

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 BACKGROUND OF THE STUDY**

Nowadays, many people have always mistaken hospitality as hotel industry. But as it can be seen, the hospitality industry is a very broad industry, even more than any other industry in the world. Hospitality industry is a field within the service industry including travel and tourism, lodging, food and beverages, and recreation. Hospitality also involves in providing the expected and unexpected needs and wishes of their guest, treating every guest equal, and showing respect to them. Providing a pleasant, unforgettable fond experience for the guest is one of the goals in hospitality industry.

Lately, competition among service companies is very tight that forces them looking for ways to be one step ahead of their competitors. Effective communication is one of many crucial aspects in providing the finest service quality in an organization but in a company there could be an ineffective communication that may double the activity and also caused dissatisfaction, poor services and slow down productivity. When productivity decreases, it also decreases the profits and number of the customer where it causes lost to the organizations.

There are several things an employee needs in order to provide a service to its finest quality, a good communication skill is needed in the companies. If an employee communicate effectively with their customer, it will be much easier to deliver services. For having a good communication skill, employee must accomplish two things. The employee must improve and make sure that the message and information they want to convey is well understood. The employee must be able to improve understanding when customers try to transmit a message. Understood by people and understanding people is one of the rules to achieve good communication. Employees need to

understand and be able to catch the words correctly, especially when they're taking customer's order. Employees need to write down the order and they have to make sure they write the right thing and repeat it to the customers. Because if the wrong order is made, it will cause a problem and they have to re-order the menu. Therefore, double work will arise.

Employee who has good communication skills will be able to handle and understand the customer very well and they will always be there and ready to help and serve the customers if there is any help needed. If the employee of a company is good at communication during serving the customer then the work procedure can be done smoothly and reduces the risk of errors in providing services. Employee will be able to do their work smoothly and decrease chance of mistakes, able to understand their job well and present it accordingly by having a good communication.

Communication between employees and customers is also crucial in a company, so it has to be more careful in carrying it out. Employee needs to listen and understand carefully what customer needs and wants. Having an effective communication will improve working productivity and relationship among employee and the customer, which can increase morale, work efficiency, low chance of mistakes, problems, and multiply profits. Communicating with customers regularly could rise good impression and build good relationship. And that is one additional point because then the customer will feel very welcomed, and the service provided is so good that the customer would happily become a repeater or regular customer.

Because of ineffective communication, mistakes, problems and misunderstandings might happen in an organization. Miscommunication is a typical issue that appears mostly in any companies, and it has bad impacts that may influence the company's productivity. Miscommunication usually happens when there is a lack of attention, listening, assuming, and mishearing. If there are miscommunications happening in a company, it would be hard to move forward running a chaotic company. In addition, having a good

communication outside the company also give a positive effect, like increasing the number of customers, and that way, it would give a chance to increase the company's profit and reputation.

According to Rahayu (2018, p.356,363), the communication, productivity and responsiveness are significant in measuring the perceptions of service quality. A positive perception of service quality can create positive customer satisfaction. Then together customer satisfaction and service quality create trust and positive word of mouth communication. Therefore, there is connection between customer satisfaction, service quality, trust, and word of mouth communication.

After going through quite a number of restaurants around the Medan area, the writer found the highest level of service could result in bringing different experiences to the target group. Competition among cafes in this city is getting higher, because many new cafes are opened in every corner of the city. To maintain and increase demand, cafes pay attention to customer's perspective and understanding what kind of café they like, what kind of menu that they would sell. After discussing interesting ideas to get customer understanding, by understanding their experiences, perceptions and satisfaction, which contribute to planning and improving service quality.

