



THE IMPACT OF DIGITAL PROMOTION AND LOCATION ON CONSUMER LOYALTY WITH CUSTOMER SATISFACTION AS A MEDIATION VARIABLE AT COFFEE CART IN MANADO

Oktavianus Katiandagho¹

Universitas Islam Sultan Agung Semarang, Semarang, Indonesia

oktavianuskatiandagho777@gmail.com

Budhi Cahyono²

Universitas Islam Sultan Agung Semarang, Semarang, Indonesia

budhicahyono@unissula.ac.id

Abstract

The growth of mobile coffee carts in the digital era indicates significant potential within the coffee industry, particularly due to their location flexibility and low operational costs. This study primarily aims to identify the extent to which digital promotion and location factors influence customer loyalty toward mobile coffee businesses in the Manado area, with customer satisfaction considered as a mediating variable. The research adopts a quantitative approach with an explanatory design, involving 286 participants who provided data through a structured questionnaire. Data analysis was conducted using Structural Equation Modeling with the Partial Least Squares (SEM-PLS) method. The analysis results reveal that both digital promotion and location contribute positively and significantly to the development of customer loyalty. Their impact is not only direct but also indirect, as mediated by increased customer satisfaction. The findings underscore the importance of effective digital strategies, optimal location selection, and enhanced customer satisfaction as key factors in fostering loyalty within the mobile coffee cart sector. These insights offer valuable implications for MSME actors seeking to strengthen their competitiveness amid the intensifying landscape of the coffee business.

Keywords: Digital Promotion, Location, Consumer Loyalty, Customer Satisfaction



INTRODUCTION

The advancement of the digital era has triggered significant transformations across various sectors, including the culinary industry. One of the most prominent phenomena is the rapid emergence of small-scale coffee businesses operating under the coffee cart concept. This model has expanded rapidly in major cities across Indonesia, offering a more affordable and flexible business solution compared to conventional coffee shops (Sabu, 2024). The growing coffee-drinking culture ingrained in Indonesian society has become a key driving force. Coffee carts are not merely a trend but have also introduced new dynamics in the competitive landscape of the coffee business.

Unlike traditional coffee shops that require substantial investment, coffee carts offer a low startup cost with high mobility. Their location flexibility enables business operators to reach various market segments depending on operational hours. In the morning, they target office areas, while at night they move to culinary hubs and social hangout spots (Mayora, 2022). The public's growing habit of consuming coffee, from bottled to freshly brewed variants, further strengthens the position of coffee carts as a practical yet competitive alternative in terms of taste (Safira, 2023).

According to data from Snapcart, approximately 79% of Indonesians consumed coffee daily in 2023 (Safira, 2023). However, the coffee consumption roadmap by the Ministry of Agriculture and the Indonesian Chamber of Commerce (KADIN) projects a decline in domestic consumption until 2026 (Santika, 2024). This indicates the need for adaptive strategies from coffee entrepreneurs to remain relevant amid consumption fluctuations. In this context, coffee carts hold potential for growth through more flexible, innovative, and consumer-responsive approaches.

On the global trade stage, Indonesia holds a strategic position due to its substantial capacity in coffee production, ranking fourth after Brazil, Vietnam, and Colombia (Hidayat, 2023). In 2023, Indonesia's total coffee production reached 760.2 thousand tons, despite a slight decrease from the previous year. In Sulawesi particularly South Sulawesi arabica and robusta coffee cultivation has grown rapidly, positioning the region as a leading coffee production hub (Sukendro, 2013). This strengthens the potential of the coffee industry from upstream to downstream, including opportunities for developing coffee cart businesses based on local commodities.

The growth in coffee production has fueled the expansion of various business models, from modern coffee shops and coffee carts to MSMEs selling



packaged coffee. However, this growth has also intensified competition among business actors (Putri et al., 2018). Amidst these conditions, coffee carts are required to continuously innovate in developing attractive menu options, executing digital marketing strategies, and maintaining product quality to compete not only with fellow coffee carts but also with more established coffee shops.

