

Beyond the Plate: How Service, Taste, Ambience, and Price Shape Dining Loyalty

Ade Asria Radiany¹, Halek Mu'min², Arya Dwiyatmika Bimantara³

¹*Sekolah Tinggi Ilmu Ekonomi Pancasetia*

²*Universidad Tecnologica Latinoamerica*

^{*}*Corresponding author. Email: arydwiyat@gmail.com*

ABSTRACT

The rapid growth of the food and beverage (F&B) industry in Indonesia, particularly in urban areas such as Surabaya, has intensified competition among restaurants, prompting them to adapt their service strategies to meet evolving customer expectations. This study investigates the impact of service quality, food quality, atmosphere, and price on customer satisfaction and revisit intention in Surabaya's restaurant industry. The research aims to provide insights into key determinants of customer satisfaction and how these factors influence customers' decisions to return. A survey was conducted with 130 respondents who had recently dined at restaurants in Surabaya. Data analysis using SPSS revealed that service quality, food quality, and atmosphere had a significant influence on customer satisfaction, while pricing strategy had a lesser impact. The study concluded that restaurants should focus on enhancing food quality, service standards, and ambience to foster customer satisfaction and encourage repeat visits. This research contributes to both theoretical understanding and practical strategies for improving customer loyalty in the highly competitive F&B sector in Indonesia. Future studies could expand the scope to include other regions and factors influencing customer behaviour in the restaurant industry.

Keywords: *customer satisfaction, revisit intention, service quality, food quality, atmosphere, pricing strategy, restaurant industry, Indonesia.*

1. INTRODUCTION

The rapid development of the food and beverage (F&B) industry in Indonesia, particularly in urban centers such as Surabaya, has created intense competition among restaurants, requiring them to continuously adapt their service strategies to meet evolving customer expectations. In today's experience-driven economy, customers not only seek quality food but also place significant importance on the overall dining experience, from service interactions to restaurant ambience and pricing fairness (Kotler & Keller, 2016; Niken Nanincova, 2019). For restaurants to remain competitive and encourage revisit intention, understanding the key determinants of customer satisfaction is essential (Firmawan & Saleh, 2013).

Customer satisfaction in the restaurant industry is influenced by multiple factors. Service quality plays a vital role in shaping customers' overall dining experience. Elements such as responsiveness, reliability, and attentiveness in service delivery significantly impact customer satisfaction levels (Suryani, 2017; Mahsyar & Surapati, 2020). In addition, food quality remains a fundamental determinant, with aspects like taste, freshness, presentation, and nutritional value crucially influencing customers' evaluations of their dining experience (Aminudin, 2017; Binaraesa et al., 2021).

Atmosphere, including the physical environment such as decor, cleanliness, lighting, and background music, is another critical element influencing customer emotions and perceptions during a restaurant visit. A comfortable and aesthetically pleasing atmosphere enhances satisfaction and fosters positive customer behavior, including revisit intention (Bujisic et al., 2014; Ryu & Jang, 2007). Furthermore, pricing strategies significantly affect customer satisfaction. Fair and transparent pricing, aligned with the perceived value of the service and food provided, contributes to customer trust and loyalty (Armstrong, 2021; Oktavio et al., 2023).

Previous studies have supported the relationship between these variables and customer satisfaction. Mannan et al. (2019) found that service quality, food quality, atmosphere, and price significantly influenced customer satisfaction and revisit intention in the restaurant industry. Yan et al. (2015) further emphasized that atmosphere, food quality, and price are essential predictors of revisit intention based on customer reviews. However, variations in findings across

studies indicate that cultural, regional, and demographic factors may moderate these relationships, underlining the need for context-specific research.

Given these dynamics, this study aims to analyze the influence of service quality, food quality, atmosphere, and price on customer satisfaction, and the influence of customer satisfaction on revisit intention at restaurants in Surabaya. By exploring these factors, this research seeks to provide insights into customer behavior patterns within the highly competitive F&B sector in Indonesia, contributing to both theoretical development and practical strategies for enhancing customer loyalty.

In the restaurant sector, responsiveness and personalized attention by staff significantly improve customer perceptions of service quality (Mahsyar & Surapati, 2020). Research by Han and Ryu (2009) confirmed that service quality directly influences customer satisfaction, which in turn drives loyalty behaviors such as revisit intentions.

