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CONFIRMATORY FACTOR ANALYSIS OF CUSTOMER REVISIT INTENTION AT CAFES IN X CITY

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Abstract: Several Cafes in X City are part of food and beverage businesses which is growing rapidly. The Cafes has problems when the turnover that failed to reach the sales target, therefore, it is important to attract new customers and retain old customer. The purpose of this study is to determine the factors that reflect the customer revisit intention at the cafe in X City. This study uses quantitative approach with second-order confirmatory factor analysis method and SmartPLS3 program. A total of 97 customers who visited and made a purchase at cafes located in X City during the research period (April 2017 – November 2018) were chosen as research samples using purposive sampling method. The primary data was collected by distributing questionnaires with Likert scale with 100% rate of questionnaire return. The result of this study shows that food quality, service quality, and store atmosphere reflect customer revisit intention. Additionally, three indicators do not reflect the customer revisit intention: food taste and temperature, waiting time, and music.

Keywords: customer revisit intention, food quality, service quality, store atmosphere

Human needs are categorized into three, namely primary needs, secondary needs, and tertiary needs (Hidayat, 2015). Primary needs are humans' basic needs which are clothing, food, and shelter. Based on the Indonesian Government Regulation No. 28 year 2004, (jdih.pom.go.id, 2018), food sector is the most important basic needs for human. Statistics Indonesia (2018) states that from 2013–2017, the number of micro and small industries in the food sector in Bali increased by 7.80% and the beverage industry in Bali increased by 8.34%. This increased number of the food and beverage industry is an opportunity for entrepreneurs in Bali. Opportunities for the food and beverage industry in Bali show that culinary business such as restaurants, cafes and depots or other similar businesses have developed rapidly with intense competition due to the increasing number of newcomers offering different food products and services.

Cafe is one of the most rapidly growing businesses in recent years. A sector of café and bar has continued to grow since 2008 (Agriculture & Agri-Food Canada, 2014).

A *cafe* must provide many elements to enhance customers' experience, since they are expected to return to that cafe again. Such elements are mainly related to food quality, service quality, and store atmosphere (Yan in Yannie *et al.*, 2017). As one of the aspects in customer evaluation, Food Quality has an important role for a culinary taste of a café the customer chooses. Potter and Hotchkiss (in Salsabilah & Sunarti, 2018) state that food quality is food characteristic that can be accepted by customers. Furthermore, Kurtus (in Yusof *et al.*, 2016) notes that customers do not only pay for food quality but also pays for the

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service level available, means that good service quality is also always expected by customers.

Hussain and Ali (2015) state that recently customers do not only pay attention to food and service quality, but also to additional elements such as ambience or commonly known as store atmosphere. Café with a pleasant store atmosphere is more likely to attract customers to come. For Kotler and Keller (2013), store atmosphere is an attempt to design an environment in order to produce certain emotional effects on buyers to increase the probability of purchasing.

Increasing revenue must be done by increasing the number of new customers, but also increasing the number of regular or old customers as well (Adisaputro, 2014). Efforts that can be made to increase the number of both new and regular customers are by providing good quality food, service quality and store atmosphere. Baker and Crompton (in Yuniawati & Firnardi, 2016), revisit intention or interest in returning to visit can be defined as the possibility of the customers to repeat the activity or revisit the place. To ensure that customers do revisit intention, a café must offer food and service quality in a good store atmosphere as well (Soriano in Jalil *et al.*, 2016). Since one of the efforts to sustain in a food and beverage business is by observing factors that can affect customers' revisit intention, this research aims to find out what factors that reflect customers' revisit intention at the cafes in X city.

Method

This research applied purposive sampling for its sampling method. The subjects were customers who came and made purchase during the research period (from April 2017 to November 2018). The sample size for this study was 97 respondents. The profile of the samples was female students or college students, age around 15 to 30 years old, and came to cafes in X city for purchasing once or twice a month.

