

# CHAPTER I

## INTRODUCTION

### 1.1 Background of Study

Nowdays, it is not such an unexpected sight to see a coffee shop on every corner. Consuming coffee is a trend that is currently happening in Indonesia. This can be proven from research conducted by Snapcart (2023) that 79% of the Indonesian population are coffee consumers and consume at least one coffee per day. Consuming coffee is not only for physical needs as an energy boost, but coffee consumption has also become a prestigious event for society, especially when consumers drink coffee in a famous and prestigious place (brand image). Coffee shops are also public spaces for people, especially the city of Medan. People's activities in coffee shops are also very diverse, starting from discussing and exchanging ideas (social activity), enjoying the drinks and food available (consuming activity), meeting about work outside office hours (work/business activity), looking for entertainment or relaxation. unwinding (entertainment activity) and finally the most frequently found completing campus or school assignments (study activity). (Igiassi, 2017).

Coffee shops must be able to become a comfort place for their customers. The coffee shop industry itself combines the services and products they sell, so to increase value and a good image in the eyes of consumers, coffee shops must be able to meet consumer demand and supply in terms of both services and products. With these achievements, coffee shops can attract consumer purchases and compete

in the coffee industry.

Because people's interest in coffee shops, especially young people, is very high in the city of Medan, resulting in coffee shops in the city of Medan competing with each other to provide the best for their customers, coffee shops also do not hesitate to be different to win the hearts of their customers and provide attractive offers to their customers. Begin with the variety of products, adequate facilities, as well as instagrammable interior and exterior designs, those are things that attract people to visit the coffee shop. In every corner of the city of Medan you will find various coffee shops with their own uniqueness and characteristics. The following is a list of several coffee shops in the city of Medan.

**Table 1.1 Lists of Coffee Shops in Medan**

No	Coffee Shops	Address	Operational Hour	The attraction of each coffee shops
1	Moscot.co	Jl. H. Misbah No.9, J A T I, Kec. Medan Maimun	8.00 am-10.00pm	This coffee shop adapts a green industrial style, which looks very sleek and modern, giving a luxurious impression as a place to hang out
2	Warung by Tangga	Jl. Letjen Suprpto No.11, Hamdan, Kec. Medan Maimun	8.00 am-10.00pm	With a classic and ancient concept, it provides lots of traditional touches and ancient artifacts, making customers feel as if they are drinking coffee in the middle of a museum
3	Coffeenatics	Jl. Teuku Cik Ditiro No.8K, Madras Hulu, Kec. Medan Polonia	8.00 am-10.00pm	A hangout place that provides a variety of quality coffee and a simple, attractive food menu.
4	Hidden Place	Jl. Sei Bengawan No.74, Babura Sunggal	09.00 am-11.00pm	Apart from providing various coffee and food menus, this cafe also serves many interesting games
5	Common Folks	Jl. H. Misbah No.18, Hamdan, Kec. Medan Maimun	8.00 am-10.00pm	The concept of the Common Folks building is inspired by Japanese and Australian Zen Gardens and customers can get education about coffee

Source: Prepared by writer (2024)

Filosofi Kopi Perfecto is located at Kawasan Titik Tengah, Kec. Medan Timur at the city of Medan, North of Sumatra. Tengah is one of the most popular

culinary places in Medan, even though there are many different restaurants and cafes in Tengah, Filosofi Kopi Perfecto has managed to stand out compared to other cafes. Before Filosofi Kopi Perfecto was established in Tengah, there was also Filosofi Kopi which was established on Jalan Adam Malik in Medan City.



**Figure 1.1 Cafe Filosofi Kopi Perfecto Medan**

Source: Documented by the Writer (2024)

Interest is a powerful internal motivation that drives action, influenced by external stimuli and positive feelings toward a product or service. Visiting interest can be understood as a mental state that reflects an individual's intent to engage in certain actions within a specified timeframe (Yandi, 2023). In revisit intention decisions, Filosofi Kopi at the Tengah branch experienced a decrease in revisit intention. The following is data on customer visits at Filosofi Kopi.



