

## THE ROLE OF E-SATISFACTION ON REPURCHASE AND E-WOM INTENTION ON THE COSTUMERS OF FOOD PRODUCTS BY LOCAL MICRO AND SMALL BUSINESSES ON THE DIGITAL PLATFORMS

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**Abstract:** Despite the increasing popularity of online food delivery services, extant studies have not looked at factors that contribute to customers' willingness to repurchase and recommend food products by local micro and small businesses to other app users. Meanwhile, the topic is essential given that food products from local micro and small businesses face direct competition with well-known products from large corporations on digital platforms. Therefore, this study aims to examine the role of food quality, price fairness and perceived value on e-satisfaction and the role of e-satisfaction on the repurchase and e-WOM intention of the customers of food products by local micro and small businesses. Using data from 100 customers of local micro and small businesses on the popular food delivery applications in Pekalongan, Indonesia and employing Partial Least Square (PLS) in our data analysis, our results show that food quality and price fairness have a significant effect on e-satisfaction. In addition, our findings show that e-satisfaction has a positive and significant effect on repurchase intention, but it shows a non-significant positive effect on e-WOM intention. Overall, our findings suggest that on digital platforms, gaining customer satisfaction about the product's quality and the price's fairness may not be enough, as it does not indicate a significant relationship with the willingness of the customers to recommend it to other app users.

**Keywords:** food quality, price fairness, perceived value, e-satisfaction, repurchase intention, e-WOM intention

**Abstrak:** Ditengah meningkatnya popularitas online food delivery services, penelitian selama ini belum menjawab tentang faktor yang berkontribusi pada pembelian kembali dan kesediaan konsumen untuk merekomendasikan makanan produk usaha mikro dan kecil lokal pada pengguna aplikasi lainnya. Oleh karena itu, penelitian ini dilakukan untuk menguji peran food quality, price fairness dan perceived value terhadap e-satisfaction dan selanjutnya terhadap repurchase dan e-WOM intention. Dengan menggunakan data dari 100 pelanggan usaha mikro dan kecil di kota Pekalongan, Indonesia yang terdapat pada aplikasi food delivery services, dan Partial Least Square (PLS) sebagai teknik analisa data, hasil penelitian menunjukkan bahwa food quality dan price fairness mempengaruhi e-satisfaction secara signifikan. Selanjutnya hasil analisis juga menunjukkan bahwa e-satisfaction berpengaruh secara signifikan pada repurchase intention, namun tidak signifikan terhadap e-WOM intention. Secara keseluruhan, hasil penelitian ini menunjukkan bahwa pada platform digital, kepuasan konsumen terhadap kualitas produk dan fairness atas harga produk adalah tidak mencukupi. Hal ini karena meskipun e-satisfaction berdampak pada pembelian kembali, namun e-satisfaction tidak memiliki dampak signifikan terhadap kesediaan pelanggan untuk merekomendasikan pada pihak lain.

**Kata kunci:** food quality, price fairness, perceived value, e-satisfaction, repurchase intention, e-WOM intention

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## INTRODUCTION

The popularity of online food delivery services has been proliferating in recent years (Shroff et al. 2022). This service connects users with restaurants and riders who deliver orders using the digital platform (Seghezzi et al. 2021). In Indonesia, the use of digital food delivery services experienced an increase of 34% during the covid 19 pandemic. With national and local governments imposing restrictions on people's mobility for nonessential activities, many local cafes, kiosks, and restaurants had to rely on digital platforms to continue serving their customers.

Despite the chance to continue the business during the pandemic, moving to the digital platform has given additional challenges for local micro and small businesses. In addition to the lack of digital competencies of the entrepreneurs (Orrensal et al. 2022), local small businesses have to compete directly with reputable big businesses in the digital platform. On this platform, customers can easily compare products and switch to other merchants who give better offerings or display higher ratings from their customers. Thus, this situation requires the entrepreneur to improve product quality and promotion strategy, mainly to attract repeat buyers and receive positive customer reviews. However, little guidance is available to improve their offerings and survive in the digital platform. To date, extant studies have not revealed essential factors that affect repurchase and electronic word of mouth (e-WOM) intention by the customers of online food delivery services, particularly the customers of local micro and small businesses on the digital platform.

