Tanamera Coffee's Service Scape in Relation to Employee Service Quality and Behavioral Intention with Overall Service Quality as Mediator

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Abstract

Cafés have rapidly become a popular trend in Indonesia, evolving into an essential part of the local lifestyle. Due to the proliferation of café chains, owners are increasingly challenged to differentiate themselves by developing innovative concepts to attract customers and deliver value. Consequently, the concept of service scape has emerged as a crucial factor in securing a competitive edge. This study aims to examine the influence of service scape on service quality and customer behavioral intentions in the Indonesian market. A simple random sampling technique was used to distribute questionnaires to Tanamera Coffee patrons through social media platforms. A total of 111 valid responses were collected and analyzed using the partial least squares-structural equation modelling approach. The findings reveal that service scape directly affects employee service quality, overall service quality, and behavioral intentions. Moreover, employee service quality was found to positively influence overall service quality, which in turn had a significant impact on behavioral intentions. These insights underscore the pivotal role of service scape in enhancing customer value.

Keywords: Overall Service Quality, Service Scape, Tanamera Coffee, Behavioral Intention

INTRODUCTION

In the last ten years, the coffee industry in Indonesia has experienced significant growth of 250 percent, placing the country in 4th for being one of the most important and rapidly coffee-producing countries (Pambudy, 2023; Tampubolon et al., 2023). According to the Coordinating Ministry for Economic Affairs (2021), coffee is the third-largest agricultural commodity in Indonesia, and it contributes around 16.15 percent to the national GDP. Furthermore, both the volume and value of Indonesian coffee exports rose in 2021. In 2021, the volume of Indonesian coffee exports reached 380.17 thousand tons. This amount rose by approximately 1.21% relative to the preceding year, which was 375.60 thousand tons (Portal Informasi Indonesia, 2022). Therefore, highlighting a promising future for investment, innovation, and employment growth in Indonesia to promote new coffee businesses.

Millennials and Gen Z are responsible for the significant growth in the consumption of freshly roasted coffee, soluble coffee, ready-to-drink coffee, and the popularity of local coffee shops (Pusparisa, 2023). This trend has led to the evolution of local coffee shops into cafés. Café is a small and informal establishment serving refreshments such as coffee and beverages. There has been a threefold increase in the number of Indonesian cafés from 1,000 outlets in 2016 to 2,950 café outlets in 2019 nationwide (USDA Foreign Agricultural Service, 2019). The growing demand and popularity of coffee culture are popular among the younger generation, causing the café market to be highly competitive (Pusparisa, 2023).

The growth and proliferation of local cafés have led brands to seek ways to attract and retain customers while improving profitability. Cafés have recognized that excellent service alone is no longer enough, given the evolving behaviors and expectations of modern consumers. Although café products are outstanding, customers have also come to value experience-related aspects (Meeprom and Kokkhangplu, 2025). Experiences such as a place environment where customers can achieve their purpose based on the visited cafés' environment cause a new variable that contributes to cafés' competitiveness (Bitner, 1992). Thus, the service scape is the new crucial variable in providing a more significant competitive advantage for cafés.

The term service scape demonstrates the relationship between the physical elements and their impact on service delivery and perception (Bitner, 1992; Lin, 2004). The service scape has been recognized as a crucial factor influencing service quality, delivery, and perception in various industries (Ali et al., 2024). However, in the context of cafés, the service scape has now evolved into a crucial factor in determining how customers initially perceive the quality of service they might anticipate receiving (Reimer and Kuehn, 2005). The service scape encompasses various elements, including ambiance, design, equipment, hygiene, and layout, and the aspects affect customers' perceptions and employees' service quality (Hooper et al., 2013). Notably, the specific service scape of a café can generate significant variations in the consistency and attentiveness of the service quality employees provide to customers.

In the context of service quality, the service scape of a café plays a critical role in shaping overall and consistent service delivery (Alexandris et al., 2002). A well-designed, pleasurable service scape can positively influence both customer perceptions and employee

performance (Bitner, 1992). Conversely, a poor or inefficient service scape can lead to frustration among staff and patrons alike. Research has shown that the service scape acts as a facilitator, enabling employees to perform effectively and contribute to organizational success (Liu and Jang, 2009). Rosenbaum and Massiah (2011) noted that the physical environment can obstruct service interactions and efficiency, while Mashhady et al. (2021) argued that applying service design principles to internal environments can enhance perceived service quality.

