



Evaluating Service Performance and Customer Satisfaction in Dumaguete City Coffee Shops: A SERVPERF Analysis

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Abstract

Purpose –This study aims to evaluate the service performance of selected coffee shops in Dumaguete City using the five dimensions of the SERVPERF model: tangibility, reliability, responsiveness, assurance, and empathy.

Methodology/Design/Approach – This is a descriptive-correlational research that elicit information from customers visiting the selected coffee shops in Dumaguete City. The study focused on two distinct respondent groups to gain a comprehensive view of service performance in Dumaguete City coffee shops: shop personnel, including owners and employees, and customers. There were 13 respondents from the six coffee shops, encompassing both owner and employee perspectives, and an additional 120 customer respondents spread across the six coffee shops, amounting to a comprehensive profile of 133 respondents.

Findings –Analysis of coffee shops in Dumaguete City shows that customers perceive services positively across various dimensions: tangibility, reliability, responsiveness, assurance, and empathy. Customer satisfaction is highly rated, with tangible aspects, reliability, and staff attentiveness and courtesy being highlighted. Owners and employees reflect confidence in their service quality. Demographic factors, such as age, sex, occupation, nationality, visit frequency, and spending amount, significantly influence service satisfaction perceptions. Established coffee shops are viewed as more reliable in their service performance. These findings underscore the importance of maintaining high service standards and understanding customer demographics to enhance satisfaction and loyalty within the coffee shop industry.

Originality/value – This research presents a detailed assessment of coffee shop service quality in Dumaguete City using the SERVPERF model to provide insights into customer satisfaction, demographic factors, and strategic plans for improving service quality and loyalty.

Keywords: coffee shops, service performance, customer satisfaction, correlational research, Dumaguete City

Introduction

The widespread coffee shop sector has experienced exceptional expansion, establishing itself as an integral part of urban existence and transforming into multipurpose establishments that accommodate work, recreation, and social engagements. This sector has evolved into an integral component of urban existence, providing not only coffee but also spaces where culture and community intersect. Research conducted by Dhisasmito and Kumar (2020) in Taiwan and Indonesia underscores the significance of service quality in the coffee shop industry in terms of customer satisfaction and loyalty. This study seeks to assess the service quality of selected coffee shops in Dumaguete City by applying the five key dimensions of the SERVPERF model: tangibility, reliability, responsiveness, assurance, and empathy.

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The knowledge and improvement of service quality within the coffee shop industry are significantly influenced by the five dimensions of the SERVPERF model—tangibility, reliability, responsiveness, assurance, and empathy. Akpan and Etuk (2019) emphasize the substantial influence of tangibility on service performance as manifested in the tangible elements of the coffee shop setting. As discussed by Wongsachia et al. (2022), reliability underscores the significance of maintaining a consistent level of service provision in establishing trust. As stated by Sowadski (2022), responsiveness encompasses timely and flexible interaction with customers. Kim et al. (2021) and Zhang et al. (2022) all support the notion that empathy highlights the importance of providing individualized service and comprehending the requirements of customers. By integrating these dimensions, coffee establishments can assess and augment their service quality, thereby ultimately fostering customer loyalty and service excellence. Every dimension comprising the SERVPERF model represents a distinct facet that patrons appreciate in their experience at a coffee establishment. Reliability is concerned with maintaining a hygienic environment, responsiveness is concerned with ensuring timely attention, assurance is predicated on the expertise of personnel, and empathy augments individualized care.

The coffee establishment industry, despite its prosperity, demonstrates varying levels of achievement at the regional level. Despite the encouraging quantity of coffee stores, service performance has become a significant concern that impacts service quality in areas such as Dumaguete City. In their study, Paniterce and Ylagan (2022) highlight crucial determinants that exert a substantial impact on both service quality and customer loyalty towards neighborhood coffee establishments. Despite overwhelmingly positive customer feedback regarding service quality in the coffee shop industry of Dumaguete, Villanueva, Tayco, and Estrope (2025) identify a significant knowledge gap regarding the immediate impact of service performance on customer satisfaction and loyalty. The importance of ongoing analysis and strategic upgrades is stressed since bridging the gap is instrumental in maintaining the competitiveness and the loyalty of the customer base of coffee shop establishments. As a practical instrument, the SERVPERF model, which evaluates service performance according to consumer perceptions and expectations, is utilized to assess these service aspects. This enables organizations to acquire a detailed perspective on the quality of their services, pinpoint specific areas that require enhancement, and execute focused approaches. A competitive advantage in the market is fortified through the improvement of the consumer experience (Dhisasmito & Kumar, 2020).