Prior studies on online Food Delivery services have revealed several factors that influence consumer intentions to use or continue using the apps (e.g. Alalwan, 2020; Kumar & Shah, 2021; Ray et al. 2019; Troise et al. 2020; Zanetta et al. 2021; Zhao & Bacao, 2020). For example, a study by Han and Hyun (2017) studied user characteristics of the apps, while Alalwan (2020) used technology adoption theories as the lens to explain the intention to use the app. These two prior studies have helped to understand the role of user satisfaction on the intention to continue using the app. These studies reveal the effect of online reviews, ratings, tracking, performance expectancy, and other factors contributing to user satisfaction and continued intention to use the app (e.g. Alalwan, 2020).

Nonetheless, these prior studies have not explicitly looked at variables that affect the willingness of small business customers to repurchase and recommend the products to others. Therefore, it remains uncertain whether customer satisfaction also plays a vital role in explaining repurchase and e-WOM intention in this unique setting. In order to address this gap as well as to answer the call to study restaurant operations and their role in online food delivery systems (Seghezzi et al. 2021), we aim to study the users of popular online food services in Indonesia, such as Go Food, Grab food, and Shopee food who purchase food products from local micro and small businesses in the apps. More specifically, we aim to examine factors that affect customers' satisfaction towards food products offered by local micro and small businesses on the digital platform. Moreover, we aim to examine the effect of e-satisfaction on the repurchase and e-WOM intention.

To achieve this aim, we depart from the theoretical models by Konuk (2019) and Alalwan et al. (2020). Konuk (2019) explains the revisit and electronic word-of-mouth intention of restaurant visitors in the offline setting by looking at the effect of customers' satisfaction regarding the quality, the fairness of the price, and the value of the food product. At the same time, Alalwan et al. (2020) studied the effect of customer satisfaction in the online setting. Based on the insights from the two studies, we develop a theoretical model and test the model by using survey data gathered from the customer of food products by local micro and small businesses in Pekalongan, a small city in Indonesia. Apart from its geographical location accessible by the authors, just like many other cities in the world, Pekalongan is a city whose residents are shifting from relying on offline to online modes for retail stoppings. This setting makes it relevant for our study, given that many local customers in this city can now easily compare offerings from the local business with those of reputable national or international restaurant chains on digital platforms.

Our study focuses on the repurchase and e-WOM intention, given that we see these two variables as necessary for the survival of small businesses in the online setting. Prior studies have revealed that customer behavioral intentions such as repurchasing and word of mouth can be predicted by their customers' satisfaction (e.g. Ryu and Han, 2010; Namin, 2017). According to the expectancy-disconfirmation theory, satisfaction can be interpreted as an evaluation of affective responses

or experiences after disconfirming consumer cognitive expectations and perceived performance of a product/service and its attributes (Han and Hyun, 2017). Based on this theoretical lens, consumers have expectations of a product or service before making a purchase. If there is confirmation or customers' expectations are met, then satisfaction will occur (Oliver in Konuk, 2019). It is because customers often decide to purchase or repurchase certain products after evaluating whether their experience with a product/service was satisfactory or unsatisfactory (Han and Hyun, 2017). When consumers are satisfied, their good intentions for a product/service and their desire to purchase or repurchase will generally increase (Han & Hyun, 2017).

From an empirical perspective, prior studies within the context of restaurants demonstrate the positive effect of customer satisfaction on customers' intention to buy food products (Han and Hyun, 2017; Konuk, 2019). Konuk's (2019) study even demonstrates that satisfaction predicts both revisit and e-WOM intention. In addition to the two prior studies, a more recent study by Annaraud & Berezina (2020) and Allawan (2020) found the effect of satisfaction on the users' intention to use online food delivery apps. However, the two studies have not looked at customers' intention to repeat their purchases or their willingness to recommend food products that they purchase to other users on the platform. Therefore, informed by expectancy-disconfirmation theory and insights from prior studies that were conducted in the offline setting, in the present study, we expect to find the effect of e-satisfaction, which is defined as the contentment of the customer concerning their prior purchasing experience by using a mobile app on the repurchase and e-WOM intention (Alalawan, 2020).

