# Antecedents on Customer Satisfaction Tuku Coffee Shop: A Perspective Expectation-Confirmation Theory and Kano's Model

Juliana[1], Birgitta Stella[2], Christabella Viana Austine[3], Elvina Dewi Budiono[4], Klara Klarissa[5]

[1,2,3,4,5] School of Hospitality and Tourism, Pelita Harapan University, Indonesia

[1]Juliana.stpph@uph.edu (Corresponding author)

*Abstract: The purpose of this study was to test the antecedents of overall customer satisfaction using the expectation confirmation theory and Kano's model. Data analysis methods used PLS-SEM. The sampling technique used purposive sampling. The sample analyzed in this study amounted to 200 respondents. The results show that packaging has a significant effect on customer satisfaction, service quality has an impact on customer satisfaction, meaning that the hypothesis is supported so that coffee shop management should pay more attention to packaging and service to consumers which can offer a more memorable experience for customers to create customer satisfaction. But sales promotion does not Significant effect on customer satisfaction means that the hypothesis is rejected. This study is limited in the sample size, research domain and participant coverage. This study suggests a practical canoe model approach and expectation confirmation theory for related organizations and practitioners to correctly identify customer needs and channel resources in the right direction. Fulfilling customer requirements by providing customer satisfaction and pleasure is essential as a golden rule to maintain business continuity in this competitive world.*
Keywords: *packaging, sales promotion, service quality, customer satisfaction*

## I.  INTRODUCTION

,
There is a growing consensus among researchers and practitioners in marketing and business that packaging plays a crucial role in the success or failure of the sale of any product in a highly competitive market (Mohebbi, 2014). This shows in a competitive contemporary global market, attracting new customers, expanding the market and maintaining existing ones of concern to various coffee companies operating in the same market. Therefore the need is placed on companies, especially companies that produce similar products, especially in this study, coffee products, which are how products can be created differently from competitors in the same market environment.

The importance of the Role of packaging has changed over the years, from the basic objective of preserving and protecting products from outside influences to the present-day requirements that facilitate well-designed packaging, selling well and buying in the best possible way, establishing relationships with manufacturers. Packaging is well designed to create the best products and significantly impact increasing sales (Stanujkic et al., 2015). The rise of coffee shop businesses in Indonesia is marked by the emergence of new coffee shops, such as Chuseyo Coffee, Titik Temu Coffee, Konnichiwa Coffee, and one of them that will be discussed in this research, namely Tuku Coffee. The entrepreneurs engaged in this business are competing to expand their wings by opening more outlets throughout the country. This expansionary action indicates that the coffee business is still promising. Based on data from the results of TOFFIN's research, one of the companies that provides business solutions in the HOREKA industry (hotels, restaurants and cafes) in the form of goods and services in Indonesia, shows that as of August 2019, there are 2,950 coffee shop outlets in Indonesia where at in 2016, the number was only around 1,000, which means that the number has almost tripled. Meanwhile, there has also been an increase in domestic coffee consumption in the country. In 2019, the Annual Data Consumption of Indonesian Coffee based on research from the Global Agricultural Information Network showed the projected domestic consumption (Coffee Domestic Consumption) in 2019/2020 reaches 294,000 tonnes, an increase of around 13.9% compared to consumption in the previous year, namely 2018/2019 which

only amounted to 258,000 tons. However, amid profits that show signs of success in the future, coffee shop business people are increasingly worried about the increasingly tense business concurrency. The more successful the business unit is, there are also many opportunities for the business unit to be invaded by new players. To retain and attract customers, it takes quality in service, sales promotion, and packaging, which can determine customer satisfaction. Consumer behaviour is a controversial and challenging issue involving individuals and whatever is purchased, why and how consumers buy, and sellers market the product. Consumer behaviour is an interesting area to study. Because consumers who buy goods and services can use the everyday experience better to understand the concepts and theories in this field. Consumer satisfaction provides the basis for the marketing concept and has proven to be a good predictor of future buying behaviour. As a reflection of the importance of customer satisfaction, it is a popular topic in the marketing literature. Most customer satisfaction and service quality models maintain that the difference between the expectations of a good or service and the performance of the product is the best predictor of customer satisfaction and quality (Oliver, 1977, 1980; Parasuraman et al., 1985, 1988). But there are many extensions or alternatives to this approach (Spreng et al., 1993; Westbrook et al., 1983), and there is controversy over the relationship between customer satisfaction and service quality. Consumer satisfaction has been a popular topic in marketing since (Cardozo, 1965) and the related literature can be divided into three topics regarding exploring the relationship between consumer expectations and performance appraisal (Anderson, 1973; Cardozo, 1965) determining antecedents of satisfaction (Oliver, 1977, 1980; Tse & Wilton, 1988) and evaluates the consequences of consumer satisfaction for purchasing decisions, sales, and firm profitability (Anderson, 1973; Fornell, 1992; LaBarbera et al., 1983). This study uses the expectation confirmation theory and a canoe model that defines the relationship between the attributes of a product. Customer satisfaction and performance of a product. This model helps classify the attributes of products and services based on the performance of the products and services to satisfy consumer needs (Shahin, 2004). Many researchers use the Kano model in various industries, such as the technical product industry (Berger et al., 1993; Kano et al., 1984), with a quality model. And the customer requirements model, the sports product industry, and to delight customers (Matzler et al., 1996; Sauerwein et al., 1996) uses the customer satisfaction model, the service industry and medical services (G., H.R. and Naduthodi, 2017; Huang, 2017) using a customer satisfaction model. But there are still few researchers who use the canoe model in the restaurant and coffee shop industry, so researchers try to build a conceptual model of customer satisfaction using the canoe model and the expectation confirmation theory in the restaurant and coffee shop industry. In today's aggressive marketplace, the goal of every business is to create and retain customers and perhaps when an organization is strategically promoting to customers as the best input for the company. Customer happiness is just the end target of any enterprise that wants to thrive and succeed. This is an important factor in distinguishing businesses from one another and aids in the measurement of company success (Gitman and McDaniel, 2005). Customer loyalty is often the top priority when there is fierce rivalry between competitors in a given market. One of the most important aspects in establishing a consistent position in today's dynamic market is to understand, plan, and cultivate consumer demands for a product (Mckay et al., 2001). Customers expect to make frequent transactions, so satisfied customers are the criterion for increasing revenue (Aziz et al., 2014); business profitability is closely related to consumer loyalty and the greater the customer satisfaction, the higher the company's earnings, or vice versa. Companies must now recognise new and creative competitive offerings that can draw and keep consumers, rather than relying on high volume and low-cost manufacturing for development and sustainability (Meng et al., 2015). Companies must now develop a plan for delivering consumer service in order to improve customer expectations of value. And after satisfying consumer demands, customer loyalty cannot be guaranteed (Shahin et al., 2013), but there are ways to make consumers happy (Zultner, 1999). According to a report by Gupta and Shri (2018), the canoe model offers an important guide to business and academic analysis in classifying various consumer demands into distinct groups based on their effects on customer satisfaction. Which can be used to gather competitive and accurate data on consumer needs. A research question can be formulated based on the aforementioned explanation: how can researchers transform happiness into delight? How do mechanisms such as pricing, product marketing, and service efficiency impact consumer loyalty, according to the expectation confirmation principle and Kano's model? The assumption confirmation hypothesis and Kano's model were used to investigate the antecedents of overall consumer satisfaction.

