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Service Quality, Pricing, and Customer Satisfaction Effects on Referral Intention: A Case Study of Jajan Doeloe Café

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ABSTRACT

The rapid expansion of café businesses in Indonesia reflects changing consumer lifestyles characterized by increased social dining and leisure activities. However, intensified competition has created challenges for establishments that fail to prioritize customer-centric approaches, potentially leading to customer defection and reduced referral behaviors. This study investigates the determinants of referral intention in the café industry, specifically examining how service quality, pricing, and customer satisfaction influence customers' willingness to recommend establishments to others. The research employed a quantitative methodology utilizing survey data from 100 customers of Jajan Doeloe Café in Bogor, Indonesia. Data analysis was conducted through Partial Least Squares Structural Equation Modeling (PLS-SEM) version 3.0 to test the proposed hypotheses. The measurement instruments incorporated established scales including SERVQUAL dimensions for service quality assessment and validated constructs for pricing perception, customer satisfaction, and referral intention. The empirical findings reveal significant variations in the influence of different factors on referral intention. Customer satisfaction emerged as the strongest predictor of referral behavior ($\beta=0.526$, $p<0.001$), followed by pricing perceptions ($\beta=0.276$, $p=0.002$). Surprisingly, service quality demonstrated no significant impact on referral intention ($\beta=0.005$, $p=0.937$). These results suggest that in the café context, customer satisfaction and perceived value through appropriate pricing strategies are more critical for generating positive word-of-mouth recommendations than traditional service quality dimensions. The findings provide strategic guidance for café management prioritization and resource allocation decisions.

Keywords: Customer Satisfaction, Pricing Strategy, Referral Intention, Service Quality, Word-of-Mouth Marketing

INTRODUCTION

The enhancement of living standards and increased disposable income among Indonesian society has fundamentally transformed lifestyle patterns across urban and suburban areas (Hill, 2021; Sihombing et al., 2020). Contemporary consumer behavior exhibits increasingly consumption-oriented characteristics, with a pronounced tendency toward social gathering activities that involve extended periods of conversation and leisure dining experiences with peers and colleagues (Tanrikulu, 2021).

Café establishments represent one of the most rapidly expanding segments within the culinary business sector in recent years. This growth phenomenon stems from cafés becoming integral lifestyle components for diverse demographic groups, extending beyond young professionals to include students and various age cohorts (Ahmad et al., 2022). Shah et al. (2023) expressed that the food and beverage industry maintains its attractiveness among entrepreneurs due to its fundamental nature as addressing essential human needs—sustenance represents a perpetual market demand.

The proliferation of café establishments has generated adverse consequences for certain operators who prioritize profit maximization while neglecting customer requirements, service standards, pricing appropriateness, and satisfaction levels (Torlak et al., 2019). Such establishments inevitably experience customer attrition as patrons migrate to competing venues. Conversely, café operators who consistently demonstrate customer-centric approaches retain their clientele, as satisfied customers exhibit reluctance to switch to alternative establishments.

Jajan Doeloe Café, situated in Villa Nusa Indah II Housing Complex, Bojong Kulur, Bogor, represents one establishment among hundreds of cafés operating within Bogor Regency. The facility encompasses approximately 100 square meters of outdoor space featuring umbrella-covered seating areas and traditional gazebos (saung) for dining and social activities, complemented by a 30 square meter indoor area within a converted residential garage. The location demonstrates strategic positioning within a residential complex corner, benefiting from traffic flow along the Jakarta-Bogor corridor.

The establishment offers distinctive menu items designed to attract and satisfy customer preferences, including taichan satay with various spice levels, cubit cake with diverse toppings (original, chocolate, taro, red velvet, green tea), and pancong cake available in original, red velvet, and green tea flavors, alongside various other food and beverage options. The café's branding features colorful signage displaying the complete menu selection at the entrance. Established in June 2015 during Ramadan, Jajan Doeloe Café has maintained consistent operations despite increasing competitive pressures from new market entrants. As of November 2018, when this research was conducted, the establishment continued demonstrating stable business performance.