**Figure 1.2 Number of Visit at Filosopi Kopi**

Source: Filosopi Kopi (2024)

The tables and graphs presented above are the number of customers who visited Filosopi Kopi in the period January to December 2022 and 2023 obtained through interviews with the manager and data from visitor at Filosopi Kopi. The decreasing number of customers may indicate that customers feel they are not getting more value from the Filosopi Kopi and are not satisfied.. As a result, customers do not want to return and result in a decrease in the number of visitors at Filosopi Kopi.

To find out consumer responses about Filosopi Kopi Perfecto, the author conducted a pre-survey of 30 respondents regarding their opinion on revisit intention at Filosopi Kopi Perfecto with the following results.

**Table 1.2 Pra Survey of Revisit Intention**

No.	Statement	Yes	No
1	You will visit Filosopi Kopi Perfecto in the future	16	14
2	You would recommend Filosopi Kopi Perfecto to my friends	18	12
3	You share my experience of visiting Filosopi Kopi Perfecto	16	14
4	You have brought my colleagues to visit Filosopi Kopi Perfecto	12	18
5	You will visit Filosopi Kopi Perfecto in the future	14	16

Source: Pra Survey (2024)

Based on the results of the pre-survey regarding re-visit intentions at Filosofi Kopi Perfecto, some important findings were obtained. A total of 53.3% of respondents stated that they would return to visit Filosofi Kopi Perfecto in the future, while 46.7% had no such intention. A total of 60% of respondents are willing to recommend Filosofi Kopi Perfecto to their friends, while 40% are not. Furthermore, 53.3% of respondents shared their experience after visiting Filosofi Kopi Perfecto, while 46.7% did not. However, only 40% of respondents have invited their colleagues to visit, while 60% have not done so. On the other hand, 46.7% of respondents reaffirmed their intention to visit Filosofi Kopi Perfecto, while 53.3% stated that they would not visit again. Overall, the data shows a positive potential for repeat visits and recommendations, but further efforts are needed to strengthen customer loyalty and increase their interest in future visits.

Service quality is one of the important things and is always improved in order to realise customer satisfaction, it is hoped that through good service consumers will come back to reuse the services provided (Prasetyo and Lukiastuti, 2022). In the quality of service at Filosopi Kopi, there are still consumers who make complaints about the services provided. The following are complaints submitted by respondents from google reviews.

**Table 1.3 Complaints of Service Quality at Filosopi Kopi**

Rating	Comments
1	The service are very bad
1	The food took a long time to arrive. I ordered from 17.00 before breaking the fast. Until 19.00 it had not arrived. I was disappointed that only the dates and drinks came
1	Disappointed with the current perfecto. Even though in the past it was always satisfying. With the price of fried rice being quite expensive, the food took a long time to arrive and the quality was disappointing
1	Really disappointed because the service wasn't good, my friends and I didn't finish our drinks but instead we were thrown out and the waiter said if we didn't order more we had to leave, after we ordered 2 more drinks the waiter said we had to order 5 because 1 person had to order 1. The service were overall very bad
1	There are so many disappointments in this cafe. The waiter was very unfriendly. As for the other waiters, there are some who are good, but there are also many who are not friendly. The quality of food and drinks is just standard but the prices are too expensive. This is the first time I have received bad service from a fairly well-known cafe. Even though the place is cool, I don't want to go there again. If it doesn't change, I won't recommend it to others.

Source: Google Reviews (2024)

Referring to the table above, a conclusion can be drawn that Filosofi Kopi Perfecto has to improve many things, several customers emphasized many times that the service quality they received from the waiters was very bad, the attitude of the waiters towards the customers of Filosofi Kopi Perfecto was unacceptable and did not pay attention to the customer's wishes, ex : customers wait a long time for their orders.

To find out consumer responses about Filosopi Kopi Perfecto, the author conducted a pre-survey of 30 respondents regarding their opinion on service quality at Filosopi Kopi Perfecto with the following results.