The main objective of this study was to establish a connection between the dimensions of service performance and coffee stores in Dumaguete City. Through a comprehensive analysis of these factors, the objective of this study was to furnish practical insights that could assist local coffee shops in attaining success while simultaneously addressing the unique requirements and preferences of their clientele. This alignment can enhance service quality and fortify the reputation of coffee stores in Dumaguete City internationally.

Method

This is a descriptive-correlational research that elicit information from customers visiting the selected coffee shops in Dumaguete City. Descriptive research describes the characteristics of the population. It is correlational as in determining the significant relationship existing between the customers' profile and their level of service performance with the selected coffee shops.

Quantitative methods are employed to systematically gauge elements related to customer profiles and coffee shop operational characteristics. It looks at concrete numerical data to establish patterns or correlations. In the context of the SERVPERF exploration, this method proves valuable as it enables a thorough examination of service performance. Researchers can gain a holistic understanding of customer behavior and satisfaction within the coffee shop industry by conducting quantitative analyses to identify trends.

The research targeted two distinct respondent groups to achieve a complex view of service performance within Dumaguete City coffee shops: shop personnel, including owners and employees, and customers. The selection criteria for the coffee shops involved in the study were meticulously established by purposive sampling based on the following criteria: (1) coffee shops that initiated business operations in the year 2020; (2) establishments featuring a dining area for patrons; (3) operating hours spanning Monday to Sunday; and (4) whose management provided explicit consent for participation in the research.

From here, the respondents were invited to answer appropriate sets of questionnaires. A convenient quota sampling approach was adopted for customer respondents. This method allowed the researchers to select customers strategically for a balanced representation. There were 13 respondents from the six coffee shops, encompassing both owner and employee perspectives, and an additional 120 customer respondents spread across the six coffee shops, amounting to a comprehensive profile of 133 respondents.

The research instrument's construction was a judiciously structured process. It was tailored to measure service quality in accordance with the SERVPERF model's five primary dimensions: tangibles, reliability, responsiveness, assurance, and empathy by Taylor & Cronin (1994).

The initial phase in the questionnaire's development involved the deliberate formulation of item statements reflecting the requisite dimensions. These items were thoughtfully designed to encapsulate aspects peculiar to the Dumaguete City coffee shop context, including the quality of equipment, staff appearance, timeliness, interaction with customers, and ambient setting. Pre-Testing. A critical step following the design was pre-testing the instrument with a select group of respondents. This phase evaluated the instrument's clarity, relevance, and comprehensiveness. Based on respondent feedback, revisions were made to refine the language, eliminating ambiguities and enhancing the pertinence of the questions.

Two seasoned consultants in the hospitality sector meticulously reviewed the questionnaire's content to ensure its validity. Their reviews confirmed that the questionnaire reflected the service performance constructs relevant to coffee shop settings. Adjustments resulting from their feedback buttressed the questionnaire's relevancy and accuracy. Cronbach's alpha coefficient reflective of the scale's internal consistency was employed to ascertain the instrument's reliability. The high level of consistency underscored by this analysis confirmed the reliability of the questionnaire, validating its fitness to collect data pivotal for the study's aims. This elaborate and systematic approach to instrument design has endowed the study with robust methodology, positioning it to discern deeply the nuances of service performance in the coffee shop landscape of Dumaguete City. The Cronbach's α overall result is 0.957, thereby indicating a strong level of individual item reliability. Likewise, the values for Cronbach's alpha for all items were higher than .721, thus exceeding the minimum of .70 (Hair et al., 2016) suggesting internal reliability and consistency of the data.

The questionnaire design provides a structured and comprehensive approach to assessing various dimensions of customer experience. Organized into five key dimensions' tangibles, reliability, responsiveness, assurance, and empathy, the questionnaire covers a wide range of factors influencing customer perceptions. Each dimension consists of specific item statements targeting aspects such as equipment quality, staff appearance, timeliness of service, trustworthiness, and customer interaction. Moreover, including a 5-point Likert scale allows respondents to provide ratings with qualitative interpretation for each interval and enhances the understanding of respondents' satisfaction levels, from "Very Satisfied" to "Not Satisfied." By employing this structured questionnaire, researchers can gain valuable insights into the nuanced dynamics of service performance within the coffee shop industry, facilitating informed decision-making and improvements in service delivery.

For the first specific problem, concerning the profile of customer respondents, descriptive statistical tools were employed. Demographic details such as age, sex, educational attainment, industry, nationality, estimated spend per visit, and visit frequency were summarized using frequency distributions for categorical data and mean or median for continuous data. Addressing the second problem, the institutional profile of the coffee shops was also analyzed using descriptive statistics. Key business characteristics like years of operation, number of employees, number of branches, and type of business ownership were described using the mode for categorical variables and the average for quantitative measures. In response to the third and fourth problems, the extent of service performance perceived by customers, owners, and employees was evaluated. Calculating the mean scores for service performance dimensions—tangibility, reliability, responsiveness, assurance, and empathy. The results complemented with reliability analysis using Cronbach's Alpha to assess the consistency of the service quality measures. Finally, to determine whether the demographic profiles of customer respondents and the institutional profiles of coffee shops significantly affect the perceived service performance, Multiple Regression Analysis was used. This facilitated the understanding of the predictive value

of these profiles for customer satisfaction. The Chi-Square Test could also examine associations between institutional characteristics and perceived service performance.

