

Antecedents of Customer Loyalty from Buying Behavior About Outdoor Cafe Consumers with Natural Nuances

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Abstract—This study aims to examine several variables that influence consumer loyalty in consumer purchasing behavior. Experience quality is chosen as one of the variables that affect customer perceived value and customer satisfaction to create customer loyalty. This primary research focus is on the experience quality variable where consumer behavior in the visiting experience can be analyzed as a business strategy in tourism and culinary. This study uses a quantitative approach to this type of explanatory research. The outdoor cafe with natural nuances is a place for distributing questionnaires that are distributed directly to 168 respondents with the criteria that visitors are 18 years old and have visited the café at least once. The SEM-PLS analysis method was used as a tool for analyzing research results. The study results prove that experience quality has a positive and significant effect on customer perceived value and customer satisfaction. Customer perceived value demonstrates a positive and significant direct impact on customer loyalty. Customer satisfaction also has a positive and significant immediate impact on customer loyalty. The results of this study also confirm that experience quality has an indirect effect on the variable of customer loyalty through customer perceived value and customer satisfaction.

Keywords—*experience quality, customer perceive value, customer satisfaction, customer loyalty, consumer behavior*

I. INTRODUCTION

Kotler and Keller [1] explain that consumer behavior is a research about whereby choose, order, use also place welfares, services, opinions, and experiences by somebody, clubs, and partnerships to satisfy their wants and requirements. The understanding that is gained about consumer behavior needs to be studied further and can be used as a strategy to penetrate the market after understanding the different market segments. Consumer behavior can be divined applying these Theory of Reasoned Action suggested by Fishbein and Ajzen [2], which is a description of the overall integration of attitude components structured to explain behavior. As in Fishbein and Ajzen [2] argue that behavioral intention is a determinant of

actual practice and behavior intention, which continuously applies to future behavior and following purchasing activities.

In marketing, the evolution of technology (gadgets and the internet) makes geographic changes and fluctuations in buying influence; this will slowly change the behavior and benefits, and habits of consumers, especially those millennial generation, which is a unique generation and different from other generations. The influence of smartphones and the expansion of the internet network and the emergence of social networks (social media) affect the millennial generation's mindset and behavior values. Devices and every internet are no large bounded to technology although have become advocates to the millennial generation. One of the behaviors that have changed from generation X on millennials means a lifestyle. Lifestyle was initially a useless requirement during generation X consumers, onward with the space-time, lifestyle has changed to become a primary need for millennial generation consumers [3].

For the millennial generation, cafes are not just a place to drink coffee. Based on this, cafe owners must compete to attract consumers to make purchasing decisions. Business competition is based not only on product quality but also on the quality of service and quality of experience, which will encourage consumers to repurchase the products and services offered. Research conducted by Astalog.com [3] shows that one of the keys to achieving a competitive advantage in business competition is to focus on customers, which can improve long-term relationships.

According to Ryu and Han [4], consumer experience can divine purchaser behavior by emphasizing the magnitude of all personal and secondary connections among consumers and companies. The idea of experience includes visitors' affective acknowledgments to the psychical goods they desire to encourage experiences [5]. Experience Quality in the eatery area is their understanding of research of restaurant qualifications obtained in the dining process [6]. The

experiential aspect of the consumer experience is generally accepted as a critical element for conceptualizing perceived value [7]. Sweeney and Soutar [8] mentions several factors that influence customer value: consumer perceptions of products, services, employees, and company image. Positive values obtained by consumers based on the experience they feel will directly provide satisfaction for consumers and impact consumer loyalty. According to Kotler [9], perceived value is an essential antecedent for measuring satisfaction and consumer behavior intentions.