## II.  LITERATURE REVIEW

### A.  Expectation Confirmation Theory and Kano's Model

The expectation validation hypothesis is based on the concept of consumer satisfaction/dissatisfaction which illustrates the information system's consistency. The post-receipt and post-consumption anticipation variables are the subject of this hypothesis. Expectation validation, expected utility, happiness, and ongoing purpose are the four core structures of E.C.T. The degree to which the user's original beliefs is verified during actual usage is

referred to as confirmation. As a result, Bhattacherjee (2001) describes that expectations rise with increasing interactions, and post-adoption expectations will rise as a result of authentic user experiences. Herzberg's Motivator-Hygiene Hypothesis was also influenced by an intriguing theory of appealing consistency that was established at the time (Kano et al., 1984). The relationship between objective success and consumer loyalty with an attribute is the subject of this principle.

The attractive consistency principle has been widely used in service management. The definition of desirable content, according to Kano (2001), stems from the lack of explanatory capacity in understanding one-dimensional nature. Kano et al. (1984) propose a model that analyses quality trends based on consumer satisfaction with particular quality attributes and the adequacy level of these quality attributes to better understand the function of quality attributes. This hypothesis discusses how many various qualities affect the relationship between degree of adequacy and consumer loyalty. The product and service qualities are divided into five groups based on the essence of the relationship: perceived quality, desirable quality, one-dimensional quality, must be quality, indifferent quality, and reverse quality. The consistency characteristics of goods and services are referred to by researchers. The consumer would be disappointed if the standard is not met, according to Kano et al. (1984). However, simply satisfying these requirements is insufficient. The customer's basic demand is so obvious that he or she does not articulate it as a vital quality. When a one-dimensional quality is met, it brings satisfaction; when it is not met, it brings disappointment. Customers don't expect attractive consistency, and this feature is described as a source of surprise and enjoyment. When attributes are completely realized, they offer happiness, but they do not induce disappointment when they are not.

## B. Packaging and Customer Satisfaction

In recent years, packaging has become a potent marketing tool. Marketers must design high-quality packaging from a customer perspective. Since there is very little research in packaging, the study of the quality attributes of packaging is a necessity of the moment and cannot be avoided. Marketers must take note of it and prioritize details for customer satisfaction. (Dash, 2021). Packaging is considered a powerful communication vehicle between producers or service providers and consumers (Brewer, 2000). Packaging factors are categorized into two types: visual and informational elements. Graphical elements include Color, Image, Font, Shape and Size of packaging and are more concerned with the affective side of decision making.

The information element relates to the information provided and the materials used in the packaging process and is more likely to address the cognitive side of decisions (Silayoi and Speece, 2004). The growing activism of business circles can be seen in a study of the body of work on packaging design and packaging science. Packaging experts and analysts should combine qualitative and quantitative analysis in order to solve packaging issues (Leferman, 2010). There is research done at different stages of packaging production, such as pre-design research (Leferman, 2010; Young, 2010), idea testing (Gofman et al., 2010), choice testing (Gordon and Valentine, 1996), and during and after using goods and services (Lo Fregen et al., 2008). The importance of packaging in marketing is well understood and sponsored (Gofman et al., 2010; Leferman, 2010). Young (2008a) claims that packaging design has three effects on buyers: increased impact and exposure, improved product awareness, brand image, and improved functionality and satisfaction during use. When the product is ingested, the second moment of reality, Lofgren et al. (2008) differentiated consumer loyalty and package design. Marketers must consider the first moment of truth during product selection and the second moment of truth during product use while creating a kit (Young, 2010). Young (2008b) claimed that packaging will lead to a stronger user experience, improved customer retention, high brand choice, and loyalty, but little observational evidence suggests that this relationship focuses solely on increasing market adoption (Gofman et al., 2010) or brand preference (Gofman et al., 2010). Customer happiness at the second moment of truth before and after product usage (Lofgren et al., 2008) was less studied than market attractiveness at the first moment of truth (Wells et al., 2007). Packaging has a direct impact on customer loyalty by influencing consumer buying decisions (Pinto & Demey, 2020). The following hypotheses can be constructed based on the aforementioned explanation:

