

CHAPTER I

INTRODUCTION

1. Research Background

Visiting coffee shops is now standard, and this phenomenon has resulted in the urban geography of consumption spaces. In specific urban neighborhoods, coffee shops are daily rituals and influence people's routines (Waxman, 2006). Customers frequent coffee shops for many more reasons than just satiating hunger or quenching thirst. There is the escape from a stressful office, the chance to maintain or grow a relationship, a place to get away for some reflective work, an opportunity to engage with friendly coffee shop staff at an incredibly lonely time or as a place to do business and reach agreements (Baskerville, 2015). Coffee shops are a singularly important feature of a massive network of gathering spaces that make up our urban areas (Topik, 2009).

Consumers evaluate a design scape to understand a locale's place meaning. Consumers can answer internal questions, such as what is this place (Hall, 2008). Waxman (2006) has even made a comprehensive assessment of social spaces, especially coffee shops, from an architect's perspective. According to Proshansky, Fabian, and Kaminoff (1983), the experience of place is unique to each individual and directly related to their lived experiences. Waxman (2006) found that the top five design considerations included cleanliness, appealing aroma, adequate lighting, comfortable furniture, and a view to the outside. Lukito and Xenia (2018) aver that contemporary cafés need to meet at least 'middle-class standards' for cleanliness and interior to brand themselves and compete with

other cafés. Modern cafés offer a modern design-scape, free Wi-Fi, and sockets to charge smartphones and laptops, as well as comfortable seating for social interaction.

Besides the vast network, the coffee shop has become the third place. Third places help people get through the day, and they differ from the usual gathering places such as home or work in our modern societies. Third places are those public places that host the regular, voluntary, informal, and happily anticipated individuals' gatherings (Oldenburg, 1999). Coffee shops had become places where people would gather, speak freely, and mingle with others from their community, disregarding rank and social status (Sennet, 1974; Oldenburg, 1999; Pendergrast, 1999). These third places act as conductors in society, providing neutral ground to easily connect with people and exchange news and ideas (Waxman, 2006). However, the activities, users, locations, and spatial conditions that support them are very different. Consumption spaces, such as coffee shops, have a powerful influence on attracting new residents while also leading to subtle gentrification of inner-city social areas (Bell, 2007).

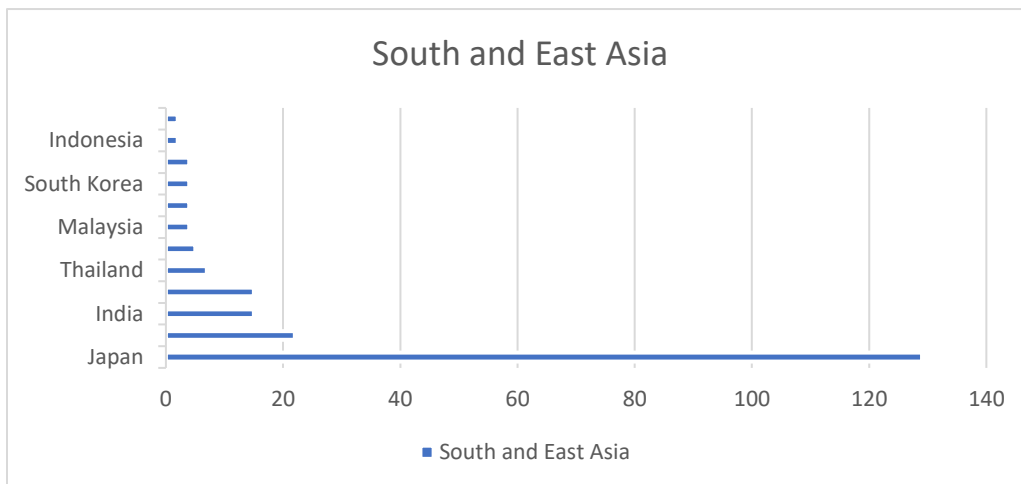
Digital nomads are location-independent and use technology to perform their job. Digital nomads select their location based on leisure considerations rather than employment (Müller, 2016). The term "digital nomad" was introduced by Makimoto and Manners in 1997 to describe an outcome of technological advancement in people's lives (Makimoto and Manners 1997). Cohen et al. (2013) stated that the concept of 'lifestyle mobilities' resonates with the digital nomad lifestyle.

