Journal of Advanced Multidisciplinary Studies
JAMS
+62 895-3300-77970
admin@jurnal-jams.or.id
https://jurnal-jams.or.id
Vol. 2, No. 3, July 2026 | Page. 208 - 216

THE EFFECT OF BUSINESS COMPETITION LEVELS ON CUSTOMER SATISFACTION AT STREET COFFEE BUSINESSES IN CIREBON CITY

Laila Azzahra Anggraeni[1], Michele[2]
Business Management Program, Faculty of Economics and Business,
Catur Insan Cendekia University, Indonesia
Email: laila.anggraeni.mb.24@cic.ac.id[1], michele.mb.24@cic.ac.id[2]

Keywords:

Level of Business Competition,
Customer Satisfaction,
Street Coffee

Abstrak

The rapid growth of the street coffee business in Cirebon City has led to increasingly intense competition, requiring business owners to continuously improve product quality, service, pricing, location, and innovation to ensure customer satisfaction. Although various studies have examined the factors influencing customer satisfaction at coffee shops, research specifically addressing the impact of business competition levels on customer satisfaction at street coffee businesses in Cirebon City remains limited. Therefore, this study aims to determine the effect of the level of business competition on customer satisfaction at street coffee businesses in Cirebon City. This study employs a quantitative method using a survey approach. The independent variable in this study is the level of business competition, while the dependent variable is customer satisfaction. Data were collected through the distribution of questionnaires to 62 respondents selected using purposive sampling. Data analysis was conducted using validity and reliability tests, simple linear regression analysis, and hypothesis testing with the aid of IBM SPSS. The results indicate that the level of business competition has a positive and significant effect on customer satisfaction, with a significance value of 0.000 (<0.05). The business competition level variable explains 59.3% of the variation in customer satisfaction, while the remaining 40.7% is influenced by other factors outside the scope of this study.

This is an open access article under the CC BY-NC-SA 4.0 license

INTRODUCTION

Business competition in Indonesia is becoming increasingly intense, particularly in the street coffee sector. Companies are required to continually adapt their strategies to remain competitive in a rapidly changing market environment. The street coffee sector

This is an open access article under the CC BY-NC-SA 4.0 license

has experienced remarkable growth. Indonesia is recognized as one of the world's leading coffee producers and customers, with coffee consumption becoming increasingly embedded in daily social practices. The expansion of street coffee throughout urban areas reflects not only economic growth but also a transformation in how coffee consumption is integrated into lifestyles, identities, and social interactions.

The current rapid growth of the street coffee industry indicates that coffee is not merely a customer necessity but also an integral part of people's lifestyles. Street coffee businesses are highly popular because they offer relatively affordable prices, a simple concept, and easy access for a wide range of people, particularly college students and young adults. Customer will prefer products that offer the best quality, performance, and features in terms of product concept (Malini, 2021). These establishments not only provide a place to consume coffee but also create new social spaces and encourage interaction between students and the wider community (Teguh et al., 2025).

In Cirebon itself, the growth of the street coffee business has been quite significant. Many businesses have emerged, such as Etern Coffee, Kopi Inggris, Kopluck, Kopi Vespa, and North Coffee. Each of these businesses offers distinct advantages, ranging from competitive prices and coffee flavor to the quality of customer service. This shift aligns with the emergence of an urban lifestyle trend that gives new meaning to "hanging out" as a form of social interaction and cultural expression among young people (Yuliani & Riadi, 2019).

The intense competition in this industry requires every business to be able to maintain and improve customer satisfaction. Customer satisfaction a crucial factor that can influence customer loyalty. Differences in price, taste, and service quality are the main determinants of customer satisfaction amid the many available options.

However, with the growing number of street coffee businesses in Cirebon, questions have arisen regarding how the level of competition among these businesses affects customer satisfaction. Not all business owners are able to provide optimal satisfaction, which means they risk losing customers amid increasingly fierce competition. Therefore, customer satisfaction is a crucial factor that must be addressed, as it can be achieved when business owners meet or even exceed customer expectations through appropriate pricing, high-quality taste, and excellent service.

LITERATURE REVIEW

Level of Business Competition

Business competition refers to a situation in which businesses compete with one another to attract and retain customers through various strategies, including pricing, product quality, service, and innovation. In the street coffee sector in particular, the high level of competition requires businesses to be more creative and adaptable in meeting customer needs.

Intense business competition drives entrepreneurs to continuously innovate and improve the quality of their products and services in order to meet customer needs and ensure customer satisfaction (Maharani et al., 2024). Indicators of business competition can be observed in various aspects that entrepreneurs use to attract and retain customers. In the context of small businesses such as street coffee shops, indicators of business competition generally include price, product quality, service, location, and innovation (Rooroh et al., 2020).