Cronin et al. [10] view satisfaction as the core of consumer behavior because satisfaction can affect long-term organizational performance. Anderson et al. [11] stated that customer satisfaction could predict customer behavior after deciding to use goods or services. Consumer satisfaction will be formed by consumers' positive experiences when visiting, and the value obtained is under the value expected by consumers so that it can make consumers become customer loyalty. Customer loyalty is the ultimate goal for cafe business owners because this dramatically affects the long-term sustainability of the cafe business that is being run. Consumer loyalty is a customer's attachment to brands, shops, and service providers based on a positive attitude that is felt and positively responds, such as making repeated purchases as in Fornell et al. [12].

Customer loyalty is formed by experience quality, customer perceived value, and customer satisfaction. Research by Baran et al. [13] on restaurant consumers shows that experience quality positively relates to customer perceived value. However, some studies are not consistent with the findings of this study. This study occurred in a study conducted by Yuan and Wu [14] conducted on visitors to the Janfusan Fancyworld tourism place in Yun-Lin County, Taiwan, showed that experience quality has no direct or indirect effect on customer perceived value. Research by Wu et al. [15] explains that experience quality significantly concerns customer satisfaction. Customer perceived value additionally becomes a primary relationship between customer loyalty. Any previous research that confirms the description is analysis managed by Ali et al. [16] that customer perceived value has an accurate correlation, including customer loyalty in the tourism and hospitality industry. Empirical studies conducted by Suhartanto et al. [17] show customer satisfaction in customer loyalty in Indonesia's aviation industry sector. This research tries to prove that customer loyalty is determined by experience quality, customer perceived value, and customer satisfaction on consumer behavior while attending outdoor cafes beside natural subtleties. This study's outcomes are supposed to provide business people to formulate strategies in marketing activities to get loyal customers. This study's conclusions also share perspicacity into consumer behavior theory that there are several essential things in studying consumer behavior to form loyalty consumers.

II. LITERATURE REVIEW

A. *Experience Quality*

Experience quality is a subjective response from consumers who are towering in direct and indirect meetings with service providers [18,19]. Lemke et al. [19] defines experience quality as the affective and cognitive aspects of service while touring to guide characters such as satisfaction and repurchase intentions and behavioral results, while loyalty and word of mouth.

B. *Customer Perceive Value*

Roy [20] define customer perceived value as the result received by consumers about the total costs incurred, including the price paid plus other costs associated with purchases and the benefits, namely the value they want. The sacrifices that consumers make include time, the cost of alternative products or alternative brands and personal experiences by McDougall and Levesque [21]. Consumer experience value refers to consumer perceptions of using a product or service directly or indirectly by Dodds et al. [22].

C. *Customer Satisfaction*

Based on the experiential perspective, satisfaction reflects the satisfied attitude experienced by consumers from the service when they purchase certain products and services. Consumers will compare their experiences with previous expectations, leading to positive or negative disconfirmation by Mathwick et al. [23]. Emotional responses resulting from match expectations or expectations mismatch will underlie the formation of customer satisfaction or dissatisfaction [24].

D. *Customer Loyalty*

Bigne et al. [25] classify loyalty into behavior (behavioral) as the way consumers behave and attitudes (attitudinal) as psychological and sensation-oriented personal attitudes. Loyal customers will generally buy more products or services from the same company than unfaithful customers [26].

III. METHODOLOGY

This study adopts a quantitative paradigm, which is a research approach built on the philosophy of positivism [27]. This study uses an explanatory type which aims to provide an explanation of the causal relationship between variable experience quality, customer perceived value, customer satisfaction, and customer loyalty. This analysis is carried out at an outdoor cafe with natural subtleties in Malang City. The object of inquiry is the consumers or visitors to the outdoor cafe with natural subtleties. This study's population are consumers who buy and enjoy the products and services provided by outdoor cafes with natural nuances. The research sample was obtained based on the formula's calculation [28], taking the most significant iteration results equal to 168 respondents.

This research's type of data is primary data because the type of research used is survey research. In this study, the questionnaire was arranged by the research needs which contained closed questions and questions about visitor perceptions related to the indicators of the research variables studied, namely the experience quality indicators adopted from the research of Yuan and Wu [14], customer perceived value is based on research by Ali et al. [16], customer satisfaction is based on research by Suhartanto et al. [17], and customer loyalty based on Machin and Campbell [29]. From the data obtained, the analysis was carried out using SMartPLS3.