While repurchase and e-WOM can be explained by satisfaction, in the offline setting, satisfaction can be predicted by several factors. In a study by Konuk (2019), the satisfaction of restaurant visitors can be explained by product quality, fairness of the price, and the value of the food product. The study's theoretical model is built on Stimulus-Organism-Response (S-O-R) Theory. S-O-R model emphasizes that the development of the internal evaluation process of the organism is triggered by a stimulus, which in turn influences response (Jacoby, 2002). From the

perspective of this theory, food quality attributes such as taste, shape, and appearance of the food can act as a stimulus that may influence customers' internal evaluations regarding satisfaction or dissatisfaction with the product. By consuming the food product, customers can assess the excellence of the food by local micro and small businesses compared to those of other merchants. Therefore, in this study, we expect to find the effect of food quality on e-satisfaction.

Another critical factor that affects customers' satisfaction in the online setting is price fairness. Referring to Campbell (2007), who gained insight from the principle of dual entitlement, Konuk (2019) defines price fairness as a consumer's subjective sense of a price as proper or legitimate. It is the exact opposite of the price as wrong, unjust, or illegitimate. Konuk (2019) argues that the buyer is entitled to a fair price, and the seller is entitled to a fair profit. Accordingly, the unfairness perception may arise when one party's entitlement is ignored or when consumers' reference price is below the market price. Following this argument, in this present study, we expect to find the effect of price fairness on e-satisfaction.

Lastly, prior studies in both online and offline settings have revealed that customers' satisfaction can be affected by their perceived product value. In Konuk's study (2019), perceived value is defined as a cognitive exchange between the perceived quality and the sacrifices customers make to consume the products. It makes perceived quality and perceived price the two crucial determinants of perceived value because customers will compare the utility and price of the product to determine the value. According to Alalwan (2020), the users of online food delivery services will be more likely to compare the cost of ordering food via a traditional channel with that of digital applications. By using the apps, customers do not need to spend much effort, such as physically visiting the restaurants. In addition, exciting promotions such as price discounts, redeem points, free delivery costs, and so forth are available on the apps. Accordingly, customers will be more likely to rate their experience using this service as more valuable than directly visiting the food kiosk, cafes, or restaurants to get their orders. Therefore, we expect to find the positive effect of perceived value on e-satisfaction.

## METHODS

Our sample was drawn from the customers of local micro and small businesses on the popular food delivery services such as Go Food, Grab Food and Shopee Food in Pekalongan, one of the cities in central Java, Indonesia. Our respondents were individuals over 18 years old who lived in Pekalongan and had used online food delivery services in the last three months. It is to ensure that our respondents are familiar with the current offerings in the platforms. We also restricted our respondents to individuals who had purchased food products from local micro and small businesses in the applications, such as Nasi Megono Bu Endang, Martabak Karya Baru, and Max Preek.

We used the convenience sampling method and distributed our online questionnaire using social media and chat applications like Line and WhatsApp. We received 140 responses from May 12, 2022, to May 21, 2022. From the overall 140 responses, 100 were used in the data analysis, given their match with the criteria mentioned earlier. As Table 1 shows, our respondents were dominated by individuals between 21–30 years of age, with relatively equal responses between male and female respondents.

Table 1. Respondent by age and sex

Age	Male	Female	Total
18-20	5	4	9
21-30	28	35	63
31-40	13	10	23
> 40	3	2	5
Total	49	51	100

Table 2. Usage Frequency per week

Name of Online food delivery services	Usage frequency (times per week)				Total
	1-3	4-6	7-10	> 10	
GoFood	29	1		2	32
GrabFood	26	6			32
ShopeeFood	10	4		1	15
GoFood, GrabFood	9		1		10
GoFood, ShopeeFood	2	1			3
GrabFood, ShopeeFood				1	1
GoFood, GrabFood, ShopeeFood	2	5			7
Total	78	17	1	4	100

In addition to age distribution, we present our respondents' purchase frequency in Table 2. Most of our respondents (78%) made purchases between 1–3 times per week and relied only on one service (either Go Food, Grab Food, or Shopee Food). Interestingly, 5 of our respondents made daily food purchases through the apps (purchases more than seven times per week).

