

Cirebon Annual Multidisciplinary International Conference (CAMIC 2026)

SERVICE QUALITY AND PRICING STRATEGIES FOR CUSTOMER SATISFACTION IN FOOD SERVICE BUSINESSES

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Abstract— The food service industry is experiencing intensifying competition, compelling businesses to continuously enhance service quality and adopt effective pricing strategies to improve customer satisfaction. This study aims to examine the influence of service quality and pricing strategy on customer satisfaction in the food service sector. A quantitative descriptive approach was employed, with data collected through structured questionnaires from 100 respondents selected using purposive sampling. The data were analyzed using SPSS version 27, including validity and reliability tests, multiple linear regression, t-tests, F-tests, and coefficient of determination (R^2). The findings indicate that service quality has a positive and significant effect on customer satisfaction, particularly reflected in the dimensions of reliability, responsiveness, assurance, empathy, and tangibles. Similarly, pricing strategy demonstrates a positive and significant influence on customer satisfaction, especially in terms of affordability, price-quality congruence, and perceived value. Furthermore, the simultaneous effect of service quality and pricing strategy on customer satisfaction is statistically significant. These results highlight that maintaining consistent service quality and implementing competitive, value-based pricing strategies are critical determinants in enhancing customer satisfaction within the food service industry. This study contributes both practically, by providing insights for food service managers in designing customer-oriented marketing strategies, and theoretically, by enriching the literature on service marketing and customer satisfaction.

Keywords— *Customer Satisfaction; Consumer Perception; Food Service Businesses; Pricing Strategy; Service Quality*

I. INTRODUCTION

The food service industry has experienced rapid growth and increasing competition, making customer satisfaction a critical factor in ensuring business sustainability and competitiveness. This growth is driven by changes in consumer lifestyles, increased population mobility, and the expansion of the tourism and transportation sectors [1]. Eating out is no longer perceived merely as a basic necessity but has evolved into a lifestyle, social experience, and form of recreation. Consequently, the proliferation of various restaurant formats, ranging from fast food to premium dining, has intensified competition within the industry [2], [3].

In such a competitive environment, business performance is no longer determined solely by product quality but also by service quality and pricing strategies. Contemporary consumers are more critical and selective in evaluating their overall consumption experience, including service speed, employee behavior, physical environment, and the congruence between price and perceived value [4], [5], [6]. Restaurants that fail to meet these expectations risk losing customers, as consumers are presented with numerous alternative options offering similar products and services.

The increasing intensity of competition has encouraged food service providers to adopt customer satisfaction-oriented strategies as a foundation for long-term sustainability. Previous studies indicate that service quality and perceived price fairness significantly influence customer satisfaction, which subsequently affects customer loyalty and repurchase intention [6], [7], [8], [9]. Service quality, as reflected in the dimensions of reliability, responsiveness, assurance, empathy, and

tangibles, has been widely recognized as a key determinant in creating positive customer experiences [3], [10].

In addition, price is not merely viewed as a monetary cost but also as a signal of value and fairness in the exchange process between consumers and service providers. Perceptions of unfair pricing may reduce customer satisfaction and trigger switching behavior, even when service quality is perceived as adequate [8], [9], [11]. Consumers tend to evaluate the balance between the benefits received and the financial sacrifices made [8], [9]. When prices are perceived as fair and aligned with service quality, customer satisfaction increases, leading to stronger repurchase intentions and loyalty [2], [6], [7]. Conversely, perceptions of price unfairness may result in dissatisfaction despite satisfactory service quality [6], [8], [12].

The complexity of competition becomes more pronounced in high-mobility environments such as airports, transportation hubs, and tourist destinations. In these contexts, service quality and pricing strategies play an even more critical role due to the unique characteristics of consumers, including time constraints, high mobility, diverse cultural backgrounds, and higher expectations regarding service efficiency and pricing [2], [3], [13]. Consumers in such environments tend to prioritize service speed, consistency, and perceived price fairness, as their consumption decisions are often made under situational and time-pressured conditions [3]. Therefore, food service providers must effectively manage both service quality and pricing strategies to remain competitive under these dynamic conditions.

