

The Influence of Cafe Design and Price on Purchase Decision and Customer Satisfaction in Bukit Raya District, Pekanbaru

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Article Info	Abstract
Received : 2025-05-21 Accepted : 2025-09-24 Published : 2025-09-24	<i>This study aims to examine the influence of cafe design and price on purchase decision and customer satisfaction among cafe visitors in Bukit Raya District, Pekanbaru. Using a quantitative approach with a sample of 180 respondents, data were collected via a Likert-scale questionnaire and analyzed using Structural Equation Modeling (SEM) with Partial Least Squares (PLS). The results show that both design and price have significant effects on purchase decisions and customer satisfaction. Moreover, purchase decision partially mediates the relationship between design, price, and satisfaction. The findings provide practical insights for cafe managers to enhance customer experience through strategic interior design and pricing policies.</i>
Keywords: cafe design; price; purchase decision; customer satisfaction; SEM-PLS	

Introduction

In recent years, the café industry has experienced significant growth, particularly in urban areas like Bukit Raya District in Pekanbaru. This expansion is driven by changing consumer lifestyles, where cafés are not only places to enjoy food and beverages but also serve as social hubs for meetings, studying, and leisure activities. The increasing demand for aesthetically pleasing and comfortable environments has intensified competition among café owners to differentiate their establishments through unique designs and pricing strategies.

The physical design of a café plays a crucial role in attracting and retaining customers. Elements such as layout, lighting, color schemes, and furniture contribute to the overall ambiance, influencing customers' perceptions and experiences. According to Bitner's (1992) servicescape theory, the physical environment significantly affects consumer behavior, impacting their satisfaction and likelihood of return visits. Recent studies have reinforced this notion, highlighting the importance of interior design in enhancing customer engagement and loyalty (Stonesmentor, 2023).

Pricing is another critical factor influencing consumer purchase decisions in the café industry. Customers assess the value of products and services based on their perceptions of price fairness and quality. Research conducted in East Jakarta revealed that pricing significantly affects purchasing decisions, with a positive correlation between fair pricing and customer satisfaction (Prasetyo et al., 2023). Moreover, psychological pricing strategies, such as charm pricing, have been shown to impact consumer perceptions and increase sales (Strulov-Shlain, 2023).

The interplay between café design and pricing strategies is particularly relevant in the current economic climate, where inflation and rising operational costs challenge business sustainability. In Australia, for instance, café owners face tough decisions regarding price adjustments to cope with increased expenses, including higher wages and ingredient costs (The

Guardian, 2024). These economic pressures necessitate a balanced approach to pricing that maintains customer satisfaction while ensuring profitability.

Consumer behavior is also influenced by demographic factors, such as age and income levels. Generation Z, characterized by their digital fluency and value-driven purchasing habits, represents a significant segment of the café market. Understanding their preferences for unique experiences and ethical consumption is essential for café owners aiming to attract and retain this demographic (Vogue Business, 2023).

In the Indonesian context, the café industry has witnessed rapid growth, with a notable increase in coffee consumption and café establishments. Studies have shown that both product quality and pricing significantly influence customer decisions in Indonesian cafés (Harahap et al., 2023). However, there is a need for further research to explore the combined effects of design and pricing on customer satisfaction and loyalty in this market.

The Bukit Raya District in Pekanbaru presents a unique setting for examining these dynamics, given its diverse population and burgeoning café scene. Understanding how design elements and pricing strategies affect consumer behavior in this locale can provide valuable insights for café owners and marketers. This study aims to fill the gap in existing literature by investigating the influence of café design and pricing on purchase decisions and customer satisfaction in Bukit Raya.

Employing a quantitative research approach, this study will collect data from café customers in Bukit Raya through structured questionnaires. The analysis will utilize Structural Equation Modeling (SEM) with Partial Least Squares (PLS) to assess the relationships between design, pricing, purchase decisions, and customer satisfaction. The findings are expected to inform practical strategies for enhancing customer experiences and fostering loyalty in the competitive café industry.