The rise of coffee cart businesses such as Fomo Kopi, for example, illustrates how creative menu variants such as Kopi Susu Gula Aren or Americano Peach—can serve as unique selling points. Conversely, coffee shops aim to maintain their position by offering comfortable and Instagram worthy atmospheres (Hamdan & Sastra, 2020). In Manado, the coffee cart trend has grown rapidly by fulfilling consumer demand for affordable coffee and strategic locations (Muiz & Fauzi, 2024). This reflects a shift in consumer behavior, especially among Generation Z, who are more flexible and selective in choosing coffee venues.

Nevertheless, customer loyalty toward coffee carts in Manado remains low. The lack of loyalty programs, inconsistency in taste, and limited customer engagement have made consumers more likely to switch to alternatives. While Generation Z favors practicality, they still seek enjoyable experiences when consuming coffee—an aspect more commonly provided by coffee shops. Therefore, coffee carts must improve service quality, foster customer relationships, and optimally leverage digital marketing to enhance loyalty.

In marketing contexts, digital marketing has become a crucial strategy in the digital era. Promotions via online platforms such as Instagram, TikTok, and YouTube play a significant role in shaping brand perception and attracting consumer attention (Tyas et al., 2023). Previous studies have shown that customer satisfaction is a key driver of loyalty, with digital promotion and location being significant contributing factors (Sari & Mulyanto, 2023). However, most of these studies have primarily focused on modern coffee shops, rather than coffee carts which possess distinct characteristics.

There remains a notable research gap. Previous studies have not comprehensively integrated the role of digital promotion, location, and customer satisfaction in influencing consumer loyalty toward coffee carts (Tarigan et al., 2023). Most research has concentrated on the direct effects of promotion or location on loyalty without considering satisfaction as a mediating variable (Mahmud, 2022). Moreover, studies specifically addressing this topic are scarce, particularly those exploring how the location flexibility of coffee carts affects purchasing decisions and customer loyalty in regions such as Manado.



Based on the aforementioned background, this study primarily aims to examine the extent to which digital-based promotional strategies and location influence consumer loyalty toward coffee carts in Manado, with customer satisfaction serving as a mediating variable in the research model. This study is significant as it offers a new perspective on marketing strategies for coffee carts, which differ from those employed by modern coffee shops. The findings are expected to provide both academic and practical contributions, especially for MSME actors in the coffee sector, as they strive to retain customer loyalty and enhance competitiveness in an increasingly dynamic business environment.

LITERATURE REVIEW

Marketing Management

In the business context, the management of marketing activities involves systematic efforts to design, implement, and evaluate various strategies aimed at achieving organizational goals through optimal and targeted approaches. According to Kotler & Armstrong (2018), marketing entails the creation and exchange of value to enable individuals or groups to fulfill their needs and desires. Its primary functions include consumer analysis, product development, pricing, distribution, and promotion, all of which aim to establish mutually beneficial strategic relationships with target consumer groups (Kotler & Armstrong, 2012), with the ultimate goal of maximizing customer satisfaction and supporting the sustainability of the company.

Customer Loyalty

Customer loyalty refers to a strong commitment demonstrated by consumers through continued usage of a product or service and the sharing of positive experiences with others, despite the availability of alternative options in the market (Griffin, 2021). This loyalty is built upon emotional attachment, trust, and customer satisfaction toward a particular brand or company (Kotler & Keller, 2016). The dimensions of loyalty include repeat purchasing behavior, consumption habits, strong product preference, product commitment, belief in product superiority, and a tendency to encourage others to consider using the product (Tjiptono & Diana, 2022).

Customer Satisfaction

Customer satisfaction reflects the emotional response that arises when consumers assess whether the quality of the received product or service meets, exceeds, or falls below their expectations (Kotler & Armstrong, 2012). Satisfaction is achieved when the product quality aligns with or surpasses customer



expectations, whereas performance falling short of expectations leads to dissatisfaction. According to Wirtz & Lovelock (2021), customer satisfaction is closely linked to product quality, service, and perceived value, and it significantly influences loyalty, repurchase intentions, and recommendations. Key factors include expectation alignment, intention to revisit, and willingness to recommend the product (Masili et al., 2022).

