The strategy of Increasing Customer Satisfaction of Coffee Shop in Yogyakarta through GAP Analysis

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Abstract. Yogyakarta as a city of tourism and education mostly has young people as potential coffee customers. Furthermore, service needs, which lead to customer satisfaction are determined through the diversity of young people and coffee shops. Meanwhile, customer satisfaction is analytically based on five dimensions of service quality, which are important for improving and innovating strategies to increase satisfaction. Therefore, this study aims to describe the quality of coffee shop services, measure the gap between their perception and expectation, and formulate a business strategy to increase customer satisfaction. To achieve this, the survey approach was adopted, which relies on secondary and primary data from the dissemination of questionnaires to different coffee shops. Furthermore, five-dimensional service quality was elaborated to achieve an improved strategy of customer satisfaction.

Keywords: Customer satisfaction, coffee shop, gap analysis, important performance analysis

1. Background

As a cultural, educational, and tourism city, Yogyakarta has potential consumers for the coffee business. Therefore, coffee shops are growing in line with the increasing number of consumers and this phenomenon has provided opportunities for emerging businesses.

Each type of shop has its customers and their various characteristics include those that only provide coffee and other kinds of drinks, others that provide coffee and snacks, as well as those that provide a complete menu, which includes coffee, snacks, and main food (restaurant).

Problems arise due to the increasing number of coffee shops, such that there is intensifying competition. Consequently, coffee shops scramble consumers using various business strategies. Furthermore, the consumers comprise various groups of people including the most dominating, which are students and tourists.

Due to the outbreak of coronavirus or Covid-19, the number of students still living in Yogyakarta is relatively small as well as tourists that slumped sharply. Consequently, coffee shops do not have potential customers anymore and almost all are closed. However, some coffee shops but only focus on ordering takeaways. Meanwhile, the customers no longer visit the shops because they prefer to stay at home. This increases the competition, allowing customers the opportunity to try or switch to another...
coffee shop. In line with the above, it becomes a necessity to maintain customer satisfaction by providing good service quality.

Shahin [1], described the concept of service quality and demonstrated its gap model. One of the service quality analysis tools is Servqual and it is an effective approach. Its role in the analysis of the difference between customer expectations and perceptions has also been studied. Moreover, Yorimoglu [2], scholars and practitioners have been operating on the quality of services delivered. This study focused on the service quality models with a methodology of reviewing the existing models in chronological order. Furthermore, the dimensions of the models were examined and three main groups that consist of service quality were obtained.

Martilla and James [3] indicated that an easily applied technique for measuring importance and performance attributes has the potential to further the development of an effective marketing program. Furthermore, Leea et al [4] investigated the antecedent attributes of customer satisfaction in the coffee shop business domain by examining atmosphere, employee attitudes, information technology service (IT service), and coffee quality in relation to satisfaction and loyalty. Therefore, to keep customers loyal, it is important and urgent to review how strategies improve their satisfaction.

This study aims to analyze the quality of service provided by each coffee shop and also determine the gap between consumer perception and expectations of their quality of service.

The identification of the factors of service quality is considered important by using the five dimensions of servqual. Furthermore, Yogyakarta as a tourism and education city has the potential of coffee customers among young people. In addition, the diversity of coffee shops and the young people of Yogyakarta will be elaborated in a systematic study of customer satisfaction, which is the novelty of this investigation. The improvement of customer satisfaction will be formulated based on the five dimensions of service quality analysis (servqual).

2. Method

This research used a survey approach, which relies on secondary and primary data from the dissemination of questionnaires to various coffee shop customers. The objects of this study include Ethikopia, Lantai Bumi, and Signatura coffee shops with 30 respondents from each. Data were collected through survey methods from June -August 2019. Five-dimensional service quality analysis (servqual) is elaborated to obtain the right strategies to improve customer satisfaction.

3. Findings

A total of 5 quality service dimensions were developed into 28 variables. Table 1 shows the average results of expectation and performance. Some variables already-fit between importance (expectation) and performance (perception), such as first and next service remaining goods, room atmosphere (not noisy), friendly and helpful staff, and employees are patient in responding to customer complaints. However, there were two variables with major gap problems, these include the right atmosphere of the cold, and it looks clean.

Furthermore, 4 variables have a moderate gap, namely accurate product information provided by the employees, customers feel safe when leaving goods, the willingness to exchange goods or return unsuitable products, and the provision of immediate service by the employee when requested.

Consequently, strategies should be formulated to maintain the business of coffee shops. This is in line with the description of Yoroglu (2014), that tangibles, physical aspects, and service environment were related to the Physical Environment element.

The main strategies to be provided include: (1) maintain service quality due to the good perception, room atmosphere, and quality of the human resource, (2) increasing customer’s safety such as accurate information, and goods handling, (3) increasing the quality of the physical environment such as the degree of cold room, and cleanliness.
4. Conclusion

Conclusively, the dimensions in the quality of coffee shop service were proved to vary. Furthermore, the gap analysis was used to compare perceptions and expectations and the value was found to vary significantly. Consequently, the strategy of improving the quality of coffee shop services was determined.

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