

The Effect of Location and Service Quality on Repurchase Intention with Satisfaction Variables as Intervening Variables at Pizza Hut Outlets in Jember

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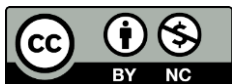
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ABSTRACT

This study aims to determine whether location and service quality have a significant effect on repurchase intention with satisfaction variables as intervening variables, especially for Pizza Hut Jember consumers in the food and beverage sector. This research design is explanatory research. The sampling technique used is a non-probability sampling technique with a purposive sampling data collection method. The research instrument used a questionnaire that was distributed offline and obtained a sample of 189 respondents. The sample in this study consisted of consumers aged at least 17 years who had bought and consumed products at Pizza Hut Jember at least once. The data analysis method used is Path Analysis using SPSS software. The results showed that location has a significant effect on satisfaction and service quality has a significant effect on satisfaction, while location has a significant effect on repurchase intention and service quality has a significant effect on repurchase intention. In addition, satisfaction also has a significant effect on Repurchase Intention. Furthermore, location has a significant effect on Repurchase Intention through satisfaction as an intervening variable, and service quality has a significant effect on Repurchase Intention through satisfaction as an intervening variable.

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1. INTRODUCTION

Business in the culinary field today has shown quite rapid development, as is the case with the number of food and beverage industries with various types of businesses being run. The Central Statistics Agency noted that in the second

quarter of 2023, the food and beverage industry in Indonesia increased by around 4.62 percent, reaching 209.51 trillion [1]. This can happen because people like to eat outside the home, causing the growth of culinary food and beverages to grow rapidly [2]. In the face of these changes, companies adjust changes to attract

consumers to always visit the location of the place of business.

One of the most well-known food and beverage companies in Indonesia and the world is Pizza Hut. This restaurant company was first established in Indonesia in 1984 and is a company of PT Sarimelati Kencana Tbk. which has more than 18,703 outlets spread across Indonesia, one of which is in Jember City. The following are the best-selling fast food restaurants in Indonesia for the last three years.

Based on [3], it can be observed that Pizza Hut is the top brand with the largest number of pizza restaurants by 56.50% in 2023. The decrease in the percentage of the top brand index reflects the possibility that consumers can switch to other brands due to decreased satisfaction, which has the potential to reduce repurchase intention [4]. In addition, there was also a decrease in sales profit at Pizza Hut.

Based on [5], Pizza Hut has experienced fluctuations in sales profit over the past three months, which may be due to a lack of strategy in providing services that make consumers feel less satisfied. The decline shows that Pizza Hut needs to improve how to attract consumers to create satisfaction and repurchase intention.

Strategic location selection is an added value to get customers who can encourage consumer interest in buying products at Pizza Hut. Consumers who are satisfied with the location of Pizza Hut, which is very easy to reach, will be happy after their wishes are fulfilled when buying products at that place. Research conducted by Umam et al. [6] showed that location has a significant effect on customer satisfaction.

Good service quality will create a positive relationship with consumers, so it is likely that Pizza Hut will be the choice of place to enjoy food. Repurchase intention is related to feelings of pleasure, where someone feels satisfied when consumers enjoy the products and services they want accordingly. When consumers are satisfied, they will be encouraged to make purchases because they will have a pleasant eating experience after consuming the product. Yulisetiari and Prahasta [7] and Yulisetiari et al. [8] state that this service quality affects customer satisfaction.

Location is a place where sellers and buyers make transactions. The strategic placement of Pizza Hut's location in the middle of a crowd will potentially increase repurchase intention; where Pizza Hut is a type of food and beverage restaurant that does not last long, so a location close to consumers is chosen. In addition, there are no competitors around that location. Location significantly affects repurchase intention.

Pizza Hut carries out a strategy by offering promotions such as product discounts and special packages to consumers to create positive perceptions and attract more consumers. That way, the quality of service that is built can influence repurchase intention for consumers to visit again. Repurchase intention is related to past behavior because it tends to have a greater desire to re-consume in the future. Several studies have shown that the factors that can influence repurchase intention and satisfaction are location and service quality. Research by Yovalianisa [4] revealed that service quality has a significant effect on repurchase intention.