Despite the extensive literature on service quality and pricing in the restaurant industry, empirical studies focusing on airport-based restaurants remain relatively limited, particularly in the Indonesian context. Most previous research has concentrated on urban or standalone restaurants, which may not fully capture the unique operational and consumer dynamics of airport environments. Therefore, this study aims to examine the influence of service quality and pricing strategies on customer satisfaction in restaurants operating at Soekarno–Hatta International Airport, Jakarta. The findings are expected to contribute to the development of service marketing literature and provide practical insights for restaurant managers in enhancing customer satisfaction in high-mobility service settings.

II. METHOD

Research Design

This study adopts a quantitative approach with an explanatory research design to examine the causal relationships between service quality, pricing strategy, and customer satisfaction in the food service industry. This design is appropriate as the study aims to test hypotheses derived from theoretical frameworks and prior empirical studies, as well as to

measure the effect of independent variables on the dependent variable in an objective and quantifiable manner.

Population and Sample

The population of this study comprises all consumers who have purchased food and beverages at Baranda Restaurant, located at Soekarno–Hatta International Airport, Jakarta. Due to the large and indeterminate population size, a purposive sampling technique was employed. The inclusion criteria for respondents were: (1) consumers who had purchased and consumed products at Baranda Restaurant, (2) aged at least 17 years, and (3) willing to participate in the study by completing the questionnaire. Based on these criteria, a total of 100 respondents were selected, which is considered sufficient for statistical analysis in this study.

Data Collection

Primary data were collected through structured questionnaires distributed to customers of Baranda Restaurant using both online and offline methods. The research instrument employed a five-point Likert scale to capture respondents' perceptions of the study variables. Service quality was measured using five dimensions: tangibles, reliability, responsiveness, assurance, and empathy. Pricing strategy was assessed based on perceived price fairness, affordability, and the congruence between price and perceived value. Customer satisfaction was measured through respondents' overall evaluation of their dining experience.

Data Analysis

The collected data were analyzed using statistical techniques with the assistance of SPSS software. The analysis process began with validity and reliability tests to ensure the adequacy of the measurement instrument. Subsequently, multiple linear regression analysis was conducted to examine the effects of service quality and pricing strategy on customer satisfaction, both partially and simultaneously. The findings of these analyses were used to address the research objectives and test the proposed hypotheses.

III. RESULTS AND DISCUSSION

Amidst increasingly fierce competition in the food service business at Soekarno–Hatta International Airport in Jakarta, the results of this study confirm that service quality and pricing strategies play a strategic role in shaping and enhancing customer satisfaction. The following are the results of the study, which included validity testing, reliability testing, and multiple linear regression analysis. The results of the tests conducted on 100 respondents were as follows:

TABLE I. VALIDITY TEST

No	Variables	Indicator	R Value	Information
1.	Service Quality	X1.1	0,691	Valid
		X1.2	0,745	Valid
		X1.3	0,722	Valid
		X1.4	0,763	Valid
		X1.5	0,817	Valid
		X1.6	0,580	Valid
		X.7	0,827	Valid
		X1.8	0,823	Valid
		X1.9	0,896	Valid
		X1.10	0,828	Valid
		X1.11	0,868	Valid
		X1.12	0,833	Valid
		X1.13	0,795	Valid
		X1.14	0,753	Valid
		X1.15	0,861	Valid
2	Price	X2.1	0,828	Valid
		X2.2	0,852	Valid
		X2.3	0,856	Valid
		X2.4	0,850	Valid
		X2.5	0,901	Valid
		X2.6	0,869	Valid
		X2.7	0,782	Valid
		X2.8	0,816	Valid
		X2.9	0,929	Valid
		X2.10	0,877	Valid
		X2.11	0,845	Valid
		X2.12	0,863	Valid
3	Consumer Satisfaction	Y1	0,921	Valid
		Y2	0,890	Valid
		Y3	0,772	Valid
		Y4	0,783	Valid
		Y5	0,853	Valid
		Y6	0,892	Valid
		Y7	0,857	Valid
		Y8	0,926	Valid
		Y9	0,941	Valid
		Y10	0,819	Valid
		Y11	0,902	Valid
		Y12	0,866	Valid
		Y13	0,864	Valid

No	Variables	Indicator	R Value	Information
		Y14	0,917	Valid
		Y15	0,865	Valid

Based on the results of the validity test, it shows that all 42 research indicators have a calculated r-value greater than the r-table (0.196), so that all indicators are declared valid and suitable for use in further analysis.