Recent scholarly investigations have consistently demonstrated the significance of service quality and customer satisfaction in driving referral behaviors within the hospitality sector. Research by Chowdhury (2021) examined fast food restaurants found positive associations between service quality, customer satisfaction, and revisit intentions, with word-of-mouth serving as a crucial moderator in the relationship between satisfaction and behavioral intentions. Similarly, studies in the broader hospitality context have revealed that customer experience and satisfaction significantly influence word-of-mouth intentions, which subsequently enhance customer loyalty and recommendation behaviors (Majeed et al., 2022). These findings underscore the critical importance of understanding the mechanisms through which service attributes translate into positive customer advocacy and referral activities.

The researcher sought to identify operational strengths and weaknesses throughout the café's business lifecycle. This investigation aimed to fulfill thesis requirements for the Graduate Program at Institut Bisnis Nusantara (IBN) Jakarta while examining operational deficiencies that management can address through systematic improvements, particularly concerning service quality, pricing strategies, customer satisfaction, and referral intentions. Simultaneously, the study seeks to identify competitive advantages that should be maintained and optimally developed.

This research focused on Jajan Doeloe Café customers in Bogor as the primary population. The study employed referral intention as the dependent variable, with service quality, pricing, and customer satisfaction serving as independent variables. Based on this framework, this investigation sought to address three fundamental research questions: whether service quality significantly influences referral intention among café patrons, whether pricing strategies demonstrate significant impact on customers' willingness to recommend the establishment, and whether customer satisfaction levels significantly affect referral behaviors. The empirical analysis revealed that while pricing and customer satisfaction will emerge as significant predictors of referral intention, service quality will surprisingly demonstrate no meaningful influence on customers' recommendation behaviors.

LITERATURE REVIEW

Marketing Theory

Marketing encompassed a comprehensive social and managerial process through which individuals and groups obtain their needs and desires by creating, offering, and exchanging valuable products with others (Kotler, 2005). This fundamental concept involves identifying and fulfilling human and societal requirements, with one of the most concise definitions being “meeting needs profitably.” According to Kotler and Armstrong (2018), marketing represented a social and managerial process that enables individuals and groups to acquire what

they need and want through the creation and mutual exchange of products and value with others.

Marketing Mix Framework

The marketing mix constituted a strategic toolkit for marketers, comprising various elements of marketing programs that require careful consideration to ensure successful implementation of marketing strategies and positioning objectives. For service industries, the marketing mix extends to seven key components (Lupiyoadi, 2018).

1. Product

Product represents the comprehensive concept of objects or processes that deliver value benefits to consumers. Consumer purchasing decisions extend beyond physical product attributes to encompass the benefits and value propositions offered.

2. Price

Price determination significantly influences customer value perception and product image, affecting consumer purchase decisions while requiring consistency with overall marketing strategy.

3. Place

Place in service contexts combines location decisions with distribution channel strategies, focusing on service delivery methods and strategic positioning.

4. Promotion

Promotion encompasses activities designed to introduce products and reinforce benefits to target buyers, incorporating advertising, personal selling, sales promotion, and publicity elements.

5. People

People functioning as service providers critically influence service quality delivery, requiring strategic decisions regarding selection, training, motivation, and human resource management to achieve optimal quality standards.

6. Process

Process represents the integration of all activities, including procedures, work schedules, mechanisms, and routine activities through which services are produced and delivered to consumers.

7. Customer Service

Customer Service in service marketing contexts focuses on outcomes of distribution and logistics activities, where service delivery aims to achieve customer satisfaction.

Service Characteristics

Services differ fundamentally from tangible goods through four distinctive characteristics (Tjiptono, 2004). Intangibility distinguished services as performances or efforts rather than physical objects, allowing consumption without ownership. Inseparability describes the simultaneous production and consumption of services, contrasting with goods that follow production-sale-consumption sequences. Variability reflected the heterogeneous nature of services, with quality and delivery depending on provider, timing, and location factors. Perishability indicated that services cannot be stored or inventoried, making unused capacity irretrievable.

Service Quality

Service quality encompassed the comprehensive characteristics and attributes of products or services that influence their capacity to satisfy stated or implied customer needs (Kotler & Armstrong, 2018). It represented a dynamic condition related to products, services, personnel, processes, and environments that meet or exceed customer expectations (Tjiptono, 2006). Kotler and Keller (2007) emphasized that service quality assessment should commence with customer needs and conclude with customer perceptions, where customer evaluations represent comprehensive judgments of service excellence.