Hypothesis 1: packaging has a significant effect on customer satisfaction

## C. Sales Promotion and Customer Satisfaction

Other than ads, personal selling, and advertisement, sales promotion refers to any promotional activity that encourages people to buy something. It normally entails direct persuasion, with an added opportunity to buy now or buy more, visit a shop, show a product, or take some other action. Advertisement and marketing are used in conjunction with sales promotion events. Beli et al. (Beli et al., 2018) One way to pique customer curiosity and draw attention to a product is to use a sales promotion (Darmadi, 2013). According to Kotler & Keller (2016), sales promotion is a significant component of a marketing strategy that consists of a series of offers, the majority of which are short-term, intended to encourage customers to buy goods or services more quickly or at a higher price. Sales discounts provide an opportunity to purchase a product; advertising provides a justification to

buy a product. Sales promotion is described as an action that offers additional customer incentives in order to entice consumers to act quickly, and it typically occurs over a set period of time, at a certain venue, or within groups of repeat customers (Peattie and Peattie, 2003). Many studies have shown that sales promotions have an effect on behavior (Akram et al., 2018; Rong-Da Liang et al., 2017; Shukla and Banerjee, 2014); pay attention to sales promotion new features that are called promotional tools. Product qualities such as packaging materials and processes, product quality, product style, and efficiency, according to Dhanalakshmi & Ganesan (2015), have a positive impact on customer satisfaction. The following hypotheses can be constructed based on the aforementioned explanation:

Hypothesis 2: sales promotion has a significant effect on customer satisfaction

### D.  Service Quality and Customer Satisfaction

Consumer loyalty is an intuitive antecedent and a major indicator of brand preference and repurchase, according to McQuitty et al. (2000). If every disconfirmation is the greatest indicator of happiness, satisfaction can differ with disconfirmation, according to the expectation-disconfirmation paradigm. The expectations-disconfirmation paradigm's complex or multi-period interpretation theoretically means a systemic variance in consumer satisfaction theories. The importance of customer loyalty cannot be overstated (Cheshin et al., 2018). Where it comes to customer satisfaction, Murali et al. (2016) define it as the level of service perceived by consumers as opposed to customer expectations. If the edition meets or exceeds the consumer's needs, the customer is pleased (Meesala and Paul, 2018). In general, service quality refers to the exploration of resources offered to customers based on customer feedback (Ganguli and Roy, 2010). In today's dynamic environment, service quality is considered the most important consideration in assessing an organization's service efficiency. This is crucial in terms of generating customer loyalty. In the SERVQUAL model, service quality is divided into five dimensions: efficiency, accessibility, assurance, empathy, and tangibles, which are included in the service quality gap, which indicates that consumer preferences and service experiences vary (Pakurar et al., 2019). According to Jamaluddin (2017), there is a close link between service parameters and customer satisfaction, which is consistent with the findings of (Henny and Januarko, 2018), who found that the five dimensions of service quality influence customer satisfaction. The following hypotheses can be constructed based on the aforementioned explanation:

Hypothesis 3: Service quality has a significant effect on customer satisfaction

### E.  Research Framework
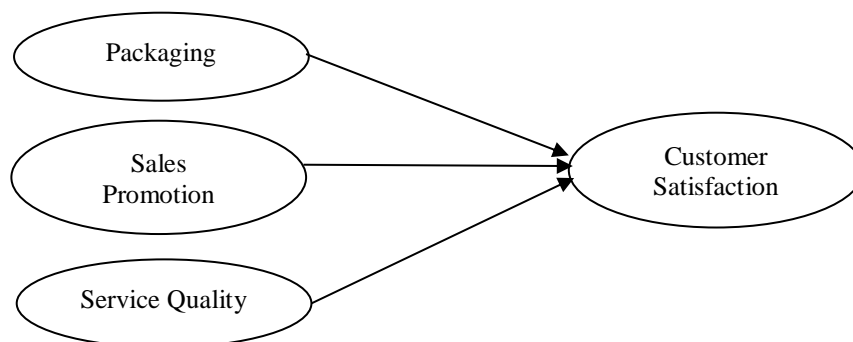


**Figure 1.** Conceptual Framework
Source : Developed in this research (2021)

### III.METHOD

This study uses a causal associative research method that explains the causal relationship between the independent variable and the dependent variable through a quantitative approach. Using the research method will be known as a significant relationship between the variables studied (Sugiyono, 2014). The research object includes packaging, sales promotion, service quality and customer satisfaction—individual analysis unit of consumers who consume tuku coffee. The population in this study is consumers who have bought tuku coffee. The sampling technique used purposive sampling. It is determining the number of samples using the Lemeshow formula that obtained 200 respondents. All data collected in this study come from primary data to be processed and get results. Sekaran & Bougie (2018) define primary data as the information received directly by researchers on variables of interest for specific research purposes. The primary data used is collected by researchers by

distributing online questionnaires about packaging, sales promotion, service quality that have an impact on customer satisfaction. The data analysis technique used PLS-SEM. Customer satisfaction is defined. According to Murali et al. (2016), it refers to customer satisfaction, the level of performance perceived by customers, and customer expectations. A customer is satisfied if the account is considered equal or more than his expectations (Meesala and Paul, 2018). packaging is defined as an irrelevant element of a product (Deliya & Parmar, 2012), service quality is defined as the discovery of services provided to consumers which depend on customer assessment (Ganguli and Roy, 2010), sales promotion is limited according to Kotler & Keller (2016). A major marketing campaign consists of a collection of incentives, primarily short-term, designed to stimulate a more rapid and more excellent purchase of a product or service by consumers. Using the Likert scale to measure variables from this study, Sekaran & Bougie (2018) state that the Likert scale is used to test how strongly subjects agree or disagree with statements on a seven-point scale ranging from strongly disagree to agree to strongly.