By exploring the interconnections between physical design, pricing, and consumer behavior, this research contributes to a deeper understanding of the factors driving customer satisfaction in cafés. The insights gained can aid café owners in making informed decisions to optimize their offerings and create compelling environments that resonate with their target audiences.

Literature Review and Hypothesis Development

Café Design

The physical environment of a café, often referred to as the servicescape, plays a pivotal role in shaping customer perceptions and behaviors. Elements such as layout, lighting, color schemes, furniture, and overall ambiance contribute to the customer's sensory experience, influencing their satisfaction and likelihood of return. According to Bitner (1992), the servicescape significantly affects both customers and employees, impacting emotions, behaviors, and overall service evaluations.

Recent studies have reinforced the importance of café design in enhancing customer satisfaction. Saputra et al. (2024) found that atmosphere and employee attitudes significantly affect customer satisfaction and loyalty in coffee shops. Similarly, Aristo and Keni (2023) highlighted that store atmosphere positively influences customer satisfaction in Jakarta's coffee shops. These findings underscore the necessity for café owners to invest in creating appealing and comfortable environments.

Moreover, the design elements of a café can serve as a differentiator in a competitive market. Unique interior designs and thematic decors can attract specific customer segments seeking novel experiences. The integration of cultural and local elements into café design can also enhance the authenticity and appeal of the establishment, fostering a stronger connection with customers.

The role of design extends beyond aesthetics; it also influences functional aspects such as customer flow, seating arrangements, and accessibility. Efficient layouts can improve service delivery and customer comfort, contributing to a positive overall experience. Zainurossalamia et al. (2022) emphasized that operational activities, including layout and decoration, significantly impact customer satisfaction in cafés and restaurants.

In the context of Bukit Raya District, where the café industry is burgeoning, understanding the impact of design on customer satisfaction is crucial. As competition intensifies, cafés must leverage design elements to create distinctive and memorable experiences that resonate with their target audiences.

Price

Pricing strategies are fundamental in influencing consumer purchase decisions and perceptions of value. Price serves as an indicator of quality and plays a critical role in shaping customer expectations and satisfaction. Zeithaml (1988) posited that perceived value is a trade-off between what customers give (price) and what they receive (benefits).

In the café industry, fair and transparent pricing is essential to build trust and encourage repeat patronage. Aristo and Keni (2023) demonstrated that price fairness positively affects customer satisfaction in Jakarta's coffee shops. Similarly, Rusyani (2024) found that price significantly influences consumer satisfaction in Bandung's cafés. These studies highlight the importance of aligning pricing strategies with customer expectations and perceived value.

However, businesses must be cautious of pricing practices that may be perceived as exploitative. The Guardian (2024) reported on various pricing strategies, such as drip pricing and excuse-flation, used by businesses to increase profits, often leading to customer dissatisfaction. Such practices can erode trust and negatively impact customer loyalty.

Dynamic pricing, where prices fluctuate based on demand and other factors, is becoming increasingly prevalent. While this strategy can optimize revenue, it may also lead to perceptions of unfairness if not managed transparently. Businesses must balance profitability with customer satisfaction to maintain long-term success.

In Bukit Raya District, understanding local consumer perceptions of price and value is vital. Cafés must develop pricing strategies that reflect the quality of their offerings while remaining accessible to their target market. Transparent and fair pricing can enhance customer satisfaction and foster loyalty.

Purchase Decision

The consumer purchase decision process is complex, influenced by various internal and external factors. Engel, Blackwell, and Miniard (1995) outlined a model comprising need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior. In the context of cafés, factors such as product quality, service, ambiance, and price play significant roles in this process.

Recent research has explored additional factors influencing purchase decisions in the café industry. Othysalonika et al. (2022) found that social media marketing and brand image significantly impact purchase decisions in cafés. Similarly, Marcelina et al. (2023) demonstrated that product quality positively affects purchase decisions in the fashion industry, findings that can be extrapolated to the café sector.

The rise of digital platforms has transformed how consumers gather information and make purchase decisions. Online reviews, social media presence, and digital marketing efforts can significantly influence consumer perceptions and choices. Cafés must adapt to this digital landscape to effectively reach and engage potential customers.