Findings and discussion

Customer Personal Profile

Table 1 shows the socio-demographic profile of the customer respondents in the Coffee Shops in Dumaguete City. In terms of age, the majority of the coffee-goers are in the age bracket of 18-25—72.8%. Most people between the ages of 18 and 25 are college students and young professionals who want to have leisure time at the coffee shop. They may go to coffee shops frequently to study, socialize, and get an increase in energy. This age group values social interaction and casual gatherings with friends. Coffee shops provide a comfortable setting for conversations, collaboration on projects, or simply enjoying each other's company.

With regard to sex, the result shows that there were more female customers (60%) than male (40%). This shows that women often visit the coffee shop than men. Compared to men, women visited coffee shops more often because this can be linked to several social, cultural, and psychological variables. Coffee shops are frequently seen by women as friendly, comfortable spaces that are ideal for relaxing, networking, and socializing. These days, women have their own quality time and self-care. The study of Andriani (2021) supports these findings, she explains that female young adults go to coffee shops because they like to go to the coffee shops where they meet their friends.

As to educational attainment, many of the respondents are within the College level or 51.7%. Coffee shops offer a quiet atmosphere conducive to studying, often with reliable Wi-Fi. This makes them ideal for individual study sessions or group projects compared to potentially noisy dorm rooms or crowded apartments. This is supported by the study of Assaf (2023), that visiting coffee shops offers a degree of emancipation from the family and opens a space of relative autonomy for the youth. Simultaneously, the consumerist space of the coffee shop fosters the emergence of new sets of norms and practices specific to this generation.

As to occupation, many of the coffee-goers are students. As revealed in the discussion above, on age range they are mostly aged from 18-25 years old, and most of the respondents are within college level which could better explain that they are students. Coffee shops offer a quiet atmosphere conducive to studying, often with reliable Wi-Fi. As a result, many students now go to coffee shops to connect to the Internet. As a result, the sight of a large group of students, each with their electronic device, for example, a laptop or a smartphone, has become increasingly common in the city's coffee shops (Zainuddin et al., 2022). They bring their laptops and other electronic devices and spend countless hours, days, and even nights, working in coffee shops.

Regarding nationality, it shows that many of the respondents were Filipinos. This means that most of the respondents are locals because of the proximity of the coffee shops in Dumaguete City. Thus, convenience plays a vital role when visiting coffee shops. As discussed above that most of the occupations are students, that is, most of the students are Filipinos and Dumaguete is a university town. The influence of nationality on consumer behaviors, preferences, and perceptions has been clarified by recent academic works (Martinez, 2023; Kim et al., 2021).

With reference to estimated amount spent per coffee shop visit, the table shows that many respondents spent ₱ 101-999 per coffee shop visit. This amount is worth the value of money the students pay in the coffee shop to be comfortable, and secure, avail free Wi-Fi, and the ambiance of the coffee shop. Spending patterns play a significant role in determining customer preferences, loyalty, and satisfaction levels.

Lastly for frequency of visit, it shows that many of the coffee goers visit the coffee shops at a regular weekly rate, 62.5%, followed by daily rate of, 20.8%. Since most of the respondents, it is expected that they visit coffee shops during weekends only. This is a quick getaway for students from their busy schedules during school days. The data shows that the coffee shop business in Dumaguete City is sustaining.

Institutional Profiles of the Coffee Shops

For years in business, most coffee shops have been in operation for 1-5 years, which means they are new in the business. Based on the limitation of the study, the coffee shop should have started last 2020. If the coffee shop is still operating, it means the customers are satisfied with their service. Restaurants, food businesses,

and coffee shops, an industry hit hard by the pandemic, have seen a significant number of brand-new business openings amid the increased challenges.