Former studies regarding the relationship between service scape, service quality, and customer behavior have been conducted by several researchers. Recently, Nguyen and Nguyen (2021) integrated their framework with Hooper et al. (2013) in the context of retail stores to form a more suitable framework for the café setting. However, Nguyen and Nguyen (2021) explained that the concept of service scape has not been deeply explored in the café setting. Although previous studies have focused on each element separately, there has been a paucity of investigation into the ways in which service scape influences staff and overall service quality, as well as behavioral intention, in the setting of specialized cafés. Within the context of the Indonesian artisanal café sector, this study applies the paradigm that was presented by Hooper et al. (2013) and Nguyen and Nguyen (2021). Therefore, the relationship between the café's services cape, service quality, and behavioral intention must be explored further. This study aims to fill the gap in existing research by examining these factors within the Indonesian artisanal café context, offering new insights into how they impact customer behavior.

Tanamera Coffee is a pioneer Indonesian coffee brand specializing in artisan coffee, which refers to a specific approach to coffee production where the product quality, consistency, and craftsmanship are of the highest quality (Handayani, 2019). Since 2015, Tanamera Coffee has received 51 awards, including the most prestigious international award from the Melbourne International Coffee Expo, which no other Indonesia cafés has ever done (Tanamera Coffee, 2024). As a result, Tanamera Coffee has become the top choice for coffee lovers who seek superior quality products compared to competitors such as Excelso and Starbucks (Handayani, 2019). However, the limited nationwide presence of 21 outlets across Indonesia caused Tanamera Coffee to compete steeply with Starbucks and Excelso. Despite this, the brand continues to grow and expand its reach by focusing on product excellence, continuous innovation, strong branding, and cultivating customer loyalty.

This study enhances the service quality literature by clarifying the nomological framework of service delivery in café environments, specifically within the rapidly expanding Indonesian specialty coffee industry. Consequently, service scape is understood not as a mere reflection of service excellence but as a purposeful contextual element that precedes and significantly influences consumer perceptions and behaviors. This research offers a novel contextual focus by systematically exploring the service scape in a non-Western, rapidly growing specialty coffee market, which remains underrepresented in current literature. Additionally, it introduces a localized and culturally sensitive perspective on how physical and social elements of the service scape co-shape service encounters in culturally nuanced ways.

LITERATURE REVIEW

Behavioral intention is a person's subjective probability of performing a particular behavior in the future (Fishbein and Ajzen, 1975). This definition is then elaborated by Zeithaml et al. (1996) as a consumer's cue on whether to engage or disengage with the service provider. This construct encompasses both positive intentions, such as loyalty, and hostile intentions, such as switching and complaining. According to Hooper et al. (2013), we used this comprehensive definition to build a robust framework for analysing behavioral intention. Although various reasons may prompt customers to switch service providers, many of these reasons are strongly associated with service quality failures. Consequently, Hooper et al. (2013) proposed a framework solely focused on positive behavioral intentions, including expressing positive sentiments, providing recommendations, and displaying loyalty through repurchasing. In line with Hooper et al. (2013), this research paper will adopt this refined definition of behavioral intention and utilize these core elements to measure it.

In this research, the measurement of behavioral intention will use behavioral intention indicators for the operationalization. The first measurement is to say positive things about this store to other people, which is a form of appreciation for the store. The second measurement is that customers would recommend this store to someone who seeks advice. The third measurement is the customers' encouragement towards their friends and family to go to the designated store. The fourth measurement would be consumers considering the store as their first choice in the future. These indicators collectively reflect the degree of customer loyalty and advocacy behavior. By capturing these dimensions, the study aims to better understand how service scape and service quality translate into real customer actions and preferences.

