The Social Servicescape Dimension in Enhancing Customer Trust Through Price Fairness at Starbucks Palangka Raya

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Abstract: This study examines the role of the Social Servicescape in enhancing Customer Trust through perceptions of Price Fairness at Starbucks in Palangka Raya. With the coffee shop industry rapidly evolving, this research explores how social interactions among customers and employees affect customers views on price fairness and trust. Utilizing a descriptive quantitative approach, data was collected through questionnaires. The findings reveal that the social servicescape significantly influences customer trust both directly and indirectly via price fairness. This research provides valuable insights for coffee shop owners to develop effective marketing strategies that enhance customer experiences and foster loyalty.

Keywords: Social Servicescape, Customer Trust, Price Fairness

INTRODUCTION

The coffee shop industry in Indonesia has experienced significant growth in recent years. The rising trend of coffee culture among the public, especially among the younger generation, has created huge business opportunities. In the context of increasingly fierce competition, marketing strategies no longer focus solely on products and prices, but also on creating a comprehensive customer experience. One important aspect that has begun to receive increasing attention is the concept of servicescape, which encompasses the physical and social environment where services are provided. This concept is particularly relevant in the service industry, where social interactions and atmosphere can significantly influence consumer perceptions and behavior (Kotler, 1973 and Bitner, 1992).

The first concept of the physical environment was introduced by Kotler (1973) through the term "atmosphere." Atmosphere combines the intangible features of the physical environment such as sight (color, lighting), hearing (type of music, sound level), touch (cleanliness), and smell (aroma, scent) (Kotler, 1973). Baker (1986) later described the "physical environment" as a set of three aspects consisting of sensory aspects, design factors, and social factors. Subsequently, Bitner (1992) proposed "servicescape" to describe the physical environment dimensions provided by service organizations. Bitner identified three aspects of the servicescape: "ambient conditions," "spatial layout and function," and "signs, symbols, and artifacts." Based on the stimulus-organism response paradigm (Bitner 1992,

Mehrabian and Rusell 1974), he proposed a servicescape model that assumes that servicescape attributes influence customer and employee perceptions, which in turn generate their emotional, cognitive, and physiological reactions to the café.

Price fairness plays an important role in building customer trust. When customers feel that the price they pay is commensurate with the quality of the products and services they receive, their trust in the coffee shop will increase (Xia, Monroe, & Cox, 2004). However, perceptions of price fairness do not depend solely on the price itself, but are also influenced by social factors in the coffee shop environment. A brand's success in retaining and attracting customers is not only determined by product quality but also by the quality of service and the social environment offered. Starbucks, as a global brand, has long prioritized customer experience as a core value in its operations. One important aspect of this experience is the servicescape, particularly the social dimension involving human interaction within the service environment (Bitner, 1992). This dimension includes interactions between customers and employees, as well as among customers themselves, which can influence consumers' perceptions of the value and fairness they experience.

This study aims to analyze the influence of social servicescape dimensions on customer trust through price fairness at coffee shops in Palangka Raya, with a particular focus on Starbucks. Starbucks does not only sell coffee but also provides a unique experience for customers. The services provided in the store play a crucial role in its marketing strategy. In this context, the services provided within the store, including employee behavior and social dynamics among customers, play a significant role in shaping customer perceptions and loyalty (Carbone & Haeckel, 1994). This dimension encompasses the friendliness, empathy, politeness, and professionalism of baristas or service staff, which directly contribute to consumers' perceptions of comfort and trust in the brand (Line and Hanks, 2019). According to Tombs and McColl-Kennedy (2003), the social servicescape encompasses social interactions between customers and service providers, as well as among customers themselves, which can influence emotional perceptions and trust in the brand. Starbucks consistently leverages this dimension to create an environment that fosters emotional connections between customers and the brand.

Customer trust is an important foundation in building long-term loyalty. Trust is not only built through product quality or promotions, but also through consistent service, fair pricing, and how customers are treated during the service consumption process. Price fairness is an important indicator in consumers' perception of the value they receive. When prices are perceived as fair and commensurate with the quality of service and the atmosphere provided, customer trust in the brand increases (Radic, 2023).