## IV. RESULT AND DISCUSSION

### A. Sample Description

1. Forty-two respondents (21%) were 19 years old, 38 respondents (19%) were 20 years old, 26 respondents (13%) were 21 years old, 15 respondents (7.5%) were 18 years old, 13 respondents (6.5 %) 23 years old, 11 respondents (5.5%) 22 years old, and the rest are 15-17 years old and 24-40 years old. It can be concluded that respondents are dominated by consumers aged 18 to 23 years or categorized as young adults.

2. 121 respondents (60.5%) were female, and 79 respondents (39.5%) were male. It can be concluded that women dominate consumers. The gender of the respondent can influence the assessment of packaging, sales promotion, service quality, and customer satisfaction at Tuku Coffee Shop.

3. A total of 131 respondents (65.5%) had the latest education at the high school level, 57 respondents (28.5%) had the newest education at the S1 level, nine respondents (4.5%) had the latest education at the junior high school level, and the rest has the latest education at the level> S1 and S.D. The respondents' recent education can influence their opinion on how vital packaging, sales promotion, and service quality are to customer satisfaction at Tuku Coffee Shop.

4. As many as 85 respondents (42.5%) live in Tangerang, 74 respondents (37%) live in Jakarta, 16 respondents (8%) live in Bekasi, ten respondents (5%) live in Bekasi, four respondents (2%) domiciled in Bogor. The rest are domiciled in Palembang, Bandung, Jambi, Solo, East Java, and others. It can be concluded that the majority of respondents reside in Tangerang and Jakarta, which are the areas where Toko Kopi Tuku has opened its outlets. However, respondents who live in the surrounding regions, such as Bogor, Depok, and Bekasi, have also been consumers of the Tuku Coffee Shop.

5. The income of 64 respondents (32%) per month ranged from Rp. 750,000 - Rp. 1,500,000, the income of 44 respondents (22%) per month ranged from Rp. 1,500,000 - Rp. 2,250,000, the income of 41 respondents (20.5%). ) per month ranged from> Rp. 3,750,000, the income of 32 respondents (16%) ranged from Rp. 3.000.000 - Rp. 3.750.000 per month, and the rest had monthly income that ranged from Rp. 2,250,000 - Rp. 3,750,000. It can be concluded that most of the respondents had an income ranging from Rp. 750,000 - Rp. 1,500,000 per month. Respondents' income can affect the frequency of purchasing Tuku Coffee Shop products and consumer satisfaction expectations.

6. Seventy-seven respondents (38.5%) have monthly expenditures for buying coffee of IDR 50,000 - IDR 150,000, 51 respondents (25.5%) have monthly expenses of IDR 151,000 - IDR 250,000, 42 respondents (21%) have monthly expenditure to buy coffee of <Rp. 50,000, 20 respondents (10%) have monthly expenses for buying coffee of Rp. 251,000 - Rp. 350,000, and the rest have monthly expenditures for buying coffee of> Rp. 351.000. It can be concluded, the majority of respondents have monthly expenses to buy coffee of Rp. 50,000 - Rp. 150,000 or about 1 - 7 cups of coffee based on the price set by the Tuku Coffee Shop. Respondents' monthly expenditure to buy coffee can affect packaging expectations, sales promotion, and service quality at Tuku Coffee Shop, resulting in customer satisfaction.

7. One hundred eighty-two respondents (91%) have visited the Tuku Coffee Shop with varying frequency of visits. The rest have never visited the Tuku Coffee Shop, meaning they have only ordered via the application or online. This can affect customer satisfaction both when respondents buy Tuku Coffee Shop products directly on location or buy products online.

The measurement model's evaluation is divided into three stages: the convergent validity test, the discriminant validity test, and the composite reliability test. A correlation between the indicator score and the construct score can test the validity of reflective indicators. Reflective indicator measurements show a change in an indicator in a construct when other indicators in the exact construct change. The following are the results of

calculations performed with the smart PLS 3.0

According to Ghozali & Latan (2015), a correlation can be said to meet convergent validity if it has a loading value greater than 0.5. The output shows that the loading factor provides a value above the recommended value of 0.5. so that the indicators used in this study have met the convergent validity.