IV. RESULTS

Based on the respondents' descriptive study results, it can detect that of the total number of respondents analyzed, 168 people were mostly female, aged 18-23 years, with students with the latest high school education. Most of the respondents get information about outdoor cafes with natural nuances from their social media. Most of the respondents who came to the outdoor cafe were consumers who had visited more than two times. The majority of respondents answered agree to each statement item used as a measurement of research results.

The evaluation of that outer model in this research aims to determine the research measurement results. Evaluation of the outer model used in this study is Convergent Validity, Discriminant Validity, and Composite Reliability. The convergent validity results can be seen based on the loading factor value; if the loading factor value is ≥ 0.5 , it can be said to be valid [30]. Based on this study results, it shows the loading factor value ≥ 0.5 so that the entire item of measurement statements in this study is said to be valid. Discriminant validity can be evaluated from the result that each variable's outer loading value is higher than the value of the other variables. This study indicates that each research variable has the highest value among each of the other variables. Composite reliability was evaluated through the AVE value ≥ 0.5 , the composite reliability value and the Cronbach alpha value ≥ 0.7 to assess the research constructs' reliability. This study indicates that the overall AVE value is ≥ 0.5 , the composite reliability value, and the Cronbach alpha value ≥ 0.7 so that it can be said to be reliable.

The results of PLS testing with structural equations can be seen through the results of the inner model analysis, which for to determine the correlation among one variable also another. The evaluation of this model can be viewed from these results of the R-square (R²) rate on endogenous variables and Predictive Relevance (Q²). The results of the R-square (R²) value of this study indicate that the variable customer perceived value has a moderate effect with a value of 0.595, the customer satisfaction variable should have a moderate effect with a value of 0.611, and the customer loyalty variable has a strong influence with a value of 0.689, this is in accordance with the terms stated by Chen et al. [30]. The overall goodness of fit appraisal is known from the Q² (predictive relevance) value. The conclusions of this study indicate a Q² value of 0.951, so it

can be said that the structural model equation in this study has good goodness of fit.

TABLE I. HYPOTHESIS TESTING

Variable	Original Sample	Standard Deviation	T Statistics	P Values
EXQ -> CPV	0,771	0,035	22,106	0,000
EXQ -> CS	0,782	0,029	26,750	0,000
CPV -> CL	0,357	0,069	5,182	0,000
CS -> CL	0,531	0,065	8,212	0,000

Hypothesis testing is done by looking at the probability value and t-statistic. The results are said to be significant if the p-value is less than 0.05, and the t-value is greater than the t-table value is 1.960. If you have fulfilled this assumption, the research hypothesis can be accepted. The results of testing the research hypothesis using the bootstrapping method of the structural model equation can be seen in Table 1, which presents the relationship between latent variables and the relationship between latent variables and the modifying variables. Hypothesis testing is done by looking at the probability value and t-statistic. The results are said to be significant if the p-value is less than 0.05, and the t-value is greater than the t-table value is 1.960. If you have fulfilled this assumption, the research hypothesis can be accepted. The results of testing the research hypothesis using the bootstrapping method of the structural model equation can be seen in Table 1, which presents the relationship between latent variables and the relationship between latent variables and the manifest variables.

Hypothesis testing in this study was carried out by using the bootstrapping method using the SmartPLS 3.0 application. The H1 test results show that the value of the experience quality variable path coefficient to the customer's perceived value is 0.771 with a t-value of 22.106 and a p-value of 0.000, so it can be said that experience quality has a positive and significant effect on customer perceived value. The H2 test results show that the experience quality variable path coefficient on customer satisfaction is 0.782 with a t-value of 26,750 and a p-value of 0,000, so it can be said that experience quality has a positive and significant effect on customer satisfaction. The H3 test results show the value of the variable path coefficient of customers perceive the value to customer loyalty of 0.357 with a t-value of 5,182 and a p-value of 0,000, so it can be said that customer perceived value has a positive and significant effect on customer loyalty. The H4 test results show that the path coefficient of the customer satisfaction variable with customer loyalty is 0.531 with a t-value of 8.212 and a p-value of 0.000, so it can be said that customer satisfaction has a positive and significant effect on customer loyalty. Based on the results of hypothesis testing, this study states that the overall hypothesis proposed in this study is accepted.