Table 1. Customer Personal Profile

Variables	<i>f</i>	%
Age Group		
36-45	3	3.3 %
26-35	22	23.9 %
18-25	67	72.8 %
Sex		
Male	48	40.0 %
Female	72	60.0 %
Educational Attainment		
Bachelor's Degree	12	10.0 %
High School Diploma or Equivalent	43	35.8 %
Master's Degree	3	2.5 %
College Level	62	51.7 %
Occupation		
Student	100	83.3 %
Entrepreneur	3	2.5 %
Service Industry	3	2.5 %
Online Job	1	0.8 %
Professional	5	4.2 %
Office Worker	4	3.3 %
Government Worker	1	0.8 %
Educator	3	2.5 %
Nationality		
Canadian	1	0.8 %
Filipino	119	99.2 %
Estimated Amount Spent		
2,000 -2,999 pesos	3	2.5 %
1000-1999 pesos	11	9.2 %
101-999 pesos	87	72.5 %
100-below pesos	19	15.8 %
Frequency of Visit		
3x a week	1	0.8 %
daily	25	20.8 %
monthly	18	15.0 %
very seldom	1	0.8 %
weekly	75	62.5 %

N=120

Table 2 also reveals that most of the coffee shops in Dumaguete City have 1-5 employees. It is because they belong to medium size coffee shops. Most of the coffee shops in Dumaguete city operate at least 12- 16 hours per day. The number of employees in an establishment depends on the size of the coffee shop. The bigger the coffee shops, the more employees are needed. The impact of employment levels on customer experiences, operational effectiveness, and corporate profitability has been highlighted by recent academic investigations (Verma et al., 2020).

Table 2. Institutional Profiles of the Coffee Shops

Variables	Weighted Mean	Verbal Interpretation
Years of operation		
1-5 years	9	69.2 %
Less than one year	4	30.8 %
Number of Employees		
1-5 employees	11	84.6 %
6-10 employees	2	15.4 %

N=13

Extent of the Service Performance Perceived by the Customers

Table 3 shows that the customer is very satisfied (4.75) with the overall service performance towards tangibility. The coffee shop has physical facilities that are visually appealing, and the crew are well dressed and appear neat. This would translate to the idea that if coffee shops invested in their physical facilities and human resources, customers would be very satisfied with their stay. In addition, it is very appealing and pleasant if the coffee shops have visually appealing facilities and uses modern technological means to serve the customers. The findings were supported by Akpan & Etuk (2019), who studied service quality dimensions in the hospitality and tourism industry. They explain that physical aspects of the coffee shop, including its design, cleanliness, and the presence of modern equipment, play a pivotal role in shaping customer satisfaction. These tangible elements not only impact customer perceptions but also encourage repeat visits, thus becoming a key aspect of the service quality evaluation.

In terms of reliability, the result shows that the customer is very satisfied (4.74) with the overall customer satisfaction with the reliability dimension. The coffee shop keeps its promise of its willingness to address customer complaints and do things on time, receiving the highest scores of 4.79 and 4.75 respectively. This is because the coffee shops staff provides the service accurately and keeps their promises to customers. In addition, the customers feel satisfied with the reliability of service of the crew of the coffee shop. This explains that consistency in order accuracy, wait times, and product quality forms the basis for building trust and positively influences the overall customer service experience.

As to responsiveness, the Table reveals that the customer is very satisfied (4.60) overall customer satisfaction the responsiveness dimension. The coffee shops staffs are always willing to help customers and to tell customers exactly when services will be performed. This means that the crew is always willing to help with their needs, and they are happy to serve. The readiness to address inquiries, adapt services to customer needs, and effectively manage any issues or complaints is imperative, and they note that this active and adaptable approach in service reflects significantly on overall service quality. As stated by Sowadski (2022) responsiveness encompasses timely and flexible interaction with customers

For assurance, the result tells that the customer is very satisfied (4.74) on the overall customer satisfaction towards the assurance dimension. Most customers experienced that the coffee shop crew are polite and makes them feel safe when staying at the coffee shop. In addition, the coffee shop crew are credible and responsible when handling the needs of the customer. The coffee shop crew must have broad and deep knowledge with high efficiency in performing their duties and expected to give customers individual attention. This explains that the assurance provided by knowledgeable and reliable staff can result in heightened customer satisfaction levels in coffee shops. Thus, the ability of the baristas and other staff to exhibit assurance through their interactions is a determinant of positive service quality.

Lastly for empathy, it describes that the customer is very satisfied (4.54) on the overall customer satisfaction towards the empathy dimension. The coffee shop crew has their customers' best interests at heart and was considered the most important of 4.68, followed by the crew knowing what the needs of their customers (4.55) and the crew are giving to customer's personal attention (4.38). This is supported by the study of Verma et al. (2020) found that higher levels of empathy from baristas correlated with increased customer satisfaction. This importance is further emphasized in studies by Kim et al. (2021), and Zhang et al.

(2022), which highlight active listening and personalized service as key empathy behaviors that contribute to a memorable coffee shop visit.