### B. Reliability Test and  Convergent Validity

According to (Hair et al., 2019), a latent variable can have good reliability if the composite reliability value is greater than 0.7. The Cronbach's alpha value is more significant than 0.7. The AVE value ≥ of 0.5, according to Hair et al. (2019), is stated that each construct meets the convergent validity requirements.
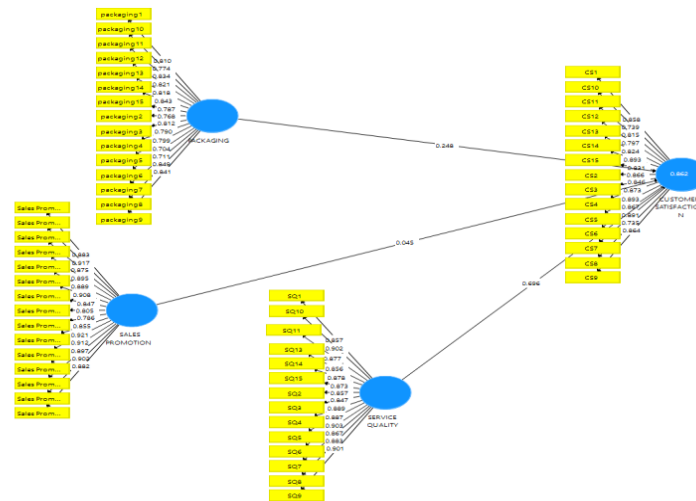


**Figure 2.** Valid Research Model
Source: SmartPLS 3.0 Processing Results (2021)

**Table 1. Cronbach's Alpha, Composite Reliability, and Average Variance Extracted**

| Variables | Cronbach's Alpha | Composite Reliability | AVE | Result |
|---|---|---|---|---|
| Customer Satisfaction | 0.970 | 0.973 | 0.707 | Valid and Reliable |
| Packaging | 0.959 | 0.963 | 0.638 | Valid and Reliable |
| Sales Promotion | 0.979 | 0.981 | 0.773 | Valid and Reliable |
| Service Quality | 0.977 | 0.979 | 0.769 | Valid and Reliable |

Source: SmartPLS 3.0 Processing Results (2021)

All latent variables measured in this study have Cronbach's alpha and composite reliability values greater than 0.7, so it can be said that all latent variables are reliable. All constructs meet the convergent validity requirement and show that the square root AVE of each variable is greater than the correlation value between variables. As a result, it is possible to conclude that this study met the discriminant validity test requirements.

### C.  Fornell & Larcker Criterion and HTMT Ratio

The discriminant validity can be assessed using cross-loading of the indicator, the Fornell and Larcker criterion, and the Heterotrait-monotrait (HTMT) correlation ratio. Looking at the cross-loading, the factor loading indicators on the assigned construct must be greater than all loading on other constructs, with the condition that the factor loading cut-off value is more significant than 0.70. (Hair et al., 2011; Hair et al., 2014). If HTMT > 0.90 for conceptually similar constructs indicates a discriminant validity problem (Henseler et al.,  2015). The Fornell-Lacker criterion is used to assess discriminant validity. According to Hair et al. (2014), the Fornell-Lacker criterion compares the value of AVE's square root with the correlation between variables. If the AVE's square root value for each variable is greater than the correlation value between variables in the model, discriminant validity is met

**Table 2. Fornell & Larcker Criterion and HTMT Ratio**

| Variables | Customer satisfaction | Packaging | Sales Promotion | Service Quality |
|---|---|---|---|---|
| Customer Satisfaction | | | | |
| Packaging | 0.869 | | | |
| Sales Promotion | 0.320 | 0.378 | | |
| Service Quality | 0.837 | 0.850 | 0.260 | |
| **Fornell & Larcker Criterion** | | | | |
| Customer Satisfaction | 0.841 | | | |
| Packaging | 0.845 | 0.799 | | |
| Sales Promotion | 0.333 | 0.377 | 0.879 | |
| Service Quality | 0.915 | 0.833 | 0.279 | 0.877 |

Source: SmartPLS 3.0 Processing Results (2021)

### D.   Evaluation of the Structural Model (Inner Model)

Evaluation of the structural model in S.E.M. with P.L.S. is carried out by performing the R-Squared ($R^2$) test and significance test through the path coefficient estimation.

According to (Hair et al., 2019), criterion Multikolinearity > 10: Critical, 5-10: probable, 3-5: suggested, < 3: ideal. From the result, there is no multicollinearity problem, and the independent variables are not correlated

**Table 3. VIF-Variance Inflation Factor**

| Variables | Customer satisfaction | Packaging | Sales Promotion | Service Quality |
|---|---|---|---|---|
| Customer Satisfaction | | | | |
| Packaging | 3.530 | | | |
| Sales Promotion | 1.172 | | | |
| Service Quality | 3.282 | | | |

Source: SmartPLS 3.0 Processing Results (2021)

### E.   R Squared ($R^2$) Testing The Coefficient of Determination

Output for $R^2$ value using smartPLS 3.0 computer program is obtained

**Table 4. R Squared**

| Variables | R Square | R Square Adjusted |
|---|---|---|
| Customer Satisfaction | 0.862 | 0.860 |

Source: SmartPLS 3.0 Processing Results (2021)

R-Squared ($R^2$) value is used to measure how much influence a specific independent latent variable has on the latent dependent variable. According to (Hair et al., 2014) if the $R^2$ value> 0.75 is said to be substantial, if the $R^2$ value is 0.5-0.75, it is moderate; if the $R^2$ value is <, 0.5 it is said to be weak. The R squared result for customer satisfaction is 0.862. This indicates that the model is categorized as substantial.