Digital Promotion

Digital promotion refers to marketing efforts that utilize digital technologies and media such as websites, email, social media, and online advertising platforms to effectively reach and influence consumers (Amalina & Riofita, 2024). This form of promotion not only aims to introduce products but also fosters interactive two-way communication, collaboration, and sustained connections with consumers (Sanjaya, 2020). Through relevant content and appropriate digital marketing strategies, companies can shape positive perceptions, enhance audience engagement, and build loyalty through consistent and ongoing customer relationships, ultimately impacting brand recognition and sales performance.

RESEARCH METHOD

In this study, the researcher employed an explanatory method within a quantitative approach framework to analyze causal relationships and the interconnection between variables based on pre-formulated hypothesis testing (Sugiyono, 2015). Utilizing a quantitative design, this research aims to examine the relationship between digital marketing and business location on customer loyalty, with customer satisfaction serving as a moderating variable. The respondents consisted of customers of Coffee Gerobak in Manado City, selected using an accidental sampling technique. The sample size was determined using the Slovin formula with a 5% margin of error, resulting in a total of 286 respondents from an assumed population of 1,000 individuals. Primary data were collected through the distribution of closed-ended questionnaires, while secondary data were obtained from literature reviews involving scholarly journals, books, and other relevant sources (Simanjuntak et al., 2021).

The questionnaire instrument was used as the primary data collection tool in this study and had undergone prior testing to ensure its validity and reliability. The test results indicated that all indicators met the standards of convergent and discriminant validity and exhibited Cronbach's Alpha and Composite Reliability values above 0.7, confirming the instrument's reliability. The model was analyzed using the Structural Equation Modeling (SEM) approach based on Partial Least

Squares (PLS) via the SmartPLS 3 application. The analysis was conducted in two main stages: first, assessing the quality of indicators (outer model), and second, testing the relationships between latent variables (inner model) by considering R^2 , F^2 , Q^2 , and VIF values. Hypothesis testing was performed using a t-statistic at a 5% significance level. Furthermore, to evaluate the moderating role of customer satisfaction on the influence of digital promotion and location on customer loyalty, the residual analysis technique was applied (Ghozali, 2008; Santoso & Madiistriyatno, 2021).

RESULTS AND DISCUSSION

Outer Model Testing Results

A quantitative approach utilizing the Partial Least Squares (PLS) technique was employed to process data collected through questionnaires completed by respondents. This method falls under the category of modeling latent variable relationships. The outer model evaluation stage was analyzed using SmartPLS version 3.0 software, and the results are visualized in the figure below:

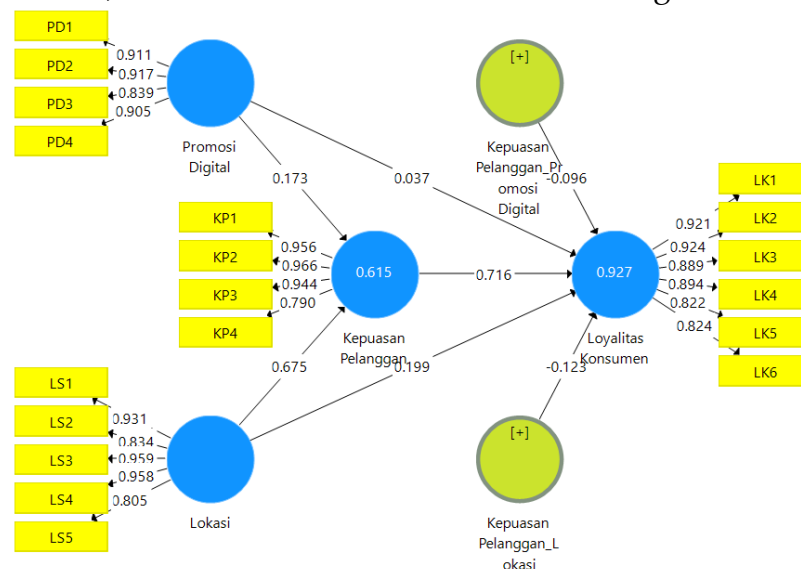


Figure 1.
Outer Model

Source: SmartPLS Output (2025)

Convergent Validity Testing

To ensure convergent validity in SmartPLS 3.0, indicators must demonstrate a strong contribution to their respective constructs, as reflected by loading values exceeding 0.70 and Average Variance Extracted (AVE) values



capturing at least 50% of variance. Indicators are deemed valid if they meet both criteria.