Our questionnaire consisted of three main parts. In the first part, we asked about the characteristics of the respondents, while in the second part, we asked about respondents' behavior in using food delivery services. Lastly, we asked our respondents to indicate their preferred answers regarding the variables that we used in this study. We adapted measurements from Konuk's (2019) and Alalwan's (2020) studies to measure food quality, price fairness, perceived value, e-satisfaction, repurchase intention, and e-WOM intention. We detailed our measurement in Table 3. All measures were in the Likert scale, using a scale of strongly agree to strongly disagree on each statement, to help respondents indicate their most preferred statements. We tested our theoretical model by using SmartPLS 3 software. More specifically, we tested the following hypotheses in our analysis:

- H1: Food quality has a significant effect on e-satisfaction.
- H2: Price fairness has a significant effect on e-satisfaction.
- H3: Perceived value has a significant effect on e-satisfaction.
- H4: e-satisfaction has a significant effect on repurchase intention.
- H5: e-satisfaction has a significant effect on e-WOM intention.

Table 3. Measures

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<b>Food Quality</b>
PFQ1. visually attractiveness of food presentation
PFQ2. The healthiness of the food.
PFQ3. The taste of the food
PFQ4. The freshness of the food.
<b>Price Fairness</b>
PF1. The price is reasonable.
PF2. The price is fair.
PF3. The price is acceptable.
<b>Value</b>
V1. The food is a good value for the price.
V2. The overall value of local food is high.
V3. The local food was worth the money.
<b>E-satisfaction</b>
S1. Pleased with local food products brought from the apps.
S2. Satisfied with local food products brought from the apps.
S3. Happy with local food products brought from the apps.
S4. Satisfied with the way that mobile food order apps have carried out transactions.
S5. Overall satisfaction with the apps.
<b>Repurchase Intentions</b>
RI1. Respondents will keep buying local food.
RI2. Respondents would like to use the apps to buy local food.
RI3. Respondents consider repurchasing local food in the future.
<b>Word-of-Mouth Intentions</b>
WOM1. Respondents will recommend to other people who seek their advice.
WOM2. Respondents will say positive things to their acquaintances about the local food.
WOM3. Respondents will encourage other people to buy local food through the apps.

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We used two-way hypothesis testing with a confidence level of 95% to determine the significant effects of the relationships. We employed the outer model test to evaluate the validity and reliability of our variables. This evaluation helps to explain the relationship between latent variables and their indicators (Abdillah & Jogyanto, 2015). Our validity test was carried out to examine the data's relationship and accuracy (Hair et al. 2019). The convergent validity test is carried out to examine the outer loadings of each loading factor from each latent variable. A discriminant validity test was conducted to examine the cross-loadings on each indicator between the existing latent variables. Discriminant validity is considered valid if the cross-loading value of a target latent variable is greater than the other latent variables or if the Average Variance Extracted (AVE) value is  $> 0.5$ . We then use the reliability test to determine our research

data's confidence level. Following Hair et al. (2019), we looked at Cronbach's alpha and the composite reliability. Cronbach's alpha test is valid if the value is more significant than 0.7. The composite reliability test is considered valid if the composite reliability value is more significant than 0.7. In order to better understand the role of e-satisfaction on the repurchase and e-WOM intention. Following Konuk (2019), we examined the indirect effect of e-satisfaction on the repurchase and e-WOM intention as a supplemental analysis. The examination aims to explore further the role of e-satisfaction on the repurchase and e-WOM intention by rerunning the analysis to explore the mediating effect of e-satisfaction on the relationship between price fairness and repurchase and e-WOM intention. Lastly, we repeated the analysis to explore the mediating effect of e-satisfaction on the relationship between perceived value and repurchase and e-WOM intention.



## RESULTS

We present the result of the convergent validity test in Table 4. The value of outer loading on convergent validity is significant if it reaches the 0,5 point, whereas the latent variables were considered valid if their Average Variance Extracted (AVE) value were more than 0.5 (Abdillah & Hartono, 2015). Our results indicated that only RI3 was considered invalid, whereas the AVE value for the overall six variables was significant. We, therefore, did not include the RI3 indicator in our primary analysis. We present the results of the discriminant validity test in Table 5 and the reliability test in Table 6. The indicator is considered valid if the cross-loading value of the target latent

variable is greater than that of other latent variables. Table 5 shows that the overall indicators were valid, as the cross-loading of the indicators from each construct was more significant than the value of other construct indicators.

