

The Influence of Service Quality and Location on Customer Satisfaction at Ote Koffie Jatinangor

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Abstrack

This study aims to determine the effect of service quality and location on customer satisfaction at Ote Koffie Jatinangor. This research is motivated by the decline in sales and pre-survey results showing that customer satisfaction is still in the moderate category. This study uses a quantitative method with a survey approach involving 94 respondents. The data collection instrument was a Likert scale questionnaire. The analysis techniques used include validity test, reliability test, multiple linear regression, t test, and F test. The results show that both service quality and location have a positive and significant effect on customer satisfaction, both partially and simultaneously. This research provides implications for culinary entrepreneurs to improve customer satisfaction through service quality improvement and location comfort.

Keywords: Service Quality, Location, Customer Satisfaction

Introduction

Every business that has been operating in the market for a long time needs to start taking strategic steps to compete with each other to attract more customers and maintain their loyalty. Companies must have an appropriate and effective marketing strategy to maintain customer loyalty and prevent them from switching to competitors. Careful planning allows companies to achieve their goals efficiently and satisfactorily, so that the business they run can generate profits. Customer satisfaction will be influenced by several parts of the marketing mix; this is part of the marketing business strategy that businesses must always consider to face market competition. Consumer satisfaction is also influenced by various aspects of the marketing mix, such as service quality, product quality, location, and price.

Table 1 Ote Koffie Sales Data for 2024-2025

Month	Total Sales	
	2024	2025
January	25.000.000	6.000.000
February	28.000.000	8.000.000
March	30.000.000	5.000.000
April	27.000.000	5.000.000

May	29.000.000
June	30.000.000
July	26.000.000
August	20.000.000
September	10.000.000
October	8.000.000
November	11.000.000
December	7.000.000

Source: Ote Koffie sales data

Based on the sales data above, there was a decline in June - October, then there was an increase in November, but it decreased again in December until in 2025 there was a decline again in January, it can be seen that there was a decline in the level of customer satisfaction at Ote Koffie. According to Kotler, P., & Keller, K.L. (2021) often emphasize that a less strategic location can affect customer attraction to a business, especially for the retail and restaurant industry. A location that is difficult to reach or does not match the target market can cause a decrease in the number of customers, even though the quality of the product or service provided is good. A decline in both of these aspects can lead to a decrease in customer satisfaction, which ultimately leads to a decrease in sales turnover. Further research is needed to confirm this causal relationship and identify specific areas in service quality and location that need to be improved to restore customer satisfaction and increase sales again.

This research is crucial because it can provide in-depth understanding for Ote Koffie management in formulating a more targeted marketing strategy. As a result of identifying the influence of service quality and location on customer satisfaction, the company can optimize its business strategy to strengthen competitiveness and increase customer loyalty. The findings of this study, furthermore, have the potential to provide academic contributions in the field of marketing and consumer behavior, especially in the context of the coffee beverage industry in Indonesia. Based on this background, this research is necessary to answer the problem related to the extent to which service quality and location can influence customer satisfaction at Ote Koffie Jatinngor, as well as what strategies can be implemented to increase customer satisfaction amidst the tight competition in the coffee industry.

Literature Review

Administrative Science

The term "administration" is often associated with government activities, business, and many more. In general, administration encompasses the entire range of activities, from organizing to managing everything, to achieve a goal. The term "administration" is usually synonymous with record-keeping, correspondence, and so on. This is what makes every institution, agency, and company have an administrative system. In the book "Introduction to Administration" (2020) by Alemian Henuk, the term.

Management

Management is a structured and systematic process for achieving predetermined goals. According to Ghosh (2021), management involves four main functions: planning, organizing, directing, and controlling, which are interconnected to ensure the achievement of organizational goals. Kotler & Armstrong (2021) also emphasize that management is the process of designing and maintaining a work environment in which individuals work together in groups to achieve goals efficiently. Thus, management focuses not only on managing resources but also on creating an environment that supports collaboration and team effectiveness within the organization.

Marketing Management

In carrying out marketing activities, companies require marketing management to support the achievement of company goals, including product development planning, pricing, promotion, and distribution. According to Kotler and Keller (2022), marketing management is the process of planning, implementing, and monitoring marketing activities to achieve organizational goals efficiently and effectively. According to Hanan (2020): Marketing management is viewed as the process of planning and implementing the thinking, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and group goals.

Methods

This study employed a quantitative approach with an associative approach. The population was Ote Koffie Jatinangor customers. The sample size was determined at 94 respondents using the Slovin formula. The research instrument was a questionnaire with a five-point Likert scale. Data analysis was conducted using SPSS, including validity testing, reliability testing, multiple linear regression analysis, t-tests, F-tests, and coefficients of determination.