This is an open access article under the CC BY-NC-SA 4.0 license

Customer Satisfaction

(Harris et al., 2020) define customer satisfaction as the degree to which a person feels satisfied after comparing their perceived performance or results with their expectations. To create greater value, it is not enough to simply provide a service; one must also be able to satisfy the customer.

Customers who are satisfied with products and services tend to make repeat purchases and recommend them to others. Therefore, the level of business competition influences customer satisfaction; the higher the competition, the greater the incentive for businesses to improve service quality and meet customer expectations (Aristo & Keni, 2023). The more customer expectations are met, the more satisfied customers will be (Tulungen et al., 2019).

Previous Research

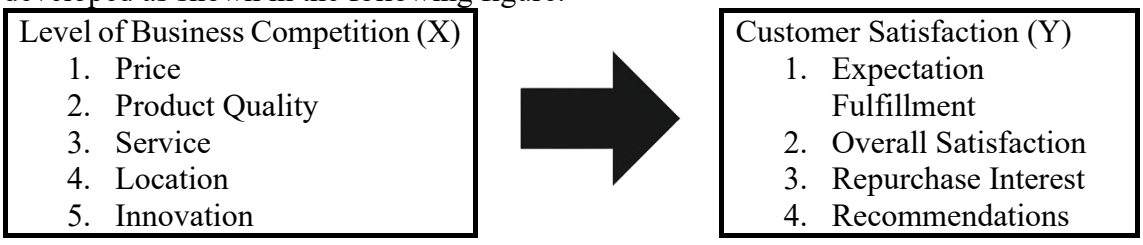
A study by (Salsabillah et al., 2024) found that product quality, service quality, price, and location influence customer satisfaction at coffee shops. This study indicates that in the competitive coffee industry, business operators need to pay attention to these factors to retain customers.

In the study (Maulidah et al., 2019) it was found that product quality and service quality have a highly significant impact on increasing customer satisfaction with purchased goods.

Theoretical Framework

As business competition intensifies, business operators will enhance strategies such as pricing, product quality, service, and innovation. These efforts aim to attract and retain customers, thereby increasing customer satisfaction. Thus, the level of business competition is hypothesized to influence customer satisfaction at street coffee businesses in Cirebon City.

Based on existing theories and previous research, a conceptual framework can be developed as shown in the following figure.



Hypotheses

H_0: The level of business competition has no effect on customer satisfaction at street coffee shops in Cirebon City.

H_1: The level of business competition affects customer satisfaction at street coffee shops in Cirebon City.

RESEARCH METHOD

Research Design

This study employed a quantitative method using a survey approach. This method was used to determine the effect of the level of business competition on customer satisfaction at street coffee shops in Cirebon City. The data used in this study consisted of primary data obtained through the distribution of questionnaires to respondents.

This is an open access article under the CC BY-NC-SA 4.0 license

Research Subjects and Object

The subjects of this study are customers who have made purchases at street coffee businesses in Cirebon City.

The objects of this study are the level of business competition as the independent variable (X) and customer satisfaction as the dependent variable (Y).

Population and Sample

The population in this study consists of all street coffee customers in Cirebon City.

The sample for this study was selected using purposive sampling, specifically respondents who met the following criteria:

a. Had previously purchased street coffee in Cirebon
b. Are at least 17 years old
c. The sample size for this study was 62 respondents

Operational Definitions of Variables

Variable	Indicator	Statement	Scale
Level of Business Competition (X)	Price	I consider the prices of products at the street coffee shop I visited to be more affordable than at other street coffee shops	Likert
		The prices at this street coffee shop are in line with the quality of the products I received	
	Product Quality	I consider the product quality at the street coffee shop I visited to be better than that of its competitors	
		The product quality at the street coffee shop I visited is consistent with every purchase	
	Service	I feel that the service at the street coffee shop I visited is faster and friendlier than at other street coffee shops	
		I find the service at this street coffee shop to be satisfactory	
	Location	The street coffee shop is easy to reach	
		The street coffee shop I visited was more comfortable than its competitors	
	Innovation	The product variety at the street coffee shop I visited is more appealing than at other street coffee shops	
		I noticed innovation in the street coffee shop's products	
Customer Satisfaction (Y)	Meeting Expectations	The products at the street coffee shop I visited met my expectations	
		The service at the street coffee	

