# Espresso Yourself: Are You A Coffeeholic? A Study of Customers Satisfaction on Costa Coffee in Malaysia

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# ABSTRACT

Bringing to you London's favorite coffee in Malaysia! The story began when the Costa brothers, Sergio and Bruno, decided to make a great cup of coffee as a part of everyday life in London. The impact of Covid- 19 has affected the entire world and the reliance on Costa Coffee apps has been doubled. Hence, the objective of this research paper is to study the satisfaction levels of customers from purchasing an espresso in the well- known cafe store, Costa Coffee. This study also aims to examine which factors that affect the customers' satisfaction to snap up a specialty hand- crafted brew on Costa Coffee in Malaysia. Thus, the researchers also collected the data using a structured questionnaire survey and a sample of 150 Costa Coffee's customers from Malaysia. The findings show that product quality, service quality, purchase intention and strategic location affecting the customers' satisfaction of Costa Coffee. Overall, the data and results illustrates new insights and the claims of Costa Coffee regarding customers' satisfaction that can help the company's performance in the future.

Keywords:	Costa	Coffee,	Espresso,
Malaysia,	Product	Quality,	Purchase
Intention,	Service	Quality,	Strategic
Location		-	-

#### INTRODUCTION

Coffee is one of the most popular beverages in the world. In Malaysia, coffee has become a popular beverage that has been part of their lives for decades among, youngsters and adults in Malaysia. Malaysia is expected to consume roughly eight hundred thousand, which stated 60-kg bags of coffee in 2022 (Statista, 2022). Costa Coffee is a well-known coffee brand in Malaysia. Six locations of the coffee chain exist in Malaysia. They are located at Cyberjaya's Sunway Pyramid, Bangsar Shopping Center, Nu, Q, Menara Allianz Sentral, and Menara MCMC buildings.

Did you know about Costa Coffee's history? Costa Coffee's story is unique just like their coffee. Costa Coffee began almost 45 years ago with two brothers and just one dream. Sergio and Bruno, the Costa brothers, determined to make a great cup of coffee a regular occurrence in London. Along with the rise in demand for their coffee in 1978, their location relocated. The brothers relocated to South London and built a brand-new roastery there on a sizable plot of grassland. The new building on Old Paradise Street in Lambeth housed the Costa Coffee roastery until 2017. Sergio and Bruno produced their own blend from this location and provided some of the most prestigious businesses in the city with it. After blind-testing 112 different bean varietals, they finally settled on Costa's characteristic mix, Mocha Italia, and opened a little roastery committed to making the highest quality coffee. From the 1970s to the new century, Costa's reputation for artisan quality coffee significantly increased, and it has been named the UK's finest coffee shop. The Costa family then spread out around the globe. Currently, there are 10.000 Smart Cafe machines available worldwide and over 4000 Costa Coffee locations in 32 markets. Gapurna Permai Sdn Bhd (GPSB), the designated master franchisee of Costa Coffee outlets in Malaysia, released Costa Coffee stores to the Malaysian public in March 2018 after the heads of terms agreement between Costa Coffee PLC and GPSB was finalized. The second-largest coffee shop in the world. Costa Coffee, has partnered with Shell Malaysia to roll out self-service coffee machines at 200 Shell select sites nationwide by July 2018. One of the earliest markets to provide iced beverages from vending machines was Malaysia.

Costa Coffee Cafe has a uniqueness that affects customers' loyalty and satisfaction since we can enjoy our favorite handcrafted beverages whenever we want and they also apply a self-collect method where you can decide when you want to have your coffee and where you want to pick it up. Costa Coffee has menu items like Classics, Contemporary Cappuccino, Speciality Latte, Mocha Family, Chocolate & More, Frostino, Refreshers, and Tea Specialties in Malaysia. Therefore, Costa Coffee has hot food, sandwiches, pastries, cakes, and muffins. Coffee fans may expect to enjoy their favorite coffee, tea, and iced drinks, as well as a delectable food selection with pastries, sandwiches, sweet snacks, and more. However, the COVID-19 outbreak was declared a pandemic on March 11, 2020. As a result, Costa Coffee is taking the spread of COVID-19 in Malaysia seriously by minimizing the virus's spread. Loyal customers who want coffee can order it through their apps, and the number of people who use Costa Coffee in Malaysia will be elaborated in this study.