## F.  Significance Test

The S.E.M. model's significance test with P.L.S. aims to analyze exogent variables' effect on endogenous variables. Hypothesis testing with the PLS-SEM method is carried out by carrying out the bootstrapping process with the help of the smart PLS 3.0 computer program so that the relationship between the influence of exogenous variables on endogenous variables is obtained as follows

According to Hair et al. (2019) Q² Predict > 0 – 0,25 : small predictive, 0,25 – 0,50 : medium predictive, 0,50 : large predictive. The research model has a large predictive value because it has a $Q^2$ predict value of 0.853

**Table 5. Q Squared Predict**

| Construct | RMSE | MAE | Q2 Predict |
|---|---|---|---|
| Customer satisfaction | 0.387 | 0.265 | 0.853 |

Source: SmartPLS 3.0 Processing Results (2021)

**Table 6. Hypotheses Testing**

| Hypotheses | Relationship | Beta | SE | T Statistics | P-Values | Decision |
|---|---|---|---|---|---|---|
| H1 | packaging→customer satisfaction | 0.248 | 0.079 | 3.132 | 0.002 | *Supported* |
| H2 | Sales promotion → customer satisfaction | 0.045 | 0.026 | 1.727 | 0.084 | *Not Supported* |
| H3 | Service quality→customer satisfaction | 0.696 | 0.070 | 9.903 | 0.000 | *Supported* |

Source: SmartPLS 3.0 Processing Results (2021)

## G.  Discussion

The results showed that packaging has a significant effect on customer satisfaction with a t-statistics value of 3.132 is more critical than 1.96 and the p-value of 0.002, which is in line with research (Dhanalakshmi & Ganesan, 2015), service quality has a significant effect on customer satisfaction with t-statistics value of 9,903 is more critical than 1.96. The p-value of 0.000 means that the hypothesis is supported, which is in line with the research (Gopi & Samat, 2020); sales promotion has no significant effect on customer satisfaction with the t-statistics value of 1,727, which is smaller than the t table. 1.96 and the p-value 0.084 means that the hypothesis is rejected because of sales promotion which is a method designed to persuade customers along with lure, to encourage someone to buy a product with a greater quantity. This persuasion occurs before the transaction process for a product or service and is intended to attract potential customers to buy.

## V.  CONCLUSION

The results show that packaging has a significant effect on customer satisfaction, service quality has an effect on customer satisfaction, meaning that the hypothesis is supported so that coffee shop management should

pay more attention to packaging and service to consumers which can offer a more memorable experience for customers to create customer satisfaction. But sales promotion does not significantly affect customer satisfaction, which means that the hypothesis is rejected even though Tuku coffee has made attractive promotions to increase sales and customer satisfaction. This study was limited in sample size, research domain and coverage of participants and the distribution of surveys using the online google form. This study suggests a practical canoe model approach and expectation confirmation theory for related organizations and practitioners to correctly identify customer needs and channel resources in the right direction. Fulfilling customer requirements by providing customer satisfaction and pleasure is essential as a golden rule to maintain business continuity in this competitive world for further researchers to add a mediating variable. This moderating variable affects customer satisfaction in developing Kano's model and the expectation confirmation theory.

## REFERENCES

Akram, U., Hui, P., Khan, M.K., Tanveer, Y., Mehmood, K. and Ahmad, W. (2018). *How website quality affects online impulse buying", Asia Pacific Journal of Marketing and Logistics, Vol. 30 No. 1, pp. 235-256.*

Anderson, R. E. (1973). *Consumer Dissatisfaction: The Effect of Disconfirmed Expectancy on Perceived Product Performance." Journal of Marketing Research 10 (February): 38-44.*

Aziz, A.A., Rani and Azizan, N. (2014). *The impact of customer satisfaction on business growth for Kpj Penang specialist hospital, Malaysia", Journal of Business and Management, Vol. 16 No. 4, pp. 67-71.*

Beli, N., Di, P., Sepatu, T., Di, B., & Tulung, J. E. (2018). the Effect of Product Quality, Sales Promotion and Social Influence on Customer Purchase Intention in Bellagio Shoes Store in Manado. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 6(4), 3533–3542. https://doi.org/10.35794/emba.v6i4.21657

Berger, C., Blauth, R., Boger, D., Bolster, C., Burchill, G., DuMouchel, W., Pouliot, F., Richter, R., & Rubinoff, A., Shen, D., Timko, M. and Walden, D. (1993). *Kano's methods for understanding customer-defined quality", Center for Quality Management Journal, Vol. 2 No. 4, pp. 3-36.*

Bhattacherjee, A. (2001). *Understanding information systems continuance: an expectation_confirmation model", M.I.S. Quarterly, Vol. 25 No. 3, pp. 351-370.*

Brewer, R. R. and C. (2000). *The verbal and visual components of package design,‖ Journal of Product & Brand Management, vol. 9, no. 1, pp. 56-68.*

Cardozo, R. N. (1965). *An Experimental Study of Customer Effort, Expectation, and Satisfaction." Journal of Marketing Research 2 (August): 244-249.*

Cheshin, A., Amit, A. and van Kleef, G. A. (2018). *The interpersonal effects of emotion intensity in customer service: perceived appropriateness and authenticity of attendants' emotional displays shape customer trust and satisfaction", Organizational Behavior and Human Decision Processes, Vol. 144, pp. 97.*

Darmadi, D. (2013). *Pengaruh Promosi Penjualan Terhadap Penjualan (Studi Kasus: PT. Astra Internasional Tbk_TSO Cabang Soetoyo Malang). Jurnal Administrasi Bisnis (JAB) Vol. 2 No. 1 Mei 2013.*

Dash, S. K. (2021). Identifying and classifying attributes of packaging for customer satisfaction - A kano model approach. *International Journal of Production Management and Engineering*, 9(1), 12–27. https://doi.org/10.4995/IJPME.2021.13683

Deliya, M.M., &Parmar, B. J. (2012). *Role of packaging on consumer buying behaviour Patan District.Global Journal of Management and Business Research, 12(10), 48-67.*

Dhanalakshmi, S., & Ganesan, M. (2015). Impact of bath soap' attributes on customer satisfaction-away to enhance of brand loyalty. *International Journal of Pharmacy and Technology*, 6(3), 7148–7154.