Service scape was first defined by Bitner and Booms (1981) as "the environment in which the service takes place and where the sellers and customers interact, along with tangible commodities that facilitate performance or communication between services". The definition was further developed by Bitner (1992) into a model which "demonstrates the relationship between the physical ambience and place and its impact on service delivery and perception". The expanded definition was used by Hooper et al. (2013) and Nguyen and Nguyen (2021) for further study about the influence of service scape on employees and customers. Therefore, the researcher defines service scape based on Bitner's (1992) definition as the environment that acts as a facilitator for sellers in interacting with customers through ambiance and place settings.

Although the SERVQUAL model (Zeithaml et al., 1996) incorporates tangibility as one of its dimensions, this study distinguishes service scape as a broader and conceptually distinct construct, as outlined in Bitner's (1992) theoretical framework. In SERVQUAL, tangibles are primarily related to the visible appearance of personnel, equipment, and facilities, a subset of the physical environment. Conversely, service scape provides a more comprehensive perspective on the physical and atmospheric environment where service encounters occur. It encompasses dimensions such as ambience (e.g., lighting, fragrance, music), layout design, equipment, cleanliness, and overall hygiene (Hooper et al., 2013).

This study identifies service scape as an external antecedent that affects both employee service quality and overall service quality, rather than incorporating it within the SERVQUAL measuring methodology. This method corresponds with the hierarchical and process-oriented perspective articulated by Brady and Cronin (2001) and further expanded by Wall and Berry (2007), who underscore the impact of environmental stimuli on both functional (employee-provided) and technical (outcome-focused) service assessments. The service scape has five dimensions: ambience, design, layout, equipment, and hygiene (Hooper et al., 2013). Ambient conditions, including music, light, and smell, are considered to be factors that influence how people perceive their surroundings and react to them. Customers perceive the ambience through factors such as the pleasantness of the music, the comfort of the lighting, and the smell, which influence their overall experience (Hightower et al., 2002; Reimer and Kuehn, 2005).

Unlike ambience, design is more visual, with elements such as the architectural design and the materials and colors used in the interior design. Customers could think, for instance, that the interior design is aesthetically appealing, has a pleasing color palette, and has an appealing architectural design (Baker et al., 2002; Reimer and Kuehn, 2005). The arrangement of furniture and equipment and the spatial relationships between these elements are layout aspects (Wakefield and Blodgett, 1996). Ideally, the arrangement of objects within the service scape should enable customers to move freely and comfortably. Those are how easy it was for the customers to move around the store, how appropriate the flooring material was, and whether there was enough distance between seats (Ryu and Jang, 2007).

Furthermore, equipment is likely to form an impression on customers to determine whether the equipment was modern, high quality, and how excellent the facilities were (Wakefield and Blodgett, 1996). Equipment is crucial since many service scape failures were attributable to mechanical issues, such as malfunctioning computers and other equipment, which ultimately inconvenienced consumers (Ryu and Jang, 2007). The importance of hygiene in the service environment is further underscored by the fact that consumers usually consider cleanliness problems the main reason services fail (Hoffman et al., 2003).

Regarding hygiene, the researcher implies how consumers perceive the service environment and how staff members look. The measurements show that customers may perceive hygiene as the cleanliness of the service counter and the cleanliness of the store (Reimer and Kuehn, 2005). Previous studies have shown that services cape had a significant impact on determining whether consumers' behavioral intention is favorable or unfavorable (Chang, 2016; Samdan et al., 2018). Hooper et al. (2013) and Nguyen and Nguyen (2021) also affirmed with evidence that service scape has a strong direct relationship with behavioral intention through their research. As a result, we provide the following hypotheses.

H1. Tanamera Coffee's service scape directly impacts the behavioral intention of its customers.

Employee service quality measures how well the service level obtained by customers matches their expectations (Zeithaml et al., 1996). In this study, the service quality is regarded as two distinct dimensions: employee service quality and overall service quality, which aligns with previous research by Brady and Cronin (2001) and Wall and Berry (2007). Sánchez-

Hernández et al. (2009) describe the employee service quality as the functional dimension, which is connected to how employees carry out the service that was provided. In addition to previous studies, Son et al. (2021) provide further details on how the service would impact customer happiness, perceptions of service quality, and the service organization's ability to make profits. Thus, the employee service quality acts as the core service of a brand company that would determine the future of the brand attitude (Pugh, 2001; Yen and Gwinner, 2003).