## LITERATURE REVIEW

## **Customer Satisfaction**

Customer satisfaction with a company's products or services is commonly seen as the cornerstone of its success and long-term competitiveness, according to Hennig-Thurau and Klee (1997). In particular, the knowledge that comes directly from the client, is what contributes to customer satisfaction (Aghamirian, Dorri, & Aghamirian, 2015). Aghamirian et al. (2015); Desouza and Awazu (2005) state that the knowledge from the consumer is regarding products, suppliers, and marketplaces as well as customer trends and future demands, and ideas for product innovation. Today's consumers have a wide

range of desires and are steadily increasing their demands for goods and services of greater guality. However, most of the time, customers' priorities differ significantly from what companies think they are (Quinn & Humble, 1993). In general, "guality" is defined as "meeting client criteria" (Ghobadian, Speller, & Jones, 1994). Today, rather than being a means of competition, customers' expectations of quality are the fundamental core product. According to Drucker (2005), any organization's principal objective is to add value for its customers. If we want to perform exceptionally, we must serve the customer in novel ways to entice them, keep them satisfied, and keep them coming back (Hax & Wilde, 2003). Customers are content, above and beyond the caliber of the service. It includes value judgment and comparison to initial expectations of the type of service that ought to be provided; often, it is based on an overall comparison between the perceived value of customers and the price that is expected of them (Rust & Zahorik, 1993). Organizations that prioritize customer value look outside at customers and consider ways for customers to become more responsive to their requirements (Woodruff, 1997). When demands are addressed while simultaneously giving the customer value, customer loyalty, and satisfaction rise (Gronholdt, Martensen, & Kristensen, 2000).

## Product Quality

Any business that wants to add value for its customers must prioritize product quality. Both tangible and intangible products, such as packaging, brand recognition, and performance quality, as well as intangibles like service qualities and service characteristics, are included in this. Customer satisfaction and value are thus linked to a product's quality, which has a big impact on how well the service or product works (Kotler & Armstrong, 2012). But according to Rust, Moorman, and Dickson (2002), the term "product quality" has received so much attention from academics and practitioners that it has gotten so overused that it is challenging to understand what it actually means. Additionally, product quality is an ongoing process of improvement that raises manufacturing efficiency and plays a vital role in assessing consumer happiness. Before making any purchases, customers are aware of the products' pricing, quality, and style (Saleem, Ghafar, Ibrahim, Yousuf, & Ahmed, 2015). A strategy to increase an organization's overall competitiveness is total quality management (TQM). The objective is to continuously enhance performance to meet client demands (Sinclair & Zairi, 1995). In fact, Costa Coffee has implemented high- caliber of product quality to expand its business globally, including producing products that are all clean and fresh, providing a variety of choices of food and beverages that meets customers' needs, and using an excellent sustainable ingredient that are considered as advantages to customers' satisfaction.

**H1:** Product quality has a positive effect on customer satisfaction in purchasing Costa Coffee products in Malaysia.

## Service Quality

Contrasting customer views and expectations regarding the service is referred to as service quality. Thus, a person's assessment of the online service, considering its dependability, responsiveness, assurance, customisation, and message types, determines the service quality. Thus, when businesses attempt to evaluate client interactions, service quality is one of the most crucial factors. According to Parasuraman (1988), service quality is a viewpoint that consumers have regarding the services available at a particular time. Service expectations, services received or perceived by customers, and perceived results are some of the elements that influence service quality. Brady and Cronin (2001) use the Multi-Model to evaluate the three elements of service quality: interaction quality, physical environment quality, and result quality. Also, customer interactions and service quality matter the most in coffee shops. Before a customer accepts a service, they have expectations and a perspective of the quality of the service (Zhang, Tang, Liu, & Xiong, 2020). In other words, the actual service is subtracted from the projected service to determine the service quality. Businesses focus on enhancing service quality, product quality, and product processing to better

understand what customers expect from them (Zarei, Nuri, & Noroozi, 2019). Given these results, the following hypothesis is put out for the current study: **H2:** Service quality has positive effects on customer satisfaction in purchasing Costa Coffee products in Malaysia.