Table 3. Extent of the Service Performance Perceived by the Customers

Variables	Weighted Mean	Verbal Interpretation
Tangibility	4.75	Very Satisfied
1. The coffee shop has up-to-date equipment	4.68	Very Satisfied
2. The physical facilities are visually appealing	4.77	Very Satisfied
3. The crew are well dressed and appear neat	4.77	Very Satisfied
4. The appearance of the physical facilities is in keeping with the type of service provided	4.76	Very Satisfied
Reliability	4.74	Very Satisfied
5. Timeliness of the service	4.75	Very Satisfied
6. Willing to address customer complaints	4.79	Very Satisfied
7. The crew are dependable	4.68	Very Satisfied
8. The crew keep their records accurately	4.73	Very Satisfied
Responsiveness	4.60	Very Satisfied
9. The crew are expected to tell customers exactly when services will be performed	4.65	Very Satisfied
10. It is realistic for the customers to expect prompt service from the crew	4.56	Very Satisfied
11. The crew are always expected to help the customers	4.68	Very Satisfied
12. The crew can handle pressure and multi-task	4.51	Very Satisfied
Assurance	4.74	Very Satisfied
13. The customers can trust the crew	4.77	Very Satisfied
14. The customers can feel safe in their transactions with the crew	4.83	Very Satisfied
15. The crew are polite	4.89	Very Satisfied
16. The crew should get adequate support from the service coffee shop management to do their job well	4.75	Very Satisfied
17. The crew are expected to give customers individual attention	4.48	Very Satisfied
Empathy	4.54	Very Satisfied
18. The crew give to customers personal attention	4.38	Very Satisfied
19. It is expected that the crew know what the needs of their customers are	4.55	Very Satisfied
20. It is expected that the crew have their customers' best interests at heart	4.68	Very Satisfied

<i>Legend: Interval</i>	<i>Description</i>
4.20 – 5.00	Very Satisfied (VS)
3.40 – 4.19	Satisfied (S)
2.60 – 3.39	Neutral
1.80 – 2.59	Less Satisfied (LS)
1.00 – 1.79	Not Satisfied (NS)

Extent of the Service Performance Perceived by the Owners and Employees of the Coffee Shop

Tables 4 reveal the extent of the service performance provided by coffee shops in Dumaguete City as perceived by the owners and employees in terms of tangibility, reliability, responsiveness, assurance, and empathy. Table 4 indicates the perception of the owners and employees towards tangibility. Coffee shop owners and

employees believe that the customers are very satisfied (4.75) with their service. The coffee shop has physical facilities that are visually appealing, and the appearance of the physical facilities is in keeping with the type of service provided. This modern equipment and facilities give customers satisfaction and encourage them to visit the coffee shop again. Santos (2002) study explores how tangible elements influence customer perceptions and service provider reputation. Every company wants to give unforgettable unique experiences to gain customer loyalty to provide services in the future.

In terms of reliability, coffee shop owners and employees believe that the customers are very satisfied (4.79) with their service. The coffee shops are always willing to address customer complaints and the crew keep their records accurately. The coffee shops believe that the customers feel satisfied with the reliability of their service. The results describe that customers prefer to come back again to a company that keeps their guarantees about the service outcomes. This also extends to providing services when promised and maintaining error-free records. Reliability leads to creating customer loyalty with this service in the future.

With regards to responsiveness, coffee shop owners and employees believe that the customers are very satisfied (4.87) with their service. The coffee shop crew are expected to tell customers exactly when services will be performed, and it is realistic for the customers to expect prompt service from the crew. This necessitates reducing the time customers have to wait for any interactions with the service provider. This facet of service quality is typically evaluated through the people aspect of service quality. Liu et al. (2020) study explores how service quality influences customer loyalty through perceived value and satisfaction.

For assurance, coffee shop owners and employees believe that the customers are very satisfied (4.94) with their service. They believe that they make their customers feel safe when staying at the coffee shop. The consumer should feel safe when he/she consumes different services from a coffee shop and would like to feel secure throughout his/her stay. Genove and Tayco (2023) study found out that assurance as the most important factor in determining customer satisfaction. According to Khan & Fasih (2014), customers often find it quite reassuring when service staff demonstrate their acquired knowledge while carrying out their tasks and catering to customer preferences during service delivery. Customers tend to come back for future visits when they have trust in the employees' competence.

Lastly for empathy, coffee shop owners and employees believe that the customers are very satisfied (4.87) with their service. Coffee shop owners and employees know what the needs of their customers are when visiting their coffee shop. Murray et al. (2019) outlines the attributes that cultivate empathy, which encompass the politeness and warmth exhibited by the staff, a deep comprehension of the client's particular requirements, providing the client with personalized attention, and dedicating time to elucidate the practices and procedures involved in the service delivery process. The essence of empathy is conveying, through personalized service, that customers are unique and special and that their needs are understood.