Results and Discussion

Validity Test

The research instrument was declared valid because all items had a calculated r value $> r$ table. A summary of the validity test results is presented in the following table:

Variable	r-count	Information
Quality of Service	0,765	Valid
Location	0,712	Valid
Customer satisfaction	0,801	Valid

Reliability Test

The research instrument is reliable because Cronbach's Alpha > 0.7 . A summary of the reliability test results is shown in the following table:

Variable	Cronbach's Alpha	Information
Quality of Service	0,876	Reliable
Location	0,812	Reliable
Customer satisfaction	0,721	Reliable

Multiple Linear Regression Analysis

The results of the regression analysis indicate a positive influence of service quality and location on customer satisfaction. A summary of the regression results is shown in the following table:

Variabel	Koefisien Beta	Sig.
Quality of Service	0,432	0,000
Location	0,298	0,000

Descriptive analysis

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std.Deviation
Quality of Service	94	20.00	40.00	35.2553	3.80700
Location	94	17.00	42.00	33.8191	4.29294
Customer satisfaction	94	11.00	28.00	23.6277	3.14859
Valid N (listwise)	94				

Source: From questionnaire data processed by SPSS25,2025

Overall, the three research variables—service quality, location, and customer satisfaction—showed high results. Therefore, it can be concluded that good service quality and a favorable location contribute positively to customer satisfaction at Ote Koffie Jatinangor.

Verification Analysis

Classical Assumption Test

This test is conducted to ensure that the data used is valid and free from deviations. This ensures that the resulting regression equation is linear and valid, allowing it to be used for predictions. Therefore, classical assumption tests are conducted, including normality tests, heteroscedasticity tests, and multicollinearity tests (Ghozali, 2018:107).

Normality Test

One-Sample Kolmogorov-Smirnov Test		
Unstandardized Residual		
N	94	
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	2.32157974
Most Extreme Differences	Absolute	.080
	Positive	.046
	Negative	-.080
Test Statistic		.080
Asymp. Sig. (2-tailed)		.174 ^c

Based on the results of the normality test using the One-Sample Kolmogorov-Smirnov method, a significance value (Asymp. Sig. 2-tailed) of 0.174 was obtained. This value is greater than the 0.05 significance level, so it can be concluded that the residual data in this study is normally distributed. Thus, the normality assumption in the regression model has been met.

Multikolinearitas Test

Coefficients ^a							
		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
		Std. Error		t			
Model		B		Beta	Sig.	Tolerance	VIF
1	(Constant)	1.750	2.527		.692		
	Quality of Service	.346	.070	.418	4.967	.000	1.185
	Location	.287	.062	.391	4.644	.000	1.185

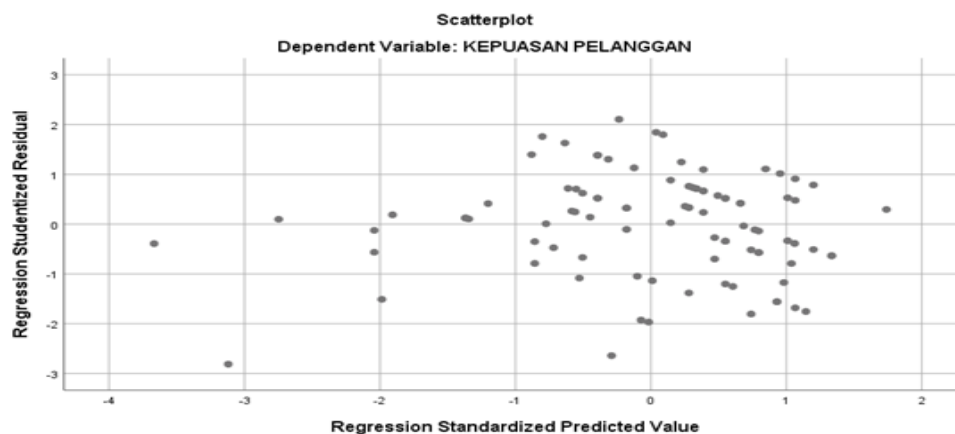
a. Dependent Variable: Customer Satisfaction

Source: From questionnaire data processed by SPSS 25, 2025.

The coefficients table above shows the results of the multicollinearity test for the independent variables, namely Service Quality and Location. The tolerance value obtained for both variables was 0.844 (> 0.10), while the VIF value was 1.185 (< 10).

These results demonstrate that neither Service Quality nor Location experience multicollinearity, as the tolerance value is still above the minimum limit and the VIF value is well below 10. Therefore, it can be concluded that the independent variables in this regression model do not influence each other excessively, making the regression model suitable for further analysis.