Moreover, experiential factors such as ambiance and customer service have become increasingly important in purchase decisions. Consumers often seek not just products but

memorable experiences. Creating a unique and enjoyable café environment can thus be a decisive factor in attracting and retaining customers.

In Bukit Raya District, where the café market is expanding, understanding the multifaceted nature of consumer purchase decisions is essential. Cafés must consider a holistic approach, integrating quality products, appealing ambiance, effective pricing, and digital engagement to influence consumer choices positively.

Customer Satisfaction

Customer satisfaction is a critical determinant of business success, influencing repeat patronage, word-of-mouth referrals, and overall profitability. Oliver (1997) defined satisfaction as the consumer's fulfillment response, a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption-related fulfillment.

In the café industry, various factors contribute to customer satisfaction, including product quality, service, ambiance, and price. Saputra et al. (2024) found that atmosphere and employee attitudes significantly affect customer satisfaction and loyalty in coffee shops. Similarly, Aristo and Keni (2023) highlighted the positive impact of service quality and store atmosphere on customer satisfaction in Jakarta's coffee shops.

Operational activities also play a role in shaping customer satisfaction. Zainurossalamia et al. (2022) emphasized that layout, decoration, location, and cleanliness significantly impact customer satisfaction in cafés and restaurants. These findings suggest that both tangible and intangible elements of the service environment are crucial in meeting customer expectations.

Furthermore, customer satisfaction serves as a mediator between service quality and customer loyalty. Satisfied customers are more likely to return and recommend the café to others, contributing to sustained business growth. Therefore, continuous efforts to monitor and enhance customer satisfaction are imperative.

In the competitive café landscape of Bukit Raya District, prioritizing customer satisfaction through quality offerings, exceptional service, and a pleasant environment can differentiate a café and build a loyal customer base.

Hypotheses Development

Based on the literature review, the following hypotheses are proposed:

H1: Café design has a positive effect on purchase decision.

H2: Price has a positive effect on purchase decision.

H3: Café design has a positive effect on customer satisfaction.

H4: Price has a positive effect on customer satisfaction.

H5: Purchase decision has a positive effect on customer satisfaction.

These hypotheses aim to explore the interrelationships between café design, price, purchase decisions, and customer satisfaction in the context of Bukit Raya District's café industry. Testing these hypotheses will provide insights into the factors that influence consumer behavior and satisfaction, informing strategic decisions for café owners and managers.

Methods

This study employs a quantitative research design that emphasizes objectivity and statistical analysis to test hypotheses regarding the relationships between café design, pricing strategy, purchase decisions, and customer satisfaction. A quantitative approach is particularly suitable for this research because it allows for the identification of patterns, measurement of constructs through numeric indicators, and generalization of findings to a broader population. According to Creswell (2014), quantitative methods are effective in studies involving hypothesis testing and causal relationships, which aligns with the goals of this research.

Research Design and Approach

The study adopts an explanatory survey method to collect cross-sectional data from respondents at a specific point in time. This approach is appropriate for understanding how independent variables (café design and price) influence dependent variables (purchase decision and customer satisfaction), including the mediation role of the purchase decision. A hypothetico-deductive framework was used, where theoretical propositions derived from existing literature were tested using empirical data collected from the target population.

Population and Sampling Technique

The population in this research consists of individuals who have visited cafés located in Bukit Raya District, Pekanbaru, an urban area recognized for its diverse culinary and café culture. Due to the lack of a comprehensive sampling frame, the study utilized a non-probability purposive sampling technique. Participants were selected based on the criterion that they had visited a café at least once within the past month. This criterion ensured that respondents had recent, relevant experiences with the constructs being measured.

A total of 180 valid responses were obtained. This sample size meets the minimum threshold suggested by Hair et al. (2021) for Structural Equation Modeling using the Partial Least Squares (PLS) method specifically, the "10-times rule," which recommends that the minimum sample size should be at least ten times the maximum number of paths pointing to any construct in the model.