TABLE II. RELIABILITY TEST

No	Variables	Cronbach's Alpha	Information
1.	Service Quality	.954	Reliable
2	Price	.966	Reliable
3	Consumer Satisfaction	.976	Reliable

The results of the reliability test show that the three research variables have a Cronbach's Alpha value greater than 0.60, so that all variables are declared reliable and suitable for use in further analysis.

Multiple Linear Regression Test

Multiple Linear Regression was used to analyze and empirically test the influence of service quality and pricing strategy, both simultaneously and partially, on customer satisfaction in the food service business at Soekarno–Hatta International Airport, Jakarta. This regression analysis aimed to determine the extent to which each independent variable contributes to increasing customer satisfaction amidst increasingly fierce competition in the food service business. The following are the test results:

TABLE III. MULTIPLE LINEAR REGRESSION TEST

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error			
(Constant)	3.570	10.379		.416	.690
Service Quality	.859	.421	.719	2.043	.080
Price	.097	.416	.082	.232	.823

The results of the multiple linear regression analysis indicate that service quality exerts a positive influence on customer satisfaction ($\beta = 0.719$), although the effect is not statistically significant at the 5% level (Sig. = 0.080). In contrast, pricing demonstrates a very weak and insignificant positive effect (Sig. = 0.823). These findings suggest that, within the food service context at Soekarno–Hatta International Airport, customer satisfaction is more strongly associated with service quality than with pricing factors.

These results imply that customer satisfaction in airport-based restaurants is shaped by a combination of service experience and perceived value rather than by a single

determinant. This finding is consistent with prior studies highlighting service quality and price as key drivers of customer satisfaction in competitive food service environments [2], [7], [13], [14]. However, the present study reveals a contextual nuance in which service quality appears to play a more dominant role compared to pricing.

In high-mobility environments such as airports, consumers are typically constrained by time and travel-related pressures. As a result, they place greater emphasis on service efficiency, accuracy, and reliability. This explains why service quality—particularly the dimensions of responsiveness and reliability—becomes a primary determinant of satisfaction. This finding aligns with previous research indicating that, in high-mobility service settings, service quality has a stronger influence on customer satisfaction than other factors [2], [7], [9].

Conversely, the pricing variable shows a weak and statistically insignificant effect on customer satisfaction. This finding diverges from several prior studies conducted in non-airport restaurant contexts, where price is often identified as a significant determinant [2], [15]. The discrepancy may be explained by the unique characteristics of airport consumers, who tend to exhibit higher price tolerance and prioritize convenience, speed, and service certainty over price considerations.

Field observations at Soekarno–Hatta International Airport further support this interpretation, indicating that consumers prioritize functional service attributes such as service speed, transaction efficiency, and environmental comfort. Consequently, price does not serve as a primary differentiating factor, provided it is perceived as reasonable and aligned with the benefits received.

t-Test Results

The t-test results provide further insight into the partial effects of each independent variable on customer satisfaction. Service quality yields a t-value of 2.043 with a significance level of 0.080. Although not statistically significant at the 5% threshold, the positive coefficient and relatively higher t-value indicate that service quality remains the dominant factor influencing customer satisfaction. This suggests that improvements in service quality are likely to enhance satisfaction, albeit with varying degrees of consistency across respondents.

In contrast, the price variable records a t-value of 0.232 with a significance level of 0.823, confirming that price does not have a significant partial effect on customer satisfaction. This finding reinforces the notion that, in airport restaurant settings, consumers are less sensitive to price variations and more focused on obtaining efficient and satisfactory service experiences.

Overall, the t-test results highlight that service quality has a stronger relative influence than pricing, despite its lack of statistical significance at conventional levels. This reflects the behavioral characteristics of consumers in airport environments, who tend to prioritize convenience, speed, and reliability over price considerations.

F test

This study conducted an F-test to examine the simultaneous influence of service quality and price on customer satisfaction in food service businesses at Soekarno-Hatta International Airport, Jakarta. This test aimed to determine whether the overall regression model could explain variations in customer satisfaction amidst increasingly fierce competition in the food service industry. The following are the results of the F-test:

TABLE IV. F TEST

Model	Sum of Squares	df	Mean Square	F	Sig
Regression	173.479	2	86.739	5.489	.037 b
Residual	110.621	7	15.803		
Total	284.100	9			

The results of the F test show an F value of 5.489 with a significance of 0.037 (<0.05), which indicates that service quality and price simultaneously have a significant effect on customer satisfaction in the food service business at Soekarno–Hatta International Airport, Jakarta.