Pizza Hut always prioritizes customer satisfaction to attract more consumers. When consumers are satisfied with the entire experience, both from the taste, service, and value provided, they are likely to be more loyal to repurchase Pizza Hut products. If a company wants to create customer satisfaction, it must pay attention to factors such as product quality, price, service speed, and atmosphere [9]. Research conducted by Yulisetiari et al. [10] and Yulisetiari et al. [8] explain that satisfaction affects repurchase intention.

Pizza Hut's very strategic location provides convenience for consumers and increases their satisfaction with the buying experience. Placement of locations near the right public and crowded, with good accessibility, will be easier for consumers to reach, so they will tend to feel satisfied. Consumers who are satisfied with a convenient location can affect their satisfaction so that they will have a higher intention to buy again at Pizza Hut. Research by Alfaini et al. [11] says location affects repurchase intention through satisfaction.

Pizza Hut, as a leading brand, always prioritizes product and service quality to ensure that consumers are satisfied. Responsive service

quality and timeliness of service create a satisfying experience for consumers, which has the potential to attract their repurchase intention. Pizza Hut always provides a comfortable place for consumers to spend time, such as providing a children's playground and aesthetic and attractive interior design. However, there is one review from (google maps pizza hut Jember) highlighting the lack of friendliness of some waiters, which can affect satisfaction levels. Therefore, this not only improves the quality of service but also increases their buying interest to return to choose products from Pizza Hut as loyal consumers. Research by Nadhifa and Rivai [12] states that service quality affects repurchase intention through satisfaction.

2. LITERATURE REVIEW

2.1 Repurchase intention

Repurchase intention is a consumer experience of buying and feeling a product that has been purchased, then getting satisfaction and making repeat purchases. There are several indicators to measure repurchase interest [13] as follows:

- Interest in repurchasing,
- Interest in revisiting,
- Trust in reusing services.

2.2 Consumer Satisfaction

According to Kolter and Keller [9], satisfaction is a consumer response to the perception of differences in expectations before making a purchase and after consuming a product. According to Fang et al. [14], the following are indicators of customer satisfaction:

- Expectation,
- Experience,
- Overall Satisfactory.

2.3 Location

According to Tjiptono [15], location is a company activity that makes the products sold reach consumers. There are several indicators that affect the location, according to Tjiptono [15] as follows:

- Access,
- Visibility,
- Environment,
- Competition.

2.4 Service quality

Service quality describes the level of excellence that consumers expect from the company for fulfilling service needs and desires according to expectations, Tjiptono [15]. The dimensions and indicators of service quality, according to Rahmadani et al. [16], Ristanti et al. [17] and Kusyana et al. [18] are as follows:

- Physical evidence is the physical aspects provided by the company to consumers, such as buildings, availability of parking lots, cleanliness, and employee appearance. The indicators used are:
 - A sturdy building that is clearly visible,
 - Attractive interior design,
 - Comfortable room atmosphere,
 - Neat-looking employees,
 - Large parking lot.
- Reliability is the ability to provide the services promised by the company accurately. The indicators used are:
 - Accurate recording system,
 - Providing attractive product choices,
 - Services performed in accordance with the promised time.
- Responsiveness, response, or willingness of employees to help consumers by providing services quickly. The indicators used are:
 - Inform consumers about the certainty of service delivery time,
 - Employees are always willing to help resolve consumer complaints,
 - Employees quickly respond to consumer requests.
- Assurance is the ability of employees to provide knowledge and courtesy to consumers so that consumers feel safe and comfortable. The indicators used are:
 - Feeling safe when transacting with employees,
 - Employees behave politely to consumers,
 - Employees are always friendly to consumers.
- Empathy is the individual attention given by the company to consumers for the needs these consumers want. The service quality indicators used are:
 - The service provided is able to attract consumers' hearts,
 - The company's operating hours are in accordance with consumer needs,
 - Employees understand consumer needs.

