From Menu to Memory: Enhancing Repurchase Intentions through Menu Variety and Customer Experience

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Abstract:
The purpose of this research is to analyze the impact of menu variety and customer experience on repurchase intention, mediated by customer satisfaction in the café industry. The sample consists of 278 respondents who are customers of 10 retail café brands in Jakarta. The study uses snowball sampling as its sampling method. The data analysis combines quantitative and descriptive techniques. The Structural Equation Model (SEM) is utilized for quantitative analysis with LISREL software. The results show that menu variety and customer experience have a direct impact on customer satisfaction. Additionally, customer satisfaction serves as a mediator between menu variety and customer experience in relation to repurchase intention. This study provides valuable insights for café business practitioners to enhance menu variety and improve customer experience in order to increase satisfaction and encourage repurchase intention.

Keywords: Menu Variety, Customer Experience, Customer Satisfaction, and Repurchase Intention.

1. Introduction

Nowdays, the food and beverage industry is growing rapidly, as evidenced by the increasing number of restaurants, cafés, and various other culinary businesses. This growth is driven by changes in people's lifestyles, which increasingly prioritize convenience and practicality in food consumption. However, amid the rapid business growth, competition among entrepreneurs is also becoming more intense. Every culinary business must be able to attract customers' attention and maintain their loyalty to survive and grow in this dynamic industry.

Maintaining customer loyalty is a major challenge for culinary business owners. Customers today have many dining options, each with its own concept and advantages. If a business fails to meet customer expectations, they can easily switch to competitors. Therefore, the right strategy is needed to retain customers so that they continue to return and make repeat purchases. One strategy that can be implemented is to provide a satisfying experience for customers, both in terms of products and services. A good experience will create a positive impression in customers' minds, ultimately increasing their intention to return and make a purchase.

Menu variety is one of the key elements in building customer satisfaction. A diverse menu provides customers with more choices to matchs to their preferences, dietary needs, or lifestyles. Therefore, the variety of menu offerings in a culinary business can be an attractive factor for customers. According to Kotler & Keller (2016), the variety of menus offered not only increases business appeal but also provides a more positive experience for customers. Customers who feel that their needs and desires are met tend to have higher levels of satisfaction, which ultimately increases their intention to repurchase.

Besides menu variety, customer experience is a crucial factor in shaping customer satisfaction. Customer experience not only includes product quality but also involves customer interactions with the provided service, the dining atmosphere, and the overall impression they get during their visit. According to Pine & Gilmor (1998), a memorable experience can create an emotional bond with customers, contributing to satisfaction. Customers who have a pleasant experience while consuming a product are more likely to remember and return in the future. Conversely, an unpleasant experience may deter customers from returning and even lead them to switch to competitors.

Customer satisfaction itself plays a mediator role between menu variety, customer experience, and repurchase intention. Customers who are satisfied with the menu variety and the experiences they receive

tend to have a higher intention to repurchase. Therefore, culinary business owners need to understand that creating customer satisfaction is not just about serving delicious food but also about providing a comprehensive and memorable experience.

Based on this explanation, this study aims to analyze the influence of menu variety and customer experience on repurchase intention through customer satisfaction. By understanding the relationships between these factors, it is expected that the research findings can provide valuable insights for café owners and managements in formulating more effective strategies to enhance customer satisfaction and retain customers in the long run. Additionally, this study can serve as a reference for academics and business practitioners in developing marketing concepts that are more customer experience-oriented.

2. Theoretical Review
2.1 Menu Variety
According to Kotler & Keller (2016), menu variety refers to the diversity of food and beverage choices offered to meet the diverse preferences of customers. Ryu & Han (2010) state that menu variety provides added value to customers as they have more options that suit their tastes and needs. This means that when a restaurant designs a well-structured menu with a diverse selection of food, it can enhance customer satisfaction, as they have more choices that align with their preferences and needs. This is also in line with the research by Kim et al., (2009) and Wu & Liang (2009), which state that providing a menu that match to the specific needs and preferences of customers can increase satisfaction levels.

Restaurants with a diverse menu can also attract customers to return. This is due to the fact that customers are more inclined to make repeat purchases at restaurants that consistently offer menu variations that align with their preferences and needs [3]. A diverse menu also creates opportunities to reach a broader market segment, including customers with specific preferences such as vegetarian, vegan, or gluten-free food. Moreover, presenting a diverse menu in a creative way can be an effective marketing strategy to attract new customers and keep current ones loyal.

H_1: Menu variety has a positive and significant effect on customer satisfaction.
H_4: Menu variety has a positive and significant effect on repurchase intention through customer satisfaction.