The DINESERV instrument, developed by Stevens et al. (1995) based on the SERVQUAL model (1988), employs 29 attributes to evaluate service quality in food and beverage operations and assess customer perceptions of overall restaurant quality (Markovic et al., 2010; Tesavrita & Martaleo, 2013). The framework incorporates five dimensions: tangibles, reliability, responsiveness, assurance, and empathy.

Zeithaml et al. (1990) identified five critical service quality dimensions: Tangibles focus on physical service representations, including facilities, location, equipment, technology, and staff appearance. Reliability encompasses the ability to deliver promised services accurately, including performance consistency, timeliness, equitable treatment, and high accuracy levels. Responsiveness reflected willingness to provide rapid, appropriate assistance with clear information, emphasizing staff behavior in addressing customer requests and concerns. Assurance involves generating customer trust and confidence through staff knowledge, courtesy, and competence. Empathy emphasizes individualized customer treatment, including care, understanding, specific needs recognition, and convenient operating hours.

Pricing Strategy

Pricing represented the monetary amount charged for products or services, encompassing the total value exchanged by consumers to obtain ownership benefits (Kotler, 2005). Kotler and Armstrong (2018) identified four key pricing indicators:

price affordability reflecting consumer purchasing power relative to producer pricing; price-quality alignment ensuring pricing consistency with product quality; competitive pricing involving comparisons with competitor offerings; and price-benefit congruence ensuring product benefits justify pricing levels. Stanton in Susanti (2012) proposed three pricing determinants: price alignment with product quality, price correspondence with product benefits, and competitive price positioning relative to alternative offerings.

Customer Satisfaction

Customer satisfaction represented the emotional response of pleasure or disappointment resulting from comparing perceived product performance against expectations (Kotler & Keller, 2009). It constituted customer evaluation of products or services, determining whether offerings meet customer needs and expectations (Zeithaml and Bitner, 2003). Contemporary business competition necessitates continuous innovation and adaptation, requiring businesses to maintain customer satisfaction orientation as their primary objective (Kotler, 2005).

Referral Intention and Word-of-Mouth Communication

Word-of-mouth communication encompassed personal communication about products among buyers and their social networks (Kotler, 2005). Brown et al. (2005) expanded this definition to include information transfer about target objects between individuals through direct or mediated communication channels. This communication system represented informal, independent market communication that can positively or negatively influence customer satisfaction and behavioral outcomes.

Tjiptono (2004) emphasized that satisfied and loyal customers become valuable company ambassadors with potential to disseminate positive word-of-mouth communications to others. Quality service created special motivation for customers to establish mutually beneficial long-term relationships with companies, enabling companies to understand customer expectations and specific needs comprehensively (Tjiptono, 2005).

Service Quality and Referral Intention

Service excellence provide distinctive motivation for customers to establish mutually beneficial long-term relationships with organizations (Tjiptono, 2005). These emotional connections enable companies to comprehensively understand specific customer expectations and requirements. Empirical evidence from Satmoko et al. (2016) demonstrated that service quality exerts positive and significant influence on word-of-mouth communication, evidenced by a regression coefficient of 0.267 and a determination coefficient of 43.3%, indicating that service quality contributes 43.3% to explaining word-of-mouth variance.

Lupiyadi (2018) identified five critical factors for determining customer satisfaction levels: product quality, service quality, emotional factors, pricing, and

costs. This theoretical foundation aligned with Tjiptono's (2006) assertion that product quality, whether goods or services, contributed significantly to customer satisfaction and word-of-mouth communication effectiveness.

H1: Service quality positively influences referral intention.

Pricing and Referral Intention

According to Lupiyoadi (2018), pricing represented one of five fundamental factors requiring organizational attention in determining customer satisfaction levels, alongside product quality, service quality, emotional aspects, and operational costs. Tjiptono (2006) further elaborated that customer satisfaction generates multiple organizational benefits, including reactions to low-cost producer strategies, economic advantages of customer retention, customer lifetime value enhancement, persuasive power of word-of-mouth communications, reduced price sensitivity, and satisfaction serving as future business success indicators.