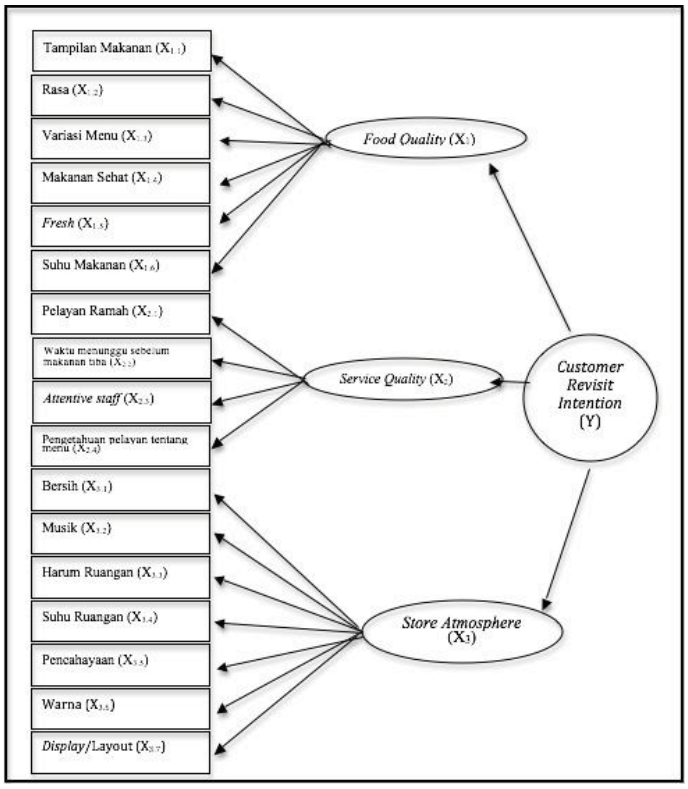

Image 1 Conceptual Model of Customer Revisit Intensity

The data were processed by using the second order confirmatory factor analysis through SmartPLS software. It was done in two levels: the first level was analyzing latent dimension constructs to their indicators, and the second level was analyzing latent constructs to their construct dimensions (Ghozali & Latan, 2015). This technique was chosen to measure latent constructs needed for measurement through indicators inform of another latent constructs.

Results and Discussions

After processing the data, the results show that the mean values range from 5.155 to

6.567, which means that most respondents agreed with the indicators of each given questionnaire statement. The lowest standard deviation of the food quality variable (X_1) was 0.851 on the indicator of fresh food, while the service quality variable (X_2) was 1.113 on the indicator of attentive café waiter, and store atmosphere variable (X_3) was 0.749 on the indicator of café display or layout. Each indicator in one variable that had the lowest standard deviation indicates that the indicator has the most homogeneous answer in one variable. Furthermore, the smaller the standard deviation on one indicator is, the more respondents' response close to the mean score, so this can be used to help measure the variables.

First Order Construct

The first validity test that had to be done was a convergent validity test, which is a *loading factor* that shows the correlation between individuals with latent variables (*first order construct*) and latent variables towards the main construct (*second order construct*). *First order construct* (as shown in the appendix) states that the food taste indicator ($X_{1.2}$), food temperature ($X_{1.6}$), food waiting time ($X_{2.2}$), and room color ($X_{3.2}$) had a *loading factor* value lesser than 0.70 so they had to be removed from the analysis model (Chin in Abdillah, & Jogiyanto, 2015). The researchers found that when the four indicators were removed from the research model and carried out re-estimation, there were several indicators and variables experiencing an increase in the value of loading factors, which means this model significantly reflected the customer revisit intention.

The next step was to test the validity of *average variance extracted* (AVE), where the recommended value should be greater than 0.50 (Chin, in Abdillah, & Jogiyanto, 2015), in order to show that the constructs able to prove that more than half variants are really sourced from their indicators. From the results, it is shown that the whole AVEs of the three variables were accepted.