In this era, many professions do not require a physical presence in the office at all times. Based on the Future of Work survey conducted by PricewaterhouseCoopers (PwC) for 10,000 workers in the world last year, one of five respondents wanted to work virtually.

Even in the United Kingdom, only 14 persons want to work in a conventional office (Bachdar, 2016). Along with the growth of the Internet and e-business, coworking has become a popular lifestyle in society. Coworking work activities take the form of an architectural co-worker space that can foster cooperation among employees (Agirachman & Ekomadyo, 2017).

Workers change the way they work in new ways. Recent literature shows that urban experts work as freelancers, project-based, and freelancers (Cappelli & Keller, 2013). A coworking space is an environment/space where several professions can work in an area simultaneously in the private or open workspace (Barbeau, 2016). Coworking space combines distinctive parts of concepts for home offices, office communities, telecentres, teleworks, virtual workplaces, virtual teams, incubators, and practice communities. However, it mainly offers a more flexible, autonomous, and social-interaction cross-sectoral working community. Coworking spaces in all world environments are easy to find (Bouncken & Reuschl, 2018). The coworking phenomenon has skyrocketed to 2498 areas by mid-2013 (Moriset, 2014).

Figure 1.1 Number of Coworking Spaces in South East Asia Countries



Behavior intention is an essential aspect of every company. The purpose is to commit to conduct (or not carry out) an action (Warshaw & Davis, 1985). According to Oliver et al. (1997), Behavior intentions are a stated probability of behavior involvement'. (Oliver et al., 1997). As a result, significant advantages have been placing in the recent literature on customer satisfaction and perceived service quality for behavior intentions.

The corporate image plays a vital role in maintaining customer loyalty by service-oriented companies. A great corporate idea is a crucial factor influencing customer satisfaction and behavior intentions (Faria & Mendes, 2013). Much research has shown that the right image encourages customer engagement and makes brand extensions easier (Casalo et al., 2007). The corporate image enhances customer knowledge about a particular company's quality level and reduces doubt in the purchase decision (Bataineh, 2015). The corporate image in companies is considered a model that builds in time and continues to date through consumer experience and stereotype based on customer experience in providing services and consumption of products (Cronin & Taylor, 1992). When a company's image is recognized, recipients will consider the quality of products and services offered by the company as high, making it easy to heighten consumer satisfaction. (Hsu et al., 2006). A superior image of the company can encourage clients to select their services and enhance their company satisfaction (Faria & Mendes, 2013).

Company satisfaction comes from the pleasure of consumers who judge from service-scape. Servicescape can help businesses create an attractive image and produce better services (Barich and Kotler, 1991). The main reason for this is that service-scape components enable people to understand the business environment. In other words, while evaluation of services can become difficult due to their intangible nature, service-scape

features might be useful in helping customers evaluate their environment (Nguyen, 2006, Walls et al., 2011). In image research on Food businesses, the business image closely relates to businesses' service-scapes (Nguyen and LeBlanc, 2001). LeBlanc and Nguyen (1996) stated that service-scape plays an influential role in customers' overall image perceptions.

Pricing enables companies to segment markets, define products, create incentives for consumers, and even send signals to competitors (Atchariyachanvanich and Hitoshi, 2007). Price is one of the tools marketers may use to confront the market by directly attracting and retaining clients or fighting against competitors and making purchase decisions (Boonlertvanich, 2009). Chih (2012) suggests attributes of perception of the price toward the product are: (a) Consumers trust the quality of products that offered is accordance with the price provided, (b) Manufacturers offer discounts for products marketed, (c) When compared with competitors' fees, the prices charged by manufacturers make sense, (d) Overall, consumers are satisfied with the cost of the product, (e) Consumers will consider information from experts about the price of a product that will be purchased.