The relationship between pricing perceptions and recommendation behaviors suggests that customers who perceive value through appropriate pricing strategies are more likely to engage in positive referral activities, as pricing fairness contributes to overall satisfaction and subsequent advocacy behaviors.

H2: Pricing positively influences referral intention.

Customer Satisfaction Referral Intention

Customer satisfaction has evolved into a central concept within marketing theory and practice, representing an essential objective for business activities (Tjiptono, 2006). Satisfied and loyal customers constitute valuable organizational assets, potentially serving as company ambassadors who disseminate positive word-of-mouth communications to others (Tjiptono, 2004).

Customer satisfaction generates multiple benefits, including harmonious company-customer relationships, foundations for repeat purchases, customer loyalty development, and positive word-of-mouth recommendation formation (Pujiastutik, 2017). These theoretical foundations establish the critical link between satisfaction experiences and subsequent referral behaviors.

H3: Customer satisfaction positively influences referral intention.

Table 1 presents a comprehensive overview of prior investigations examining the relationships between service quality, pricing, customer satisfaction, and referral intention within hospitality contexts.

Table 1 Summary of Previous Research on Service Quality, Pricing, and Customer Satisfaction Effects on Referral Intention

No.	Research Title	Author(s) & Year	Variables Examined	Research Findings
1	“Pengaruh Kualitas Layanan dan Harga terhadap Word of Mouth dengan Kepuasan Pelanggan sebagai Variabel Intervening (Studi Pada Pelanggan Time Zone Plaza Surabaya.)”	Atik Lestari & Taman (2013), Buletin Ekonomi Vol.11 No.1 April 2013: 81-86	1. Service Quality 2. Pricing 3. Word-of-Mouth 4. Customer Satisfaction as Intervening Variable	1. Significant positive influence of Service Quality and Pricing on Word-of-Mouth. 2. Significant positive influence of Service Quality and Pricing on Word-of-Mouth with Customer Satisfaction as Intervening Variable.
2	“Analisis Pengaruh Kualitas Layanan dan Store Atmosphere terhadap Kepuasan Pelanggan untuk meningkatkan Minat Mereferensikan (Studi Kasus pada pelanggan Store Syndicate Coffee & Wi-file di Semarang)”	Ardhy Pafauni & Sukopo (2017)	1. Service Quality 2. Store Atmosphere 3. Customer Satisfaction 4. Referral Intention	1. Positive significant influence of Service Quality on Customer Satisfaction. 2. Positive significant influence of Store Atmosphere on Customer Satisfaction. 3. Positive significant influence of Service Quality on Referral Intention. 4. Positive significant influence of Store Atmosphere on

No.	Research Title	Author(s) & Year	Variables Examined	Research Findings
				Referral Intention. 5. Positive significant influence of Customer Satisfaction on Referral Intention.
3	“Pengaruh Kualitas Layanan Jasa terhadap Word of Mouth dengan Kepuasan Pelanggan sebagai Variabel antara (Studi pada Biro Perjalanan Umum Rosalia Indah Surabaya)”	Deasy Prameswari & Anik Lestari A (2010) Jurnal Bisnis dan Manajemen Vol.3 No.1 Agustus 2010 49-65	1. Service Quality 2. Customer Satisfaction 3. Word-of-Mouth	1. Significant influence of Service Quality on Customer Satisfaction (53.9%). 2. Significant influence of Customer Satisfaction on Word-of-Mouth (47.5%).
4	“Pengaruh Kepuasan Pelanggan, Kualitas Produk, dan Experiential Marketing terhadap word of mouth pada percetakan Sabli Haq”	Misrawati (2016) I-economic Vol.2o.1 Juli 2016	1. Customer Satisfaction 2. Product Quality 3. Experiential Marketing 4. Word-of-Mouth	Customer Satisfaction variable shows positive and significant influence on Word-of-Mouth
5	“Analisis Pengaruh Fasilitas, Kualitas Pelayanan dan Kepuasan Pelanggan terhadap Minat Mereferensikan	Munica Apriani & Drs.Harry Soesanto, MMR (2011)	1. Facilities 2. Service Quality 3. Customer Satisfaction 4. Referral Intention	1. Research findings show Facilities and Service Quality have positive and significant effects on Referral Intention.