Table 1. Respondent Characteristics

Variable	Indicator Item	Outer Loading	Description	AVE	Description
Customer Satisfaction	KP1	0,956	Valid	0,840	Valid
	KP2	0,966	Valid		
	KP3	0,944	Valid		
	KP4	0,790	Valid		
Customer Loyalty	LK1	0,921	Valid	0,774	Valid
	LK2	0,924	Valid		
	LK3	0,889	Valid		
	LK4	0,894	Valid		
	LK5	0,822	Valid		
	LK6	0,824	Valid		
Location	LS1	0,931	Valid	0,810	Valid
	LS2	0,834	Valid		
	LS3	0,959	Valid		
	LS4	0,958	Valid		
	LS5	0,805	Valid		
Digital Promotion	PD1	0,911	Valid	0,798	Valid
	PD2	0,917	Valid		
	PD3	0,839	Valid		
	PD4	0,905	Valid		

Source: SmartPLS Output (2025)

All indicators representing each research variable proved to be valid based on outer loading results and reliable with values > 0.70 and AVE > 0.50. KP2 and LK2 emerged as the strongest indicators for Satisfaction and Loyalty variables, LS3 and LS4 stood out in the Location variable, while PD2 and PD1 were prominent in Digital Promotion, underscoring the role of visibility, accessibility, and social media in shaping consumer perception toward Coffee Gerobak in Manado.

Discriminant Validity Testing

Discriminant validity verification using SmartPLS 3.0 provided evidence of data validity, as shown by AVE square root values consistently exceeding inter-construct correlations and all indicators exhibiting loadings ≥ 0.7, which were also higher on their respective constructs:

Table 2.



Discriminant Validity Test - Fornell-Larcker Criterion

Variable	Customer Satisfaction	Location	Customer Loyalty	Digital Promotion
Customer Satisfaction	0,917			
Location	0,771	0,900		
Customer Loyalty	0,935	0,832	0,880	
Digital Promotion	0,548	0,555	0,573	0,893

Source: SmartPLS Output (2025)

As shown in Table 2, the Fornell-Larcker values for each indicator exceeded the inter-construct correlation values, indicating that each indicator specifically measures its own variable and not others, thus confirming discriminant validity.

Table 3.
Discriminant Validity Test - Cross Loadings

Indicator	Customer Satisfaction	Location	Customer Loyalty	Digital Promotion
KP1	0,956	0,666	0,822	0,479
KP2	0,966	0,668	0,836	0,499
KP3	0,944	0,659	0,809	0,487
KP4	0,790	0,798	0,924	0,524
LK1	0,788	0,794	0,921	0,519
LK2	0,790	0,798	0,924	0,524
LK3	0,694	0,720	0,889	0,517
LK4	0,710	0,743	0,894	0,525
LK5	0,930	0,663	0,822	0,452
LK6	0,958	0,669	0,824	0,485
LS1	0,731	0,931	0,770	0,531
LS2	0,595	0,834	0,677	0,462
LS3	0,693	0,959	0,743	0,493
LS4	0,685	0,958	0,734	0,487
LS5	0,741	0,805	0,797	0,511
PD1	0,515	0,542	0,538	0,911
PD2	0,524	0,541	0,552	0,917
PD3	0,432	0,397	0,446	0,839
PD4	0,479	0,488	0,501	0,905

Source: SmartPLS Output (2025)

Referring to the table above, each indicator demonstrates the strongest correlation with its original variable compared to others, as indicated by cross-



loading scores above 0.70. This indicates that each indicator effectively reflects its measured variable while maintaining a low correlation with other variables, confirming discriminant validity according to standard criteria.