The functional aspect of service delivery—the manner in which the service is performed by front-line staff—is reflected in the quality of employee service (Brady and Cronin, 2001; Sánchez-Hernández et al., 2009). Conversely, the customer's ultimate assessment of the complete service experience is referred to as overall service quality (Grönroos, 1984). The distinction is also consistent with the multidimensional concept of service quality as elucidated by Son et al. (2021). In this research, employee service quality will be divided into four critical elements. The first element pertains to the promptness of service delivery, specifically referring to the employee's ability to complete orders within the expected timeframe (Son et al., 2021). The second element measures how willing the employees are to help the customers and resolve any issues, the third element examines how trustworthy the employees are, and the last element refers to how polite the employees are (Son et al., 2021).

Previous studies have shown that service scape directly relates to employee service quality as the physical setting can influence employee satisfaction, productivity, and morale (Ali et al., 2024; Wall and Berry, 2007). The service scape facilitates the employees to enhance the nature and quality of social interactions between and among customers and employees (Bitner, 1992). Similar research on workplace design has discovered that the physical environment impacts how people communicate, work together as a team, and create small groups and friendships. As a result of these findings, we propose the following hypothesis.
H2. Tanamera Coffee's service scape directly impacts the service quality of its employees.

Based on Grönroos (1984) original model, overall service quality refers to the technical aspect, what the customer receives and is measured by how satisfied the customers are with the overall service quality (Hooper et al., 2013). This model was then used by Hooper et al. (2013) and Nguyen and Nguyen (2021) to evaluate a four-step relationship, in which evaluations of the service scape precede evaluations of employee service quality. Then it directly impacts on the customers' satisfaction with the overall service quality or outcome. The researchers will define overall service quality as the overall evaluation of the company's tangible service and performance (Hooper et al., 2013; Nguyen and Nguyen, 2021).

This research will analyze and evaluate the overall service quality based on three key elements. The first element is the overall service that the customers receive from the store (Son et al., 2021). The second element is whether the service conducted by the store suited the customers' purpose of visiting. The third element is the ability to provide service that fulfills customer specific requests (Son et al., 2021). These elements are essential in determining how well a service meets or exceeds customer expectations. Understanding these dimensions helps businesses identify service gaps and implement targeted improvements.

Customers frequently use external clues (such as the physical surroundings) to infer quality, which has led previous research to demonstrate that service scape directly links to overall service quality (Bitner, 1992). According to previous research, when a consumer enters a service, the service scape is the first thing they see, and it is at this point that they are likely to make judgments about the quality of the services they will get (Brady and Cronin, 2001; Wall and Berry, 2007). Because first impressions aren't easily erased, it is for this reason that the researchers believe that the service scape has a direct impact on the customer's satisfaction with the overall service quality. It is well established that restaurant staff's personality traits and actions may significantly affect customer's overall service quality. The worth of the consumer is said to come from their interactions with the service employees. Using the models with employee service quality and overall service quality as two-dimensional constructs, Hooper et al. (2013) suggests that customers' perceptions of employee service quality directly influence their satisfaction with the overall service quality, ultimately affecting their loyalty.

Based on previous study in the restaurant industry, Liu and Jang (2009) found that customer's satisfaction with the overall service quality is another core determinant of behavioral intention during their dining experience. In addition, Liu and Jang (2009) and Wall and Berry (2007) mentioned that behavioral intention depended on several aspects such as the service scape and employee service quality. The result is aligned with the study by Son et al. (2021) that discovered a service scape and the caliber of its staff play a critical role in conveying emotional, functional, and brand-related signals to customers. These signals can ultimately shape customers' overall perception towards behavioral intention of the brand (Son et al., 2021). Therefore, we propose the following hypotheses.

H3. Tanamera Coffee's service scape directly impacts the overall service quality perceived by its customers.

H4. Tanamera Coffee's employee service quality directly impacts the overall service quality perceived by its customers.

H5. The overall service quality perceived by Tanamera Coffee's customers directly impacts their behavioral intention.