This is an open access article under the CC BY-NC-SA 4.0 license

		shop I visited met my expectations	
	Overall Satisfaction	I am satisfied with the products offered by the street coffee shop I visited	
		I am satisfied with the service provided by the street coffee shop I visited compared to other street coffee shops	
	Intent to Repurchase	I intend to visit the street coffee shop I visited again	
		I intend to repurchase products from the street coffee shop I visited	
	Recommendation	I am willing to recommend the street coffee shop I visited to others	
		I am willing to encourage others to buy products at the street coffee shop I visited	

Data Collection Methods

The data collection method used in this study involved distributing a questionnaire to respondents. A Likert scale was used, with the following response options:

1 = Strongly Disagree
2 = Disagree
3 = Neutral
4 = Agree
5 = Strongly Agree

Data Analysis Techniques

Data analysis in this study was conducted in several stages, as follows:

1. Validity Test
   Validity testing was conducted to determine whether each item in the research instrument was capable of measuring the variables under study. The test was performed by examining the correlation between each item's score and the total score (Corrected Item-Total Correlation). An item was deemed valid if the calculated correlation coefficient (r) was greater than the table value of r and had a significance level of less than 0.05.
2. Reliability Test
   The reliability test aims to determine the level of consistency of the research instrument. The test was conducted using Cronbach's Alpha, whereby an instrument is considered reliable if it has a Cronbach's Alpha value greater than 0.70.
3. Simple Linear Regression Analysis
   Simple linear regression analysis was used to determine the effect of variable X on variable Y.

Hypothesis Testing

Hypothesis testing was conducted using the t-test to determine the effect of the independent variable on the dependent variable.

This is an open access article under the CC BY-NC-SA 4.0 license

Testing criteria:

a) If the significance value is < 0.05 → the hypothesis is accepted
b) If the significance value is > 0.05 → the hypothesis is rejected

RESULTS AND DISCUSSION

A. Validity Test

Table 1: Results
Test of the Business Competition Level Variable (X)

Item	Calculated r	Description
X1	0.699	Valid
X2	0.644	Valid
X3	0.773	Valid
X4	0.731	Valid
X5	0.714	Valid
X6	0.769	Valid
X7	0.423	Valid
X8	0.691	Valid
X9	0.686	Valid
X10	0.697	Valid

Source: IBM SPSS data analysis results.

Based on the validity test results, all items in variable X (X1–X10) had correlation coefficients with the total score ranging from 0.423 to 0.773, with all p-values at 0.000 (<0.05). The highest correlation value was found in item X3 at 0.773, while the lowest was found in item X7 at 0.423. Thus, all statement items in variable X are deemed valid and suitable for use as a research instrument.

Table 2: Results
Test of the Customer Satisfaction (Y)

Item	Calculated r	Description
Y1	0.743	Valid
Y2	0.769	Valid
Y3	0.868	Valid
Y4	0.788	Valid
Y5	0.821	Valid
Y6	0.827	Valid
Y7	0.878	Valid
Y8	0.840	Valid

Source: IBM SPSS data analysis results.

The validity test results for variable Y indicate that all statement items (Y1–Y8) have correlation coefficients with the total score ranging from 0.743 to 0.878, with all p-values at 0.000 (<0.05). The highest correlation value was obtained for item Y7 at 0.878, while the lowest value was found for item Y1 at 0.743. Therefore, all items in variable Y are deemed valid and can be used in the study.

B. Reliability Test

Table 3: Results
Reliability Test

Variable	Cronbach's Alpha	Description
Level of Business Competition (X)	0.872	Reliable
Customer Satisfaction (Y)	0.928	Highly reliable

This is an open access article under the CC BY-NC-SA 4.0 license

Source: IBM SPSS data analysis results.

The test results show that variable X obtained a Cronbach's Alpha value of 0.872 with a total of 10 items. Meanwhile, variable Y obtained a Cronbach's Alpha value of 0.928 with a total of 8 items. Since both Cronbach's Alpha values are greater than 0.70, the entire research instrument is deemed reliable, meaning it has a good level of consistency and is suitable for use in the data collection process.

C. Simple Linear Regression Analysis

Table 4: Results
Model Summary

R	R^2	Adjusted R^2
0.770	0.593	0.586

Source: IBM SPSS data analysis results.

The analysis results show an R value of 0.770, indicating that the relationship between variable X and variable Y falls into the "strong" category. The R-squared value of 0.593 indicates that variable X explains 59.3% of the variation in variable Y, while the remaining 40.7% is explained by other factors outside the research model. The adjusted R-squared value of 0.586 indicates that, after adjusting for sample size and variables, the model's ability to explain the dependent variable remains in the "good" category.

Table 5: Results
ANOVA / F-Test

Model	F	Sig
Regression	88.810	0.000

Source: IBM SPSS data analysis results.

