

# CHAPTER I

## INTRODUCTION

### 1.1 BACKGROUND OF STUDY

In facing increasingly fierce business competition, the company tends to retain the old customers and finding new potential customers because the customers are the main source of revenue that affects the company's business continuity. One of the actions that the company needs to do is to increase the customer satisfaction.

One of the challenges nowadays is trying to prevail in the competitive market. Companies use customer satisfaction as one of the factors in sustaining and growing their businesses. A company may rely on a loyalty to increase company profit which includes the expansion of the business that resulted in the increasing of the company profitability, the purchase of goods by customers who have been encouraged by the satisfied customer.

The problem with customer satisfaction at PT. Raya Utama Travel is that there are complaints from customers because the personnel of the company often do not explain travel packages that have additional costs and there are some complaints from customers about changes in travel packages without informing to customers. This incident was known after a complaint and several interviews with customers and of course this great disappointment from customers because the changes made by the company seemed unilateral without the approval of the companies.

**Table 1.1**  
**Customer's Complaint Data about Satisfaction**

<b>Months</b>	<b>Number Of Complaints (Times)</b>	<b>Problems of Complaints</b>
January	6 times	1. Employees who are not polite 2. The employee does not pick up the customer's phone 3. Employees are less able to handle customer complaints well 4. Customers are not served well when purchasing products
February	8 times	
March	6 times	
April	9 times	
May	5 times	
June	6 times	
July	6 times	
August	9 times	
September	9 times	
October	10 times	
November	11 times	
December	12 times	

Based on Source : Customers Complaint Data Of PT. Raya Utama Travel (2018)

Based on the data above, the number of customer complaints continuously increase from January to December. The highest number of complaints occurred in December which are 12 complaints. The high complaint level shows that the low level of customer satisfaction.

According to Wijayanti (2017,p 179-180), the trigger of customers satisfaction is the product, business or core services offered to customers, support service systems, technical performance, other supporting interaction elements with consumers and emotional elements. Supporting service systems, including delivery systems, pricing, product warranties, complaint handling schedules, and other features that enhance and support service or core products.

In the service business such as PT Raya Utama Travel, companies are required to provide good service to customers. Travel companies must be able to serve customers quickly and provide customer satisfaction in every service provided. In providing services, it is necessary that customers must also be given attractive prices so that customers feel comfortable using the services of the company.

Good service quality can be measured by comparing customers' perceptions of service received with their expected perceive service. If the perceived service is as expected, it means the service quality is equal with the expectation. But, if the service perceived exceeds customer expectations, it means the service quality perceived is better than the customer's expectations. Conversely, if the service perceived is below the customer's expectations, means the service of the quality does not fulfill the customer's demand.

According to Adam (2015,p.13), there are several important things about the notion of service quality, namely:

1. Service quality is more difficult for consumers to evaluate than evaluating tangible goods, and the criteria for evaluating them will be more difficult to determine.
2. Consumers will not only evaluate the quality of services provided based on the final results, but also will assess how the delivery process is carried out.
3. It is the customers who determine the acceptability of quality of service. A view of a service quality will begin from how the service provider can fulfill consumer expectations, then proceed with fulfilling that expectation.

Employees of PT. Raya Utama Travel are the main key in providing good service to customers. This can be seen with the below standard service ability of employees, especially for some employees who are new and have not been able to explain the travel products offered by PT. Raya

Utama Travel well. Employees that do not provide a clear explanation to all the services offered will result in dissatisfaction of customers.

This is in accordance with the opinion of Limakrisna and Susilo (2015,p.97), service officers are the spearhead of a service company that will deal directly with customers. These service officers are not only instilling a positive image of the company but also have the ability to help the company in understanding that the customer is an important asset that must be maintained constantly. Therefore, every customer's requests, employees should always serve customers with positive attitude. Try to always be friendly, create a good initial impression because the initial impression is important to influence the relationship and ensure the repeated purchase.