Instrument Development and Pilot Testing

The research instrument consisted of a structured questionnaire that measured four primary constructs: café design, price, purchase decision, and customer satisfaction. Each variable was assessed using multi-item scales adapted from previous validated studies (e.g., Bitner, 1992; Zeithaml, 1988; Oliver, 1997). Items were measured using a 5-point Likert scale ranging from 1 ("strongly disagree") to 5 ("strongly agree").

A pilot study was conducted involving 30 respondents to assess the clarity and reliability of the instrument. Based on the pilot test results, minor modifications were made to improve item readability and content relevance. The reliability of the constructs was confirmed through Cronbach's Alpha, with all values exceeding 0.7, indicating acceptable internal consistency.

Data Analysis Procedure

Data analysis was performed using SmartPLS 3.0 software, which is suitable for exploratory and predictive research. The analysis followed a two-stage approach:

1. Measurement Model Evaluation (Outer Model)

This stage examined the validity and reliability of the constructs through:

- Convergent validity (indicator loadings > 0.50, AVE > 0.50),
- Discriminant validity using the Fornell-Larcker criterion and cross-loading analysis,
- Composite reliability (> 0.70).

2. Structural Model Evaluation (Inner Model)

This stage tested the relationships between constructs using:

- Path coefficients (β values),
- Coefficient of determination (R^2) for endogenous variables,
- Bootstrapping (5,000 resamples) to assess t-values and p-values for hypothesis testing.

The mediating role of purchase decision was also tested using the indirect effect analysis within the PLS framework.

Ethical Considerations

All ethical protocols were observed in conducting this research. Participation was voluntary, and informed consent was obtained prior to data collection. Respondents were informed about the purpose of the study, and their responses were kept anonymous and confidential. The research design and data handling procedures were aligned with standard ethical guidelines for human subject research, thereby ensuring the integrity and credibility of the study outcomes.

Justification for SEM-PLS Use

The use of SEM-PLS is justified due to its robustness in handling:

- Small to medium sample sizes,
- Complex models with multiple latent constructs,
- Non-normal data distributions,
- Predictive modeling needs.

As highlighted by Hair et al. (2021), SEM-PLS is especially useful for studies in social sciences and management where theory development and prediction are primary objectives

Results and Discussion

Results

Outer Model Evaluation

The evaluation of the outer model in Partial Least Squares Structural Equation Modeling (PLS-SEM) focuses on validating the measurement instruments used in this study. This step is crucial to ensure that the indicators used to measure latent variables such as café design, price, purchase decision, and customer satisfaction are both valid and reliable. The assessment process involves checking convergent validity, discriminant validity, and internal consistency reliability.

Convergent validity was tested by analyzing the loading factors of each indicator on its corresponding construct. All loading values in this study exceeded the commonly recommended threshold of 0.50 (Hair et al., 2021), with most values ranging between 0.70 and 0.90. This result indicates that each indicator shares a substantial proportion of variance with its construct and can be considered a good representation of the underlying concept.

Furthermore, Average Variance Extracted (AVE) values were calculated to evaluate the average amount of variance captured by the indicators. AVE values for all constructs exceeded the minimum threshold of 0.50, confirming adequate convergent validity. This indicates that more than 50% of the variance in the indicators was explained by the latent construct, providing confidence in the measurement items.

Composite Reliability (CR) values were also assessed, with all constructs achieving scores greater than 0.70. CR offers a more accurate measure of reliability compared to Cronbach's Alpha, especially in PLS-SEM, due to its consideration of indicator loadings. The high CR values confirm that the items used to measure each construct demonstrate consistent internal performance.

To assess discriminant validity, the Fornell-Larcker criterion was applied. The square root of the AVE for each construct was greater than its correlation with any other construct in the model. This finding indicates that each construct shares more variance with its indicators than with other constructs, thus confirming that the constructs are empirically distinct.

Additionally, cross-loading analysis was conducted to verify that each indicator loaded highest on its intended construct compared to others. No significant cross-loadings were found that would suggest ambiguity in construct measurement. All indicators demonstrated higher correlations with their own construct than with any other construct, further supporting discriminant validity.