3. METHODOLOGY

The population in this study are all consumers who have bought and consumed Pizza Hut products in Jember. The sampling method in this study uses non-probability sampling with a purposive sampling technique, with the criteria that consumers are at least 17 years old and consumers have purchased products at Pizza Hut at least once in 2023. Data collection was obtained by distributing offline questionnaires. Analysis method This research uses path analysis. The sample used was 189 respondents.

4. RESULTS

According to Riduwan [19], path analysis is part of multiple linear regression analysis, which aims to analyze the influence between independent variables that affect the dependent variable directly or indirectly. The significance of the model appears based on the coefficient (β), which is significant on the path. The results of hypothesis testing in this study indicate that the location variable has an effect on the satisfaction variable with a significance value of $0.005 \leq 0.05$, so it can be concluded that H_0 is rejected and H_1 is accepted, which means that location has a significant positive effect on satisfaction at outlets Pizza Hut in Jember. The results of testing the effect of service quality variables on satisfaction variables with a significance value of $0.001 \leq 0.05$, so it can be concluded that H_0 is rejected and H_2 is accepted, which means that service quality has a significant positive effect on satisfaction at outlets Pizza Hut in Jember. The results of testing the effect of the location variable on the repurchase intention variable with a significance value of $0.027 \leq 0.05$, so it can be concluded that H_0 is rejected and H_3 is accepted, which means that location has a significant positive effect on repurchase intention at outlets Pizza Hut in Jember. The results of testing the effect of service quality variables on repurchase intention variables with a significance value of $0.059 \leq 0.05$, so it can be concluded that H_0 is rejected and H_4 is accepted, which means that service quality has a significant positive effect on repurchase intention at outlets Pizza Hut in Jember. The results of testing the effect of the satisfaction variable on the repurchase intention variable with a significance value of $0.042 \leq 0.05$, so it can be concluded that H_0 is rejected and H_5 is accepted, which means that satisfaction has a

significant positive effect on repurchase intention at outlets Pizza Hut in Jember.

4.1 Path Calculation

The calculation of a significant path in this study is explained by looking at the effect of Location (X_1) and Service Quality (X_2) directly on Repurchase Intention (Y_2) through Satisfaction (Y_1) as an intervening variable. The results of the path calculation analysis test in this study can be described, and the path coefficient calculation is shown in Fig. 1.

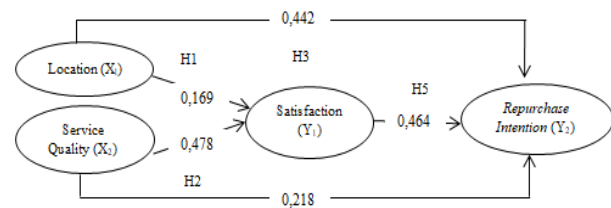


Fig. 1. Path analysis.

Based on path calculations, the direct effect of the location variable on satisfaction is 16.9%. the direct effect of the service quality variable on satisfaction results in 47.8%. the direct effect of the location variable on repurchase intention is 44.2%. the magnitude of the direct effect of the service quality variable on repurchase intention is 21.8%. the direct effect of the satisfaction variable on repurchase intention is 46.4%.

5. DISCUSSIONS

The results of the descriptive test of the characteristics of respondents based on gender show that the majority of female respondents (77.7%) have a high chance of being consumers of Pizza Hut outlets compared to men because women have a greater level of purchasing power in buying food and drinks. It is evident that in the indicators of visibility and environment, the majority of female consumers are more sensitive in considering aspects of location regarding their purchasing decisions, where women prefer locations that are close to where they live, good accessibility and an environment that is certainly safe and comfortable in choosing the right meal, so as to increase the number of visits and their level of satisfaction. Path analysis shows that location has a significant positive effect in influencing satisfaction. This research is in line with the research of Umam et al. [6] that if the location is close to its consumers, easy to see,