Reliability Testing

Reliability assesses the stability and consistency of an instrument in collecting data. To ensure the instrument used possesses adequate consistency, reliability testing was conducted using Cronbach’s Alpha and Composite Reliability (rho_a and rho_c). A construct is considered reliable if all three metrics exceed 0.70.

Table 4.
Reliability Testing

Variable	Cronbach's Alpha	Composite Reliability	Nilai (AVE)	Description
Customer Satisfaction	0,934	0,954	0,840	Reliabel
Location	0,940	0,955	0,810	Reliabel
Customer Loyalty	0,941	0,954	0,774	Reliabel
Digital Promotion	0,916	0,940	0,798	Reliabel

Source: SmartPLS Output (2025)

The data show that reliability values for each indicator, through Cronbach's alpha and composite reliability estimates (rho_a and rho_c), exceed 0.70. This confirms that the instrument used in this research meets high consistency standards for assessing the intended constructs.

Inner Model Testing

Questionnaire data were analyzed using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS), supported by SmartPLS version 3.0. The structural model relationships among variables are visualized in the following figure:

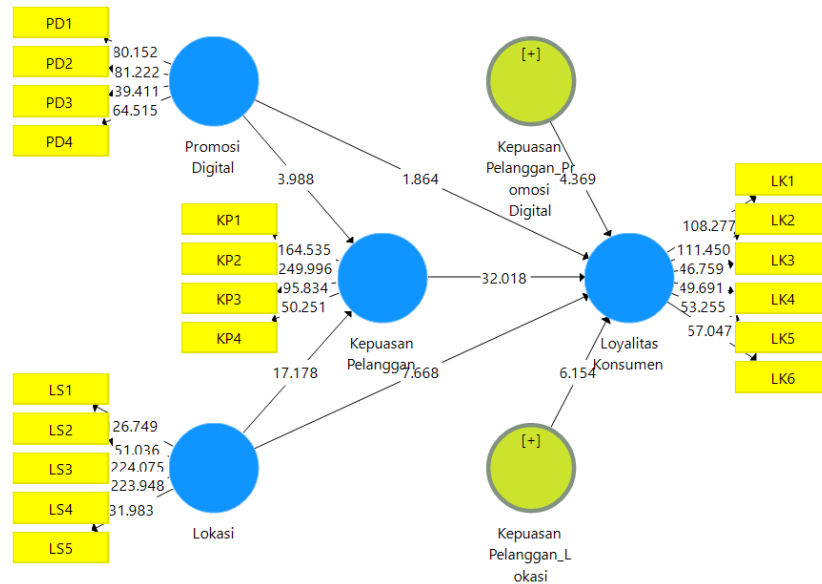


Figure 2.
Inner Model

Source: SmartPLS Output (2025)

Coefficient of Determination (R²)

R² or the coefficient of determination indicates how much variance in the dependent variable is explained collectively by the independent variables. R² values of 0.75, 0.50, and 0.25 represent substantial, moderate, and weak explanatory power, respectively. Higher R² values reflect better predictive accuracy and the quality of inter-variable relationships. The R² results in this study are presented as follows:

Table 5.
R² Testing

Variable	R Square	R Square Adjusted	Description
Customer Satisfaction	0,615	0,613	Sedang
Customer Loyalty	0,927	0,926	Kuat

Source: SmartPLS Output (2025)

The R² test results indicate that 61.5% of the variation in Customer Satisfaction regarding Coffee Gerobak in Manado is explained by Digital Promotion and Location (moderate category), while 92.7% of the variation in Customer Loyalty is explained by Customer Satisfaction (strong category), emphasizing the crucial role of satisfaction in fostering consumer loyalty.



Goodness of Fit (GoF)

Goodness of Fit (GoF) assesses the overall model's credibility and accuracy in explaining inter-variable relationships. GoF combines the quality of the measurement model (outer model) and structural model (inner model). It is calculated manually using the formula $\sqrt{(AVE \times R^2)}$. According to Tenenhaus (2004) in Hussein (2015), GoF scores can be categorized as small (0.10), medium (0.25), and large (0.38).