#### Purchase Intention

The likelihood that a buyer will acquire a good or service is commonly characterized as purchase intention, also known as the willingness to buy (Dodd & Supa, 2011). Therefore, Purchase intent is an essential sign of consumer purchasing behaviour and affects purchase choices (Morwitz, 2014). Peña-García, Gil-Saura, Rodríguez-Oreiuela, and Sigueira-Junior (2020) assert that the educational process and a mindset that promotes awareness are what lead to purchasing intent. A form of decision called purchase intent looks at why consumers choose a certain brand (Barber, Bishop, Goodman, & Kuo, 2012). The increase in the company's sales and market share is significantly influenced by consumer purchases as well. Additionally, it is described as a person's deliberate choice to make an attempt to buy a particular brand (Spears & Singh, 2004). The company has also provided products that are the primary driving force in the company's strategy of attracting and gathering more customers, resulting in profitable results. The psychological idea of purchasing intention is utilized frequently in behavioral research. Additionally, buying intention is a crucial predictor of the actual purchasing decision and is described as a consumer's behavioral predisposition to buy a product (Monroe & Krishnan, 1985). More evidence for this argument comes from Li, Davies. Edwards, Kinman, and Duan (2002), who asserted that purchase intention is a popular metric used to evaluate the effectiveness of purchasing behaviour. The Costa Coffee company attempted to produce products with a variety of special products that were distinct from the products of other companies, and provided special discounts on certain days. Hence, purchase intention is determined as the probability of customers purchasing products in this research.

**H3:** Purchase intention has positive effects on customer satisfaction in purchasing Costa Coffee products in Malaysia.

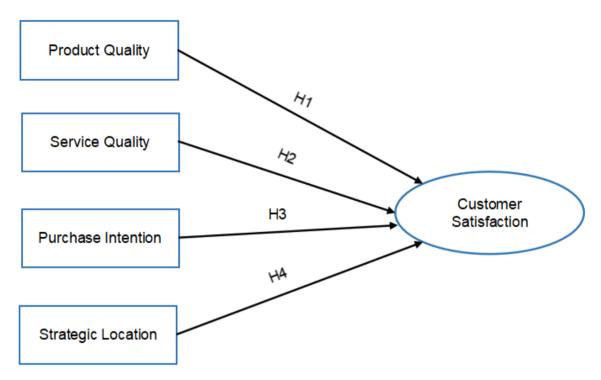
#### Strategic Location

The location of one's firm must be carefully considered. It will make it simpler for customers to visit the coffee shop, and it is a consideration that customers take into account before selecting whether or not to buy the goods (Ariyanti & Fachrodji, 2021). In addition, variables in this study included dimensions such as (1) Access to indicators: Traffic and warehousing; (2) Visibility with indicators: Station, Airport, Port; (3) Expansion with indicators: Environment, Competence, Close to Other Facilities; and (4) Government Regulations with indicators: Licensing and Regulation. Given that production and consumption are intertwined, the concept of location is crucial to supporting the organizations. A bus stop, a railway station, or the ease of a ride to a coffee shop are alternate possibilities (Farachiyah, Caesariyanti, Octora, & Arubusman, 2020). Additionally, location is a distribution channel that a company or brand uses to reach its customers, according to Shobirin (2016). According to a different perspective, Sihombing (2014) argues that a business's location is what draws customers in, and a desirable location is crucial to the long-term viability of a company. Sihombing breaks down the site into 4 categories: access, visibility, parking lots, and traffic. Therefore, it has given Costa's shop the advantages since the store branch is located in a very strategic area, eg petrol pump.

**H4:** Strategic location has positive effects on customer satisfaction in purchasing Costa Coffee products in Malaysia.

Figure 1 shows the framework of our research.

Figure 1. The Research Framework



#### **RESEARCH METHOD**

## Sample and Procedure

The study objective is to investigate factors which are product quality, service quality, purchase intention, and strategic location of a specialty coffee shop, Costa Coffee, which has an impact on client satisfaction. Therefore, when selecting a methodology for their research, researchers must strike a balance between theoretical aspirations and real-world limitations. There isn't a single best way to do research; instead, the technique must be chosen to suit the specifics of the study (Babbie, 2015). The primary goal of a descriptive research approach is to characterize the traits and specifics of the population, including who, what, when, where, and how (Yin, 2013). To investigate customer satisfaction and its connections to the elements included in the conceptual framework, it is advised that quantitative primary and secondary data be collected utilizing survey questionnaires using the Google Forms platform.