**Table 1.4 Pra Survey of Service Quality**

No.	Statement	Yes	No
1	The facilities at Filosofi Kopi Perfecto look modern.	18	12
2	Filosofi Kopi Perfecto always delivers the service as promised.	15	15
3	The staff at Filosofi Kopi Perfecto is quick to respond to customer requests.	16	14
4	The staff at Filosofi Kopi Perfecto appear competent and able to provide professional services.	12	18

5	The staff at Filosofi Kopi Perfecto provide genuine attention to customer needs.	16	14
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Source: Pra Survey (2024)

Based on the results of a pre-survey of 30 respondents regarding service quality at Filosofi Kopi Perfecto, some important findings were found. As many as 60% of respondents think the facilities at Filosofi Kopi Perfecto look modern, while 40% disagree. In terms of service accuracy, respondents' opinions were evenly divided, where 50% felt that the service was as promised and 50% felt otherwise. A total of 53.3% of respondents stated that staff were quick to respond to customer requests, while 46.7% did not feel this way. However, only 40% of respondents felt that the staff looked professional and competent, while 60% felt that there were still shortcomings in this aspect. Lastly, 53.3% of respondents rated the staff as giving genuine attention to customer needs, although another 46.7% felt differently. Overall, Filosofi Kopi Perfecto received appreciation on facilities and staff responsiveness, but needs improvement in service consistency and staff professionalism to increase customer satisfaction.

Brand image is essential in the decision-making process when making a purchase and serves as a key factor that positively impacts brand selection and influences the decision for repeat visit interest. (Prasetyo and Lukiasuti, 2022). In brand image, the author will compare the ratings of several coffee shops similar to Filosofi Kopi as follows.

**Table 1.5 Comparison of Rating**

No	Coffee Shops	Rating from Google Reviews
1	Moscot.co	4.4
2	Warung by Tangga	4.7
3	Coffeenatics	4.8
4	Hidden Place	4.6
5	Common Folks	4.5
6	Filosofi Kopi Perfecto	4.3

Source: Google Reviews (2024)

From the results of consumer ratings on Google reviews, it shows that Filosopi Kopi Perfecto has the lowest rating compared to several similar coffee shops. Although ratings above a value of 4 can already be categorised with good value, in comparison with similar coffee shops, it is still seen that the value of the rating given by consumers is lower than similar competing coffee shops. This result will give Filosopi Kopi an unfavourable image..

To find out consumer responses about Filosopi Kopi Perfecto, the author conducted a pre-survey of 30 respondents regarding their opinion on brand image at Filosopi Kopi Perfecto with the following results.

**Table 1.6 Pra Survey of Brand Image**

No.	Statement	Yes	No
1	You easily remember the brand Filosopi Kopi Perfecto	12	18
2	You like the brand Filosopi Kopi Perfecto as one of the coffee shops that has a wide variety of coffee menus	13	17
3	Filosopi Kopi Perfecto is one of the coffee shop brands that you would visit if you were hanging out with your friends.	10	20
4	You have a good experience interacting with Filosopi Kopi Perfecto on social media	8	23
5	The service provided by Filosopi Kopi Perfecto matches your expectations	16	14

Source: Pra Survey (2024)

In the pre-survey results regarding brand image, it shows that the dominant consumers stated that they did not remember the brand of Filosopi Kopi, then consumers thought that the menu variations at Filosopi Kopi were less varied compared to other brands. Consumers also do not prioritise Filosopi Kopi as their first choice of coffee shop. On social media, consumers also tend to rarely interact with Filosopi Kopi. Then the services provided are mostly in accordance with



consumer expectations. The pre-survey results show that the brand image of Filosofi Kopi has not been able to attract interest from consumers.

Business owners must pay attention to the quality of their products and also the atmosphere of the place because currently consumers are very concerned about the quality of the products they buy as well as the comfort of the place they visit. These two things are able to make business actors win the competition and finally appear high repurchase interest in their consumers (Purnawarman et al, 2022).