Heteroscedasticity Test



Based on the scatterplot above, it can be seen that the residual points are randomly distributed both above and below zero on the Y-axis, and do not form a clear pattern. This random distribution indicates that the regression model in this study is free from heteroscedasticity. Thus, the heteroscedasticity assumption is met, and the regression model used can be considered suitable for further analysis.

Coefficient of Determination (R^2)

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.676 ^a	.456	.444	2.34695	.456	38.191	2	91	.000
a. Predictors: (Constant), location, service of quality									
Source: From questionnaire data processed by SPSS25,2025									

Based on the Model Summary Table, the correlation coefficient (R) value was obtained as 0.676, which indicates that there is a fairly strong relationship between the independent variables (Service Quality and Location) and the dependent variable (Customer Satisfaction) the R^2 value = 0.465, which means that 46.5% of the variation in customer satisfaction can be explained by service quality and location, the rest by other factors.

T-Test

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.750	2.527		.692	.490
	Quality of Service	.346	.070	.418	4.967	.000
	Location	.287	.062	.391	4.644	.000
a. Dependent Variable: Customer Satisfaction						
Source: From questionnaire data processed by SPSS25,2025						

Based on the regression analysis results in the Coefficients Table, it can be explained that:

1. The Service Quality variable has a regression coefficient of 0.346 with a t-value of 4.967 and a significance level of 0.000 (<0.05). These results indicate that Service Quality has a positive and significant effect on Customer Satisfaction. This means that the better the perceived service quality, the higher the customer satisfaction.
2. The Location variable obtained a regression coefficient of 0.287 with a t-value of 4.644 and a significance level of 0.000 (<0.05). This proves that Location also has a positive and significant effect on Customer Satisfaction. In other words, the more strategic and accessible a location is, the higher the customer satisfaction will be.

3. The constant value of 1.750 indicates that if both Service Quality and Location are zero, Customer Satisfaction remains at 1.750.

Thus, partially, both independent variables, Service Quality and Location, have a positive and significant effect on Customer Satisfaction.

F-Test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	420.723	2	210.361	38.191	.000 ^b
	Residual	501.245	91	5.508		
	Total	921.968	93			
a. Dependent Variable: Customer Satisfaction						
b. Predictors: (Constant), location, quality of service						

Source: From questionnaire data processed by SPSS25,2025

Based on the results of partial (t-test) and simultaneous (F-test) tests, it can be concluded that all research hypotheses are accepted:

1. Service quality (X_1) has a positive and significant effect on customer satisfaction (H_1 is accepted).
2. Location (X_2) has a positive and significant effect on customer satisfaction (H_2 is accepted).
3. Service quality (X_1) and location (X_2) simultaneously have a positive and significant effect on customer satisfaction (H_3 is accepted).

These results confirm that, in the context of Ote Koffie Jatinangor, customer satisfaction is significantly influenced by the quality of service provided and the strategic location of the business. These two factors are not only important individually, but also contribute together to creating a satisfying customer experience.

Conclusion

Based on the research results regarding the Effect of Service Quality and Location on Customer Satisfaction at Ote Koffie Jatinangor, the following conclusions can be drawn:

1. First, the descriptive analysis results indicate that service quality, location, and customer satisfaction are in the fairly good category. This is evidenced by an average score of 3.38 for service quality, 3.36 for location, and 3.34 for customer satisfaction. These findings indicate that customers consider Ote Koffie's service and location to be adequate, but there are still several aspects that need improvement to increase overall satisfaction.
2. Second, the results of a simple linear regression analysis regarding the effect of service quality on customer satisfaction indicate a positive and significant effect. This is evident from the calculated t value of $7.987 > t \text{ table } 1.986$ with a significance level of $0.000 < 0.05$. Therefore, the better the service quality provided, the higher the level of customer satisfaction at Ote Koffie Jatinangor.
3. Third, the results of a simple linear regression analysis regarding the effect of location on customer satisfaction also indicate a positive and significant effect. This is demonstrated by the calculated t-value of $5.624 > t\text{-table } 1.986$ with a significance level of $0.000 < 0.05$. Thus, a strategic, accessible, and convenient location has been proven to contribute to increased customer satisfaction.
4. Fourth, the simultaneous test results indicate that service quality and location jointly have a positive and significant effect on customer satisfaction. This is evidenced by the calculated F-value of $41.278 > F\text{-table } 3.09$ with a significance level of $0.000 < 0.05$. The significant contribution of these two variables is indicated by the coefficient of determination (R^2) of 0.465, or 46.5%. The remaining 53.5% is influenced by other factors such as price, promotions, and amenities.

Therefore, it can be concluded that improving service quality and improving location aspects will have a significant impact on increasing customer satisfaction, which ultimately can strengthen consumer loyalty and Ote Koffie's competitiveness amidst the intense competition in the culinary business.

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