Further, as Table 6 shows, the composite reliability value of all variables was above 0.80, thus indicating good reliability. According to Hair et al. (2019), the variable is considered reliable if Cronbach's alpha ( $\alpha$ ) value is more significant than 0.70. In addition, referring to Sekaran and Bougie (2016), reliability below 0.60 is considered weak but acceptable, whereas within the range of 0.70 is acceptable, and above 0.80 is good.

Table 4. Convergent validity test results

Variable and AVE Value	Indicator	Outer Loadings	Description
Food Quality (PFQ) (AVE = 0.641)	PFQ1	0.706	Valid
	PFQ2	0.720	Valid
	PFQ3	0.883	Valid
	PFQ4	0.876	Valid
Price Fairness (PF) (AVE = 0.759)	PF1	0.874	Valid
	PF2	0.860	Valid
	PF3	0.881	Valid
Perceived Value (PV) (AVE = 0.704)	PV1	0.818	Valid
	PV2	0.884	Valid
	PV3	0.814	Valid
e-satisfaction (SATIS) (AVE = 0.667)	SATIS1	0.818	Valid
	SATIS2	0.824	Valid
	SATIS3	0.786	Valid
	SATIS4	0.776	Valid
	SATIS5	0.875	Valid
Repurchase Intention (RI) (AVE = 0.894)	RI1	0.939	Valid
	RI2	0.906	Valid
	RI3	0.607	Invalid
e-WOM Intention (WOM) (AVE = 0.804)	WOM1	0.903	Valid
	WOM2	0.903	Valid
	WOM3	0.884	Valid

Table 5. Discriminant validity test results

Indicator	PFQ	PF	PV	SATIS	RI	WOM	Description
FQ1	0.706	0.514	0.547	0.492	0.266	0.345	Valid
FQ2	0.720	0.368	0.455	0.340	0.207	0.347	Valid
FQ3	0.883	0.627	0.606	0.670	0.434	0.430	Valid
FQ4	0.876	0.622	0.587	0.613	0.367	0.496	Valid
PF1	0.549	0.874	0.615	0.628	0.511	0.415	Valid
PF2	0.719	0.860	0.687	0.658	0.505	0.492	Valid
PF3	0.511	0.881	0.656	0.649	0.609	0.282	Valid
V1	0.560	0.601	0.818	0.486	0.483	0.504	Valid
V2	0.653	0.599	0.884	0.670	0.526	0.571	Valid
V3	0.515	0.694	0.814	0.582	0.510	0.478	Valid
S1	0.538	0.634	0.576	0.818	0.407	0.350	Valid
S2	0.647	0.596	0.578	0.824	0.446	0.472	Valid
S3	0.485	0.491	0.486	0.786	0.514	0.388	Valid
S4	0.568	0.675	0.595	0.776	0.482	0.472	Valid
S5	0.547	0.619	0.597	0.875	0.595	0.537	Valid
RI1	0.343	0.529	0.532	0.567	0.939	0.443	Valid
RI2	0.370	0.605	0.574	0.601	0.906	0.492	Valid
RI3	0.344	0.391	0.377	0.253	0.607	0.282	Valid
WOM1	0.422	0.460	0.557	0.529	0.495	0.903	Valid
WOM2	0.453	0.427	0.593	0.520	0.447	0.903	Valid
WOM3	0.505	0.335	0.509	0.424	0.407	0.884	Valid

Table 6. Reliability test results

Variable	$\alpha$	CR	Description
PFQ	0.813	0.876	Reliable
PF	0.842	0.904	Reliable
PV	0.790	0.877	Reliable
SATIS	0.875	0.909	Reliable
RI	0.882	0.944	Reliable
WOM	0.878	0.925	Reliable

We present the measurement model in Figure 1 and the results of hypothesis testing in Table 7. The results showed that hypotheses 1, 3, 4, and 5 were supported, while hypotheses 2 and 6 were not. The finding indicates that food quality (H1) positively and significantly affects e-satisfaction ( $p= 0.049$ ). Regarding H2, the findings indicate that price fairness positively and significantly affects e-satisfaction ( $p=0.001$ ). Meanwhile, hypothesis 3 was not supported. The result showed that the effect of perceived value on e-satisfaction was positive but not significant ( $p=0.086$ ). Concerning hypothesis 4, the finding indicates that e-satisfaction has a positive and significant effect on repurchase intention ( $p= 0.018$ ). Lastly, our hypothesis 5 was not supported as the finding indicates that e-satisfaction has a positive but insignificant effect on e-WOM intention ( $p=0.223$ ).