Filosofi Kopi Adam Malik Medan has been famous since its beginning for the quality of the products it provides, so that when Filosofi Kopi Perfecto opened in the middle of Medan, the people of Medan already had expectations and a brand image for Filosofi Kopi Perfecto, remembering the previous success of Filosofi Kopi Adam Malik, which until now is still one of favorite coffee shops in the city of Medan. However, it seems like Filosofi Kopi Perfecto wasn't able to live up to customer expectations. However, there are still complaints about the quality of products (food and beverages) that consumers complain about on Google Reviews with the following results.



**Figure 1.3 Logo of Filosofi Kopi Perfecto Medan**

Source: Perfecto bty Filosofi Kopi on Instagram (2024)

**Table 1.7 Complaints of Product Quality**

Rate	Comments
2	The taste of the food is not good, the rice is half cooked and hard, there is a lot of oil. The price is really not worth it. The room is not soundproof, it's very noisy. The only advantage is aesthetics. From the outside it looks very attractive. It turned out to be far from expectations.
2	The employees are racist, prioritize non-natives, orders were not received twice, and I was not given a place when it was raining even though I had already ordered, after I got angry then I was given a place, the food was delicious and the place was nice
2	Not my cup of coffee. The cappuccino is cold. Pastry is disappointing for that price. The waiters just gathered around the cashier. The only friendly person is the supervisor. Nice place. There is no electric plug. I asked for the wifi password, but it wasn't given
3	The place is nice and comfortable. It's just a shame that it opens at 10 but it's still not open at 10.10, I wait and the shop only opens at 10.20, the waiter replies that they just opened (not on time). If you come in the morning there are still many menus that aren't ready. the employees are not friendly. and if you want to pay using a debit card, the minimum is IDR. 100,000. Even though the coffee is delicious, the place is comfortable, but because the employees are not friendly I am reluctant to come back again
3	A bit disappointed with the service here. Many menus are not available, even though visiting hours are not yet close to closing time. 3 stars for a cool and comfortable atmosphere.
3	Still a mess in the serving flow between the bar and kitchen, fix this problem soon
4	Overpriced and it takes 20mins just to make caesar salad. The best part is just the place itself
4	It's relaxing to sit and hang out here, the building is cool and tall. Coffee drinks are ok. When paying credit cards there are always problems with machines etc
4	The concept is good but maybe the service could be friendlier. The price is slightly more expensive than most coffee shops in Medan.

Source: Google Reviews (2024)

Regarding product quality itself, customers said that the food and drinks they ordered did not match the price paid. Even though the price is expensive, it seems that Filosofi Kopi Perfecto does not provide customers with good quality ingredients. Consumer complaints about product quality indicate that the quality of food and drinks provided by Filosofi Kopi Perfecto is not in accordance with consumer expectations and does not have good product quality standards.