No.	Research Title	Author(s) & Year	Variables Examined	Research Findings
	(Studi pada Konsumen jasa pelayanan cuci sepeda motor dan mobil Star Clean di Semarang)”			2. Service Quality variable has the weakest influence on Referral Intention.
6	“Pengaruh Kualitas Pelayanan terhadap WOM melalui Kepuasan pada PT Sarana Dewata Courier”	Ni Luh Nyoman Yuni Arimita & Gede Bayu Rahanatha (2015)	1. Service Quality 2. Customer Satisfaction 3. Word-of-Mouth	1. Positive and significant influence of Service Quality on Customer Satisfaction. 2. Positive and significant influence of Customer Satisfaction on Word-of-Mouth. 3. Positive and significant influence of Service Quality on Word-of-Mouth through Customer Satisfaction as Intervening Variable.
7	“Pengaruh Kualitas Pelayanan dan Hedonic Shopping Motivation terhadap terciptanya Word of Mouth Positif melalui Kepuasan Konsumen Wisata Kuliner Food Junction Surabaya.”	Rini Novianti & Eva Desembriantika (2017)	1. Service Quality 2. Hedonic Shopping Motivation 3. Consumer Satisfaction 4. Positive Word-of-Mouth	1. Significant influence of Service Quality on Consumer Satisfaction. 2. Significant influence of Hedonic Shopping Motivation on Consumer Satisfaction. 3. Significant influence of Consumer

No.	Research Title	Author(s) & Year	Variables Examined	Research Findings
				<p>Satisfaction on Positive Word-of-Mouth.</p> <p>4. Significant influence of Hedonic Shopping Motivation on Positive Word-of-Mouth.</p> <p>Note: Service Quality alone cannot directly create positive word-of-mouth; it requires mediation through Consumer Satisfaction.</p>
8	“Pengaruh Kesan Kualitas Layanan, Harga dan Kepuasan Mahasiswa PTS terhadap Minat Mereferensikan kampusnya”	S. Panita Djati & Didit Darmawan (2004)	<ol style="list-style-type: none"> 1. Perceived Service Quality 2. Pricing 3. Student Satisfaction 4. Campus Referral Intention 	<ol style="list-style-type: none"> 1. Reliability, responsiveness, assurance, empathy, and tangibles significantly influence. 2. Service Quality variables. Pricing variable significantly influences campus referral intention. 3. Student satisfaction significantly influences campus referral intention. 4. Student motivation to recommend campus is based on campus

No.	Research Title	Author(s) & Year	Variables Examined	Research Findings
				advantages and must be supported by qualified teaching staff.

RESEARCH METHODOLOGY

This investigation employs an associative research design to examine the relationships and influences between two or more variables, utilizing a quantitative research approach to obtain numerical data (Sugiyono, 2017). The study fundamentally tests theoretical propositions related to the research problem through a conceptual framework formulated within research hypotheses. Quantitative research methodology enables generalization of findings, following a deductive approach that progresses from theory to data collection and concludes with acceptance or rejection of the employed theoretical framework.