The results of the R square test showed that the combined effects of food quality, price fairness, and perceived value could explain 62.4% of the variance of e-satisfaction. In addition, the finding revealed that 48.3% of the variance of repurchase intention could be explained by e-satisfaction. However, more considerable factors (51.7%) outside of this study contribute to explaining re-purchase and e-WOM intention.

Our finding, which indicates the positive and significant relationship between food quality and e-satisfaction (H1), concurs with previous research by Han and Hyun (2017) and Konuk (2019), which show that the quality of food affects restaurants' customer satisfaction. The results imply that the visual presentation of the food and customers' perception of the healthiness of the food, taste, and freshness contribute to their satisfaction.

In addition to food quality, our results reveal price fairness's significant and positive effect on e-satisfaction (H2). The finding is in line with previous research, which reveals the positive effect of price fairness in offline and online settings (Konuk, 2019) and online settings (Alalwan, 2020). In this study, the

results suggest that the prices of traditional food and beverages offered by local micro and small businesses are reasonable, fair, and acceptable, thus affecting the satisfaction of customers who purchase the food through popular apps.

Nonetheless, our findings regarding price value (H3) are different from prior results by Jalilvand et al. (2017) and Konuk (2019). In these prior studies, the perceived value significantly predicted satisfaction, whereas, in this present study, the effect of perceived value is positive but not significant. The finding implies that the effect of customers' perception concerning the value of food products is not as strong as the price fairness and the quality of the product in affecting their satisfaction. Moreover, the results also suggest that customers may not find that buying traditional food from local micro and small businesses is worth the money despite the price being perceived as meeting their expectations and the quality is perceived as sound. Thus, it may indicate

the availability of offers perceived as more valuable by other merchants, particularly from big restaurant chains, such as price discounts and sales promotion programs (e.g., buy one get one and coupons).

Regarding the effect of e-satisfaction on repurchase intention (H4), as expected, our results indicate a positive and significant effect of this relationship. The result is in line with the findings from previous studies on the effect of satisfaction and loyalty (Haryandika & Santra, 2021; Hendarto, 2021) and by Konuk (2019), who study restaurant visitors in the offline setting. It also concurs with Alalwan (2020), who found the effect of e-satisfaction on users' continuance intention in using food delivery apps. In the present study, our results imply that customers who are satisfied with their app purchases will be more likely to continue buying traditional food products from local micro and small businesses in the apps.



Figure 1. Results of structural equation modeling

Table 4. Convergent validity test results

Hypotheses	Path Coefficient	T-Statistics	P-Values	Description
H1. PFQ → SATIS	0.262	1.973	0.049	Supported
H2. PF → SATIS	0.399	3.330	0.001	Supported
H3. PV → SATIS	0.216	1.716	0.086	Not Supported
H4 .SATIS → RI	0.407	2.368	0.018	Supported
H5. SATIS → WOM	0.264	1.220	0.223	Not supported



Interestingly, unlike the effect found among restaurant visitors in the offline setting (Konuk, 2019), we did not find a significant effect of e-satisfaction on e-WOM intention. It implies that customers who are satisfied with food products offered by local micro and small businesses do not have a solid willingness to recommend to other app users by giving positive reviews or ratings. This result highlights the uniqueness of the setting where traditional food produced by local micro and small business have to compete directly with well-known brands from national or international restaurant chains on the apps. The results may suggest that customers may not feel tempted to recommend products that are not reputable. In addition, unlike nonfood products in e-marketplaces which often reward customers who provide reviews and ratings, there is no such program in these food delivery apps. Therefore, despite feeling satisfied with the food products, customers may not be motivated to give ratings. Moreover, the design of popular food delivery apps seems to encourage customers to give ratings and tips for riders but not for merchants. Customers will need to go back to the merchants' space in the apps to give reviews and ratings. The overall factors may contribute to the positive but non-significant effect of e-satisfaction on e-WOM intention.