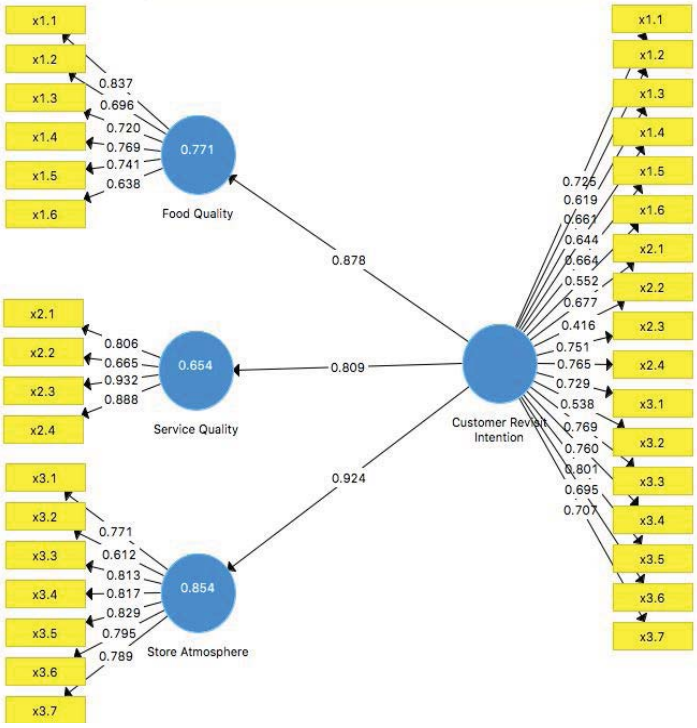

Image 2 Empirical Model before Improvement

Improvement Model

Indicators and latent variables that do not meet the loading factor requirements need to be eliminated because they are not considered to be able to represent the construct (Abdillah & Jogiyanto, 2015). Based on that, the indicators removed were *food taste* ($X_{1.2}$), *food temperature* ($X_{1.6}$), *food waiting time* ($X_{2.2}$) and *room color* ($X_{3.2}$). The change in analysis models can be seen by comparing Image 2 and Image 3, where the Image 2 is the initial analysis model and the Image 3 is the improvement model. The next step was to conduct test on measurement model.

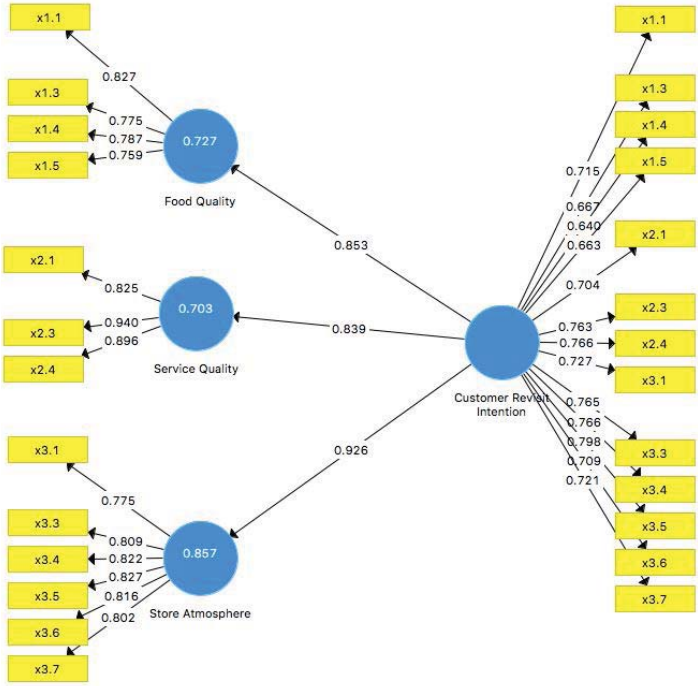

Image 3 Empirical Model after Improvement

Second Order Construct

Some things to consider are the loading factor values seen from the path coefficient value where the recommended value is greater than 0.70 (Chin, in Abdillah & Jogiyanto, 2015). Moreover, the expected determination coefficient is high, and the reflective hypothesis test for the second order construct with the recommended value should be greater than 1.96 (Abdillah, & Jogiyanto, 2015). From the results, it is found that *food quality* (X_1), *service quality* (X_2), and *store atmosphere* (X_3) variables had path coefficient values greater than 0.70.

The t-statistic value of all variables was greater than 1.96, which means that the customer revisit intention was significant for *store atmosphere* (X_3) as represented by the indicators, customer revisit intention was significant to *service quality* (X_2) as represented by the indicators, and customer revisit intention was significant to *food quality* (X_1) as represented by the indicators. Furthermore, the R^2 value also explains the value of the indicators that form the main variables.