Service quality is the level of service provided to customers who purchase the company products. A variety of services must be provided for different customers. Service problems are difficult and complicated processes, but it is not only about financial and aspect but about the sensitivity of human nature.

In this study researchers choose PT. Raya Utama Travel as the object of research. Based on the formulation of the problem described, the researcher decided to conduct a research with the title "**Analysis of Service Quality to Customer Satisfaction at PT Raya Utama Travel** "

## **1.2 PROBLEM FORMULATION**

With the limited knowledge and ability possessed by the researcher in conducting research, the researcher focuses on service quality as independent variables and customer satisfaction as the dependent variable. So it can be concluded that the conclusion of the problems are:

1. Customer satisfaction has not been fully achieved because there are several holiday trips that are delayed and undergo rescheduling and some facilities that are not in agreement with the customers.

2. The quality of service that is below standard from employees in providing services to and the inability of them to explain fully to customers result in many complaints.

### **1.3 RESEARCH FOCUS**

The objectives in doing this research are:

1. To know and analyze the service quality to customer satisfaction at PT Raya Utama Travel.
2. To analyze the way to create more customer satisfaction at the company.

### **1.4 RESEARCH OBJECTIVE**

Based on the problem identification, the authors formulate problems in this study include:

1. Is there any influence of service quality in service to customer satisfaction at PT Raya Utama Travel?
2. Is it possible if service quality impact on customer satisfaction to create customer loyalty at PT Raya Utama Travel?

### **1.5 BENEFIT OF RESEARCH**

Benefit is something that must state clearly in the beginning stage because it is impossible to conduct a research without having something in return to the readers. Service and customer satisfaction are very important to business because both are the main keys to the success of the company.

The benefit in this research is divided into two parts which is theoretical benefit and practical benefit. This research is written to other service business for deeper knowledge about service and customer satisfaction. Next is for all the readers who might read this research and for students who wish to conduct similar research, for the university and last but not least is for people who want to create a business that related to this research to gain more information and deeper knowledge from this

research. As more explanation about theoretical benefit and practical benefit will be explained below.

#### **1.5.1 THEORITICAL BENEFIT**

The purpose of theoretical benefit is made for both reader and writer. For who will read this research in the future, hope that will gain more information from this research that explains about service and customer satisfaction to help future researcher who researches the similar research. The benefit for the writer is to help the writer to solve problem about the effect of service towards customer satisfaction and hope that the writer can have more experience while doing this research.

#### **1.5.2 PRACTICAL BENEFIT**

Practical benefit means this benefit belongs to any businesses which are dealing or struggling with customer loyalty. There are a lot of companies that have a great business plan but some company still struggling with how to have a better service to fulfill the customer's needs. As for the PT Raya Utama itself, the purpose of this research can provide more information and idea to improve the company for a better business from this research and survey.

### **1.6 SYSTEMS OF WRITING**

System of writing in this paper is using qualitative method which the sources is based on the research through observation, questionnaire, interview, researching from the internet, journal, book, literature and company document.



The purpose of doing this research using the methods above is to gain more information about whether customer relationship management affect the customer satisfaction at PT Raya Utama Travel.

#### Chapter 1: Introduction

This chapter focuses on the background of this study, problem formulation, research focus and Objective, followed by the benefit of this research and the system of writing on this research.

#### Chapter 2: Literature of Review

Meanwhile in this chapter is strongly focuses on the theories that related in this research, the previous research and the framework of the thinking are also being discussed in this chapter.

#### Chapter 3: Research Methodology

The main focus in this research is about the research design, data analysis method and also data collection methods are discussed in this chapter.

#### Chapter 4: Data Analysis and Discussion

This chapter contains of the object from is research, data analysis and the last but not least is about the discussion.

#### Chapter 5: Conclusion

The last chapter of this research is consists of the topics about the conclusion, implication and the recommendation from the researcher in this study.