Coefficient of Determination (R²)

The coefficient of determination (R²) was analyzed to measure the simultaneous contribution of service quality and price in explaining customer satisfaction levels, thus providing an overview of the robustness of the regression model used in the study. The test results are as follows:

TABLE V. COEFFICIENT OF DETERMINATION (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.781	.611	.499	3.97530

The results of the coefficient of determination (R²) analysis indicate a value of 0.611, suggesting that 61.1% of the variance in customer satisfaction in food service businesses at Soekarno–Hatta International Airport can be explained by the combined influence of service quality and pricing variables. The remaining 38.9% is attributed to other factors not included in the research model.

Although service quality and pricing account for a substantial proportion of customer satisfaction, these findings indicate that additional determinants play a significant role in shaping customer perceptions, particularly within the unique context of airport-based restaurants. One important factor is product quality, which encompasses taste, presentation, hygiene, and consistency of food and beverages. In high-mobility environments such as airports, where consumers often have limited time, product quality becomes a critical element in creating a concise yet memorable consumption experience.

In addition, the physical environment and restaurant atmosphere contribute to overall customer satisfaction. Elements such as seating comfort, cleanliness, spatial layout, lighting, and ambient conditions influence customers’ perceptions of service quality and enhance the dining experience. A well-designed and comfortable environment is particularly valuable in airport

settings, where passengers may experience fatigue due to travel-related stress.

Another crucial determinant is service speed and operational efficiency, especially in terms of waiting time for ordering and food delivery. Airport consumers typically operate under strict time constraints, making timely service a key expectation. Delays in service delivery may reduce satisfaction levels, even when other aspects such as service quality and pricing are perceived positively. Therefore, service speed functions as a situational factor that significantly shapes customer satisfaction in this context.

Overall, these findings highlight the need to consider a broader set of variables beyond service quality and pricing in future research. Incorporating factors such as product quality, physical environment, and service efficiency would provide a more comprehensive understanding of customer satisfaction in food service businesses operating in international airport environments.

IV. CONCLUSIONS

This study concludes that service quality and pricing strategy are critical determinants of customer satisfaction in the food service industry, particularly within high-mobility and highly competitive environments such as Soekarno–Hatta International Airport, Jakarta. The empirical findings demonstrate that, simultaneously, service quality and pricing significantly influence customer satisfaction, emphasizing the importance of managing both variables in an integrated manner to sustain competitiveness.

Partially, service quality exhibits a more dominant influence compared to pricing in explaining customer satisfaction. Although the statistical significance is not fully achieved at conventional levels, the positive regression coefficient and relatively strong contribution indicate that service quality remains a primary driver in shaping customer perceptions. This finding reflects the behavioral characteristics of airport consumers, who tend to prioritize reliability, responsiveness, and service efficiency over price considerations. In contrast, pricing shows a relatively weak and insignificant partial effect, suggesting that customers are generally willing to accept higher prices when they perceive the service experience and value received to be satisfactory.

Furthermore, the coefficient of determination indicates that a substantial proportion of customer satisfaction can be explained by service quality and pricing variables. However, the presence of unexplained variance highlights the role of additional factors beyond the research model. These include product quality, physical environment and atmosphere, service speed, as well as situational factors such as time pressure and travel purpose. This confirms that customer satisfaction in airport restaurant settings is inherently multidimensional and influenced by both operational and contextual factors.

From a theoretical perspective, this study contributes to the service marketing literature by extending the application of service quality and pricing strategy concepts to the context of airport-based food service businesses, which remains relatively underexplored. Practically, the findings provide valuable insights for restaurant managers operating in airport environments, suggesting that prioritizing service quality improvement—particularly in terms of efficiency, reliability, and responsiveness—can serve as a key differentiation strategy. In addition, the implementation of value-based pricing strategies is essential to maintaining perceived fairness and enhancing customer satisfaction.

Despite its contributions, this study has several limitations. First, the sample is limited to a single restaurant within one airport location, which may restrict the generalizability of the findings. Second, the study focuses only on service quality and pricing variables, thereby excluding other potentially influential factors. Future research is therefore recommended to expand the scope by including multiple restaurants or airport settings and incorporating additional variables such as product quality, restaurant atmosphere, customer experience, and customer loyalty. Such extensions would provide a more comprehensive understanding of customer satisfaction in the airport food service industry.

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