Indicators of *food appe*arance ($X_{1.1}$), *menu variations* ($X_{1.3}$), *healthy food* ($X_{1.4}$), *fresh food* ($X_{1.5}$), *friendly waiters* ($X_{2.1}$), *attentive waiters* ($X_{2.3}$), *waiters' knowledge of food* ($X_{2.4}$), *cleanliness* ($X_{3.1}$), *room fragrant* ($X_{3.3}$), *room temperature* ($X_{3.4}$), *room lighting* ($X_{3.5}$), *room color* ($X_{3.6}$), and *display or room layout* ($X_{3.7}$) could reflect customer revisit intention. There were four indicators which had *cross loading* values lesser than 0.70, namely *food taste* ($X_{1.2}$), *food temperature* ($X_{1.6}$), *food waiting time* ($X_{2.2}$) and *music* ($X_{3.2}$), therefore these indicators were removed from the research model.

Store atmosphere, *food quality*, and *service quality* could reflect customer revisit intention. The path coefficient value shows that the factor

Table 1 Percentage of Main Latent Variable Formers

Variable	Number of Indicator	R Square (R^2)	Forming Main Variable	Formed by Other Indicators Outside the Model
Food Quality (X_1)	6	0.727	77.7%	22.3%
Service Quality (X_2)	4	0.703	70.3%	29.7%
Store Atmosphere (X_3)	7	0.857	85.7%	14.3%

Table 2 Path Coefficient Value of Each Variable

Variable	Value of *Path Coefficient*	Value of Determinant Coefficient Value
Store Atmosphere (X_3)	0.926	0.857
Food Quality (X_1)	0.853	0.727
Service Quality (X_2)	0.839	0.703

that reflected the customer revisit intention the most was *store atmosphere*, and then followed by *food quality* and *service quality*.

Store Atmosphere

The variable of *store atmosphere* was the first variable in the order as a factor that reflects *customer revisit intention,* as proven by the path coefficient value by 0.926 and the determinant coefficient value by 0.857 (Table 2). The mean value of the *store atmosphere* indicator ranges from 5,959 to 6,567, which means that the majority of respondents agreed with the existing indicators. Based on the efforts done, as proven by the research results, the customers agreed that cafe display is neat. The data on respondents' responses about "display or cafe layout is neat" show the smallest standard deviation value, proving that this indicator shows the most homogeneous answer in one variable. Furthermore, the smaller the standard deviation on one indicator is, the more respondents' response close to the mean score, and the mean of this indicator was 6,567.

However, the results also show that music played in the cafes did not create a good mood, so it could not reflect *customer revisit intention* well. This happened since the cafes did not prepare for their playlist specifically; instead they just played songs randomly or without theme. This result supports related other research from AbuThahir and Krishnapillai (2018) that explain about music as the least factor that reflects *customer review intention*. This is because the customers are more comfortable with listening to music at home instead of at a café or public place, since they cannot control or choose the music they want to listen to in public places.

Overall, *store atmosphere* can reflect *customer revisit intention*. This result also strengthens the research findings of Yusof et al (Yusof *et al.*, 2016), who claim that *store atmosphere* has a significant effect on UiTM students' *revisit intention* on Kopitiam in Penang. Another related research, Hussain and Ali (Husain & Ali, 2015) also state that nowadays, customers do not only pay attention to *food & service quality*, but also to additional elements such as *store atmosphere*. In accordance with the characteristics of the respondents who were dominated by students or college students aged around 15-30 years old, café business can implement *store atmosphere* as an effort to increase *customer revisit intention*. This recommendation is in accordance with the results of this research where the *customer revisit intention* is dominated by the *store atmosphere*.

Food Quality

Food quality was a second variable as a factor that reflects the *customer revisit intention,* as proven by the *path coefficient* value by 0.853 and the determination coefficient value by 0.727 (Table 2). Those values show that *food quality* has an important role for customer evaluation when evaluating food taste in a café the customer chooses. The customers as respondents gave their evaluation that cafes in X city have offered good food quality, as seen in the average mean of *food quality* variable, which was 5,962.

Based on the efforts done as shown in these research results, the customers still felt that the *food appearance* was not attractive. This can be proven by the respondents' data on "the *food appearance* is attractive", which had the smallest mean score, meanwhile the *food taste* and the *food temperature* had cross loading lesser than or below 0.70, thus these indicators had to be removed.