A standard 5-point Likert scale is employed to gauge contentment (McMullan, 2005). A 5-point Likert scale measuring responses was used, with 1 (strongly disagree) to 5 (agree) (representing strongly agree). Besides, secondary data information from journals, articles, and information superhighway (Internet) were also collected to support the study. The data collected from the questionnaires will be analyzed in the IBM SPSS Software to get the results.

#### Measures

As mentioned above, there are a few sections of the survey questionnaires to collect data and information about customers' satisfaction with a well-known coffee store, Costa Coffee. This survey used a simple random sampling, and the targeted respondents were set to 150. Section A of the survey questionnaire consists of questions on Demographic Information. In this section, the researchers use single-statement items to determine the background information of the respondent. The questionnaire for this part namely age,

gender, ethnic group, educational background, and occupation. Meanwhile, Section B is based on Customer Experience towards Costa Coffee.

Next are Independent Variables (IV) or the factors influencing customer satisfaction. The researchers created 15 questions with a five-point Likert scale to assess product quality, service quality, purchase intention, and strategic location. For instance, Section C; Customer Satisfaction on purchasing Costa Coffee products towards Product Quality, Section D; Customer Satisfaction on purchasing Costa Coffee products towards Service Quality, Section E; Customer Satisfaction on purchasing Costa Coffee products towards Service Purchase Intention; Section F; Customer Satisfaction on purchasing Costa Coffee products towards Coffee products towards Strategic Location, and Section G; Customer Satisfaction on purchasing Costa Coffee products towards Strategic Location, and Section G; Customer Satisfaction on purchasing Costa Coffee products towards Strategic Location, and Section G; Customer Satisfaction on purchasing Costa Coffee products (DV) itself.

#### RESULTS

Response	Frequency	Percentage (%)
Age		
Below 20 y/o	25	17.0
21- 30 y/o	111	74.0
31- 40 y/o	8	5.0
41- 50 y/o	3	2.0
Above 50 y/o	2	1.0
Gender		
Female	95	63.0
Male	55	37.0
Ethnicity		
Malay	128	85.0
Chinese	8	5.0
Indian	4	3.0
Indonesian	1	1.0
Others	9	6.0
Highest Education		
High School or Equivalent	17	11.0
Diploma	30	20.0
Bachelor's Degree	87	58 .0
Master Degree	7	5.0
Doctorate (e.g. Ph.D)	3	2.0
Others	6	4.0
Current Occupational		
Student	117	78.0
Government Sector	11	7.0
Private Sector	13	9.0
Unemployed	1	1.0
Others	8	5.0

**Table 1.** Summary of Respondent's Demography (N= 150)

Table 1 shows the Summary of the Repondent's Demography in this research. The sample consisted of the majority of the respondents, 111 (74%) were from Gen Z, ages 21- 30 years old, and at the same time, 25 (17%) were at the age of 20 years old and below. Then, followed by Gen X (5%), and 41- 50 years old stated only 2% and the least is 1% which was above 50 years old. The sample also consisted of 95 (63%) females and 55 (37%) males, N = 150. In terms of ethnicity, there were 128 Malay respondents (85%), which was the highest compared to the others. Meanwhile, 8 respondents were Chinese (5%), and 4 respondents (3%) were Indian. Lastly, 1 respondent was

Indonesian (1%), and the 9 respondents were from different ethnic (6%). Next, in terms of highest education, High School or Equivalent stated 17 respondents (11%), followed by Diploma 30 (20%), and the highest sample was Bachelor's Degree 87 (58%). Additionally, Master's Degree showed 7 respondents (5%), Doctorate (e.g., Ph.D.) 3 (2%), and lastly 6 (4%). In addition, in the current occupational section, the student stated the highest among 117 respondents (78%), and the unemployed stated the lowest 1 respondent (1%). Then, followed by the government sector 11 (7%), the private sector 13 (9%), and the other respondents stated an 8 (5%) value.