2.2 Customer Experience
Customer experience is the overall perception and feelings that customers develop about a product or service after interacting with a business [6]. Customer experience involves interactions that create meaningful memories, which can strengthen customer loyalty toward a particular brand or service [2].

Several factors can enhance customer experience, such as Sense, Feel, Think, Act, Relate [7] and Customer Subjectivity, Customer Directedness, Customer Multidimensional [8]. Meanwhile, according to Reece et al., (1999), a combination of food quality, friendly service, and a pleasant atmosphere can create a satisfying dining experience.

According to Pine & Gilmore (1998), customer experience focuses on creating memorable moments that can enhance customer loyalty and satisfaction. Meanwhile, Hennig-thurau et al., (2002) revealed that a positive customer experience can foster long-term loyalty and motivate customers to make repeat purchases. This means that when a business can provide a good customer experience, it not only increases customer satisfaction but also builds loyalty that encourages repeat purchases.

H_2: Customer experience has a positive and significant effect on customer satisfaction.
H_5: Customer experience has a positive and significant effect on repurchase intention through customer satisfaction.

2.3 Customer Satisfaction
In the food and beverage industry, menu variety and customer experience are major factors contributing to the level of customer satisfaction. According to Kotler & Keller (2016), Customer satisfaction is the feeling of happiness or unhappiness that occurs from comparing the results to their expectations. This means that customer satisfaction is the level of positive or negative feelings experienced by customers after using a product or service. Customer satisfaction is a key factor in maintaining and expanding business relationships as it can influence repurchase intentions and customer loyalty (Kotler & Keller, 2016)). According to Kotler & Amstrong (2012), customer satisfaction is achieved when the product or service received meets or exceeds customer expectations.

Research by Anderson et al., (1994) states that customer satisfaction has a significant positive relationship with repurchase intentions, where satisfied customers are more likely to return and purchase products or services from the same company.

H$_3$: Customer satisfaction has a positive and significant effect on repurchase intention.

2.4 Repurchase Intention

Repurchase intention refers to the tendency or plan of customers to purchase again the product or service they have previously tried. According to Han & Ryu (2009), repurchase intention is the likelihood of purchasing a product or service again. Repurchase intention is considered as a major measure of customer loyalty and is critical in sustaining long-term connections between customers and businesses [14].

Research by Anderson & Sullivan (1993) reveals that customer satisfaction plays a crucial role in influencing the decision to buy the same product again in the future. Repurchase intention can also be influenced by emotional factors resulting from customer interactions with the company. Hennig-thurau et al., (2002) state that positive emotional experiences during the purchasing process can enhance repurchase intention. Customers who feel valued or receive special attention from a company are more likely to return to purchase the product or service again.

Figure 1: Research Model

3. Method

This study was carried out on 10 retail café brands located in Jakarta, targeting café customers as the population. The researcher used the snowball sampling method for data collection by distributing a questionnaire that had been verified for validity and reliability. In this technique, a few initial participants are selected and asked to refer others, gradually expanding the sample size. As a result, the questionnaire gathered responses from a total of 278 participants.

The menu variation variable was measured using flavor, texture, shape, color, and temperature [16]. The customer experience variable was measured using sense, feel, think, act, and relate [7]. The customer satisfaction variable was measured based on experience, customer expectations, and needs [17]. The repurchase intention variable was measured using repurchase and recommend others to purchase [18]

The data was analyzed using a structural equation model (SEM) with LISREL as a tool. The findings of the analysis may be observed in the Discriminant Validity of the Constructs, CFA Fit Suitability, and hypothesis testing.