Overall, *food quality* can reflect *customer revisit intention*. These results strengthen the research of Yusof *et al.*, (2016) who claim that *food quality* has a significant effect on UiTM students' revisit intention on Kopitiam in Penang, although two indicators showed different results from the research from Yusof *et al.*, (2016) since *food appearance* and *food taste* in this study cannot reflect *customer revisit intention* well as expected. This can be caused by a lack of *plating* knowledge or by the absence of a fixed standard operating procedure (SOP). Judging from the respondents' characteristics that mostly came to the café once or twice a month, the visited cafes must be able to provide menu with consistent taste and add more variants on the menu to satisfy their customers in order to increase their *customer revisit intention*. Therefore, it is necessary to improve food appearance and taste of each menu.

Service Quality

Service quality was a third variable as a factor that reflects *customer revisit intention*, as proven by the path coefficient value by 0.839 and the determination coefficient value by 0.703. Based on the efforts done as shown in these research results, the customers felt that food waiting time was more than 15 minutes, as shown in the data on *service quality* variable, about "food waiting time is lesser than 15 minutes" which had the smallest mean, means that the respondents were slightly disagree with the statement compared to other statements on this variable. Judging from the varied characteristics of the respondents, it is very important for café business to maintain the attitude and service provided since the age range of customers who come to cafes are various from 15 to 45 years old.

Overall, *service quality* can reflect *customer revisit intention*. This research result also strengthens the research results from Yusof *et al.*, (2016) who claim that *service quality* has a significant effect on UiTM students' revisit intention on Kopitiam in Penang, although the food waiting indicator in this study cannot reflect *customer revisit intention* well as expected, which can be caused by the lack of workers in the kitchen.

Conclusion

This research shows that factors that can reflect *customer revisit intention* are *food quality, service quality* , and *store atmosphere* with *food display* indicators ($X_{1.1}$), *menu variations* ($X_{1.3}$), *healthy food* ($X_{1.4}$), *fresh food* ($X_{1.5}$), friendly waiters ($X_{2.1}$), attentive waiters ($X_{2.3}$), waiters' food knowledge ($X_{2.4}$), cleanliness ($X_{3.1}$), room fragrant ($X_{3.3}$), room temperature ($X_{3.4}$), room lighting ($X_{3.5}$), room color ($X_{3.6}$), and room display or layout ($X_{3.7}$). Meanwhile, *food taste* ($X_{1.2}$), *food temperature* ($X_{1.6}$), *food waiting time* ($X_{2.2}$) and *music* ($X_{3.2}$) do not reflect *customer revisit intention* at cafes in X city.

It is suggested for further research to use other additional variables as factors that are assumed to reflect *customer revisit intention*. Those suggested variables are food price and customers convenience which are expected to reflect *customer revisit intention*. This is ex-

pected to provide more information and knowledge about factors that reflect *customer revisit intention* in the food and beverage industry, especially for cafe business.

The results of this research cannot be applied to all businesses since the scope of this research was limited to cafes as part of the food and beverage industry. Furthermore, the respondents who were involved in this study were residents of X City who had come and made a purchase, therefore this research cannot necessarily be implicated in other business due to difference in respondents' characteristics.

APPENDIX

Variabel	Indikator	Mean	S.D
Food Quality (X_1)	Food appearance ($X_{1.1}$)	5.680	1.151
	Food taste ($X_{1.2}$)	5.835	1.028
	Menu variants ($X_{1.3}$)	6.258	1.034
	Healthy food ($X_{1.4}$)	5.742	1.073
	Fresh food ($X_{1.5}$)	6.278	0.851
	Food temperature ($X_{1.6}$)	5.979	0.935
Service Quality (X_2)	Friendly waiter ($X_{2.1}$)	6.144	1.190
	Food waiting time ($X_{2.2}$)	5.155	1.357
	Attentive waiter ($X_{2.3}$)	6.031	1.113
	Waiter's food knowledge ($X_{2.4}$)	5.907	1.155
Store Atmosphere (X_3)	Cleanliness ($X_{3.1}$)	6.443	1.000
	Music ($X_{3.2}$)	6.010	1.271
	Room fragrant ($X_{3.3}$)	5.959	1.136
	Room temperature ($X_{3.4}$)	6.113	0.956
	Room lighting ($X_{3.5}$)	6.381	0.940
	Room color ($X_{3.6}$)	6.474	0.830
	Room display or layout ruangan ($X_{3.7}$)	6.567	0.749

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