easy to find, it will lead to positive perceptions of consumers who are satisfied with the location of Pizza Hut itself so that it will increase. Table 4.2 shows the distribution of respondents' answers to the service quality variable measured by 17 indicators. It is evident that the respondents' answers strongly agree with the physical evidence dimension in the Pizza Hut outlet indicator has a sturdy building that is clearly visible, the employees are neatly dressed, the reliability dimension in the Pizza Hut outlet indicator always provides consumers with interesting product choices that make consumers feel interested in trying new things in providing a satisfying eating experience every time they visit, the reliability dimension in the indicator employees behave politely to consumers which creates trust in Pizza Hut outlets and Pizza Hut outlet employees are always friendly in providing services to consumers so as to increase satisfaction. This means that this indicator is proven to be able to directly influence satisfaction with the most respondents, namely women (77.7%), so that the majority of these women are students who have thoughts that tend to be more critical and have high expectations of the services provided by Pizza Hut outlets to them. Good service not only creates relationships with consumers but is also an important factor in increasing satisfaction and long-term business growth. Path analysis shows that service quality has a significant positive effect in influencing satisfaction. This research is in line with the research of Yulisetiari & Prahasta [7] and Yulisetiari et al. [8] which states that if the service provided by Pizza Hut provides a positive or happy perception, it will cause consumers to feel satisfied with the services provided by Pizza Hut so that it will increase. In the distribution of respondents' answers to the location variable as measured by 4 indicators. It is known that respondents strongly agree on the visibility and environment indicators, where Pizza Hut outlets are located near the highway, it tends to be easier to attract consumer attention, this increases their chances of returning to visit and make repeat purchases because of the convenience and comfort offered. This means that these indicators are proven to be able to directly influence repurchase intention of Pizza Hut outlet consumers with the largest majority of respondents, namely women (77.7%) and ages 17-27 years (87.3%), so it means that women of that age are definitely looking for the right one

that is easily accessible, a comfortable place to gather to enjoy food, thus influencing their decision to return to visit. The path analysis shows that location has a significant positive effect in influencing repurchase intention. If the location is easily accessible and strategic, it will lead to positive consumer perceptions because it is located close, it will be very easy to repurchase Pizza Hut outlet products so that it will increase. This research on service quality variables is measured by 17 indicators. It is known that the physical evidence dimension in the Pizza Hut outlet indicator has a sturdy building that is clearly visible, which will create a sense of comfort for consumers, neatly dressed employees give a professional impression, the reliability dimension in the Pizza Hut outlet indicator always provides consumers with attractive product choices to meet consumer tastes and needs, the jamainan dimension in the indicator employees behave politely to consumers making consumers feel valued and Pizza Hut outlet employees are always friendly in providing services to consumers. When consumers find Pizza Hut outlet services satisfying and consistent, they tend to be loyal to the brands they trust and make repeat purchases. This means that the indicator with the most respondents is women (77.7%) who believe that the quality of service at Pizza Hut outlets is very good, the waiters are also good, polite, friendly and the building is very good, so consumers are interested in buying again. In the path analysis shows that service quality has a significant positive effect Yovalianisa [4] explains that the better the service provided by Pizza Hut, consumers will give a good or happy perception, so consumers will decide to buy Pizza Hut products again so that it will increase. The satisfaction variable is measured with 3 indicators.. It is known that respondents agree on the indicators of expectation, experience and overall satisfactory, where high overall satisfaction through their expectations, positive experiences can increase trust and strengthen relationships with brands thereby encouraging intentions to make repeat purchases. This means that the most respondents are women (77.7%), aged 17-27 years (87.3%), where they are very satisfied with the overall that has been provided by Pizaa Hut outlets, from the quality of the product to the quality of the service provided, it is in accordance with what consumers have expected and have had a pleasant experience, so

it is likely that they will buy again after feeling the experience from before. Based on path analysis, it shows that satisfaction has a significant effect on repurchase intention at Pizza Hut. This research is in line with the research of Yulisetiari et al., [7] and Yulisetiari et al. [8] state that if consumer expectations for services and products from Pizza Hut outlets are appropriate, then it will give a positive or happy perception, it can influence consumers to repurchase Pizza Hut outlet products.

6. CONCLUSIONS

Location has a significant effect on satisfaction. Service quality has a significant effect on satisfaction. The location has a significant effect on Repurchase Intention. Service quality has a significant effect on Repurchase Intention. Satisfaction has a significant effect on Repurchase Intention.

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