4. Equations
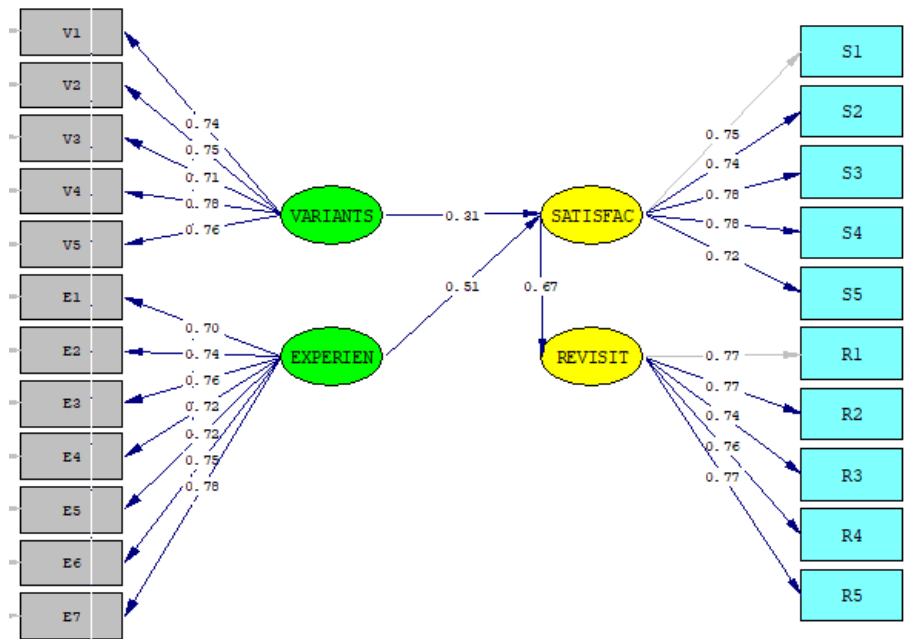
4.1 Respondent Description

4.2 Model Structure

Figure 2: SEM Full Model

Table 1: Discriminant Validity

Variable	Indikator	Standarized Loading	Error Variance	AVE ≥ 0.50	CR ≥ 0.70	*Discriminant Validity*
Menu Variant	V1	0.74	0.45	0.56	0.77	0.75
	V2	0.75	0.44			
	V3	0.71	0.49			
	V4	0.78	0.39			
	V5	0.76	0.42			
Customer Experience	E1	0.70	0.51	0.55	0.77	0.74
	E2	0.74	0.45			
	E3	0.76	0.42			
	E4	0.72	0.48			
	E5	0.72	0.48			
	E6	0.75	0.43			
	E7	0.78	0.39			
Customer Satisfaction	S1	0.75	0.43	0.57	0.78	0.76
	S2	0.74	0.45			
	S3	0.78	0.39			
	S4	0.78	0.39			
	S5	0.72	0.48			
Revisit Intention	R1	0.77	0.41	0.58	0.78	0.76
	R2	0.77	0.41			
	R3	0.74	0.45			
	R4	0.76	0.43			
	R5	0.77	0.40			

Hair et al., (2014) indicate that a research model is good if the model have a standardized loading value of ≥ 0.50, or ideally ≥ 0.70, along with AVE value of ≥ 0.50 and CR value of ≥ 0.70. Likewise, Fornell & Larcker (1981) noted that AVE and CR values are considered good when the AVE is ≥ 0.50 and the CR is ≥

0.70. As illustrated in Table 1, the model can be classified as good since all indicators of each variable have fulfilled the specified criteria.

4.3 Goodness of Fit Model

The table below lists numerous indexes that can be used to assess the viability of a model.

Table 2: Goodness of Fit Model

Absolute Fit Measure	Goodness of Fit Target	Result	Description
Statistik Chi-Square ($\chi 2$)	The chi-square statistic's probability value of ≥ 0.05 suggests that the model is good fit	0.00	not fit
Goodness of Fit Index (GFI)	The Goodness of Fit Index (GFI) has a range from 0 to 1, with values of ≥ 0.90 is good fit, and those between 0.80 and 0.90 is marginal fit	0.86	marginal fit
Root Mean square Residual (RMR)	RMR of ≤ 0.05 indicates a good fit	0.03	good fit
Root Mean Square Error of Approximation (RMSEA)	RMSEA value of ≥ 0.08 is a good fit, while values below 0.05 represent a close fit	0.06	acceptable fit
Incremental Fit Measures	**Goodness of Fit Target**	**Result**	**Description**
Normed Fit Index (NFI)	NFI value ranges between 0 - 1. An NFI value of ≥ 0.90 is a good fit, while a value between 0.80 - 0.90 is a marginal fit.	0.95	good fit
Non-Normed Fit Index (NNFI)	NNFI value ranges between 0 - 1. An NNFI value of ≥ 0.90 is a good fit, while a value between 0.80 - 0.90 is a marginal fit.	0.97	good fit
Adjusted Goodness of Fit Index (AGFI)	AGFI value ranges between 0 - 1. An AGFI value of ≥ 0.90 is a good fit, while a value between 0.80 - 0.90 is a marginal fit.	0.81	marginal fit
Relative Fit Index (RFI)	RFI value ranges between 0 - 1. An RFI value of ≥ 0.90 is a good fit, while a value between 0.80 - 0.90 is a marginal fit.	0.94	good fit
Incremental Fit Index (IFI)	IFI value ranges between 0 - 1. An IFI value of ≥ 0.90 is a good fit, while a value between 0.80 - 0.90 is a marginal fit.	0.97	good fit
Comparative Fit Index (CFI)	CFI value ranges between 0 - 1. CFI value of ≥ 0.90 is a good fit, while a value between 0.80 - 0.90 is a marginal fit	0.97	good fit
Parsimony Fit Measures	**Goodness of Fit Target**	**Result**	**Description**
Parsimony Goodness of Fit Index (PGFI)	PGFI value typically ranges from 0 to 1. A PGFI value of ≥ 0.50 is good in many cases. Higher values (e.g., PGFI > 0.80) may indicate a model with very good fit and simplicity.	0.64	fit
Parsimony Normed of Fit	PNFI value also ranges between 0	0.78	fit

Index (PNFI)	to 1. For PNFI, values between 0.60 and 0.80 are considered to indicate a good model in terms of balancing model simplicity and data fit.			