Starbucks Palangka Raya is an interesting location to study due to its unique consumer characteristics, which combine local consumers and students/college students. Their perceptions of price and service are likely influenced by their cultural and economic backgrounds. Therefore, it is important to understand how the social servicescape dimension influences customer trust, particularly through perceptions of price fairness. Starbucks, as one of the global brands present in many cities including Palangka Raya, does not just sell coffee but also sells an experience. Therefore, the services provided within the store are a key element in its marketing strategy. One of the main dimensions of the servicescape that has a significant influence is the social servicescape, namely the social interactions that occur between employees and customers, as well as between customers within the cafe environment. This dimension includes the friendliness, empathy, politeness, and professionalism of the baristas or service staff, which directly contribute to consumers' perceptions of comfort and trust in the brand.

The success of a brand in retaining and attracting customers is not only determined by product quality, but also by the quality of service and the social environment offered. As a global brand, Starbucks has long prioritized customer experience as a core value in its

operations. One important aspect of this experience is the servicescape, particularly the social dimension involving human interaction within the service environment.

This study aims to contribute to the development of marketing management science, particularly in the context of coffee shops. By utilizing theories related to social servicescape, customer trust, and price fairness, this research seeks to provide insights for coffee shop owners in designing more effective marketing strategies.
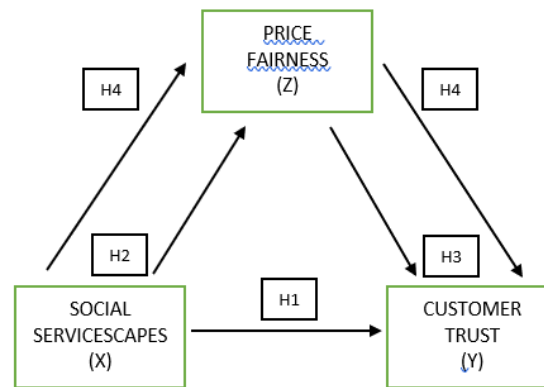
METHOD

Figure 1. Conceptual Framework

This study uses quantitative methods. This method was chosen because it can provide a clear and systematic picture of the influence of the Social Servicescape Dimension on Customer Trust through Price Fairness at coffee shops in Palangka Raya. The data collected consists of figures and statistical analyses to test the established hypotheses (Sugiyono, 2017).

The sample and population in this study were coffee shop customers in Palangka Raya, particularly at Starbucks. Since there was no definitive data on the number of customers, the researcher used purposive sampling to determine the sample. The sample criteria included:

1. Customers who have made at least two purchases at Starbucks.
2. Customers aged 17 to 55 years old.
3. Based on calculations using the Lameshow formula, the number of samples taken was 100 respondents.

This study was conducted at Starbucks in Palangka Raya City. The study was conducted over a period of one month from April 2025 to allow sufficient time for data collection and analysis.

The research instrument used in this study was a questionnaire. The questionnaire was designed to measure the variables of social servicescape, customer trust, and price fairness. Each question in the questionnaire used a five-point Likert scale, namely: Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree. The Likert scale is a commonly used measurement method in quantitative research because it can capture the level of agreement of respondents to the statements provided (Sugiyono, 2019; Sekaran & Bougie, 2016). This questionnaire was designed online using Google Forms and distributed through various digital media to reach respondents more broadly and efficiently.

The research procedure began with designing a questionnaire that covered all the variables to be measured. After the questionnaire was completed, the researchers conducted a trial to ensure the validity and reliability of the instrument. Next, the questionnaire was distributed to respondents who met the criteria.

The collected data were then analyzed using descriptive analysis and PLS (Partial Least Square) analysis with the help of SmartPLS software version 4.0. This analysis was used to evaluate the strength and direction of influence between the variables studied, with a primary focus on customer trust as the dependent variable. PLS was chosen because it can accommodate

complex models with relatively small sample sizes and does not require data to be normally distributed (Hair et al., 2017; Latan & Noonan, 2017).

In this study, the researcher also paid attention to research ethics. Each respondent was informed about the purpose of the study and assured that all data provided would be kept confidential. The researcher also gave respondents the freedom not to answer questions that were considered sensitive.

With this approach, it is hoped that the study can provide valid and accountable results and make a real contribution to the development of marketing management science in the coffee shop sector.