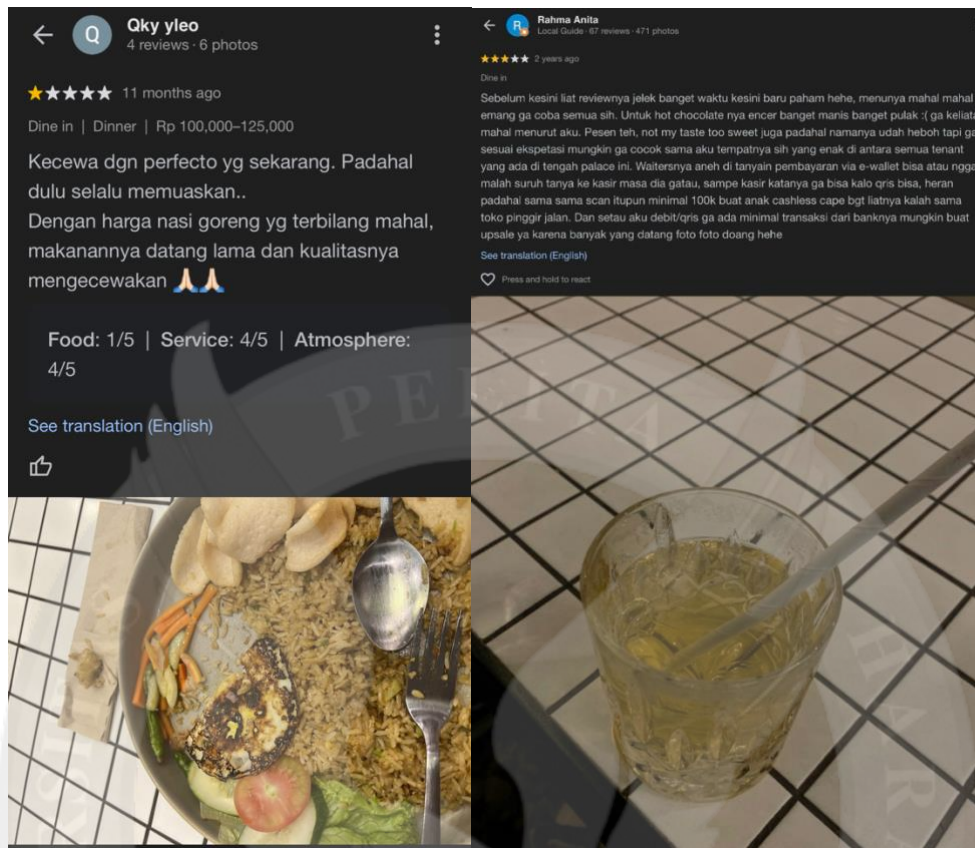


Figure 1.4 Customer review on Product Quality at Filosofi Kopi Perfecto Medan

Source: Google Review (2024)

To find out consumer responses about Filosofi Kopi Perfecto, the author conducted a pre-survey of 30 respondents regarding their opinion on product quality at Filosofi Kopi Perfecto with the following results.

Table 1.8 Pra Survey of Product Quality

No.	Statement	Yes	No
1	The drinks available at Filosofi Kopi Perfecto are always consistent.	16	14
2	The texture of coffee drinks at Filosofi Kopi Perfecto is soft and in line with my expectations.	12	18
3	The drinks at Filosofi Kopi Perfecto are very appetising.	22	8
4	Drinks at Filosofi Kopi Perfecto are always served at the right temperature.	20	10
5	The beverage presentation at Filosofi Kopi Perfecto looks attractive.	12	18

Source: Pra Survey (2024)

Based on the results of a pre-survey of 30 respondents regarding product quality at Filosofi Kopi Perfecto, it was found that 53.3% of respondents felt that the drinks were consistent, but 46.7% thought otherwise. On the aspect of coffee texture, only 40% of respondents felt it was in line with expectations, while 60% disagreed. A total of 73.3% of respondents rated the drinks as very appetising, and 66.7% stated that the drinks were served at the right temperature. However, the presentation of the drink was rated as attractive by only 40% of respondents, while 60% were dissatisfied. Overall, Filosofi Kopi Perfecto received appreciation on taste and serving temperature, but needs improvement in terms of coffee texture and visual appearance to increase customer satisfaction.

The differences between Filosofi Kopi Perfecto and the original Filosofi Kopi film can be seen from three main aspects, namely service quality, brand image, and product quality. In terms of service quality, Filosofi Kopi original emphasises personalised and authentic service. Ben and Jody strive to provide customers with an immersive experience, not only through the taste of the coffee, but also with the story behind each coffee blend served. This creates a strong emotional connection between customers and Filosofi Kopi. Meanwhile, in Filosofi Kopi Perfecto, the services provided tend to be more professional and standardised as the business grows. The focus begins to shift to efficiency and consistency in serving customers on a larger scale.

