CHAPTER I

INTRODUCTION

1.1 Background of the Study

One of the important requirements for people lifes is to eat and drink. People need energy and nutritions to survive and do their daily activities. In which, the energy and nutritions come from food and beverages. However, people need to follow every slight of changes that happens in the society. One of the changes is the lifestyle of consuming food. Initially, people consume food because food is an important element to get energy and nutritions, can also be said to meet the daily intake requirements. But nowadays, consuming food is not only for the purpose of people going to a restaurant, but also to socialize with others.

According to Marsum in (Melani, 2015) restaurant is a location or building that offers excellent service for either food or beverages to their customers. Today, a restaurant is not only a place to eat and drink, but also a place to hold a unique event such as birthday party, wedding party, bridal shower and much more. Consuming food also has been followed by the orientation of satisfaction and the enjoyment of the activity itself. Satisfactions itself was linked to expectation of individuals leading to emotions of happiness and sadness. Therefore, a restaurant is not only gaining profit from the customers, but also giving a satisfactory impression after customers consumes their food and beverage. Moreover, people have become more selective today. Not only in term of cost, locations or facilities, but also in terms of food quality and menu arrangement. People get confused when there are a lot of menu choices in one restaurant.

According to Minister of Industry, Airlanga Hartanto in Tempo.co (2018), he is certain that the food and beverage industry will remain a market-needed industry because people need food that gets into their stomach and they can't eat virtually. That's why amongst all, culinary company is one of the successful company. In Indonesia, there is a lot of interest in the culinary company for business individuals, because the culinary company involves

business with a lot of profit and demand. This is causing quite intense competition between companies. Many rivals began a company with similar items. And also, company began to compete to gives satisfaction for their customers as well as the customer loyalty. For this reason, it is anticipated that restaurants will be able to keep the satisfaction of their customers or otherwise lose their customers to the rival.

In Medan, there is a lot of restaurants with different and various concepts, both at the hotels and also malls. The types of restaurants are fast food restaurant, fine dining restaurant, café or bistro, vegetarian restaurant, seafood restaurant, Chinese restaurant, Japanese restaurant, Indonesian restaurant and many more. One of the seafood restaurants with combination of Indonesian and Chinese concept is Grand Maximum Seafood Restaurant Medan. This restaurant mainly serves seafood with Chinese cuisine combination which quality and freshness of the ingredients (poultry, meat, vegetables and fruit) will determine the taste of the dishes. Every month they are full of customers, especially on Saturday and Sunday. By having a lot of competitors, such as Ria Restaurant, Wisma Benteng Restaurant, Jumbo Seafood Restaurant and many more, this restaurant survives well and gets a lot of customers every month.

Meanwhile as customers, they will have an expectation on foods that are being offered that leads to their purchase decision and satisfactions. There are several problems regarding food quality at Grand Maximum Seafood Restaurant Medan. Based on findings and past experiences, this restaurant had no consistency on taste and the quality of the seafood. There were customers who complaint about the taste of food that was not like it used to be, sometimes it became too salty and the fish was not fresh. For several customers, they can distinguish the different quality of food offered by the restaurant. Therefore, this may affect the emotions and the satisfactions of customers.

Hence, one of the elements affecting customer satisfaction is food quality. According to (Go, 2014), "...kualitas makanan mempunyai pengaruh yang cukup kuat bagi kepuasan pelanggan, maka semakin tinggi kualitas makanan yang diberikan, semakin besar kepuasan pelanggan yang dirasakan oleh pelanggan." The definition can be explained as food quality has strong influence for customer

satisfaction, when the quality of food given is higher, the satisfaction of the customers will also increase. On the other hand, if there is no attention on food quality and the quality is weaken then the satisfaction level of the customers will decrease. Customers are people who play an important role in judging the quality of food. This is why food quality of the restaurant must be maintained. Based on preliminary research, Grand Maximum Seafood Restaurant Medan has not yet done a research about customer satisfaction which focuses on the quality of food. That's why in this research, the researcher wants to conduct further research about food quality influences customer satisfaction at Grand Maximum Seafood Restaurant Medan.

From the explanation above, the writer decided to do a study that focused in analyzing the influence of food quality on customer satisfaction at Grand Maximum Seafood Restaurant Medan with the *skripsi* entitled "THE INFLUENCE OF FOOD QUALITY ON CUSTOMER SATISFACTION AT GRAND MAXIMUM SEAFOOD RESTAURANT MEDAN"

1.2 Problem Limitation

In order to limit the scope of the research, the researcher will focus on two variables, which are food quality with the indicators (color, temperature, taste, texture, appearance, aroma, shape, portion, and level of cooked) and customer satisfaction with the indicators (remain loyal, buy new products offered, recommend products, willing to pay more and providing advice and ideas to company). This research is conducted at Grand Maximum Seafood Restaurant located at Putri Merak Jingga Medan. Therefore, the other Grand Maximum Seafood Restaurants are not included in this research.

1.3 Problem Formulation

Based on the background of the study, the researcher formulates the problem as follows:

Does food quality have an influence towards customer satisfaction at Grand Maximum Seafood Restaurant Medan?

1.4 Objective of the Research

Based on the background of study and problem formulation, this research aims to know the influence of food quality on customer satisfaction at Grand Maximum Seafood Restaurant Medan.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

Theoretically, this research will be published for other researchers who may or may not be in this field. Other researchers will know the influence of food quality on customer satisfaction in the restaurant industry and will be beneficial as the reference for further research regarding food quality and customer satisfaction.

1.5.2 Practical Benefit

- 1. For the company, the result of this research is expected to give the information and feedback to the company. The company may use it as considerations for decision making in the future in order to maintain customer loyalty.
- 2. For the readers, this research is expected to be beneficial as the guidance for opening new restaurants.

1.6 Systems of Writing

The systematic outline of writing in this study consists of five chapters as follow:

Chapter I: Introduction

In this chapter, the researcher will discuss the background of why this study is conducted, problem limitation, problem formulation, objective of the research, benefits of the research and the systems of writing.

Chapter II: Literature Review and Hypothesis Development

In the second chapter, the researcher will give descriptions based on the problem discussed about the theory of food quality and customer satisfaction, previous research, hypothesis development, research model and framework of thinking.

Chapter III: Research Methodology

In the third chapter, it explained about research design, population and sample, data collection method, operational variable definition and variable measurement and data analysis method.

Chapter IV: Data Analysis and Discussion

In the fourth chapter, it described about the object method, data analysis, descriptive statistic, result of data quality testing, result of hypothesis testing and discussion.

Chapter V: Conclusion

In the last chapter, the researcher concludes all the results that have been conducted, the implications as well as the recommendations of this research.