Table 6.
Goodness of Fit Testing

Variable	AVE	R Square
Customer Satisfaction	0,840	0,615
Location	0,810	-
Customer Loyalty	0,774	0,927
Digital Promotion	0,798	-
Mean	0,806	0,771
Mean AVE*R Square	0,621	

Source: SmartPLS Output (2025)

GoF Value = $\sqrt{0.621}$

GoF Score = 0.788

The calculated GoF score of 0.788 falls within the high category. This indicates that the model structure applied in this study demonstrates adequate structural validity and interprets field data with high accuracy.

Effect Size (F²)

Effect size F² measures the contribution of independent variables in explaining the dependent variable within the model. An F² value > 0 indicates influence, while < 0 indicates weak influence. According to Ghozali and Latan (2015), an F² of 0.02 indicates a small effect, 0.15 moderate, and 0.35 large:

Table 7.
F² Effect Size Testing

Variable	Customer Satisfaction	Description	Customer Loyalty	Description
Customer Satisfaction			2,704	Kuat
Location	0,820	Kuat	0,190	Kuat
Digital Promotion	0,054	Sedang	0,012	Rendah

Source: SmartPLS Output (2025)



F² testing reveals that Location plays a dominant role in influencing Customer Satisfaction (F² = 0.820) and Customer Loyalty (F² = 0.190), highlighting the strategic role of location in boosting satisfaction and loyalty. Digital Promotion shows a moderate effect on Satisfaction (F² = 0.054) and a low effect on Loyalty (F² = 0.012), making it more effective in generating satisfaction than loyalty. Customer Satisfaction strongly impacts Customer Loyalty (F² = 2.704), reinforcing its key role as a mediator in creating loyalty.

Q-Square Predictive Relevance (Q²)

To measure the model's predictive capability, the blindfolding method was applied through Q-Square (Q²) calculation. A Q² value > 0 indicates predictive relevance, and values closer to 1 indicate stronger predictive power.

Table 8.

Q-Square Predictive Relevance Testing

Variable	SSE	Q ² Square
Customer Satisfaction	578,611	0,494
Customer Loyalty	540,317	0,685

Source: SmartPLS Output (2025)

Q² results show a value of 0.494 for Customer Satisfaction and 0.685 for Customer Loyalty, both exceeding 0 and approaching 1, indicating good predictive capability. This implies that the model can predict 49.4% of the variation in Customer Satisfaction and 68.5% of the variation in Customer Loyalty, demonstrating strong predictive performance.

Normal Fit Index (NFI)

The NFI measures the difference in effectiveness between the proposed model and a baseline model with no inter-variable relationships. NFI values range from 0 to 1, where values closer to 1 indicate better model fit.

Table 9.

Normal Fit Index

	Saturated Model	Estimated Model
Chi-Square	1657,245	1657,245
NFI	0,513	0,513

Source: SmartPLS Output (2025)

Table 9 shows that the NFI score in this analysis reached 0.513. While not very high, this value still indicates that the model has an acceptable level of fit.

Direct Effect Hypothesis Testing

Direct relationships among the variables were evaluated using bootstrapping procedures in SmartPLS 3.0, based on original sample values and



t-statistics. Effects are considered significant when t-values exceed 1.652 and p-values are below 0.05.

Table 10.
Direct Effect Hypothesis Testing

Direct Effect	Original Sample (O)	Standard Deviation	T Statistics (O/STDEV)	P Values	Conclusion
Customer Satisfaction → Customer Loyalty	0,716	0,022	32,018	0,000	Accepted
Location → Customer Satisfaction	0,675	0,039	17,178	0,000	Accepted
Location → Customer Loyalty	0,681	0,034	19,823	0,000	Accepted
Digital Promotion → Customer Satisfaction	0,173	0,044	3,988	0,000	Accepted
Digital Promotion → Customer Loyalty	0,161	0,035	4,630	0,000	Accepted

Source: Processed Primary Data (2024)

The results indicate that all hypotheses meet statistical significance criteria, as indicated by t-statistics above 1.660 and p-values below 0.05. H1 confirms that digital promotion activities significantly and positively influence customer loyalty (coefficient = 0.161; t = 4.630). H2 shows that Location also significantly affects Customer Loyalty (coefficient = 0.681; t = 19.823). H3 proves Digital Promotion significantly affects Customer Satisfaction (coefficient = 0.173; t = 3.988). H4 demonstrates that Location significantly affects Customer Satisfaction (coefficient = 0.675; t = 17.178), and H5 confirms that Customer Satisfaction significantly impacts Customer Loyalty (coefficient = 0.716; t = 32.018), all with p-values = 0.000.