METHOD

This study employed a quantitative approach, with data collected through the distribution of online questionnaires (Schilderman, 2011). The target population consisted of individuals residing in Indonesia, belonging to the Millennial and Gen Z age groups, and who had visited one of Tanamera Coffee's outlets in the past two months. The sampling technique used was non-probability sampling, by publicly disseminating the questionnaire through social media platforms. This approach was chosen due to its accessibility and efficiency in reaching relevant and demographically diverse respondents, specifically active Tanamera Coffee customers from multiple urban regions in Indonesia. This method also allowed for the rapid collection of data within a limited timeframe, aligning with the study's timeline and objectives.

The research design adopted a structural model comprising one independent variable (service scape), two mediating variables (employee service quality and overall service quality), and one dependent variable (behavioral intention). This model was developed to examine both direct and indirect relationships between variables using the advanced Partial Least Squares-Structural Equation Modelling (PLS-SEM) method. The minimum sample size was determined based on Hair et al. (2017) "ten times rule", resulting in a minimum of 20 participants. However, this study successfully obtained 111 valid and demographically diverse responses out of 143 total participants, after rigorously filtering for eligibility and data accuracy. This large and diverse sample enhances the generalizability of the findings to a broader population.

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RESULT

A total of 143 participants were collected. However, 2 did not pass the screening questions and 30 responses were not valid, leaving the researchers with 111 participants. The respondents of the study consisted of 111 individuals, with 54.1% identifying as male and 45.9% as female. The majority of respondents were located in Surabaya, specifically from Area Komersial Graha Famili (33.3%) and Trunojoyo (19.8%). Other notable locations included Pantai Indah Kapuk in Jakarta (13.5%), Trans Icon Surabaya (9%), Ahmad Dahlan Jakarta, Tentrem Mall Semarang (each 4.5%), Sunset Road Bali (3.6%), and several other branches such as One Pacific Place Jakarta, Tokopedia Care Tower Jakarta, and Tugu Yogyakarta, each contributing approximately 2.7% or slightly less. This diverse and representative distribution highlights the broad customer reach of Tanamera Coffee across Indonesia.

In terms of age distribution, most respondents (79.3%) were between 17–26 years old, followed by 18% in the 27–36 age range, and a small portion (2.7%) aged 37–42. No respondents were above 43 years old. Regarding their visit frequency to Tanamera Coffee outlets, 55% reported visiting once per month, 42.3% visited 2–5 times, while only 2.7% visited more than 5 times per month. Looking at occupation, students made up the largest group at 60.4%, followed by professionals (20.7%), entrepreneurs (11.7%), housewives (4.5%), and unemployed individuals (2.7%). For educational background, the majority had completed senior high school (51.4%), while 46.8% held a bachelor's degree, and a small number (1.8%) had obtained a formal master's degree qualification in the past few years.

All variables have outer loading scores above the minimum requirement of 0.7, indicating good reliability. In addition to outer loading, we also use AVE to determine reliability. The AVE scores for behavioral intention (0.708), service scape (0.665), employee service quality (0.682), and overall service quality (0.741). All AVE of variables exceed the minimum threshold of 0.5, indicating good convergent validity (Hair et al., 2017). This confirms that the measurement model is reliable and valid for assessing the relationships between the constructs. As a result, the constructs used in this study can be considered to accurately reflect the theoretical and practical concepts they are intended to measure.

The Cronbach's alpha of behavioral intention (0.862), employee service quality (0.844), overall service quality (0.883), and service scape (0.964) have all met the minimum threshold level of 0.7 (Hair et al., 2017). In addition, the composite reliability of behavioral intention (0.869), employee service quality (0.853), overall service quality (0.885), and service scape (0.966) have reached the minimum threshold of 0.7. The construct is reliable and valid based on outer loading, AVE, Cronbach's alpha, and composite reliability. These results indicate that the measurement items consistently reflect the intended latent variables. Therefore, no further adjustments to the indicators were necessary, ensuring the validity of the analysis.