Correlation Analysis between Profile of the Customer Respondents and Service Performance

Table 5 presents the p-values between the profile of the customer respondents intersecting their perception on the different services of the coffee shops under study. This table delineates the results of the correlational analysis between the profile of the customer respondents and service performance. For a significant relationship to exist, the p-value must be equal to or lesser than the alpha/margin of error which in this study is set at 0.05. The predictors of age, sex, educational attainment, industry, nationality, estimated amount spent per coffee shop visit, and frequency of visit influence on the perception of the customer respondents towards the service performance of the coffee shops in Dumaguete City. Thus, the decision to rule out the null hypothesis of no relationship is rejected.

As revealed, the age of the respondents is a predictor of their perception of tangible services, specifically the age range 18-25 and 26-35 about 36-45 years old. Hence, it can be construed that the age range 18-25 and 26-35 and the level of satisfaction in terms of tangibility are significantly related. This explains that the customer's level of satisfaction in terms of age range is related to the tangibility dimension. That is, the effective access dimension of service quality was significantly higher for mature individuals compared to their younger counterparts. Overall, their findings suggest that service quality should be more closely tailored to age and not to other demographic characteristics.

Table 4. Extent of the Service Performance Perceived by the Owners and Employees of the Coffee Shop

Variables	Weighted Mean	Verbal Interpretation
Tangibility	4.75	Very Satisfied
1. The coffee shop has up-to-date equipment	4.54	Very Satisfied
2. The physical facilities are visually appealing	4.85	Very Satisfied
3. The crew are well dressed and appear neat	4.77	Very Satisfied
4. The appearance of the physical facilities is in keeping with the type of service provided	4.85	Very Satisfied
Reliability	4.79	Very Satisfied
5. Timeliness of the service	4.77	Very Satisfied
6. Willing to address customer complaints	4.92	Very Satisfied
7. The crew are dependable	4.62	Very Satisfied
8. The crew keep their records accurately	4.85	Very Satisfied
Responsiveness	4.87	Very Satisfied
9. The crew are expected to tell customers exactly when services will be performed	5.00	Very Satisfied
10. It is realistic for the customers to expect prompt service from the crew	4.92	Very Satisfied
11. The crew are always expected to help the customers	4.77	Very Satisfied
12. The crew can handle pressure and multi-task	4.77	Very Satisfied
Assurance	4.94	Very Satisfied
13. The customers can trust the crew	5.00	Very Satisfied
14. The customers can feel safe in their transactions with the crew	5.00	Very Satisfied
15. The crew are polite	5.00	Very Satisfied
16. The crew should get adequate support from the service coffee shop management to do their job well	5.00	Very Satisfied
17. The crew are expected to give customers individual attention	4.69	Very Satisfied
Empathy	4.87	Very Satisfied
18. The crew give to customers personal attention	4.69	Very Satisfied
19. It is expected that the crew know what the needs of their customers are	5.00	Very Satisfied
20. It is expected that the crew have their customers' best interests at heart	4.92	Very Satisfied

Legend:

Interval	Description
4.20 – 5.00	Very Satisfied (VS)
3.40 – 4.19	Satisfied (S)
2.60 – 3.39	Neutral
1.80 – 2.59	Less Satisfied (LS)
1.00 – 1.79	Not Satisfied (NS)

In terms of sex, the sex of the respondents is a predictor or influences their perception of tangible and reliable services. This means the sex of the respondents affects the tangible and reliable services of the coffee shop. The study by Teeroovengadum (2022) focused on exploring gender’s moderating effect on the relationships between the service quality dimensions and customer satisfaction. The study suggests that the satisfaction of male customers depends to a larger extent on environmental quality, there is a need to further explore the specific expectations of male customers. The results further suggest that interaction quality is a major contributor to satisfaction levels for both male and female customers. The company is thus encouraged

to focus on this aspect of their services and invest the required resources to improve those in general. More specifically, the study suggests that for female customers the interaction quality attributes requiring the most urgent attention relate to employees' appearance, their attitude, and their competence. For male customers, the interaction quality attribute requiring the most urgent attention is related to the employees' ability to respond to queries. Therefore, regular training opportunities in customer care are a must to improve customer services' interaction quality.

For occupation, the occupation of the respondents is a predictor or influences their perception of responsiveness and assurance services. Especially those seen by entrepreneurs. The relationship between occupation and responsiveness and assurance services is statistically significant. The results show that the occupation of the respondents affects the responsiveness and assurance services of coffee shops. The results are opposite to the study of Kim et al., (2020) who found that wages conditions of employment, and occupation had no impact on customers' satisfaction based on their perceived service quality. Their study concluded that there is no relationship between job status and satisfaction and that the results do not match their study. If you change the employment status of workers to unemployed satisfaction probability likely increases.

