

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Hospitality Industry is one of the fast growing market industries which give a special attention for the huge growth that put essential efforts and compromise successful business in the future. Despite of the hospitality there are event industry which is a progressive business that include convention hall which focus to attracted customer for organize event whether on birthday occasions or wedding occasions even for anniversary such as the silver wedding anniversary. Event industry are mostly offers all products and services to make any size event to be successful and create an exceptional experience with a guaranteed full services which the memorable event results.

Event industry should know the concerns, wants, needs and every requirement from the customer in order to be responsible and give commitment between the planning of the event with the customer means that have the ability to see the event from the client's perspective and the event planning perspective. Beside of the commitment, it also needed to compromise the ambience, lighting, service quality as well as the professionalism which are the most important to the outcome. An event with the right ambience could be a huge success starting from decorating, excellent food and drink, music, lighting, a good sound system as well as could create a joyful for the attended people. Therefore, store atmosphere are importance for the event industry in order to assist for the successful event. Store

atmosphere are consist of the interior and the exterior as well as the store layout such as the parking space, the lighting, the facility, the floor, the design until the rooms. All of these are the significant element to support the atmosphere for the event industry.

The subjects of this study are Griya Benn Convention Hall Medan located at Jl. Amir Hamzah which provide convention hall for any wedding event occasion, birthday event and wedding anniversary. The convention hall approximately maximal capacity for 2500 people that up to 100 tables with the western concept that accommodate either Indonesian Wedding or Oriental Wedding. These event industry also provide catering, wedding cake, wedding expert planners, the exotic decoration until the native cuisine. Additionally it also has the great venue location which in the heart of Medan with a large spacious parking that comfortable for the customer.

Beside of that, Griya Benn provides three types of wedding packages to assist the client who wants to hold the event. The wedding packages are starting from the food and beverage, wedding cakes, videographer and photographer or documentation, decoration teams, event planner, master of ceremony, entertainment, invitation wedding card and involve an entire range of services for the guaranteed successful event. Aside from the wedding packages, there are birthday packages and wedding planner which will assist and recommendation for the client for any services needed. Instead of promotion, the atmosphere of the store which is predominate from the white building design with the classic European concept interior and exterior style that looks elegant, luxury and

impressive.

Nowadays, event industry are attempt to be struggle to get more client, more event to be hold and moreover, Griya Benn has lots of fierce competitor that have provided the same requirement of characteristics of event. In order to survive among the competitors, Griya Benn should be able to increase the store atmosphere which could influence the consumer purchase decision possibility to hold the event in their restaurant. Lately, wedding event are held much more than few years before. Fierce competition requires event industry to determine appropriate strategy in competing to fulfill varied of consumer needs.

**Table 1.1 The Data Suggestion and Critics of Customer Complain at Griya Benn Convention Hall**

Data Suggestion and Critics from Customer's Griya Benn	
No	Data
1	Table and chair of the wedding event needed to renovation and improvisation.
2	The menu package needed to be more variation and innovation.
3	To be more tightened the security from customer who was getting parking outside the venue.
4	The table cloth needed to enhance more color.
5	As the air – conditioner need to add more, so that the rooms to be more cooler.
6	The wedding package menu of food and beverage need to do more innovation.
7	Add more facility room for the invited guest on wedding event.
8	To having more collaboration with related vendor.
9	The price should be adjustable because it is quite expensive.

Source: Griya Benn, 2019

Based on the table 1.1 above, the data was taken by Griya Benn supervisor within interview through their several consumers. Because of the interview consumers could be able to sharing some of their opinion, suggestion, complain and critics towards the shortage of any services, facilities at Griya Benn.

From the data of opinion and suggestions above that Griya Benn consider

to take a look whether to find out what are the main factors that influence customer to more attracting to come to Griya Benn. By taking the opinion and suggestion of customer, Griya Benn could be able know what are the real wants and needs from customer is because today, the society has been more selective for choosing something due to each of person has different either on personality and preferences. The importance to choosing the store is decide by their own consumer whether to visit or not. Consumers will choose the store which have meet their own wants and needs which could be from cleanliness, goods, services, attractive price, the layout of the store, the luxury of building, the great atmosphere and other factors that allow consumers to choose the store and to visit regularly for purchase or recommended to the others.