Variable	Frequency	Percentage (%)
How often do you drink coffee at Costa Coffee?	ricqueriey	r creentage (70)
At least once every three months	66	44.0
At least once every two months	19	12.7
At least once a month	30	20.0
Several times a week	25	16.7
Daily	10	6.7
How frequently do you purchase Costa Coffee	-	0.1
Products?		
At least once every three months	70	46.7
At least once every two months	17	11.3
At least once a month	36	24.0
Several times a week	19	12.7
Daily	8	5.3
Which of these drinks would be your choice when going		
to a Costa Coffee Shop?		
Cappuccino	58	39.0
Frappuccino	34	22.7
Espresso	29	19.3
Americano	11	7.3
Others	18	12.0

 Table 2. Summary of Customer Experience with Costa Coffee (N= 150)

The survey findings in Table 2 about how often you drink coffee in Costa Coffee measures that 66 respondents (44%) drink Costa Coffee at least once in three months, 30 respondents (20%) drink it at least once a month, 25 (16.7%) of respondents drink it several times a week, followed by 19 respondents (12.7%) drink at least once in a couple of months, and 10 (6.7%) drink the Costa Coffee daily. The sample in how frequently do you purchase Costa Coffee Products section also showed 70 respondents (46.7%) purchase at least once every three months, 36 (24%) of respondents purchase at least once a month, 19 (12.7%) of respondents purchase several times a week, 17 (11.3%) of respondents purchase at least once in every two months, followed by 8 (5.3%) out of 150 respondents purchase Costa Coffee daily. Lastly, in terms of Which of these drinks would be your choice when going to a Costa Coffee Shop, it reveals that 58 respondents (39%) would like to drink Cappuccino, 34 (22.7%) would love to drink Frappuccino, 29 respondents (19.3%) would like to drink Espresso, 11 respondents who stated a 7.3% like to drink Americano, and the other 18 respondents (12%) would like to choose other drinks when buying drinks in Costa Coffee Shop.

Table 3 below displays descriptive statistics, information on dependability, and zeroorder correlations between variables. All variables tested show strong reliability ranging from 0.80 to 0.95.

**Table 3.** Descriptive Statistics, Cronbach's Coefficients Alpha, and Zero-OrderCorrelations for All Study Variables

Variables	1	2	3	4	5
Product Quality	.915				
Service Quality	.759**	.924			
Purchase Intention	.712**	.722**	.843		
Strategic Location	.707**	.737**	.600**	.919	
Customers' Satisfaction	.758**	.740**	.702**	.694**	.909
Number of Items	3	3	3	3	3
Mean	4.18	4.3	4.04	4.42	4.25
Standard Deviation	.88	.821	.953	.808	.847

*Note:* N=150; \*p<.05, \*\*p<.01, \*\*\*p<.001. The diagonal entries represent Cronbach's coefficients alpha.

The survey comprises 150 Costa Coffee's customers related to the factors influencing customers' satisfaction. The scale's four elements (Independent Variables) are Product Quality, Service Quality, Purchase Intention, and Strategic Location. Pearson Correlation Analysis is utilized to detect the relationship among the variables. Displayed in Table 3 is that all factors persevere are greater than 0.9 except for Purchase Intention. All four variables were tested by Cronbach Alpha which showed internal of 0.915, 0.924, 0.843, and 0.919. The results perfectly indicate that the items for all four independent variables are reliable and considered a high consistency based on Raharjo (as cited in Yusof et al., 2023), the Cronbach's Alpha value of > 0.6, the questionnaire is declared reliable or consistent.

#### Table 4. Regression Analysis

Variables	Customer Satisfaction
Product Quality	.313***
Service Quality	.206
Purchase Intention	.216
Strategic Location	.192
R <sup>2</sup>	.674
F Value	75.109
Durbin-Watson Statistic	2.080

Note: N = 150; \*p < .05, \*\*p < .01, \*\*\*p < .001.

Table 4 presents the summary of the regression analysis. As detailed in the table, customer satisfaction is the dependent variable, while product quality, service quality, purchase intention, and strategic location will be the independent variable. The hypothesis developed were assessed using regression analysis. The output indicated that product quality has positively related to customer satisfaction. As a result, H1 is proven. The R<sup>2</sup> value of the output is 0.674. It shows that 67.40% of customer satisfaction changes are affected by product quality. Thus, product quality shows a beta value of 0.313, the only factor impacting the dependent variable. On the contrary, service quality, purchase intention, and strategic location show an insignificant effect on customer satisfaction. Hence, H2, H3, and H4 are not supported.

