with previous research conducted by (Rafikum Islam et al, 2020) research findings shows that the visibility, responsiveness and commitment of employees have a positive and significant effect on customer satisfaction. On the results of the fourth hypothesis the test results show the value of the beta coefficient assurance of 0.090 and the t-statistic is equal to 0.997. From these results it is stated that the t-statistic is not significant. because  $<1.96$  with  $p \text{ value} >0.05$  so the fourth hypothesis is rejected. This proves that assurance not proven to have a direct and significant effect on consumer satisfaction. This is due to the fact that the majority of respondents are satisfied with the responsiveness and empathy given by the barista of the speed coffee shop. These results are contrary to the results of previous research conducted by (Kadek et al, 2019) who had findings assurance has a positive and significant influence on consumer satisfaction. The results of the fifth hypothesis in this study prove the variable empathy has a direct and significant influence on consumer satisfaction. This is indicated by the value of the beta coefficient empathy of 0.235 and the t-statistic is equal to 3.338. From these results it is stated that the t-statistic is significant. because  $>1.96$  with  $p \text{ value} <0.05$  so the fifth hypothesis is accepted.

*Empathy* can be seen from this coffee shop making it easy for consumers to contact companies, this coffee shop barista has the ability to communicate with consumers, and this coffee shop understands the wants and needs of its consumers. These results are in accordance with previous research conducted by (Vivi Restianti et al, 2011) which proved the variable empathy has a direct and significant influence on consumer satisfaction. The results of the sixth hypothesis in this study prove that the variable consumer satisfaction has

a direct and significant influence on consumer loyalty. This is indicated by the beta coefficient value of consumer satisfaction of 0.856 and the t-statistic of 41.495. From these results it is stated that the t-statistic is significant. because  $>1.96$  with a pvalue  $<0.05$  so the sixth hypothesis is accepted. Consumer satisfaction can be seen from consumers feeling happy when they are in this coffee shop, in this coffee shop consumers can feel free from daily boredom, consumers feel valued in this coffee shop, consumers feel they find confidence in this coffee shop, and consumers feel important in this coffee shop. These results are in accordance with previous research conducted by (Kandampully and Suhartanto, 2000) which proves that customer satisfaction has a direct and significant influence on consumer loyalty.

## VI. CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the research that has been done, there are several points that can be concluded, namely; the first hypothesis proves that there is no variable effect tangible significant effect on consumer satisfaction. The results of the second hypothesis in this study prove that there is no variable effect reliability significant to consumer satisfaction. The results of the third hypothesis in this study prove that this proves that the variable responsiveness has a direct and significant influence on consumer satisfaction. The results of the fourth hypothesis in this study prove that there is no variable influence assurance significant. The results of the fifth hypothesis in this study prove the variable empathy has a direct and significant influence on consumer satisfaction.

The results of the sixth hypothesis in this study prove that the variable consumer satisfaction has a direct and significant influence on consumer loyalty. This research proves that variable responsiveness and empathy has a direct and significant influence on customer satisfaction at Laju Coffee shops. This study also proves that variable tangible, *reliability*, and assurance does not have a direct and significant influence on consumer satisfaction. It means that these three variables are not too important in influencing the satisfaction and loyalty of Laju coffee shop consumers. Based on the results of the research that has been done, the researcher realizes that there are still many limitations to the research results, thus the researcher has several suggestions, including that further research is expected to be able to distribute questionnaires to Respondents with diverse age backgrounds are therefore not grouped into a particular age category and produce a more diverse picture of conditions. Future research is expected to add other variables that can affect increased customer satisfaction and loyalty, such as perceived price, product quality, etc.

### RESEARCH LIMITATIONS

The study in this study only focuses on consumer behavior at the coffee shop consumers, so it cannot describe the conditions at other coffee shops. The majority of respondents in this study were young people with student work, thus it did not reflect the conditions of respondents with higher occupations and ages. Researchers also believe that there are still many parts that can be developed better from this research. Thus the researcher will provide some suggestions and recommendations in the suggestions section for further research.

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