As based of the writer observation on the Griya Benn, the writer finds out that Griya Benn has a luxury style of building from the exterior part not only the western style of building there also the parking place but when during the wedding event it was fully occupied, which some of the car will be parked outside of Griya Benn that is side of the road that seems to made the guest to felt uncomfortable for the safeness. After that, all of the tables and chairs are arrange nicely and looks comfortable because the rooms are the shape of elongated and also the setting and preparation are good with the table cloth color that match with theme of event is looks great. But the red carpet in the middle for the bridegroom to walk it has some of dirty seems like the leftover of food fall down to the carpet which looks a bit dirty with a stain of brown spot. As for the temperature it was overall were good not too cool and not too hot. But for the spotlight for during

wedding event, it is not enough bright to center of bridegroom. As for the number of floors, it was just two floors that the second floor not wide enough than the first floor. This observation is based on during wedding event on night at Griya Benn.

As today's, Consumer is become more preferences and selective which could influence their purchase decision cause customers have many choices determine which event venue are chosen to be hold. Within this condition, Griya Benn needs to improve its existing strength in a way to give the rise of difference or uniqueness compared to the competitor. Consumer attracted to purchase are not only from price, discount but also by giving the pleasantly atmosphere because when consumer are happy is expected to make the purchase. Interesting and unique atmosphere will establish the desire for consumer to purchase. Store Atmosphere that comfort will leads to customer satisfaction that can make consumer to decide. Wibowo (2015) notes that the term of "store atmosphere" is one of the part that have meaningful definition in order to perform the business. With the good quality of store atmosphere, it will be able to attracted the visitor and doing the purchase and also it could increase the sales of the company, from the store atmosphere it was not only can attract the employee but also the consumer to reach out the company's target and the sales.

Consumer purchase decision are given the opportunity for business to increase the sales, the brand image and the reputation. Consumers will keep to remember the experience of visit if the quality of experiences are good and impressive and will ultimately influence the consumer to the purchase decision. The previous experiences that are provided to consumer matters a great deal

because from this experience, consumer will give a recommendation or feedback to other people which can decide whether purchase or not purchase in this company. According to Kotler and Keller (2016, p.240) Purchase decision is consumer who decide their preferences among of the brand that are available on collection of choices. Beside of that, an innovation of store atmosphere will be able to strengthen for the better experiences which matter for purchase decision. Purchase decision is importance as for increase the frequency of buying, interest on purchase and overall satisfaction.

Griya Benn is one of the event industry which already quiet well known by the society of North Sumatra, so to overcome and competitive with competitors it should be able to create a store atmosphere that is comfortable and supportive for the consumer to enjoy the procession and ceremonial of the wedding event so after all, the consumer will experience and interested to having a purchases or repeat purchases. By seeing the problem described above, the goal of this research is to find out the influence of store atmosphere on consumer purchase decision.

## **1.2 Problem Limitation**

In this research, the limitation of the research is that the influence of store atmosphere on consumer purchase decision which is the independent variable is store atmosphere with the indicators of cleanliness, music, scent, temperature, lighting, color and display or layout. As the dependent variable is consumer purchase decision with the indicators of stability of the product, habits in buying

product, repurchase intention and give recommendation to others. As another limitation in this research the data will be processed by distributing the questionnaire within online to customer who ever attend to wedding event and experience the whole processing of wedding event at Griya Benn Convention Hall Medan. In that case, the writer limit the criteria sample with target of customer should from 20-45 years old as well as should in relationship, dating or couple which is not married yet.

### **1.3 Problem Formulation**

1. Does the store atmosphere influence on consumer purchase decision at Griya Benn Convention Hall Medan?
2. How significant does the store atmosphere influence consumer purchase decision at Griya Benn Convention Hall Medan?

### **1.4 Objective of the Research**

1. To find out the influence of store atmosphere toward consumer purchase decision at Griya Benn Convention Hall Medan.
2. To show how significant the relationships between store atmosphere influence consumer purchase decision at Griya Benn Convention Hall Medan.

### **1.5 Benefit of the Research**

#### **1.5.1 Theoretical Benefit**

This implementation to hospitality industry will create a great advantage in the real life situation especially in the event industry. Enhance the knowledgeable and information about element of store atmosphere. Not only enhance information, but also the method to increase and influence consumer purchase decision through the store atmosphere at Griya Benn Convention Hall Medan.

### **1.5.2 Practical Benefit**

The opportunity of getting this knowledgeable to be able let the company to observe which store atmosphere that are most effective one that influence consumer and to ensure the repurchase product based on consumer purchase decision. Aside from that it could make consumer more comfortable and increase the mood as well as emotion for the impressive experiences at Griya Benn Convention Hall, Medan.