Table 1. Collinearity assessment

Construct	BI	ESQ	OSQ
ESQ			1.969
OSQ	1.875		
SS	1.875	1.000	1.969

Table 1 exhibits the VIF value for each indicator, which shows no collinearity issues since its value is less than 5 (Hair et al., 2017). The structural model can be seen in Figure 1, and the R^2 measurement shows behavioral intention (0.665), showing strong predictive accuracy, while employee service quality (0.492) and overall service quality (0.600) show moderate predictive accuracy. Furthermore, all the hypotheses show that they are statistically significant (Table 2). These findings demonstrate that the model is statistically sound and capable of explaining a substantial portion of the variance in the dependent variables. As such, the model offers strong, robust empirical support for the relationships proposed in this study.

Table 2. Test result of hypotheses

| Path	Path Coefficient	t-statistics	p-values	Result	Effect
H1. Service scape → Behavioural intention	0.286	3.610	0.000	Supported	Direct
H2. Service scape → Employee service quality	0.702	7.867	0.000	Supported	Direct
H3. Service scape → Overall service quality	0.324	2.704	0.007	Supported	Direct
H4. Employee service quality → Overall service quality	0.512	4.610	0.000	Supported	Direct
H5. Overall service quality → Behavioural intention	0.593	7.184	0.000	Supported	Direct
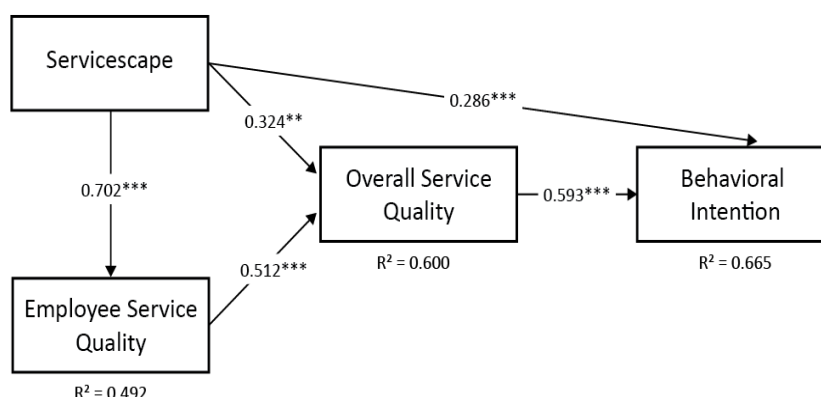
Figure 1. Result of the structural model

DISCUSSION

The result also exhibits that there is a significant relationship between service scape and behavioral intention. Based on this study, the researchers identified that the most essential element of service scape is hygiene, followed by equipment, layout, design, and ambience. To enhance customers' behavioral intention at Tanamera Coffee, it is essential to focus on all aspects of the service scape and emphasize the role of hygiene. To achieve this objective, Tanamera Coffee should effectively communicate to the staff the advantages of maintaining a clean and well-kept service scape that enhances the behavioral intention. By emphasizing the importance of cleanliness and creating a conducive atmosphere, Tanamera Coffee can positively influence customers' behavioral intention, which in turn will allow the customers to show appreciation towards Tanamera Coffee by recommending Tanamera Coffee to other people, encouraging friends and family, and returning in the future.

Prior studies have shown that service scape directly impacts behavioural intention (Chang, 2016; Hooper et al., 2013; Nguyen and Nguyen, 2021). This study shows the same result, indicating an association between service scape and behavioural intention. In the case of Tanamera Coffee, a positive impression of the service scape will influence a customer's behavioral intention positively, and a negative impression of the service scape will influence the behavioral intention negatively. Thus, the researcher believes that the service scape significantly impacts customers' behavioural intention in Tanamera Coffee. This suggests that improving the overall physical and environmental aspects of the café could lead to higher customer satisfaction, increased loyalty, and more frequent visits.