RESULT AND DISCUSSION
Descriptive Statistics Results

Descriptive statistical analysis is used to provide an initial understanding of the respondents' profiles and their response patterns to the variables under study. The information presented includes demographic data such as gender, age, and occupation, as well as the average responses of respondents to items in the questionnaire representing the variables of social servicescape, price fairness, and customer trust. Descriptive statistics play an important role in explaining the structure of the data before further analysis is conducted, such as structural model testing (Hair et al., 2014; Sekaran & Bougie, 2016).

Table 1. Characteristics of Respondents

Gender				
	1	Male	59	59
	2	Female	41	41
		Total	**100**	**100%**
Age	1	17-25 Years Old	77	77
	2	26-35 Years Old	21	21
	3	36-45 Years Old	1	1
	4	> 46 Years Old	1	1
		Total	**100**	**100%**
Job	1	Student	52	52
	2	Civil Servant/TNI/Polri	10	10
	3	Corporate Employee	21	21
	4	Merchant	2	2
	5	Entrepreneur	15	15
		Total	**100**	**100%**

Source: Research Result

Most of the respondents in this study were male, totaling 59 people or 59% of the total respondents. Meanwhile, female respondents numbered 41 people or 41%. This indicates that the majority of Starbucks visitors in Palangka Raya who were the subject of this study were male. Furthermore, the age distribution of respondents shows that the 17–25 age group was the most dominant, with 77 respondents or 77%. The 26–35 age group is in second place with 21 respondents (21%). The remaining respondents each come from the 36–45 age group (1%) and those over 46 years old (1%). This finding indicates that the majority of Starbucks visitors in Palangka Raya are from the younger generation.

Table 2. Characteristics of Respondents

No item	Respondents Answers					Mean	Description
	SD	D	N	A	SA		

SOC 1.1	0	0	11	39	50	4,39	Agree
SOC 1.2	0	0	11	38	51	4,4	Agree
SOC 1.3	0	0	7	49	44	4,37	Agree
SOC 1.4	0	0	7	51	42	4,35	Agree
SOC 1.5	0	0	12	39	49	4,37	Agree
SOC 1.6	0	0	4	39	57	4,53	Agree
SOC 1.7	0	1	16	47	36	4,18	Agree
SOC 1.8	0	0	14	45	41	4,27	Agree
SOC 1.9	0	0	15	56	29	4,14	Agree
SOC 1.10	0	0	17	48	35	4,18	Agree
SOC 1.11	0	0	13	39	48	4,35	Agree
SOC 1.12	0	0	14	39	47	4,33	Agree
SOC 1.13	0	0	12	39	49	4,37	Agree
SOC 1.14	0	0	7	46	47	4,4	Agree
SOC 1.15	0	0	13	39	48	4,35	Agree
SOC 1.16	0	0	13	39	48	4,35	Agree
CUST 1.1	0	0	11	40	49	4,38	Agree
CUST 1.2	0	0	6	43	51	4,45	Agree
CUST 1.3	0	0	6	41	53	4,47	Agree
CUST 1.4	0	0	10	41	49	4,39	Agree
PRC 1.1	0	0	22	57	18	3,84	Agree
PRC 1.2	0	0	33	52	13	3,72	Agree
PRC 1.3	0	0	18	48	32	4,06	Agree

Source: Research Result

Outer Model Analysis

Outer model analysis is used to test the extent to which indicators can represent latent constructs in a research model. According to Ghozali and Latan (2015), the outer model or measurement model aims to assess the validity and reliability of indicators in measuring the latent variables under study. The testing is carried out in several stages, namely convergent validity, discriminant validity, and construct reliability. A similar view is expressed by Wong (2013), who explains that in PLS-SEM, evaluating the outer model is important to ensure that the relationship between latent constructs and indicators is reflective or formative, and must meet criteria such as Average Variance Extracted (AVE) for convergent validity, as well as Composite Reliability (CR) and Cronbach's Alpha for reliability. Through this testing, researchers can ensure that the measurement tools used are appropriate and valid for further analysis.

Convergent validity is evaluated through factor loading values and Average Variance Extracted (AVE) values. Chin (1998) states that an indicator is said to meet convergent validity if it has a factor loading above 0.70. In addition, the AVE value must also be greater than 0.50 for the construct to be considered capable of explaining more than half of the variance of the indicators used.