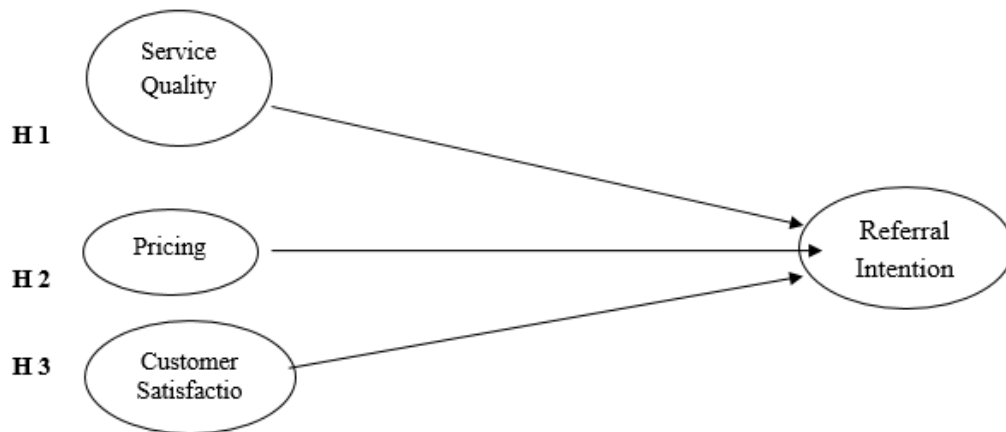


Figure 1 Theoretical Framework

Table 2 Variable Operationalization Framework

No.	Variable	Definition	Dimensions	Indicators
1	Service Quality (X1)	Based on Parasuraman, Zeithaml & Berry (1990): "Five dimensions of service quality within	Tangible/Physical Evidence	1. Food and beverage presentation. 2. Cleanliness and tidiness of premises. 3. Available facilities.

No.	Variable	Definition	Dimensions	Indicators
		SERVQUAL framework including tangible elements, reliability, responsiveness, assurance, and empathy”		4. Staff appearance and grooming. 5. Adequate parking space.
			Reliability/Dependability	1. Fast service and food delivery. 2. Accurate menu items according to orders. 3. Responsive customer service.
			Responsiveness	1. Quick staff response when needed. 2. Willingness to provide assistance. 3. Patient and attentive customer interaction.
			Assurance/Guarantee	1. Accuracy in billing procedures. 2. Courteous and friendly staff behavior. 3. Staff knowledge of menu offerings. 4. Menu customization according to preferences.
			Empathy/Care	1. Immediate menu presentation to customers. 2. Greeting behaviors from staff.

No.	Variable	Definition	Dimensions	Indicators
				3. Operating hours providing customer convenience.
2	Pricing (X2)	Based on Kotler (2005): "The monetary amount charged for products or services, representing the total value exchanged by consumers for ownership benefits"		1. Clear price display and menu availability. 2. Affordable pricing aligned with product quality. 3. Competitive pricing compared to similar establishments. 4. Price correspondence with perceived benefits and value.
3	Customer Satisfaction (X3)	Based on Kotler & Keller (2009): "Emotional response of pleasure or disappointment resulting from comparing perceived performance against expectations"		1. Overall satisfaction with service experience. 2. Satisfaction with purchase and consumption experience. 3. Service quality alignment with pricing and expectations.
4	Referral Intention (Y)	Based on Kotler & Keller (2012): "Word-of-mouth communication representing informal information transfer about		1. Willingness to recommend the café to others. 2. Intention to recommend to friends and colleagues requiring

No.	Variable	Definition	Dimensions	Indicators
		target objects between individuals through various communication channels”		similar services. 3. Advocacy behavior toward friends and colleagues when relevant services are needed.

RESULT AND DISCUSSION

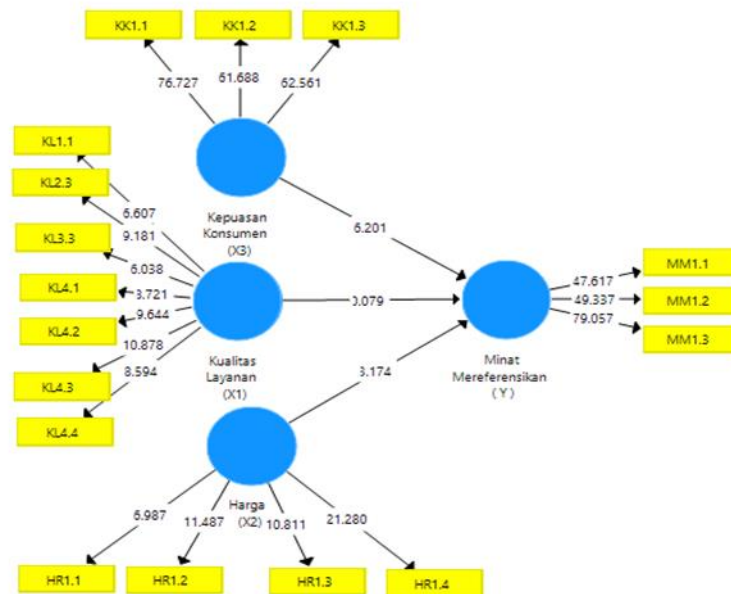


Figure 2 Hypothesis Testing Results

The hypothesis testing results presented in Table 3 and Table 4 demonstrate the statistical relationships between the independent variables (service quality, price, and customer satisfaction) and the dependent variable (referral intention). The analysis employed bootstrapping procedures to ensure robust statistical inference.