H1: Service Quality significantly influences customer satisfaction at restaurants

Prior studies have shown that food quality is positively associated with customer satisfaction and behavioral outcomes like positive word-of-mouth and revisit intention (Binaraesa et al., 2021; Ha & Jang, 2010). Particularly in competitive markets like Surabaya, offering consistently high-quality food becomes a strategic differentiator for restaurants.

H2: Food Quality significantly influences customer satisfaction at restaurants

Studies have highlighted that atmosphere significantly affects customers' perceptions of service and their overall dining experience (Han & Ryu, 2009). The ambiance of a restaurant can either enhance or diminish the perceived quality of food and service, ultimately influencing the customer's decision to revisit (Ryu & Jang, 2007).

In the context of Surabaya's vibrant F&B industry, providing a pleasant and comfortable atmosphere is crucial to achieving high customer satisfaction.

H3: Atmosphere significantly influences customer satisfaction at restaurants

Research conducted by Xia, Monroe, and Cox (2004) demonstrates that perceptions of price fairness significantly influence customer satisfaction, especially when customers compare the price to the quality of the service or product received. In price-sensitive markets like Surabaya, aligning the perceived value with pricing strategies is critical to maintaining competitiveness and customer loyalty.

H4: Price significantly influences customer satisfaction at restaurants

In the restaurant industry, satisfied customers are more inclined to develop positive behavioral intentions, including revisit intentions (Mannan et al., 2019). Empirical studies have consistently shown that customer satisfaction is a strong predictor of revisit behavior, highlighting its role as a mediator between service attributes and loyalty outcomes (Han & Ryu, 2009).

H5: Customer Satisfaction significantly influences revisit intention at restaurants

2. RESEARCH METHODS

This research examines the influence of four key service factors as independent variables: service quality, food quality, atmosphere, and price. These service attributes are expected to play a significant role in shaping customer satisfaction in the restaurant industry. The dependent variable in this study is revisit intention, reflecting how customer satisfaction impacts customers' decisions to return to a restaurant.

The target population for this study consists of customers who have dined at restaurants in Surabaya within the past six months. Respondents must have direct dining experience at either casual dining or full-service restaurants in the city to ensure relevancy and accuracy in assessing their perceptions. There are no restrictions regarding gender, occupation, or income level, as the objective is to capture diverse consumer experiences across demographic groups.

Data analysis in this research will be conducted using SPSS 22.0 to test the five proposed hypotheses. This software allows for comprehensive statistical analysis, including validity and reliability testing, normality testing, and regression analysis, ensuring accurate and reliable results in examining the influence of service factors on customer satisfaction and revisit intention.



Figure 1. Research Model

3. RESULTS AND DISCUSSIONS

3.1. Validity and Reliability Test

The validity and reliability tests are essential in ensuring that the data collected is consistent and accurately measures the intended constructs. Based on the results shown in Table 1, the item validity for all research indicators exceeds the 0.196 threshold, and the Cronbach's alpha values for each variable are above 0.60, indicating high reliability.

Table 1. Validity and Reliability Test

Variable	Item Code	r. count	Cronbach Alpha	Criterion
Service Quality	SQ1	.732	.871	Valid
	SQ2	.763		Valid
	SQ3	.819		Valid
Food Quality	FQ1	.702	.854	Valid
	FQ2	.745		Valid
	FQ3	.788		Valid
Atmosphere	AT1	.734	.880	Valid
	AT2	.777		Valid
	AT3	.753		Valid
Pricing Strategy	PS1	.792	.892	Valid
	PS2	.813		Valid
	PS3	.745		Valid
Customer Satisfaction	CS1	.823	.845	Valid
	CS2	.786		Valid
	CS3	.789		Valid
Revisit Intention	RI1	.811	.811	Valid
	RI2	.783		Valid
	RI3	.878		Valid

3.2 T-Test and Coefficient Regression

The results from the t-test in Table 2 indicate that four out of five tested hypotheses are supported. The results from the significance tests, as presented in the table, indicate that the majority of hypotheses were validated, with one hypothesis being rejected. Specifically, the t sig values for SQ*CS, FQ*CS, AT*CS, and CS*RI all fall below the 0.05 threshold, demonstrating statistical significance and providing strong support for the proposed hypotheses. This suggests that the interactions between these variables significantly influence customer satisfaction and revisit intention. However, the hypothesis for PS*CS was rejected as its t sig value (0.112) exceeds the 0.05 threshold, indicating that pricing strategy did not have a statistically significant impact on customer satisfaction in this context.