The online environment has provided many benefits for consumers to find product information. Based on Jalilvand's research, WOM can be mean as "a process of sharing opinions and information about the specific product between customers product between customers" (Jalilvand, Esfahani, & Samiei, 2011). The internet permit customer to share their evaluation with another user based on recent research (Hennig-Thurau et al., 2004). Customers may post their opinions, comments, and reviews of products and services through various channels, such as discussion forums, weblogs, website reviews, and social networking sites (Bataineh, 2015). Based on data from the Australian Trade and Investment

Commission (Austrade), 63% of Indonesian people use the Internet to make their purchase decision. The determining factor is practicality in the availability of home delivery and information product. According to W&S market research, 72.8% of people in Indonesia get information from browsing the Internet.

E-WOM is a form of communication that had appeared due to the Internet's development, especially after social networking sites. It is an extension of WOM on the Internet. It is distinct from traditional sources for information, such as newspapers, billboards, magazines, and radio. It is web-based, bi-directional, and interactive. Also, E-WOM source is supposed to customers more credible and trustworthy than products or services providers (Abălăesei, 2014; Rathore & Panwar, 2015). Customers use the Internet in general and social networking sites, in particular, to share their opinions, interests, and experiences with an unlimited number of customers without the limitations of time and space (Christiansen, 2014). Therefore, the importance of E-WOM had increased. This importance led it to be an essential phenomenon and gets many researchers' attention in the last decade.

According to a preliminary study with 31 respondents, they choose a café based on some criteria such as comfortable space, low price, and wifi. Antologi Collaborative Space is the first collaborative space in Yogyakarta. (Antologi, 2016) stated Antologi is a coworking space, event space, and café. Dedicated to startups, entrepreneurs, creative makers, and local communities, Antologi aims to create a collaborative work environment where people can engage and develop new ideas together (Antologi, 2016). The image becomes strong from workshops that are often run in Antologi. The Antologi be worthy of being explored with these different considerations. This research investigates marketing

phenomena in applying the electronic word of mouth, service-scape, and affordability for corporate image and behavior intentions to study more specific research objects, Antologi.

2. Research Questions

The research question of this research refers to the description of background, are:

1. Does the E-WOM affect the corporate image in Antologi collaborative space?
2. Does the servicescape affect the corporate image in Antologi collaborative space?
3. Does the corporate image affect behavior intention in Antologi collaborative space?
4. Does the affordability moderate corporate image and behavior intention in Antologi collaborative space?
5. Does corporate image mediate the E-WOM on behavior intention will in Antologi collaborative space?
6. Does corporate image mediate the servicescape on behavior intention in Antologi collaborative space?

3. Research Objectives

Based on the research question, these are the research objectives:

1. Analyze and explain the influence of E-WOM on a corporate image in Antologi collaborative space.
2. Analyze and describe the influence of servicescape on a corporate image in the Antologi collaborative space.
3. Analyze and clarify the influence of corporate image on behavior intention in the Antologi collaborative space.
4. Analyze the influence of corporate image on behavior intention will be moderate by affordability in Antologi collaborative space.

5. Analyze the influence of E-WOM on behavior intention will be mediated by the corporate image in Antologi collaborative space.
6. Analyze the influence of servicescape on behavior intention mediated by the corporate image in the Antologi collaborative space.

4. Research Benefits

The direct and indirect benefits of this research are predictable to be:

1. Theoretical

This study's research is estimated to add to the literature on the theory used of E-WOM, service-scape, perceived price, behavior intention, and corporate image in Indonesia. Especially for the Cafe context in Indonesia, that this study is expected to be used as a source to strengthen previous research and could benefit as reference material for future research. This research also can provide information for further business research.

2. Companies

This research could benefit Antologi to make E-WOM on the customer through a corporate image that makes robust behavior intention