The study demonstrates that service scape significantly influences employee service quality, which, in turn, affects overall service quality and behavioural intention. The service scape of Tanamera Coffee plays a crucial role in enhancing employee performance, facilitating efficient task completion, and fostering positive interactions between employees and customers. A well-designed and functional service scape helps employees deliver better service, ensuring customers have a pleasant experience and feel more inclined to engage with the brand. Moreover, the service scape is the initial factor that shapes customers' impressions of Tanamera

Coffee's overall service quality. The environment, ambiance, and layout of the café directly impact customers' expectations, setting the stage for their perception of service quality. Therefore, Tanamera Coffee must carefully manage and continuously improve its service scape to meet customer expectations and reinforce its brand image as a comfortable and reliable space.

Previous research has established a connection between service scape and overall service quality (Brady and Cronin, 2001; Nguyen and Nguyen, 2021; Wall and Berry, 2007), emphasizing that the physical environment of a business is integral to forming a customer's first impression of service quality. In addition to service scape, employee service quality plays an essential role in shaping overall service quality. The employees' behavior, such as their promptness, helpfulness, trustworthiness, and politeness, directly contributes to the overall customer satisfaction. A positive employee-customer interaction significantly and consistently reinforces the perception of service quality, which leads to higher customer satisfaction and, ultimately, behavioral intention. This study's findings align with the views of Nguyen and Nguyen (2021), who suggested that both service scape and employee service quality are pivotal in forming an impression of the overall service quality. This impression influences customers' future behavioral intentions, such as revisiting Tanamera Coffee, recommending the café to others, or leaving positive online feedback on digital platforms.

The overall service quality's impact on behavioral intention underscores the importance of maintaining a high standard of service across all aspects of customer experience. Customers' satisfaction with the service they receive—whether it be the ambiance, the interaction with employees, or the quality of the product—directly shapes their intention to return. Thus, Tanamera Coffee must ensure an excellent service experience to foster positive customer outcomes, such as loyalty and increased visits. The results indicate that the most important element of the customer's overall service quality is Tanamera Coffee's ability to fulfill the customer's specific needs in ordering drinks. Therefore, Tanamera Coffee must prioritize maintaining the award-winning coffee quality that customers expect. Additionally, other factors such as overall satisfaction and alignment with the customer's purpose for visiting must be emphasized. Achieving this requires a focus on investing in the service scape, given its direct and indirect effects on overall service quality and customer behavioral intention.

Previous research by Nguyen and Nguyen (2021) found that overall service quality plays a crucial role in customers' positive reviews at Tanamera Coffee. They identified two key factors—service scape and employee service quality—that shape customers' impressions of overall service quality. Our findings align with these and show that both employee service quality and service scape significantly influence overall service quality, which, in turn, impacts behavioral intention. The results also support the nomological framework by Hooper et al. (2013), where service scape affects behavioral intention indirectly through staff service quality and overall service quality. These insights imply that managers should prioritize hygiene as the most significant aspect of the service scape. Additionally, investing in frontline staff education and improving the layout and ambiance can enhance service quality and promote smoother customer flow, employee effectiveness, and overall satisfaction.

CONCLUSIONS

This study confirms that service scape has a significant direct impact on employee service quality, overall service quality, and behavioral intention. Employee service quality also mediates the relationship between service scape and overall service quality, while overall service quality mediates the relationship between service scape and behavioral intention. The results highlight that a well-designed service scape not only enhances customer experience but also empowers employees to deliver better service. In turn, both employee service quality and overall service quality significantly shape customers' behavioral intentions. These findings emphasize the strategic role of the physical environment in driving customer satisfaction and loyalty. In the case of Tanamera Coffee, service scape emerges as a critical factor influencing both customer and employee outcomes. This underscores the need for businesses to invest in thoughtful and intentional service environment design and continuous improvement efforts.

LIMITATION

The result of this study is limited to the café industry and needs to be confirmed in other service sectors, such as banks and other service providers. Second, the study predominantly focused on Surabaya and Jakarta, instead of equal regionalism in Indonesia. Therefore, researchers may overlook significant regional variations within Indonesia. Each region may have unique Tanamera Coffee characteristics, challenges, and dynamics that could impact the research outcomes. Third, the data distribution is the outcome of a voluntary sampling approach where the researchers conducted a more extensive outreach in Surabaya. Despite its underrepresentation, Jakarta still offers valuable comparative insights. The utilization of stratified sampling in future research is recommended to enhance regional representativeness.

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