Indirect Effect Hypothesis Testing

To analyze mediation effects, indirect relationships among variables were evaluated using bootstrapping in SmartPLS 3.0, focusing on original sample values and t-statistics. Significance is determined when t-values exceed 1.652 and p-values are below 0.05.



Table 11.
Indirect Effect Hypothesis Testing

Indirect Effect	Original Sample (O)	Standard Deviation	T Statistics (O/STDEV)	P Values	Conclusion
Location → Customer Satisfaction → Customer Loyalty	0,483	0,032	15,112	0,000	Accepted
Digital Promotion → Customer Satisfaction → Customer Loyalty	0,124	0,031	3,964	0,000	Accepted

Source: Processed Primary Data (2024)

Based on Table 11, indirect effect testing indicates that Customer Satisfaction plays a significant mediating role in the observed relationships. It mediates the relationship between Digital Promotion and Customer Loyalty (coefficient = 0.124; t = 3.964; p = 0.000), supporting H6, and between Location and Customer Loyalty (coefficient = 0.483; t = 15.112; p = 0.000), supporting H7. Thus, Customer Satisfaction strengthens both relationships in the context of Coffee Gerobak in Manado.

Digital Promotion and Customer Loyalty at Coffee Gerobak in Manado

Promotional efforts conducted through digital platforms have proven to contribute significantly to enhancing customer loyalty, as evidenced by research findings. This is apparent from the active engagement of Coffee Gerobak consumers in Manado who follow promotional campaigns via social media platforms such as Instagram and WhatsApp. Promotional content such as discounts, new menu items, and customer testimonials effectively builds interest and emotional attachment, thereby encouraging repeat purchases. Targeted digital promotion not only increases brand awareness and consumer interest but also fosters more personalized interactions, which indirectly contributes to strengthening customer loyalty towards the offered products or services.

Customer loyalty is established when consumers perceive that Coffee Gerobak offers superior value compared to competitors through attractive promotions, digital loyalty programs, or enjoyable customer experiences on digital platforms. Digital marketing, carried out by creating engaging content and maintaining user engagement on social media, has been shown to positively influence brand loyalty in coffee shops (Tarigan et al., 2023), (Diana & Nuvriasari, 2024).. Starbucks effectively utilizes social media marketing, significantly influencing customer loyalty through brand equity (Yose & Purnama Sari, 2024).



Location and Customer Loyalty at Coffee Gerobak in Manado

The chosen location of Coffee Gerobak contributes positively and significantly to building customer loyalty, supported by its presence in a strategic area near campuses, office buildings, and other busy venues. The location is easily accessible, offers adequate parking, and provides a comfortable atmosphere. These factors encourage consumers to return and recommend the place to others. In the food and beverage industry, a strategic and comfortable location is crucial as it increases the frequency of customer visits, reinforces convenience, and ultimately fosters customer loyalty.

The pleasant experience and accessibility offered by Coffee Gerobak's location make it more likely for customers to become loyal to the brand. Location has a significant effect on customer loyalty (Kholida et al., 2024). Store location has a partial positive effect on customer loyalty at Osiris Coffee (Azis & Hermina, 2024). Customer loyalty to coffee shops along Jalan Letda Sujono increases with ease of access and the comfort of the business location (Banjirul Akbar et al., 2024).