In terms of brand image, the original Filosofi Kopi built a reputation as a coffee shop that emphasises idealism and philosophy of life, with a warm and artistic atmosphere. This identity is strongly attached to the characters of Ben and

Jody who struggle to maintain their principles despite facing business challenges. In contrast, Filosofi Kopi Perfecto is starting to show a more modern and corporate brand transformation. There is an attempt to take the brand to the next level with expansion and innovation, although this risks reducing the authenticity that was its initial appeal.

In terms of product quality, the original Filosofi Kopi focuses heavily on the uniqueness of each coffee blend, with an emphasis on premium quality ingredients and a dedicated brewing process. Each cup of coffee is made with the spirit of art, which makes it feel special to customers. However, at Filosofi Kopi Perfecto, product quality remains a priority, but there are challenges in maintaining authentic flavours amidst meeting the demands of a larger market. The scalability of the business affects the approach to product quality, so products tend to be more standardised to maintain consistency.

Considering the described background of study above, the writer determines the study of service quality, brand image, and product quality on revisit intention at Filosofi Kopi Perfecto Medan. Therefore, the relationship between these three variables will increase customer satisfaction. Hence, the title of this research is: **“THE EFFECT OF SERVICE QUALITY, BRAND IMAGE, AND PRODUCT QUALITY ON REVISIT INTENTION AT FILOSOFI KOPI PERFECTO, MEDAN”**.

## **1.2 Problem Limitation**

This research will be undertaken due to the restricted opportunity from September 2024 to December 2024 about those relevant problems including service

quality, brand image, and product quality, and revisit intention. The writer has previously determined the problem's limitations, which include several independent variables (referred to as Variable X), service quality, brand image, and product quality, and dependent variable (Variable Y) consist of revisit intention. According to Supriyanto et al, (2021), the indicator of service quality are tangibility, reliability, responsiveness, assurance, empathy According to Ilham et al (2020), the indicator of brand image are brand identity, brand personality, brand association, brand attitude and behavior, brand benefit and competence. According to Mahardika and Lubis (2022), the indicator of product quality are taste, texture, aroma, temperature, presentation. According to Polas et al (2020), the indicator of revisit intention is about revisit in the future, recommend to others, say positive words, encourage others to visit as from

### **1.3 Problem Formulation**

Through study conducted at Filosopi Kopi Perfecto, the writer has identified numerous inquiries pertaining to the emerging issues, which are:

- a. Does service quality have effect on revisit intention at Filosopi Kopi Perfecto, Medan?
- b. Does brand image have effect on revisit intention at Filosopi Kopi Perfecto, Medan?
- c. Does product quality have effect on revisit intention at Filosopi Kopi Perfecto, Medan?

- d. Does service quality, brand image, and product quality have effect on revisit intention at Filosopi Kopi Perfecto, Medan?

#### **1.4 Objective of the Research**

The aim of this research is to investigate and gather information about:

- a. To describe whether service quality have partial effect on revisit intention at Filosopi Kopi Perfecto, Medan.
- b. To explain whether brand image have partial effect on revisit intention at Filosopi Kopi Perfecto, Medan.
- c. To explain whether product quality have partial effect on revisit intention at Filosopi Kopi Perfecto, Medan.
- d. To analyze whether service quality, brand image, and product quality have simultaneous effect on revisit intention at Filosopi Kopi Perfecto, Medan.

#### **1.5 Benefit of the Research**

The benefits of this research can be enumerated as follows:

##### **1.5.1. Theoretical Benefit**

The results of this study are expected to contribute to and expand existing theories related to service quality, brand image, product quality, and revisit intention.

##### **1.5.2. Practical Benefit**

The practical advantage of this research is as follows:

- a. The writer anticipates that the outcome of this research will make a valuable contribution to the current ideas on service quality, brand image, and product quality in relation to the goal of improve revisit intention.
- b. For Filosopi Kopi Perfecto, this research examines the efficacy of the survey in enhancing the company's performance.
- c. This research serves as a guide and reference for other researchers, directing them towards conducting compatible research.