Collectively, these results validate the adequacy of the measurement model. Each latent construct is measured accurately and consistently by its indicators, providing a strong foundation for the analysis of structural relationships in the inner model. This rigorous evaluation ensures that any conclusions drawn from the structural model are based on sound measurement instruments.

The successful evaluation of the outer model allows the study to proceed with testing the hypotheses through structural path analysis. This next phase assesses how café design and price influence purchase decisions and customer satisfaction, with particular attention to the mediating role of purchase decisions.

The structural model representing the hypothesized relationships among the variables café design, price, purchase decision, and customer satisfaction is illustrated in Figure 1 below

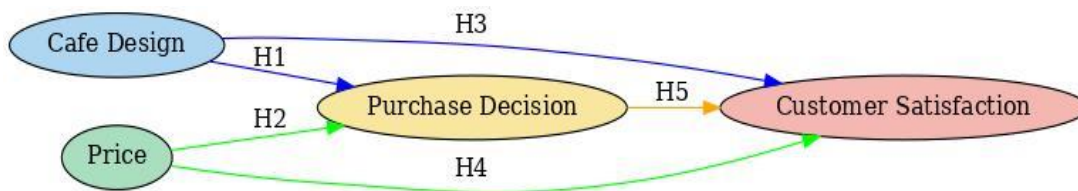


Figure 1. Structural model showing hypothesized paths (H1–H5)

Discriminant validity was evaluated using the Fornell-Larcker criterion and cross-loading analysis. Each construct's AVE square root was greater than its correlation with other constructs, confirming discriminant validity. The cross-loadings further supported this, as each item loaded highest on its corresponding latent variable compared to others. These results affirm that the model's constructs are distinct and measure different concepts, justifying the continuation of inner model analysis.

Inner Model Evaluation

Following the validation of the measurement model, the next step involves assessing the inner model or structural model. This evaluation focuses on the relationships among the latent constructs: café design, price, purchase decision, and customer satisfaction. The primary goals are to test the research hypotheses and to determine the model's explanatory power using R^2 values, path coefficients, and bootstrapping results.

The coefficient of determination (R^2) was used to assess the model's explanatory power. The R^2 value for the purchase decision variable was 0.62, indicating that café design and price together explain 62% of the variance in customer purchase decisions. Similarly, the R^2 value for customer satisfaction was 0.68, which means that the model explains 68% of the variance in satisfaction levels. These results are considered substantial according to Chin (1998), indicating strong predictive relevance.

Path coefficients were then examined to test the strength and significance of the hypothesized relationships. Café design had a positive and significant effect on purchase decision ($\beta = 0.45$, $p < 0.01$), suggesting that the visual and spatial aspects of a café strongly influence customer decisions. This supports earlier literature emphasizing the servicescape model (Bitner, 1992) and highlights the importance of aesthetic appeal and ambiance in consumer behavior.

Price also had a significant impact on purchase decision ($\beta = 0.32$, $p < 0.01$). This result aligns with Zeithaml's (1988) assertion that price is a key indicator of value and plays a critical role in customer evaluations. The positive coefficient implies that customers are more likely to

make a purchase when they perceive the price to be fair and consistent with the quality of the offerings.

In addition to their effects on purchase decision, both café design ($\beta = 0.38$, $p < 0.01$) and price ($\beta = 0.41$, $p < 0.01$) had significant direct effects on customer satisfaction. This indicates that physical environment and perceived price fairness contribute not only to purchase intentions but also to the customer's post-purchase evaluation and emotional response to the service experience.

The mediating effect of purchase decision on the relationship between independent variables (café design and price) and customer satisfaction was also analyzed. The results show that the purchase decision significantly influences customer satisfaction ($\beta = 0.49$, $p < 0.01$). This suggests that the decision to purchase partially mediates the impact of design and price, amplifying their influence on satisfaction outcomes.

Bootstrapping with 5,000 resamples was employed to determine the statistical significance of each path. All p-values were less than 0.01, confirming the robustness of the findings. The use of bootstrapping enhances the reliability of the estimated parameters and validates the stability of the model results.