According to interviews with several staff at Junction Cafe Medan, the procedure inside the organization including the greeting to the customer warmly and making sure to always has proper attitude, smiling while in contact with the customers. But some of the employees sometimes have difficulty communicating with customers. "There are some employees that have been complained by customers because when customers ask for help, one of the employees is not friendly enough. Sometimes they're not greeting the customer, where the standard procedure is always greeting and serving customer politely with a smile, giving good impression to customer. The employee also not repeating the order and even mistakenly delivering the customer's order because of miscommunication happened between the

employee and the customer. Customers also felt uncomfortable when the cafe was in a state of crowded that they need to wait for the order to come out in a longer time. Even the customer has already called several times for the employee to order or bill. The inconvenience when the order process they wanted was very long. From those stated above, there are several standard procedures that are not met by the cafe's employees, which is greeting and politely welcoming the customer, repeating order, attitude when serving the customer.”

In a restaurant or cafe, design, atmosphere, the taste of food is the most important aspect. Having good and unique design is one of the key in bringing more customers lately. But communication is also one of important aspects in order to provide the finest service quality, whether it's a communication among employees and with the customers. Without effective communication with customer, there will be trouble doing the work. This study draws from understanding customer point of view of service quality in food and beverage business.

The writer wanted to describe types of communication and the service quality because good communication is needed by employees to give a good impact to serve the finest quality. According to some of the information, the writer interested to choose **“The Role of Communication towards Food and Beverage Department Service Quality at Junction Café Medan”**

## **1.2 PROBLEM LIMITATION**

This research study is still far from perfection due to some limitations of duration and knowledge. The writer will focus on role of communication towards service quality. Therefore, the study has limitation which are the research was targeted only customers at Junction Cafe Medan. Communication as independent variable with indicators (Rangkuti, 2017, p.94-95): respect, empathy, audible, clarity, and humble. Service quality as

dependent variable with indicators (Parasuraman, Zeithaml, Berry in Tjiptono & Chandra, 2016): reliability, responsiveness, assurance, empathy, tangibles.

### **1.3 PROBLEM FORMULATION**

Based from the phenomena and background of the study mentioned above, the formulation of the problem is as follows: Does communication have the role towards service quality at Junction Cafe Medan?

### **1.4 OBJECTIVE OF RESEARCH**

As stated on the background of study above, the research objective is to learn about the role of communication towards service quality at Junction Café Medan. In this research, it also discussing about the relationship between roles of communication towards service quality. Considering the different needs of each customer is very important in restaurant, in order to maintain and increases demand in this competitive industry.

### **1.5 BENEFIT OF RESEARCH**

The benefits of research are listed bellow:

#### **1.5.1 Theoretical Benefit**

To get an overview and know about the role communication towards service quality and compare with the theory obtained during the lecture.

#### **1.5.2 Practical Benefit**

##### **1. For the Writer**

This study is supposed and intended to increase understanding of matters related to communication theory, the role of communication to the quality of services provided by employees to customers, and the factors that influence it and its application in the field.

## 2. For Junction Café Medan

The result of this research is intended to be used as reference thought for the company, in order to manage company in more optimal, open and transparent way for further improvement of the service quality.

## 3. For Other Researcher

The result of this research is also likely to assist other parties in presenting information to conduct similar research. This study is expected to be an additional reference in knowledge relating to communication between employees and customers and the role of communication towards service quality.

## 1.6 SYSTEM OF WRITING

The writing of this research is divided into 5 chapters. Each chapter is divided again into several sub chapters according to necessity. The systematic outline of writing this research will be listed bellow:

### Chapter I: Introduction

The first chapter of this research contained descriptions of background of the study, problem limitation, formulation, objective of the research, benefits of this study, and systems of writing this research.

### Chapter II: Literature Review and Hypothesis Development

The second chapter, the writer discusses about the hospitality management, food and beverage department, communication, type of communication, benefit of communication, miscommunication, service quality, and the role of communication towards service quality.

### Chapter III: Research Methodology

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

#### Chapter IV: Data Analysis and Discussion

In this chapter, it contains an analysis of the results of data processing and discussion regarding the role of communication towards service quality at Junction Café Medan

#### Chapter V: Conclusion

In this chapter, the result and several conclusion of this research will be included.