Table 3. Construct Model Results

Construct		Indicator	Item Reability	Convegent Validity		
			Loading	CR	Alpha	AVE
Social Servicescapes	Employees	SOC1	0.882	0.956	0.948	0.590
		SOC2	0.853			

	SOC3	0.600			
	SOC4	0.631			
	SOC5	0.851			
	SOC6	0.444			
Other Customers	SOC7	0.908			
	SOC8	0.882			
	SOC9	0.869			
	SOC10	0.834			
Social Crowding	SOC11	0.941			
	SOC12	0.929			
	SOC13	0.850			
Rapport	SOC14	0.872			
	SOC15	0.941			
	SOC16	0.915			
Price Fairness	PRICE1	0.919	0.880	0.843	0.758
	PRICE2	0.807			
	PRICE3	0.883			
Customer Trust	CUST1	0.850	0.885	0.879	0.733
	CUST2	0.821			
	CUST3	0.865			
	CUST4	0.887			

Source: Output PLS 2025

The results of reliability and convergent validity tests show that the Social Servicescapes construct has excellent reliability with a Composite Reliability (CR) value of 0.956 and Cronbach's Alpha of 0.948. The Average Variance Extracted (AVE) value of 0.590 indicates that convergent validity has been achieved. However, there are several indicators such as SOC3, SOC4, and SOC6 that have loading values below 0.7, indicating that their contribution to the construct is not strong.

In the Price Fairness construct, a CR value of 0.880 and an Alpha value of 0.843 indicate good reliability. With an AVE of 0.758 and all indicators having a loading value above 0.8, this construct meets the criteria for convergent validity very well.

The Customer Trust construct also showed good results with a CR of 0.885, an Alpha of 0.879, and an AVE of 0.733. All indicators in this construct had loading values above 0.8, indicating that the indicators consistently measured the intended construct and that convergent validity was fulfilled.

Table 4. Discriminant Validity

Variabel	AVE	Composite Reliability	Cronbach's Alpha	R-Square
Customer Trust	0.733	0.885	0.879	0.406
Rapport	0.918	0.957	0.955	
Employees	0.566	0.880	0.837	
Social Crowding	0.946	0.975	0.971	
Other Customer	0.764	0.898	0.897	
Price Fairness	0.758	0.880	0.843	0.323
Social Servicescapes	0.590	0.956	0.948	1.000

Source: Output PLS 2025

All variables in this model demonstrate good validity and reliability. The AVE values are above 0.5, indicating that each construct meets the criteria for convergent validity. Additionally, the Composite Reliability and Cronbach's Alpha values all exceed the minimum threshold of 0.7, indicating that the indicators within each variable exhibit high internal consistency. The R-Square values indicate that the variables Customer Trust, Price Fairness, and Social Servicescapes are explained by the model to the extent of 40.6%, 32.3%, and 100%, respectively. Thus, this model is suitable for further analysis.

Table 5. Heterotrait-monotrait Ratio (HTMT)

	CUSTOMER TRUST	RAPPORT	EMPLOYEES	SOCIAL CROWDING	OTHER CUSTOMERS	PRICE FAIRNESS
CUSTOMER TRUST						
RAPPORT	0.534					
EMPLOYEES	0.674	0.989				
SOCIAL CROWDING	0.502	0.996	0.968			
OTHER CUSTOMERS	0.632	0.491	0.619	0.428		
PRICE FAIRNESS	0.588	0.520	0.602	0.470	0.642	
SOCIAL SERVICESCAPES	0.666	0.980	1.067	0.951	0.754	0.632

Source: Output PLS 2025

All Heterotrait-Monotrait Ratio (HTMT) values between constructs are below the recommended threshold of 0.90, except for the relationship between Employees–Social Servicescapes (1.067), Relationships–Crowds (0.996), and Relationships–Social Servicescapes (0.980), which exceed this threshold. This indicates a potential issue with discriminant validity for these constructs, as high HTMT values suggest that constructs that should be distinct actually exhibit high similarity. Therefore, further evaluation or model modification is necessary to ensure that each construct clearly measures distinct concepts

Inner Model Analysis
Hypothesis Testing
Inner model or structural model analysis is used to test the relationship between latent constructs based on the theory formulated in the research model. The inner model evaluates how strong and significant the relationship between independent and dependent variables is. In the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach, inner model testing involves evaluating the R-square (R^2) value, the f-square (f^2) value, as well as the path coefficient values and their significance (Hair et al., 2017). Hypothesis testing is conducted to measure the significance of relationships between variables in the inner model. In PLS-SEM, hypothesis testing is performed using the bootstrapping method to obtain t-statistic and p-value values. A hypothesis is considered significant if the t-statistic value is > 1.96 at a 5% significance level (two-tailed) (Henseler, Ringle, & Sinkovics, 2009).