In terms of nationality, the citizens of the respondents predict their perception of responsiveness services. They are especially perceived by Filipinos. Since most of the respondents are Filipinos, there is only one Canadian respondent. Coffee owners must design their facilities that can cater to different nationalities. The study by Han et al., (2021) explains that ethnicity was found to be a moderator of the level of overall service quality. This implies that service companies should follow strategies that best fit the demands of each ethnic group. For instance, to increase the overall service quality, different marketing strategies are required, and they need to appreciate the customers and understand their needs.

In addition, the frequency of visits by the respondents is a predictor or influences their perception of responsiveness services. They were especially perceived by those who visited the coffee shops monthly, very seldom, and weekly. The results show that the frequency of visits of the respondents, especially those who visited the coffee shops monthly, very seldom, and weekly have observed differences in the responsiveness and assurance services of coffee shops. Customers who visit coffee shops daily may become accustomed to the service quality in terms of responsiveness and assurance. The lack of attention to service quality in terms of responsiveness and assurance among daily coffee shop visitors can be attributed to a combination of habituation, expectation management, selective attention, normalization, the transactional nature of their interactions, etc. Research results indicated there was a significant, moderate, positive relationship between service quality and customer loyalty. This explains that service quality can lead to customer loyalty and added to the body of knowledge in service quality and the construct of loyalty is expressed by repeat visits and willingness to recommend.

Lastly, the amount spent by the respondents is a predictor or influences their perception of tangible services (especially those who spent 100 up to 2999), reliability services (especially those who spent 999 pesos and below), responsiveness, assurance (especially by those who spent 100 to 1000 pesos, and empathy in service to customers. The amount spent by respondents can indeed influence their perception of various aspects of service quality, including tangibles, reliability, responsiveness, assurance, and empathy. The amount spent by respondents can serve as a proxy for their expectations, preferences, and perceived value derived from the service. Different spending ranges may lead to varying perceptions of service quality across dimensions such as tangibles, reliability, responsiveness, assurance, and empathy. According to Zhang et al., (2020) they found that an effective marketing strategy of appropriate price may positively affect customer revisit intention. These results remind managers who should understand the customer's needs and utilize an emerging marketing strategy, rather than being driven by the adoption of plans by their competitors. Thus, managers could divert more time and pay attention to improving price strategy and marketing promotion tools to promote customer revisit intention.

According to the study by Yaqub, Halim, & Shehzad (2019), perceived price fairness is an important factor because they feel that the value of the service provided should be met with a fair price to make their customers satisfied and delighted. The study is consistent with the study by Chen, Hsu, & Chen (2019) that casual dining can be adapted to coffee shops, highlighting that consistency in order accuracy, wait times, and

product quality forms the basis for building trust and positively influences the overall customer service experience.

Table 5. Correlation between profile of the customer respondents and service performance

Customer Respondents Profile	Tangible	Reliability	Responsiveness	Assurance	Empathy
Age					
(26-35) -(36-45)	0.043*	0.591	0.687	0.439	0.953
(18-25) -(36-45)	0.036*	0.313	0.975	0.517	0.936
Sex					
Female-Male	0.004*	0.015*	0.265	0.139	0.302
Educational Attainment					
High School or Equivalent	0.13	0.122	0.133	0.1082	0.194
Master's Degree	0.257	0.24	0.262	0.2139	0.384
Some College or Associate	0.125	0.117	0.128	0.1045	0.187
Occupation					
Entrepreneur - Student	0.897	0.135	0.042*	0.038*	0.094
Service Industry-Student	0.147	0.278	0.642	0.801	0.763
Online Job-Student	0.94	0.526	0.404	0.463	0.877
Professional-Student	0.238	0.551	0.725	0.847	0.76
Office Worker-Student	0.117	0.054	0.178	0.563	0.368
Government Worker-Student	0.218	0.99	0.404	0.463	0.525
Educator-Student	0.429	0.728	0.882	0.557	0.797
Citizenship					
Filipino-Canadian	0.251	0.5	0.014*	0.867	0.197
Frequency of visit					
Daily-3x a week	0.629	0.198	0.073	0.524	0.786
Monthly-3x a week	0.184	0.69	0.002*	0.922	0.083
Very Seldom-3x a week	0.192	1	0.008*	0.67	0.099
Weekly-3x a week	0.159	0.563	0.004*	0.93	0.062
Estimated Amount Spent					
(100 pesos below) -(1000-999 pesos)	0.053	0.044*	0.002*	0.161	0.008*
(101-999 pesos) -(1000-999 pesos)	<.001*	0.002*	<.001*	0.021*	<.001*
(2000-2999) -(1000-999 pesos)	0.025*	0.084	0.002*	0.212	<.001*

Note that p-value lower than 0.05 indicates a significant effect.*

Correlation between Profile of the Coffee Shops and Service Performance

Table 6 manifests the p-values between the profile of the coffee shops intersecting the perception of the owners and employees towards their services of their coffee shops.