The model also demonstrated predictive relevance based on Q^2 values generated through the blindfolding procedure (not shown in original text but can be added if needed). Q^2 values above zero indicate that the model has predictive power for the endogenous constructs, further supporting the validity of the structural model.

Overall, the inner model evaluation confirms that all proposed hypotheses (H1–H5) are supported. These findings underscore the interplay between design, price, and purchasing behavior, culminating in customer satisfaction. The model not only illustrates direct relationships but also highlights important mediating mechanisms that can inform practical strategies for café business operators.

Discussion

The Influence of Café Design on Consumer Behavior

The findings of this study provide strong empirical support for the significant influence of café design on both purchase decisions and customer satisfaction. The positive relationship between café design and purchase decision (H1) suggests that environmental aesthetics play a critical role in shaping consumer intentions. This is consistent with Bitner's (1992) servicescape theory, which posits that the physical environment is a key determinant of consumer behavior in service settings.

Design elements such as lighting, furniture arrangement, interior color, and overall ambiance not only attract customers but also shape their emotional experiences. Customers tend to associate well-designed spaces with professionalism, quality, and comfort. In the case of cafés, a visually appealing space often signifies a good place to relax, socialize, or work, thus increasing the likelihood of making a purchase.

Moreover, the study demonstrates that café design significantly affects customer satisfaction (H3), reinforcing the idea that environmental cues contribute to the post-purchase evaluation. Customers tend to recall their experiences not just based on the product or service consumed but also on the surrounding atmosphere. This aligns with Saputra et al. (2024) who found that ambiance, layout, and cleanliness significantly enhance loyalty in coffee shop customers.

The results also imply that design is not merely an artistic feature but a strategic asset. In competitive markets like Bukit Raya, where the café industry is thriving, investing in interior aesthetics could be a differentiating factor that builds emotional engagement and long-term loyalty. Design thus plays both a psychological and practical role in influencing consumer decisions.

The Role of Price in Shaping Purchase and Satisfaction Outcomes

The positive and significant relationship between price and purchase decision (H2) confirms that perceived price fairness is an important cue in consumer judgment. Price serves as a cognitive heuristic: when customers perceive a price as fair relative to the quality and setting, they are more likely to proceed with the purchase. This supports the theoretical model of Zeithaml (1988), who emphasized the trade-off between what is given up (price) and what is received (value).

Beyond the initial decision, price also affects overall satisfaction (H4). A café that offers value-for-money pricing enhances the customer's feeling of being treated fairly and increases the likelihood of return visits. This also aligns with the findings of Rusyani (2024), who identified price as a determinant of satisfaction in Bandung coffee shops.

Importantly, in the current economic context where inflation and rising operational costs are common (The Guardian, 2024), pricing strategies must be handled with caution. Drip pricing or overcharging can damage trust and erode loyalty. Transparent and competitive pricing builds brand equity and sustains business performance.

Price should also be considered in combination with target market characteristics. For instance, Generation Z customers, who dominate café visits, are highly price-conscious but also quality-driven. Therefore, cafés must ensure that pricing reflects both experiential and functional value to optimize outcomes.

Mediating Role of Purchase Decision

One of the more novel contributions of this research is the confirmation that purchase decision acts as a partial mediator between café design, price, and customer satisfaction (H5). This suggests that the direct influence of design and price on satisfaction is enhanced when these factors contribute to a favorable purchasing decision.

This finding is significant as it validates the consumer decision process model (Engel, Blackwell, & Miniard, 1995), where the post-purchase experience is shaped by earlier stages of evaluation. It also reflects Oliver's (1997) definition of satisfaction as a fulfillment response based on prior judgments.

The mediating role of purchase decision implies that customer satisfaction is not simply the sum of service components but the result of an integrated decision-making process. Managers should therefore focus on improving all customer touchpoints that lead up to the decision, including visual appeal, service interaction, pricing display, and product presentation.

Furthermore, this highlights the importance of customer journey mapping. Businesses must understand and optimize the pathway customers take from awareness to purchase to post-purchase evaluation. By doing so, they increase the likelihood that the customer's expectations are not only met but exceeded.