## DISCUSSION

## Product Quality

This research has revealed that product quality has a positive relationship and become the most dominant factor influencing customer satisfaction with Costa Coffee products. From customers' point of view, product qualities are essential for their repurchasing intention. Hence, Costa Coffee shop gives high-quality products so that their customers

feel satisfied when they drink specialty hand-crafted beverages in Costa Coffee. Costa Coffee is a coffee shop with operations worldwide. Hence it is well-known everywhere. It also shows that the company offers a broad range of goods that vary depending on the norms and specifications of the numerous countries in which it does business. Costa competes in a sizable market and has been successful in part due to the variety of product designs it offers. The differentiation strategy allows the company to create products that are suitable for a variety of customers. Since Costa Coffee uses a pull strategy to draw in more consumers and gain their favor, it is the main component of the company's business plan. Coffee, the company's main offering, is meant to provide customers with memorable moments. Along with Coca-Cola, a canned coffee version was introduced for retail chain stores.

From the results, as seen in the table, the Cronbach Value for Product Quality is 0.313. Therefore, it can be concluded that the variable itself is reliable. As we all know, product quality in a well-known cafe store such as Costa Coffee can be crucial in improving and increasing customer satisfaction. According to Brady and Cronin (2001), they advised that future studies should incorporate some evaluation of the quality of the items, highlighting the importance of product quality in customers' decision-making process after examining 32 studies of the service business. The final result is strong product quality, which leads to good loyalty, retention, and most importantly, the satisfaction of one's customer. Therefore, H1 is accepted.

#### Service Quality

From the study above, the research has revealed that service quality does not influence customers' satisfaction on Costa Coffee. The level of service provided by specialty coffee shops is crucial, particularly the interaction between baristas and clients. Service quality is one of the most crucial factors when businesses attempt to evaluate client interactions. The level of service provided by Costa Coffee and client satisfaction are not positively associated. The study found a clear correlation between service quality and customer happiness as two fundamental ideas in marketing theory and practice (Spreng & Mackoy, 1996). This is because meeting client expectations can be difficult, especially for businesses or organizations with a large customer base, and it is impossible to completely avoid discrepancies between perceptions and expectations. Therefore, we can see from the results the Cronbach Value for service quality is 0.206, and not significant with customer satisfaction. The service quality of this handcrafted coffee shop also can be important in improving and increasing customer satisfaction. A possible explanation for this study could be due to the inconsistent findings between service quality and customer satisfaction or the limited sample size from the online survey itself. As such, based on the survey, since the majority of respondents are from Gen Z, they prefer to use online apps rather than go to the physical store to fulfill their expectations while purchasing Costa's products. Hence, it can be concluded that the independent variable is not reliable, and this H2 was rejected.

#### **Purchase Intention**

This research has found that purchase intention does not influence the customers' satisfaction. As we all know, purchase intent is an important predictor of customer buying behavior and links to purchasing decisions. According to Garcia, purchasing intent is described as a result of knowledge and a mindset that fosters awareness (Peña-García et al., 2020). According to the study, consumers typically decide whether to make a purchase after determining whether their prior usage of a product has been positive (Prebensen, Woo, & Uysal, 2014; Ali, Ryu, & Hussain, 2016). As a result, customer happiness gives the business its competitive edge (Oliver, 1999). Meanwhile, it is important to understand clients' buying intentions because these intentions frequently show through their behavior (Bai, Law, & Wen, 2008). Unfortunately, according to Table 4, the Cronbach Value for this independent variable is 0.216. Therefore, it can be concluded that the variable is not reliable and not significant. A possible explanation for this problem could be due to price, trust, time savings, and convenience are just a few

of the crucial elements that can influence a decision while making a purchase. Lack of consumer purchase intent could lead to serious issues because that particular person could impact how other loyal or satisfied consumers will behave (Ma, Zhang, Ding, & Wang, 2021). For instance, people would think that Costa Coffee is the cheapest brand among other coffee shops in Malaysia, but it is wrong. Based on the survey, the majority of customers are students. Thus thrifty behavior is required. Additionally, Costa is indeed a genius at pricing. Thus, even though the price shown behind the counter is reasonable, it would be a bit pricey for a group of respondents in the online survey, and they would only buy the products during promotions (e.g., buy 1 free 1). Hence, it can be concluded that the independent variable is invalid, and this H3 was rejected.