Table 3 Hypothesis Testing Results (Bootstrapping Run 1)

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Service Quality (X1) →	0.005	0.023	0.064	0.079	0.937

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Referral Intention (Y)					
Price (X2) → Referral Intention (Y)	0.276	0.276	0.087	3.174	0.002
Customer Satisfaction (X3) → Referral Intention (Y)	0.526	0.522	0.085	6.201	0.000

Table 4 Hypothesis Decision Summary

No.	Variable Relationship	P Value	Hypothesis	Decision
1	Service Quality (X1) → Referral Intention (Y)	0.937	H1	Rejected
2	Price (X2) → Referral Intention (Y)	0.002	H2	Accepted
3	Customer Satisfaction (X3) → Referral Intention (Y)	0.000	H3	Accepted

Hypothesis 1: Service Quality and Referral Intention

The statistical analysis reveals that service quality demonstrates no significant influence on referral intention among customers of Kafe Jajan Doeloe, Bogor. The p-value of 0.937 exceeds the conventional significance threshold of 0.05, while the t-statistic value of 0.079 falls below the critical value of 1.96. Consequently, Hypothesis 1 is rejected, indicating that service quality provided by Kafe Jajan Doeloe employees does not significantly impact customers' intention to recommend the establishment to others or potential customers.

This finding suggests that while service quality remains an important operational aspect, it may not serve as the primary driver for customer referral behavior in this particular context. The insignificant relationship could indicate that customers' referral decisions are influenced by other factors beyond service delivery quality.

Hypothesis 2: Price and Referral Intention

The analysis demonstrates a statistically significant positive relationship between price and referral intention. With a p-value of 0.002, which is considerably below the 0.05 significance level, and a t-statistic of 3.174 exceeding the critical value of 1.96, Hypothesis 2 is accepted. This indicates that the pricing strategy for food and beverages at Kafe Jajan Doeloe, Bogor, significantly and positively influences customers' referral intentions.

The positive coefficient (0.276) suggests that customers perceive the pricing structure favorably, potentially viewing it as offering good value for money. This perception translates into increased likelihood of recommending the establishment to others, indicating that competitive and reasonable pricing serves as a significant motivator for word-of-mouth marketing.

Hypothesis 3: Customer Satisfaction and Referral Intention

Customer satisfaction exhibits the strongest significant positive relationship with referral intention among all tested variables. The p-value of 0.000, well below the 0.05 threshold, combined with a t-statistic of 6.201 that substantially exceeds 1.96, leads to the acceptance of Hypothesis 3. The relationship demonstrates that customer satisfaction at Kafe Jajan Doeloe, Bogor, significantly and positively influences customers' referral intentions.

The coefficient value of 0.526 represents the strongest effect size among all variables, indicating that customer satisfaction serves as the primary predictor of referral behavior. This finding aligns with established marketing theory suggesting that satisfied customers are more likely to engage in positive word-of-mouth activities and recommend businesses to their social networks.

The findings of this study present both convergent and divergent results when compared to existing literature on customer behavior in the hospitality sector. The acceptance of Hypothesis 3, which demonstrates a strong positive relationship between customer satisfaction and referral intention (coefficient = 0.526, $p < 0.001$), aligns closely with previous research by Majeed et al. (2022), who established that customer satisfaction significantly influences word-of-mouth intentions and recommendation behaviors in hospitality contexts. This consistency across different hospitality settings reinforces the fundamental principle that satisfied customers serve as the primary drivers of organic marketing through referral activities. The substantial effect size observed in this study further emphasizes that customer satisfaction remains the most critical factor in generating positive word-of-mouth advocacy at Kafe Jajan Doeloe, supporting the theoretical foundation that satisfied customers naturally become brand ambassadors.