Digital Promotion and Customer Satisfaction at Coffee Gerobak in Manado

The study's findings indicate that promotional efforts via digital media have a significant positive impact on customer satisfaction. Customers report satisfaction due to up-to-date promotional information, relevance to their needs, and the presence of fast and responsive digital interactions. Digital promotion through social media or online platforms not only helps customers become more familiar with products prior to purchase but also creates a positive interaction experience. With engaging content, loyalty programs, and prompt responses, digital promotion raises customer expectations and satisfaction with Coffee Gerobak's products and services in Manado.

When digital promotion accurately conveys product benefits and provides positive interaction experiences, customers are more likely to feel satisfied, as they receive the information they need and perceive added value from Coffee Gerobak. Consumer purchasing decisions increase along with the effectiveness of promotions conducted through digital platforms (Mahmud, 2022). Digital promotion improves service quality and customer loyalty, leading to positive customer responses (Diana & Nuvriasari, 2024). Digital marketing (X1) has a positive and significant effect on customer satisfaction (Narto & Hotimah, 2024).

Location and Customer Satisfaction at Coffee Gerobak in Manado

The findings of this research suggest that location is a meaningful contributor to customer satisfaction. A calm atmosphere, amenities such as Wi-Fi and power outlets, and easy, unobstructed access free from traffic congestion or



parking difficulties create a positive customer experience. In the food and beverage sector, such as Coffee Gerobak in Manado, a strategic, comfortable location equipped with adequate facilities is a key factor in enhancing customer comfort and satisfaction when enjoying the services offered.

When the location of Coffee Gerobak supports customer convenience in accessing and enjoying their coffee, satisfaction levels increase, which in turn contributes to customer loyalty. Location has a positive and significant impact on consumer satisfaction (Hendrayati & Nurwulandari, 2022). Location significantly affects customer satisfaction, with a t-value of 3.380 exceeding the critical value, indicating a strong positive relationship between location and customer satisfaction (Lulu Hanatri & Yogi Yunanto, 2024).. Location, along with service quality and store ambiance, significantly influences customer satisfaction (Khoirunnisa et al., 2024).

Customer Satisfaction and Consumer Loyalty at Coffee Gerobak in Manado

Customer loyalty is significantly shaped by high levels of customer satisfaction, which emerges as the most influential factor in this study, as indicated by the highest coefficient value in the direct hypothesis test. Customers who are satisfied with the service, products, atmosphere, and communication at Coffee Gerobak tend to revisit, leave positive reviews, and recommend the brand to others. High satisfaction not only encourages repeat purchases but also fosters emotional attachment to the brand, increases tolerance for service or price changes, and serves as a key factor in building and maintaining long-term consumer loyalty.

Customer satisfaction, formed through high product quality, excellent service, and an overall positive experience, plays a vital role in cultivating long-term consumer loyalty. Customer satisfaction has a positive and significant impact on customer loyalty (Hendrayati & Nurwulandari, 2022). It positively and significantly influences customer loyalty (Jayanti & Hidayati, 2022; Wicaksono et al., 2024). Customer satisfaction, along with price perception, brand image, and service quality, exerts a positive and significant influence on customer loyalty (Ramli, 2023).

CONCLUSION

The findings of this study reveal that the utilization of digital media in promotional activities and the strategic selection of business locations positively contribute to enhancing customer loyalty. This impact is not only direct but also indirect, mediated by customer satisfaction, which serves as a critical element in



the relationship. Digital promotion fosters stronger consumer engagement with the brand, while strategic location enhances accessibility and convenience. Customer satisfaction emerges as a key determinant in fostering loyalty, evidenced by repeat purchases and positive word-of-mouth recommendations. All hypotheses were accepted, reinforcing the interrelationship among variables within the context of culinary MSMEs, such as Coffee Gerobak in Manado.

This research strengthens the concept of customer loyalty by emphasizing the mediating role of customer satisfaction between promotional strategies and location on loyalty outcomes. The practical implications highlight the importance for business actors to effectively manage digital strategies, select appropriate locations, and maintain high service quality. The limitations of the study include its restricted geographic scope, focus on a single type of business, and reliance on cross-sectional data. Future research is recommended to broaden the regional coverage, employ a longitudinal approach, and incorporate additional variables such as product quality, pricing, or brand image.

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