Based on the analysis results, the calculated F-value was 88.810 with a significance level of 0.000. Since the significance level is less than 0.05, the regression model is deemed suitable (a good fit) for explaining the relationship between variable X and variable Y. This indicates that the regression model is statistically capable of explaining the effect of the independent variable on the dependent variable.

Table 6: Results
Coefficients

Variable	B	T	Sig
Constant	5.383	1.871	0.066
X	0.688	9.424	0.000

Source: IBM SPSS data analysis results.

The results of the analysis show that variable X has a regression coefficient (B) of 0.688, a calculated t-value of 9.424, and a significance level of 0.000. Since the significance value is less than 0.05, variable X is proven to have a positive and significant effect on variable Y. This indicates that as the value of variable X increases, the value of variable Y will also increase significantly.

Regression Equation

$$Y = 5.383 + 0.688X$$

Interpretation:

1. The constant of 5.383 represents the value of Y when X is 0.
2. For every 1-unit increase in variable X, variable Y will increase by 0.688 units.

This is an open access article under the CC BY-NC-SA 4.0 license

Table 7: Results
Hypothesis Testing

Hypothesis	t-Value	Sig.	Decision
H_1: Variable X has an effect on Variable Y	9.424	0.000	H_0: is rejected, H_1: is accepted

Source: IBM SPSS data analysis results.

Based on the t-test results, the calculated t-value was 9.424 with a significance level of 0.000. Since this significance level is less than 0.05, H_0 is rejected and H_1 is accepted. Thus, variable X is proven to have a positive and significant effect on variable Y.

CONCLUSION

Based on the results of this study, it can be concluded that the level of business competition has a positive effect on customer satisfaction at street coffee businesses in Cirebon City. The better business owners are able to manage competition through competitive pricing, product quality, service quality, strategic location, and product innovation, the higher the level of customer satisfaction.

Therefore, it is important for street coffee business owners to implement effective competitive strategies to maintain customer satisfaction and support business growth.

BIBLIOGRAPHY

Aristo, E., & Keni, K. (2023). Studi mengenai faktor-faktor yang memengaruhi kepuasan pelanggan coffee shop di Jakarta. *Jurnal Manajemen Bisnis Dan Kewirausahaan*, *7*(6), 1268–1280.

Harris, L. C., Kotler, P., Armstrong, G., & He, H. (2020). *Principles of marketing*. Pearson.

Maharani, C. S., Amir, I. T., & Wijayati, P. D. (2024). Pengaruh citra merek, promosi, dan kualitas produk terhadap kepuasan konsumen pada produk UMKM Bumbu Rujak Manis Cak Mimin. *Jurnal Ilmiah Respati*, *15*(1), 94–115.

Malini, H. (2021). Gaya konsumsi dan perilaku konsumen generasi Z di warung kopi. *Prosiding Seminar Nasional SATIESP*, *2020*, 34–44.

Maulidah, I., Widodo, J., & Zulianto, M. (2019). Pengaruh kualitas produk dan kualitas pelayanan terhadap kepuasan konsumen di rumah makan ayam goreng nelongso jember. *JURNAL PENDIDIKAN EKONOMI: Jurnal Ilmiah Ilmu Pendidikan, Ilmu Ekonomi Dan Ilmu Sosial*, *13*(1), 26–29.

Rooroh, C., Moniharapon, S., & Loindong, S. (2020). Pengaruh suasana cafe, kualitas pelayanan dan harga terhadap kepuasan pelanggan (Studi Pada Cafe Casa De Wanea Manado). *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, *8*(4), 130–139.

Salsabillah, A. R., Bahari, H. K., & Mustikasari, F. (2024). Product Quality, Service Quality, Price, and Location Influence Towards Coffee Shop Customer's Satisfaction. *Manag. Stud. Entrep. J*, *5*(1).

Teguh, M., Herdono, I., Ardaneshwari, E. J., Faradina, R., Marzuki, A. R. A., Sasongko, J. C. S., Putra, A. M. I., Pradika, M. F., & Prakoso, A. H. D. (2025). *Komunikasi*

This is an open access article under the CC BY-NC-SA 4.0 license

Dan Konteks Sosial: Perspektif Baru Dalam Era Kontemporer. Penerbit Widina.

Tulungen, V., Katnagho, T., & Loho, A. (2019). Tingkat Kepuasan Konsumen What's Up Cafe Manado. *Agri-SosioEkonomi Unsrat*, *15*(3), 433–442.

Yuliani, V. A., & Riadi, I. (2019). Forensic analysis whatsapp mobile application on android-based smartphones using national institute of standard and technology (nist) framework. *International Journal of Cyber-Security and Digital Forensics*, *8*(3), 223–231.

This is an open access article under the CC BY-NC-SA 4.0 license