Interestingly, the rejection of Hypothesis 1, which found no significant relationship between service quality and referral intention ($p = 0.937$), presents a notable departure from established literature. This finding contradicts the research by Chowdhury (2021), who demonstrated positive associations between service

quality and behavioral intentions in fast food restaurant contexts, where word-of-mouth served as a crucial moderator. The absence of significance in the current study suggests that customers of Kafe Jajan Doeloe may have different prioritization patterns compared to other hospitality establishments. This divergence could be attributed to several contextual factors unique to the café's operational environment, customer demographics, or market positioning. It is possible that in the specific context of Kafe Jajan Doeloe, service quality represents a baseline expectation rather than a differentiating factor, or that other unmeasured variables mediate the relationship between service quality and referral behaviors.

The acceptance of Hypothesis 2, revealing a significant positive impact of price on referral intention (coefficient = 0.276, $p = 0.002$), provides valuable insights into customer value perception at Kafe Jajan Doeloe. This finding suggests that customers view the establishment's pricing strategy as reasonable and representative of good value for money, which subsequently translates into recommendation behavior. While previous studies by Chowdhury (2021) and Majeed et al. (2022) focused primarily on service quality and satisfaction dynamics, the significance of price in this study highlights the importance of value proposition in customer advocacy. The positive relationship indicates that competitive pricing serves not merely as a retention tool but actively contributes to word-of-mouth marketing effectiveness. This finding suggests that customers are likely to recommend Kafe Jajan Doeloe partly based on the perceived economic value they receive, demonstrating that price satisfaction can be a powerful driver of referral behavior in the café industry context.

CONCLUSION

This investigation into the determinants of referral intention at Kafe Jajan Doeloe, Bogor, yields several significant insights that contribute to the understanding of customer behavior in the café industry. The empirical findings reveal that among the three examined variables, customer satisfaction emerges as the most influential factor driving referral behaviors, with the strongest statistical relationship (coefficient = 0.526). This result underscores the paramount importance of ensuring comprehensive customer satisfaction as the primary strategy for generating organic word-of-mouth marketing and customer advocacy.

The study's findings also highlight the significant role of pricing strategy in influencing customer referral decisions. The positive relationship between price and referral intention demonstrates that customers perceive Kafe Jajan Doeloe's pricing structure as offering exceptional value, which subsequently motivates them to recommend the establishment to others. This suggests that competitive and reasonable pricing serves not only as a customer retention mechanism but also as an active driver of positive word-of-mouth promotion.

Notably, the absence of a significant relationship between service quality and referral intention presents an intriguing departure from conventional hospitality literature. This finding suggests that in the specific context of Kafe Jajan Doeloe, service quality may be considered a baseline expectation rather than a differentiating factor that drives recommendation behavior. The results collectively indicate that café managers should prioritize customer satisfaction initiatives and maintain competitive pricing strategies to maximize referral potential, while ensuring service quality standards meet customer expectations without necessarily expecting them to directly drive referral behaviors.

SUGGESTION

For Kafe Jajan Doeloe Bogor Management

Price and customer satisfaction represent the cornerstone of marketing strategy for Kafe Jajan Doeloe Bogor, as these variables demonstrate positive and significant influences on customer referral intentions to other parties and potential customers. To further enhance business success, cafe management must consistently update food and beverage products while maintaining affordable pricing and continuously improving the achieved level of customer satisfaction.

The author recommends that cafe management conduct a comprehensive evaluation of human resources to immediately increase staffing, particularly personnel responsible for food and beverage preparation. Additionally, management should consider expanding and upgrading kitchen equipment, including gas stoves and ovens capable of simultaneously preparing multiple food items. These improvements will expedite food and beverage service delivery to customers, potentially enhancing overall satisfaction levels.

For Future Researchers and Academic Community

Future research endeavors should focus on developing and expanding the current research model by incorporating additional variables that influence word-of-mouth marketing beyond service quality, price, and customer satisfaction. Such expansions should be supported by contemporary theoretical frameworks and current industry issues. Subsequent researchers are encouraged to broaden the geographical scope and research locations to enable more generalizable implementation of findings across diverse contexts and market segments.

Furthermore, longitudinal studies examining the temporal stability of these relationships and cross-cultural investigations exploring the applicability of these findings in different cultural contexts would contribute significantly to the existing body of knowledge in consumer behavior and referral marketing literature.

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