V. DISCUSSION

Experience quality has a positive and significant impact on the customer perceived value and customer satisfaction, so it

concluded that if the experience quality variable increases, the customer perceived value, and customer satisfaction will also increase. The average (mean) value on the overall experience quality indicators is 3.75, and the customer perceive value is 3.78, which means that the answers from consumers about the research items are in the right area, meaning that consumers have a good and memorable experience at the time visiting an outdoor cafe with a natural nuance. These test results follow in Lemke et al. [19] opinion that experience quality is an affective and cognitive aspect that results from services when visiting to produce the value that consumers can feel according to the benefits obtained. The following research findings show that customers' experience comes from the quality of products and services provided by outdoor cafes with natural refinements to trigger customer engagement reactions such as the value of consumers' benefits. This study's conclusions do not confirm the study's outcomes conducted by Ghozali and Latan [31] that experience quality does not have a significant relationship with customer satisfaction on guests to a tourist village on the main road of Hahndorf, Australia. Based on various assumptions and previous studies that support these decisions' results, it can be concluded that experience quality is an example of the determinants of customer satisfaction in the hospitality, tourism, and cafe or restaurant industries. The exciting experiences that consumers get when visiting and making purchases will result in satisfaction for consumers. This supports the attitude theory developed by Murphy et al. [32] that customer perceived value and customer satisfaction result from affective attitudes created by cognitive attitudes, specifically experience quality. This study's findings also confirm the equity theory by Bagozzi [33] that the relationship between the sacrifices suspected by consumers in terms of time, cost, and effort with the perceived value ensures they respond satisfied after receiving the benefits. In this case, consumers' experience when attending and constructing shopping is under the time, cost, and energy that have been sacrificed according to what they expect.

Customer Perceived Value and Customer Satisfaction have a real and significant effect on the customer loyalty variable. If the customer perceived value and customer satisfaction variables are increased, customer loyalty will also increase. This study's findings follow Roy [20] that customer perceived value is the outcome received by consumers with the complete charges incurred for visiting and making purchases at outdoor cafes with natural subtleties and the benefits, namely the value that consumers require [15]. Research attended reveals that customer satisfaction is a predictor of customer loyalty at amusement parks in Kuala Lumpur and Selangor, Malaysia. Based on particular assumptions and previous analyses that support these judgments, it can define that customer satisfaction is one of the decisive factors for customer loyalty in the service sector of the hospitality industry, tourism, and aeronautics. This study also confirms consumer behavior theory, specifically the theory of reason action by Fishbein and Ajzen [2], such satisfaction attitudes predict consumer loyalty.

VI. CONCLUSION

Customer loyalty is predicted by examining the beliefs, affective relationships, and conative rules that consumers think regarding a commodity or service. In this comparison, the variable of customer loyalty is a firm's commitment to repurchase the products and services procured on visiting outdoor cafes with natural nuances after making prior purchases. The hypothesis testing results show that customer satisfaction becomes the most powerful influence on customer loyalty, where customer satisfaction is obtained based on experience quality. Consumers who have experience visiting and feel satisfied will become customer loyalty. If an outdoor cafe with natural nuances wants to increase customer loyalty, they must focus on customer satisfaction by providing a good quality experience to consumers.

This study contributes to culinary business behavior. If they want to create customer loyalty, the main thing that must be considered is customer satisfaction and then customer loyalty and experience quality. This research further contributes to the theory that customer loyalty can be developed by customer satisfaction, customer loyalty, and experience quality.

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