Fornell, C. (1992). *A National Customer Satisfaction Barometer: The Swedish Experience." Journal of Marketing 56 (January): 6-21.*

G., H.R. and Naduthodi, D. H. (2017). *Kano model customer satisfaction analysis of medical services", International Research Journal of Engineering and Technology, Vol. 4 No. 6, pp. 1426-1429.*

Ganguli, S. and Roy, S. K. (2010). *Service quality dimensions of hybrid services", Managing Service Quality: International Journal, Vol. 20 No. 5, pp. 404-424.*

Ghozali & Latan. (2015). Partial Least Square S.E.M. (P.L.S. - S.E.M.). *Partial Least Square*. https://doi.org/10.1590/s1809-98232013000400007

Gitman, L.J. and McDaniel, C. D. (2005). *The Future of Business: The Essentials, South-Western, Mason, OH, ISBN 0-324-32028-0.*

Gofman, A., Moskowitz, H.R. and Mets, T. (2010). *Accelerating structured consumer-driven package design", Journal of Consumer Marketing, Vol. 27 No. 2, pp. 157-68.*

Gopi, B., & Samat, N. (2020). The influence of food trucks' service quality on customer satisfaction and its impact toward customer loyalty. *British Food Journal*, 122(10), 3213–3226. https://doi.org/10.1108/BFJ-02-2020-0110

Gordon, W. and Valentine, V. (1996). *Buying the brand at point of choice", paper presented at 39th Annual Conference, Birmingham, pp. 271-84.*

Gupta, M., & Shri, C. (2018). Understanding customer requirements of corrugated industry using Kano model. *International Journal of Quality and Reliability Management*, *35*(8), 1653–1670. https://doi.org/10.1108/IJQRM-04-2017-0074

Hair, J., Ringlet, C., & Sartedt, M. (2011). P.L.S. -S.E.M.: indeed a silver bullet. *Journal of Marketing Theory and Practice*, 139-151.

Hair, Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis*.

Hair J, Hult GTM, Ringle C, S. M. (2014). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM) (Los Angeles: SAGE Publications, Incorporated)*.

Henny, R. & J. (2018). *The effect of hospital service quality on patient loyalty and patient satisfaction (Hospital case in Indonesia)", International Journal of Business and Management Invention, Vol. 7 No. 6, pp. 49-55.*

Henseler, J., Ringle, C.M. and Sarstedt, M. (2015). *A new criterion for assessing discriminant validity in variance-based structural equation modeling", Journal of the Academy of Marketing Science, Vol. 43 No. 1, pp. 115-135.*

Huang, J. W. (2017). *Application of Kano model in requirements analysis of Y company's consulting project", American Journal of Industrial and Business Management, Vol. 7 No. 7, pp. 910-918.*

Jamaluddin. (2017). *Impact of service quality and customer satisfaction on customer loyalty: a case study in a private hospital in Indonesia", Journal of Business and Management, Vol. 19 No. 5, pp. 23-33.*

Joseph F. Hair, Jeffrey J. Risher, M. S. and C. M. R. (2019). *When to use and how to report the results of PLS-SEM", European Business Review, Vol. 31 No. 1, pp. 2-24.*

Kano, N., Seraku, N., Takahashi, F. and Tsuji, S. (1984). *Attractive quality and must-be quality", The Journal of the Japanese Society for Quality Control, Vol. 14 No. 2, pp. 39-48.*

Kano, N. (2001). *Life cycle and creation of attractive quality", paper presented at the fourth International QMOD Conference on Quality Management and Organisational Development, University of Linko¨ping.*

Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). Pretice Hall.

LaBarbera, P. A. and D. M. (1983). *A Longitudinal Assessment of Consumer Satisfaction/Dissatisfaction: The Dynamic Aspect of the Cognitive Process." Journal of Marketing Research 20 (November): 393-404.*

Leferman, N. B. (2010). *Why your packaging should be researched as much as (or more than) your advertising", Quirk's Marketing Research Review, Vol. 24 No. 1, pp. 40-3.*

Lo¨fgren, M., Witell, L. and Gustafsson, A. (2008). *Customer satisfaction in the first and second moments of truth", Journal of Product and Brand Management, Vol. 17 No. 7, pp. 463-74.*

Matzler, K., Hinterhuber, H.H., Bailom, F. and Sauerwein, E. (1996). *How to delight your customers", Journal of Product and Band Management, Vol. 5 No. 2, pp. 6-18.*

Mckay, A., Pennington, A.D.A and Baxter, J. (2001). *Requirements management: a representation scheme for product", Computer Aided Design, Vol. 33 No. 7, pp. 511-520.*

McQuitty, S., Finn, A., & Wiley, J. B. (2000). Systematically varying consumer satisfaction and its implications for product choice. *Academy of Marketing Science Review*, *2000*(10), 1–16.