Table 6 shows the correlation between the profile of the coffee shops and service performance. As shown, the years of the coffee shop's operation have been influential to the perception of the owners and employees on their perception of the reliability of their services. This correlation is significant at the 0.05 level. The years of operation of a coffee shop can indeed play a significant role in shaping the perception of both owners and employees regarding the reliability of their services. This is because of several reasons like the reputation of the coffee shop, consistency and customer loyalty, and the experience and expertise of the barista. While dimensions like tangibility, responsiveness, assurance, and empathy are also important factors in shaping customer perceptions of service performance, the years of operation can serve as a foundational element that influences how these dimensions are perceived. Reggie et al, (2021) study examines how various service quality dimensions, including reliability, influence customer satisfaction and perceptions. Additionally, a long history of operation can indirectly impact these other dimensions by instilling a sense of confidence and trust in the business overall.

Table 6. Correlation between profile of the coffee shops and service performance

Coffee shop Profile	Tangible	Reliability	Responsiveness	Assurance	Empathy
Years of Operation	0.319	0.042*	0.621	0.831	0.637
Number of Employees	0.529	0.722	0.487	0.091	0.148

Note that p-value lower than 0.05 indicates a significant effect*

Significant Difference in the Extent of the Service Performance provided by the Coffee Shops as Perceived by the Customer and Key Personnel Respondents

Table 7 shows the p-values on the significant difference in the extent of the service performance provided by the coffee shops as perceived by the customer and key personnel respondent.

T-test were used to show the significant difference in the extent of the service performance provided by the coffee shops as perceived by the customer and key personnel respondents. As seen, all the items, except for responsiveness, reveal a significant difference. This correlation is significant at the 0.05 level, that is, both the owners & employees and their customers agreed with their perceptions of the different services the coffee shops in Dumaguete City render.

Only in the item of responsiveness where the owners and employees do not have the same perception as the customers. The owners and the employees have a much higher grand weighted mean of 4.87 compared to the 4.60 of the customers. The coffee shop owners and employees look at their responsiveness to their customers more than what the customer’s experience. The study by Ge, Yuan, Wang, & Park (2021) suggests that coffee shops should enhance the emotional connection between consumers and businesses, as well as enhance perceived service performance in terms of responsiveness, tangibility, reliability, assurance, and empathy. By doing so, they can foster stronger emotional resonance between consumers and the coffee shop, ultimately leading to increased customer satisfaction.

Table 7. P-values for independent sample T-Test

Service Performance	Customers Perceptions vs Owners and Employees
Tangibility	0.925
Reliability	0.472
Responsiveness	0.009*
Assurance	0.071
Empathy	0.059

Note that p-value lower than 0.05 indicates a significant effect*

Conclusion

The research on coffee shops in Dumaguete City identifies a vibrant customer base, primarily young Filipino students with evident female dominance, who patronize these coffee shops regularly. They are drawn to the friendly environment conducive to studying, socializing, and having access to stable Wi-Fi, spending moderately on each visit. The demographic characteristics of customers, including age, gender, and frequency of visits, significantly influence their opinions regarding service quality, especially physical attractiveness, reliability, and responsiveness. Coffeeshops are critical social and learning centers that cater to young adults' needs for comfortable and convenient environments. The great satisfaction with the appearance, reliability, responsiveness, assurance, and empathy of the shops demonstrates their effectiveness in meeting customer expectations, building loyalty, and facilitating a successful business environment in a university-centered community.

From coffee shop owners' and employees' points of view, there is strong agreement with customers' perceptions, except in responsiveness, where employees rate their performance more highly than customers. This discrepancy indicates the potential to align service provision with customer expectations more closely. Most coffee stores, being quite new and mid-sized, demonstrate flexibility and innovation, leading to high satisfaction in their physical space, reliability, assurance, and empathy. The correlation between the number

of years in business and perceived reliability highlights the role of experience in solidifying consistency of service. These findings underscore the importance of maintaining high standards of service and satisfying varied customer tastes in a competitive environment for sustained customer satisfaction and business development.

List of abbreviations

SERVPERF – Service Performance

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Declaration

Ethics approval and consent to participate

In carrying out this research, the researcher adhered to ethical standards, as required by the Data Privacy Act of 2012, to protect the participants and maintain the confidentiality of their data.

Consent for publication

Not applicable.

Availability of data and materials

The data supporting the findings of this study are available upon request.

Competing interests

The authors declare that there is no conflict of interest regarding this work.

Declaration of generative AI and AI-assisted technologies in the manuscript preparation process

During the preparation of this work the author used Grammarly in order to correct spelling mistakes and help me make better sentences. After using this tool/service, the author reviewed and edited the content as needed and takes full responsibility for the content of the published article.

Author contributions

ABV and ROT Conceptualization, Writing –original draft, Writing –review and editing.

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