Table 6. The Path Analysis

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
SOCIAL CROWDING -> SOCIAL SERVICESCAPES	0.229	0.228	0.026	8.812	0.000

OTHER CUSTOMERS -> SOCIAL SERVICESCAPES	0.262	0.258	0.024	10.731	0.000
RAPPORT -> SOCIAL SERVICESCAPES	0.264	0.265	0.023	11.234	0.000
PRICE FAIRNESS -> CUSTOMER TRUST	0.269	0.276	0.094	2.869	0.004
EMPLOYEES -> SOCIAL SERVICESCAPES	0.376	0.376	0.026	14.509	0.000
SOCIAL SERVICESCAPES -> CUSTOMER TRUST	0.444	0.438	0.106	4.178	0.000
SOCIAL SERVICESCAPES -> PRICE FAIRNESS	0.568	0.570	0.072	7.837	0.000
EMPLOYEES -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS	0.214	0.214	0.028	7.632	0.000
SOCIAL SERVICESCAPES -> PRICE FAIRNESS -> CUSTOMER TRUST	0.153	0.158	0.059	2.611	0.009
SOCIAL CROWDING -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS	0.130	0.130	0.021	6.102	0.000
OTHER CUSTOMERS -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS	0.149	0.148	0.027	5.606	0.000
OTHER CUSTOMERS -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS -> CUSTOMER TRUST	0.040	0.041	0.017	2.356	0.019
RAPPORT -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS -> CUSTOMER TRUST	0.040	0.042	0.015	2.601	0.009
EMPLOYEES -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS -> CUSTOMER TRUST	0.058	0.059	0.022	2.590	0.010
SOCIAL CROWDING -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS -> CUSTOMER TRUST	0.035	0.036	0.014	2.536	0.011
RAPPORT -> SOCIAL SERVICESCAPES -> CUSTOMER TRUST	0.117	0.116	0.028	4.211	0.000
EMPLOYEES -> SOCIAL SERVICESCAPES -> CUSTOMER TRUST	0.167	0.165	0.040	4.145	0.000
SOCIAL CROWDING -> SOCIAL SERVICESCAPES -> CUSTOMER TRUST	0.102	0.100	0.027	3.711	0.000
OTHER CUSTOMERS -> SOCIAL SERVICESCAPES -> CUSTOMER TRUST	0.116	0.113	0.029	4.074	0.000
RAPPORT -> SOCIAL SERVICESCAPES -> PRICE FAIRNESS	0.150	0.151	0.021	7.220	0.000

Sumber: Output PLS 2025

The path analysis results indicate that all dimensions of the social servicescape, namely social crowd, customers, customer relationships, and employees, have a significant effect on the formation of social servicescape perceptions. Among these dimensions, employees have the most dominant influence. The social servicescape is also proven to have a direct effect on perceptions of price fairness and customer trust. Additionally, there is a significant indirect influence through price fairness, where the social servicescape serves as an important mediator

in enhancing customer trust. Thus, it can be concluded that the social servicescape plays a crucial role in shaping perceptions of price fairness and enhancing customer trust in Starbucks Palangka Raya.

CONCLUSION

The results of the study indicate that the social servicescape dimension, which includes interactions between employees and customers, relationships between customers, the presence of other customers, and the atmosphere of social crowds, significantly influences customers' perceptions of the social service environment at Starbucks Palangka Raya. Among all these dimensions, the employee dimension has been proven to have the most dominant influence in shaping perceptions of the Social Servicescape.

In addition, the social servicescape has a direct influence on customer trust, as well as an indirect influence through perceptions of price fairness. This means that a positive social service environment not only creates comfort, but also shapes customers' perceptions that the price charged is fair and commensurate with the experience they receive, thereby fostering trust in the brand.

Overall, this study emphasizes the importance of social interaction in building customer trust. Starbucks and other coffee shop operators are advised to strategically manage social service aspects in order to create a comprehensive experience and strengthen customer loyalty in the long term.

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