In summary, the finding of this study indicates that gaining customer satisfaction with the quality of the product and the fairness of the price may not be enough, as it does not indicate a significant relationship with the willingness of the customers to recommend to other users on the digital platform. In addition, by further examining the indirect effects of e-satisfaction in our supplemental analysis, our results indicate that e-satisfaction did not mediate the relationship between food quality and repurchase intention ( $p=0.106$ ), nor food quality with e-WOM intention ( $p=0.366$ ). It also did not mediate the relationship between price fairness and repurchase intention ( $p=0.089$ ), nor food quality with e-WOM intention ( $p=0.244$ ). Lastly, the finding showed that e-satisfaction also did not mediate the relationship between perceived value and repurchase intention ( $p=0.196$ ) and e-WOM intention ( $p=0.384$ ). Overall the results suggest that in these unique settings, factors other than satisfaction may play more significant roles in explaining repurchase or e-WOM intention. With the ease of comparing offers from every

merchant on the apps, customers can easily switch to reputable merchants offering significant discounts or other exciting sales promotion programs. In addition, customers may be tempted to locate their search under the "near me" category to save delivery fees or choose merchants under "most loved categories" to purchase food products perceived as sound. Therefore, despite their satisfaction with the food, many factors may affect customers' willingness to recommend the products to other users in this unique setting. Other contributing factors to e-WOM may include the quality of interaction between customers and merchants (Bu et al. 2021), the role of the brand (Gómez-Suárez & Veloso, 2020), and the user interface of the app (Ismagilova et al. 2020). The results thus suggest that even in line with the expectancy-disconfirmation theory, which explains that when customers' expectations are met, satisfaction will occur, and their desire to buy or repurchase will increase (Han & Hyun, 2017). However, satisfaction may not be enough to affect other positive consumer behaviors in a particular context. Our findings show that satisfaction does not significantly affect the willingness to recommend to others, although it affects repurchase intention.

### Managerial Implications

Based on our empirical findings and data indicating frequent usage of online food services even by customers in a small city, we, therefore, compose several recommendations for local micro and small business and food delivery services operators. First, local micro and small businesses need to maintain the quality of their food and fairness of their price to compete with other food products from well-known restaurant chains on digital platforms. Second, to improve their competitiveness on the platform, local micro and small businesses need to build their brand and reputation to attract more app users to purchase their products. Building a reputable brand will help micro and small businesses to get recognition in a platform that relies heavily on search tools and user ratings and reviews. Third, the operators of food delivery services need to continue supporting local micro and small business by encouraging their users to provide reviews and ratings. One of the ways is by designing a friendly user interface of the app that makes it easier for the customer to rate the service of the riders and the merchants.

Nonetheless, the findings of the present study are not free from limitations. First, our results have not controlled for critical sociodemographic variables such as income, age, gender, and occupation that might affect the findings of this study. Second, our theoretical model was evaluated using non-random samples from one geographical location. These limitations thus may affect the generalizability of the findings of this study.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

Our study reveals the significant effect of product quality and price fairness on e-satisfaction. Moreover, it shows the significant positive effect of e-satisfaction on repurchase intention and the positive but nonsignificant effect of e-satisfaction on e-WOM intention. Thus, our findings suggest that gaining customer satisfaction with the product's quality and the price's fairness may not be enough on digital platforms. Although it shows a positive effect on repurchase intention, it does not indicate a significant relationship with the willingness of the customers to recommend to other app users.

### Recommendations

In summary, the results of this research highlight the need to conduct more studies to understand better the unique phenomenon where local micro and small businesses have to face direct competition with national or international scale businesses on digital platforms. More specifically, we recommend these suggestions for future research in this area. First, from the theoretical perspective, we see the need to look at other variables that might affect the willingness of customers to recommend local food products to other app users. For example, future studies could look at social interactions between customers and merchants, the electronic content, and the user interface of the apps. From the methodological perspective, this study uses non-probability sampling, which may affect the results. Future studies could employ probability sampling techniques or longitudinal data to reduce potential bias. In addition, future studies could use more data to support hypothesis testing on more complex theoretical models.

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