Meesala, A. and Paul, J. (2018). *Service quality, consumer satisfaction and loyalty in hospitals: thinking for the future", Journal of Retailing and Consumer Services, Vol. 40, pp. 261-269.*

Meng, Q., Jiang, X., Guo, X. and He, L. (2015). *Integrating fuzzy theory into Kano model for classification of service quality elements: a case study of machinery industry in China", Journal of Industrial Engineering and Management, Vol. 8 No. 5, pp. 1661-1675.*

Mohebbi, B. (2014). *The art of packaging: An investigation into the Role of color in packaging, marketing, and branding. International Journal of Organisational Leadership 3, 92-102.*

Murali, S., Pugazhendhi, S. and Muralidharan, C. (2016). *Modelling and investigating the relationship of after sales service quality with customer satisfaction, retention and loyalty – a case study of home appliances business", Journal of Retailing and Consumer Services, Vol. 30, pp. 67-83.*

Oliver, R. L. (1977). *Effect of Expectation and Disconfirmation on Post-Exposure Product Evaluation: An Alternative Interpretation." Journal of Applied Psychology 62 (April): 480-486.*

Oliver, R. L. (1980). *A Cognitive Model of the Antecedents and Consequences of Satisfaction Decisions." Journal of Marketing Research 17 (November): 460-469.*

P. Silayoi and M. Speece. (2004). *Packaging and purchase decisions: A focus group study on the impact of involvement level and time pressure,‖ British Food Journal, vol. 106, no. 8, pp. 607-628.*

Pakurar, M., Haddad, H., Nagy, J., Popp, J. and Olah, J. (2019). *The service quality dimensions that affect customer satisfaction in the Jordanian Banking Sector", Sustainability, Vol. 11 No. 1113, pp. 1-24.*

Parasuraman, A., Valarie A. Zeithaml, and L. L. B. (1985). *A Conceptual Model of Service Quality and Its Implications for Future Research." Journal of Marketing 49 (Fall): 41-50.*

Parasuraman, A., Valarie A. Zeithaml,  and L. L. B. (1988). *SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality." Journal of Retailing 64 (1): 12-40.*

Peattie, S. and Peattie, K. (2003). *Sales promotion", in Baker, M.J. (Ed.), The Marketing Book, Butterworth-Heinemann, London, pp. 458-483.*

Pinto, O. R., & Demey, N. (2020). A Study on Role of Packaging in Consumer Purchasing Decision. *International Journal of Innovative Research in Technology*, 7(2), 13–15.

Rong-Da Liang, A., Yang, W., Chen, D.J. and Chung, Y. F. (2017). *The effect of sales promotions on consumers' organic food response", British Food Journal, Vol. 119 No. 6, pp. 1247-1262.*

Sauerwein, E., Bailom, F., Matzler, K. and Hinterhuber, H. (1996). *How to delight your customers", Proceedings of International Working Seminar on Production Economics, pp. 313-327.*

Sekaran, Uma & Bougie, R. (2018). *Research Method for Business – A Skill Building-Approach, 7th Edition, John Wiley & Sons, Ltd.*

Shahin, A., Pourhamidi, M., Antony, J. and Park, S. H. (2013). *Typology of Kano models: a critical review of literature and proposition of a revised model", International Journal of Quality and Reliability Management, Vol. 30 No. 3, pp. 341-358.*

Shahin, A. (2004). *Integration of FMEA and the Kano model: an exploratory examination", International Journal of Quality and Reliability Management, Vol. 21 No. 7, pp. 731-746.*

Shukla, P. and Banerjee, M. (2014). *The direct and interactive effects of store-level promotions on impulse purchase: moderating impact of category familiarity and normative influences", Journal of Consumer Behaviour, Vol. 13, pp. 242-250.*

Spreng, R. A. and A. K. S. (1993). *An mpirical Assessment of the SERVQUAL Scale and the Relationship Between Service Quality and Satisfaction." In Enhancing Knowledge Development in Marketing. Eds. David Cravens et al. Chicago: American Marketing Association, 1-6.*

Stanujkic, D., Karabasevic, D., & Zavadskas, E. K. (2015). A framework for the selection of a packaging design based on the SWARA method. *Engineering Economics*, *26*(2), 181–187. https://doi.org/10.5755/j01.ee.26.2.8820

Sugiyono. (2014). Metode Penelitian Pendidikan pendekatan Kuantitatif, Kualitatif dan R&D. In *Metode Penelitian Ilmiah*.

Tse, D. K. & P. C. W. (1988). *Models of Consumer Satisfaction Formation: An Extension." Journal of Marketing Research 25 (May): 204-212.*

Wells, L.E., Farley, H. and Armstrong, G. A. (2007). *The importance of packaging design for own-label food brands", International Journal of Retail & Distribution Management, Vol. 35 No. 9, pp. 677-90.*

Westbrook, R. A. and M. D. R. (1983). *Value-Percept Disparity: An Alternative to the Disconfirmation of Expectations Theory of Consumer Satisfaction." In Advances in Consumer Research, Vol. 10. Eds. Richard P. Bagozzi and Alice M Tybout. Ann Arbor, MI: Association for Consumer Research, 256-2.*

Young, S. (2008a). *New and improved indeed: documenting the business value of packaging innovation", Quirk's Marketing Research Review, Vol. 22 No. 1, pp. 46-50.*

Young, S. (2008b). *Packaging and the environment: a cross-cultural perspective", Design Management Review, Vol. 19 No. 4, pp. 42-8.*

Young, S. (2010). *Winning at the two moments of truth: insights and implications for packaging research", Quirk's Marketing Research Review, Vol. 24 No. 1, pp. 44-6.*

Zultner, R. E. (1999). *Defining customer needs for brand new products", Quality Function Deployment Transactions of the 11th Symposium, Novi, Q.F.D. Institute, Prentice Hall, Ann Arbor, MI, pp. 360-370.*