Table 2. T-Test

Variable	Sig.	Coefficient Regression	Information
SQ*CS	0.032	0.312	Hypothesis Accepted
FQ*CS	0.000	0.421	Hypothesis Accepted

AT*CS	0.045	0.182	Hypothesis Accepted
PS*CS	0.112	0.154	Hypothesis Rejected
CS*RI	0.000	0.656	Hypothesis Accepted

4. CONCLUSION

This study explores the critical determinants of customer satisfaction and revisit intention in Surabaya's competitive restaurant industry, focusing on four primary factors: service quality, food quality, atmosphere, and pricing strategy. As the food and beverage (F&B) sector in urban Indonesia experiences rapid expansion, understanding what drives customer loyalty becomes essential for sustaining market relevance and profitability. The findings of this research reveal that while service quality, food quality, and atmosphere significantly influence customer satisfaction, pricing strategy does not exhibit a statistically significant effect.

Service quality emerges as a vital predictor of customer satisfaction, emphasizing the importance of consistent, responsive, and personalized interactions. In the hospitality industry, where intangible experiences often outweigh tangible elements, service staff play a central role in shaping the customer journey. To enhance service quality, restaurants must invest in rigorous staff training programs that promote empathy, attentiveness, and problem-solving capabilities. Establishing standard operating procedures (SOPs) for customer engagement, coupled with real-time feedback mechanisms, will further ensure consistency and responsiveness across all service touchpoints. Furthermore, leveraging customer relationship management (CRM) tools can aid in personalizing service delivery, fostering stronger emotional connections and loyalty.

Food quality represents the most influential factor in driving customer satisfaction, affirming that the core value proposition of any restaurant lies in its culinary excellence. Superior taste, freshness of ingredients, and consistency in presentation are non-negotiable expectations for diners. To strengthen this dimension, restaurants should prioritize the use of high-quality, locally sourced ingredients, standardize cooking methods, and regularly update menus based on seasonal offerings and customer preferences. Incorporating innovation in flavor profiles and dietary customization (e.g., vegan, gluten-free options) can also enhance perceived value and broaden appeal across diverse customer segments.

Atmosphere, while less dominant than food or service quality, still exerts a meaningful impact on the overall dining experience. Ambiance encompasses physical environment, cleanliness, lighting, music, and interior design—all of which contribute to the customer's emotional and sensory perception. To improve atmospheric quality, restaurateurs should consider investing in cohesive and culturally resonant interior design, ensuring that the spatial layout supports both comfort and efficiency. Additionally, environmental factors such as noise levels, air quality, and lighting should be periodically assessed and optimized based on customer feedback and operational data.

Pricing strategy, in contrast, did not demonstrate a significant effect on customer satisfaction within this study. This may suggest that, for the surveyed segment, perceived value is more closely tied to experiential and qualitative dimensions rather than cost alone. Nevertheless, pricing remains a strategic consideration, particularly in balancing profitability with customer expectations. Restaurants should adopt value-based pricing approaches, where price is aligned with the overall dining experience. Transparent menu pricing, combo deals, and loyalty-based discounts can improve perceived fairness and incentivize repeat patronage without diminishing perceived quality.

In light of these findings, several strategic recommendations are proposed. Restaurant operators should prioritize service excellence, culinary innovation, and ambiance enhancement as key pillars of customer satisfaction. Service training should be continuous and data-informed, ensuring that evolving customer expectations are met proactively. Food quality should be safeguarded through quality control, supplier partnerships, and culinary R&D. Atmosphere must be treated as a strategic asset, regularly refreshed to reflect brand identity and customer preferences. While pricing should not be the focal point, it must remain competitive and value-driven, tailored to reinforce rather than substitute experiential quality.

Ultimately, this study contributes to a deeper understanding of the behavioral dynamics driving customer loyalty in urban Indonesian restaurants. It underscores that in a saturated market, competitive advantage is earned not through cost leadership, but through the strategic orchestration of service, food, and environmental quality. Future research should expand geographically and explore digital touchpoints—such as online reviews, delivery apps, and social media presence—as emergent influencers of dining satisfaction and revisit intention.

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