From Table 2, it can be seen that the chi-square value does not meet the fit criteria. However, other indices show good and excellent values. Hair et al., (2014) stated that the evaluation of an SEM model should not rely solely on a single index but should consider a combination of various indices. In this study, although the chi-square does not meet the fit criteria, the researcher relies on other indices with acceptable values to demonstrate that the model is still feasible for use. Hair et al., (2014) also emphasized the importance of considering the theoretical foundation of the model, where a model supported by strong theory can still be accepted despite deficiencies in some indices.

4.4 Hypothesis Test

Table 3: Hypothesis Result

Path	Estimate	T-Value	Target	Description
Menu Variety – Customer Satisfaction	0.31	5.64	1.96	Significant
Customer Experience - Customer Satisfaction	0.51	8.13	1.96	Significant
Customer Satisfaction – Repurchase Intention	0.67	9.15	1.96	Significant
Menu Variety - Customer Satisfaction - Repurchase Intention	0.21	5.26	1.96	Significant
Customer Experience - Customer Satisfaction - Repurchase Intention	0.34	6.44	1.96	Significant

4.5 Discussion

The first hypothesis, which examines the effect of menu variation on customer satisfaction, shows that menu variation has a significant impact on customer satisfaction levels. This result aligns with the studies by Kim et al., (2009) and Wu & Liang (2009), which state that offering a diverse menu to meet the needs of various market segments can directly enhance customer satisfaction. By providing a wider range of menu options, cafés can offer alternatives that align with the diverse preferences and tastes of customers, while also creating the impression that they care about customer needs. Ultimately, this contributes to increased customer satisfaction.

Second hypothesis, which examines the effect of customer experience on customer satisfaction, also shows significant results. This indicates that the experiences customers have when interacting with a product or service play a major role in determining their satisfaction levels. These findings support the study by Arviana & Syah (2022), which emphasizes that customer experience is a key element in creating customer satisfaction. A positive experience does not only depend on product and service quality but also on other factors such as sense, feel, think, act, and relate [7], all of which contribute to enhancing customer satisfaction. Therefore, a good customer experience directly contributes to increased satisfaction.

The third hypothesis examines the effect of customer satisfaction on repurchase intention. The results indicate that the satisfaction felt by customers has a significant impact on their intention to make repeat purchases in the future. The study by Anderson et al., (1994) states that customer satisfaction has a significant positive relationship with repurchase intention, as satisfied customers tend to return to products or services that have provided them with a positive experience in the past. In this context, customer satisfaction serves as a primary driving factor that motivates them to choose the same product or service in the future, forming behavioral patterns that lead to long-term loyalty.

The fourth and fifth hypothesis, which examine the effect of menu variation and customer experience on repurchase intention through customer satisfaction, also show significant results. These findings indicate that customer satisfaction can act as a mediator between menu variation and customer experience in influencing customers' intention to make repeat purchases. This is supported by the study by Namkung & Jang (2007), which states that customer satisfaction is an important factor of behavioral intention, in this study it influences customers' repurchase intention. In the context of this research, a diverse menu variety and a satisfying customer experience contribute to a higher level of satisfaction, ultimately encouraging customers to continue choosing the same service or product, even when they have many alternatives. This is because customers are satisfied with one of the menu items at the café and have had a positive experience, leading them to return to the café to try other menu options that match their preferences and relive that pleasant experience. Furthermore, Kim et al., (2021) emphasize the importance for cafés or restaurants to offer an adequate menu variety to prevent customers from switching to other places that provide more options. Therefore, a diverse menu and a positive customer experience not only directly enhance satisfaction but also encourage customers' repurchase intentions. This strategy becomes a key element for café owners and management in building profitable long-term relationships with customers.

5. Conclusion and Recommendation

Overall, the results of this study provide a valuable insight into what factors contribute to customer satisfaction and repurchase intentions. This study highlights that cafe managers should pay attention to two factors that influence satisfaction and repurchase intention which is menu variety and customer experience. To achieve high customer satisfaction, it is essential that cafes offer menu variety that matches customer preferences and needs, while at the same time providing an enjoyable experience that meets customer expectations. In this way, cafes can strengthen their relationships with customers, increase the likelihood of repeat purchases, and ultimately contribute to long-term business success and sustainability.

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