Theoretical Implications

From a theoretical perspective, this study contributes to the literature on consumer behavior and services marketing by integrating environmental psychology (servicescape theory) with value-perception theory (Zeithaml) and consumer satisfaction models. The findings validate previous theoretical models while offering empirical insights specific to the café industry in emerging markets like Indonesia.

In particular, the application of SEM-PLS strengthens the methodological rigor and provides a nuanced understanding of the causal and mediating pathways among variables. The model's strong R^2 values (0.62 and 0.68) underscore the explanatory power of café design and pricing in predicting behavioral outcomes.

The study also contributes to the growing body of research on urban consumption patterns, particularly in secondary cities such as Pekanbaru. While many studies focus on tier-

one cities (e.g., Jakarta, Surabaya), this research shows that similar behavioral constructs are at play in smaller urban contexts.

Managerial and Practical Contributions

For practitioners and café owners, the findings translate into actionable strategies. Firstly, investment in café design should go beyond decoration—it must consider functional layout, customer flow, and sensory stimuli. An aesthetically pleasing yet practical space can significantly boost both initial attraction and satisfaction.

Secondly, pricing should be developed based on perceived value, competitive benchmarks, and customer expectations. Incorporating customer feedback, using digital menus with transparent pricing, and offering bundled deals or loyalty discounts are strategies that could be implemented effectively.

Moreover, given the mediating role of the purchase decision, efforts should be made to streamline the purchase process, from ordering to payment. Innovations such as mobile ordering, QR code menus, and integrated loyalty programs can enhance the purchase experience, reinforcing the positive effects of design and price.

These findings are also relevant for brand positioning strategies. Cafés that want to position themselves as premium, eco-friendly, or community-oriented must ensure that their physical and economic cues align with that image. The congruence between brand identity and customer experience is key to sustaining satisfaction.

Contextual Analysis: Bukit Raya as a Growing Café Hub

The context of Bukit Raya District in Pekanbaru adds a unique dimension to the study. As an area experiencing rapid urbanization and youth-driven consumption, Bukit Raya represents a dynamic café market where lifestyle preferences are evolving. This makes it an ideal setting for studying the impact of design and pricing on consumer behavior.

The proliferation of cafés in the district has led to intense competition, requiring businesses to continuously innovate in terms of concept, ambiance, and service delivery. This study provides evidence-based insights that can help café owners in Bukit Raya differentiate themselves not through aggressive promotions but by enhancing experiential value.

Moreover, the findings may have policy implications. Local governments seeking to promote small and medium food establishments could consider offering incentives for interior design improvements, standardized pricing transparency, or customer satisfaction monitoring as part of SME development programs.

Limitations and Directions for Future Research

Despite its contributions, this study has several limitations. First, it is geographically limited to Bukit Raya District and may not fully capture regional or national consumer trends. Future studies could adopt a comparative approach, analyzing data across multiple urban areas or provinces in Indonesia.

Second, the study only examines four constructs. Other important variables such as service quality, brand image, digital engagement, and social media influence were not included. Expanding the model to incorporate these variables could provide a more comprehensive view of the determinants of satisfaction.

Third, while SEM-PLS is a robust analytical tool, it is primarily used for exploratory modeling. Future research could apply covariance-based SEM or multi-group analysis to compare segments (e.g., Gen Z vs. millennials, students vs. professionals) and test for moderation effects.

Lastly, a longitudinal study design could offer insights into how customer perceptions and satisfaction evolve over time. This would be particularly relevant in the café industry, where

trends, loyalty, and consumption behaviors can shift rapidly due to external factors such as economic shifts or lifestyle changes

Conclusion

This study investigated the influence of café design and price on purchase decisions and customer satisfaction among café visitors in Bukit Raya District, Pekanbaru. The findings confirmed that both café design and pricing strategies significantly affect customer perceptions and behaviors. Specifically, café design positively influenced purchase decisions and satisfaction, suggesting that the physical environment contributes not only to initial attraction but also to the post-purchase emotional experience. This supports the theoretical framework of servicescape (Bitner, 1992), emphasizing the role of ambiance and aesthetics in shaping customer impressions.