## **Strategic Location**

From the study above, this research has revealed that strategic location does not influence customer's satisfaction. Customers must find it easy to travel to the store and buy the goods offered by the business. Tjiptono (2005) defines a strategic site as a location where businesses are active or engage in activities to produce goods and services that are focused on economic segmentation. From the results, as seen in the table, the Cronbach Value for Strategic Location is 0.192. Therefore, it can be concluded that the variable itself is not drastically reliable and significant. According to the responders, one reason for this issue could be that there is no parking for customers at the Costa Coffee shops and branches, making it improper for customers to stop by. Customers' intentions may change if there is no parking lot despite the shop's handy location. For instance, Costa Coffee's coffee shops built in a hectic atmosphere of petrol pump stations make customers hard to drop over. Besides that, some Costa Coffee cafe shops are located in the middle of the city, making the respondents, especially older people, resist purchasing the products. According to a study by Akpoyomare, Dorri, and Aghamirian (2014), choosing a location for a business is crucial because consumers primarily consider location when selecting a store or service provider. Therefore, it can be concluded that strategic location does not significantly affect customer satisfaction, and the H4 was rejected.

## CONCLUSION

In conclusion, Costa Coffee's study has provided a significant positive effect of product quality on customer satisfaction as most of the loyal Costa Coffee customers in Malaysia. Our findings indicate that most respondents are devoted customers who have been purchasing Costa Coffee's products for over a year. Additionally, most of them are eager to suggest Costa Coffee's products to family and friends and want to repurchase the products in the future because retaining current customers is more straightforward and less expensive than attracting new ones. Customer satisfaction must be preserved and increased. Furthermore, customers who are pleased with all products plan to repurchase and try a variety of other goods. This is due to their expectation that the product will be delivered in the same form as it was displayed in the Costa Coffee application. The majority of Costa Coffee's customers are equally pleased with the product's quality, price, and courier fee, which are all reasonable. Costa Coffee has high-guality drinks and food on its application. Costa Coffee is undeniably capable of attracting customer attention, as evidenced by higher satisfaction for all responses from a sample of 150 Costa Coffee customers in Malaysia, and Costa Coffee positively impacted the country and their customers. This can be shown by the fact that Costa Coffee consistently ensures that they achieve and meet the demands, expectations, and satisfaction of customers in order to maintain their business performance in the future or to increase the number of Costa Coffee companies in all states in Malaysia by providing famous coffee drinks.

## LIMITATION

Nevertheless, there are some restrictions during this research. However, the most common limitation of this research is the number of respondents. We only were able to get 150 respondents from the survey. This is because we only use social media platforms such as WhatsApp, Instagram, and Telegram to distribute the survey by using the Google form. The data we get from the 150 respondents may be inaccurate because most of them are University students (Gen Z), which limits its generalization, and they do not have much experience in drinking and purchasing Costa Coffee products. As of this constraint, it is possible that our responses may not reflect the entire Costa Coffee's customer population. Thus, future research should concentrate more on distributing questionnaires to various age groups. Furthermore, the second limitation of this study only focuses solely on Malaysia, which has become the target country, and analyzes the characteristics that influence consumer satisfaction. As a result, the overall findings could not provide enough information. Next, this study only focuses on the factors influencing customer satisfaction towards Costa Coffee shops, such as product quality, service quality, purchase intention, and strategic location. Additionally, one of the research's constraints is the lack of information. We have limited access to better understand Malaysian customers' satisfaction with Costa Coffee.

Therefore, for future research, they should increase the number of targeted respondents in order to get the most precise data. Also, expand the scope of study to the global in order to get feedback from the various types of people across the globe. Finally, the future study should research the other factors that may influence customer satisfaction, and future study should include other variables, such as conducting interviews with the management of Costa Coffee's companies in Malaysia to improve results and use our findings as a foundation for examining consumers' perceptions.

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N/A

# DECLARATION OF CONFLICTING INTERESTS

The authors declare that there is no conflict of interest

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