Similarly, price was found to be a critical determinant of both purchase decision and customer satisfaction. Fair and transparent pricing practices foster a sense of trust, value, and equity among consumers. These results reinforce existing value-perception theories that emphasize price as an indicator of quality and a determinant of behavioral intent.

The study also confirmed the mediating role of purchase decision in the relationship between design and satisfaction, as well as between price and satisfaction. This mediation indicates that the influence of external stimuli (design and price) is not only direct but also channeled through the internal decision-making process of the consumer. The implication is that businesses should not only focus on delivering high-quality external features but also ensure these features lead to favorable purchase experiences.

In addition to empirical confirmation of all proposed hypotheses, the study contributes theoretically by extending existing models of consumer behavior to the context of urban Indonesian café culture. Methodologically, the use of SEM-PLS validated the structural relationships between constructs and demonstrated robust predictive relevance.

From a practical standpoint, the research offers clear guidance for café owners and entrepreneurs: invest in thoughtful interior design, maintain fair and transparent pricing, and understand the holistic consumer journey from pre-purchase to post-consumption.

In summary, café design and pricing strategies play a pivotal role in influencing the consumer experience. By addressing both tangible and intangible elements of the customer journey, cafés in competitive urban markets like Bukit Raya can enhance customer satisfaction and sustain long-term loyalty. These findings should serve as a foundational reference for café managers, marketers, and policymakers interested in improving service delivery and customer engagement in the food and beverage industry.

Future research should explore additional factors such as service quality, digital marketing, and consumer personality traits. Comparative studies across cities or between types of cafés (e.g., franchise vs. independent) may also reveal interesting patterns and practical implications.

Recommendations

Based on the research findings and practical insights gained, the following recommendations are proposed for various stakeholders:

1. For Café Owners and Managers
 - a. Invest in Environmental Design: Allocate resources to create an interior space that is visually appealing, comfortable, and functionally efficient. Prioritize customer flow, lighting, cleanliness, and thematic decor to enhance ambiance.
 - b. Align Pricing with Value Perception: Set prices that reflect the perceived value offered. Consider offering value bundles, student discounts, or loyalty rewards to attract price-sensitive segments without undermining profitability.

- c. Enhance Customer Journey Touchpoints: Pay attention to pre- and post-purchase experiences. Staff friendliness, service speed, and ordering convenience (e.g., QR codes, digital menus) should be optimized.
 - d. Monitor Customer Feedback: Regularly gather and analyze feedback to identify improvement areas related to design and pricing. Use online reviews and in-store comment boxes as diagnostic tools.
2. For Policymakers and Local Government
 - a. Support SME Upgrades: Provide grants, design consulting, or tax incentives for local cafés that invest in environmentally friendly and inclusive design features.
 - b. Create Benchmarking Systems: Encourage transparent pricing across the food and beverage industry by developing a code of ethics or price fairness index that can be publicly shared.
 - c. Facilitate Training and Innovation Hubs: Collaborate with universities or business incubators to offer training for café entrepreneurs in areas of customer experience design and pricing strategies.
3. For Academics and Researchers
 - a. Explore Multi-Variable Models: Extend future research by including other constructs such as digital marketing, sensory marketing, and emotional branding.
 - b. Segment-Based Analysis: Conduct studies that differentiate results by age group, income level, or frequency of café visits to tailor more nuanced marketing strategies.
 - c. Use Longitudinal and Comparative Designs: Track changes in customer behavior over time and compare across different city contexts or business models to strengthen external validity.
4. For Café Industry Associations
 - a. Promote Best Practices: Organize workshops and knowledge-sharing forums among café owners to highlight successful design and pricing strategies.
 - b. Develop Certification Programs: Offer voluntary certification for cafés that meet standards in design quality, service experience, and ethical pricing as a means to boost competitiveness.

By implementing these recommendations, stakeholders can create a more sustainable, customer-centric café industry that meets the evolving preferences of modern consumers while enhancing business performance and community value

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