

CHAPTER I

INTRODUCTION

1.1 Background of Study

Competition in the business world is getting tougher. An entrepreneur as a business person must be more careful in forming and developing a marketing strategy that is in accordance with the flow of his business. This is very important because the more in the times, the alternatives offered will be more diverse. This condition will lead to increasingly competitive competition among companies.

In developing a business, companies need to pay attention to important aspects in business development, one of which is the customer. The company's ability to survive and continue to run the business is due to customers who buy and use products from the company. The development of the company in the future also depends on their ability to get customers who are loyal to them.

In an important aspect, namely regarding customer satisfaction. Customer satisfaction is an evaluation of services or products sold to customer that meet or do not meet the expectations of customer. If customer feel their expectations are fulfilled, they will feel satisfied and vice versa if their expectations are not met, the customers will not be satisfied. Expectations and different responses from one customer to another are certainly a challenge for companies in getting equal satisfaction from customers.

Meanwhile, in running a business, of course it is an effort to get customer satisfaction, another aspect that can have an impact is about trust. Trust is an

attitude that arises when customers feel the products and services they buy have met their expectations and they decide to keep using the product. With customer trust in the company and the products being sold, it means that customers have achieved the satisfaction they expect.

According to Proheto et al (2020), trust is a critical component of strategic partnerships because the qualities of trust-based relationships are so important that a party wants to make a promise to itself over the relationship. Similar problems exist in the customer industry, where there is intense competition between businesses. Customer goods firms attempt to establish relationships with customers in the same way as industrial companies do.

Kumar and Prasmewari (2018), a family business is considered successful when they can separate the family matters and business matters when they move towards professionalism, when they create family councils and creeds, when they make distinctions between the division of profits and assets when they increase the size of the business and finally when there is a willingness of the successors to join the business

Today's increasingly stringent business developments require every company to continue to maintain customer satisfaction and with consistent customer satisfaction it means that the company gets the trust of customers. In this study, the writer conducted research on CV. Cipta Rasa Perkasa. CV. Cipta Rasa Perkasa was founded in 1991 which was founded by Mr. Iwan Kurniadi as family business. The company was engaged in the production of snacks at first, then also added to beverages. The company's customers are generally grocery stores with

the middle and lower middle-class target market. With products offered are cheap and quite competitive. Currently, the business is run by Mr. Iwan Kurniadi himself, assisted by his family and as a family business.

Based on the results of research by the writer, CV Cipta Rasa Perkasa has quite a variety of products and at low prices. And this is certainly a positive value for the company because the products provided have many choices according to current market conditions. However, in the problems found by the writer, customer satisfaction at the company has not been achieved properly. This can be seen that there are still complaints to the company. And this is quite difficult to avoid because the company's various products also make customer expectations very different from one another. The following is data on complaints received by the company in the last few years.

Table 1.1

Customer Complaint Data from CV Cipta Rasa Perkasa
2015 - 2020

Year	Amount Complaints	Problems in complaint
2015	28	1. Product packaging is damaged 2. Product orders were not completed on time due to absent employees and a malfunction of the production machine 3. Inconsistent product content due to an increase in raw materials every year
2016	31	
2017	29	
2018	31	
2019	26	
2020	35	

Source: CV Cipta Rasa Perkasa, 2015-2020

On the data, complaints from customers regarding the problem of damage to packaging, overloaded demand so that sometimes orders are not completed on time, and inconsistent product contents due to an increase in raw material prices. The increase in the number of complaints experienced will certainly cause a decrease in the trust of customers because the products being sold must be able to

satisfy and gain the trust of customers. The number of complaints that have fluctuated is also due to various technical problems such as changes in raw material prices and damage to production machines which are difficult to avoid. This will have an impact on customer satisfaction and make trust in the company decrease.

In forming a good foundation for a business, an entrepreneur needs to earn the trust of customers. Trust as customer awareness to provide confidence in a product. However, in the problems of business activities in the company, complaints from customers that still occur and tend to show an increase can reduce the trust that customers have. And this is certainly not good for the company's business continuity.

Based on this review, the writer decides to conduct a research entitled **“The Effect of Trust towards Customer Satisfaction at CV Cipta Rasa Perkasa”**

1.2 Problem Limitation

The writer of this study will collect data through direct interviews with the owner. With the object of research are customers of CV Cipta Rasa Perkasa which is a wholesale and retail store that sell snacks. In the problems experienced by CV Cipta Rasa Perkasa, it will cause a decrease in customer satisfaction due to several complaints from customers which make the trust of customers also decrease.

However, due to the limitation of time, budget, and data access, the writer will focus only on trust and its effect on customer satisfaction. The writer chooses trust as the main problem of this study. Problem limitations are trust as the

independent variable (x) and customer satisfaction as the dependent variable (y). Indicators of trust as the independent variables include integrity, competence, consistency, loyalty and openness (Dewi et al, 2016) and indicators of customer satisfaction as the dependent variables include rating from the side of the appearance, friendliness in service, quality and speed of transactions, mastering the products sold, having attention in handling customer complaints (Hayati and Novitasari, 2017).

1.3 Problem Formulation

Based on the background of the study, the question to be answered in this research are as follow:

1. How is the customers' trust towards CV Cipta Rasa Perkasa?
2. How is the customer satisfaction at CV Cipta Rasa Perkasa?
3. Does trust have an effect towards customer satisfaction at CV Cipta Rasa Perkasa?

1.4 Objective of The Research

The purposes in doing this research are as follow:

1. To explain about the customers' trust towards CV Cipta Rasa Perkasa
2. To explain about the customer satisfaction at CV Cipta Rasa Perkasa
3. To analyze whether trust has an effect towards customer satisfaction at CV Cipta Rasa Perkasa.

1.5 Benefit of the Research

Benefits of this research can be listed as follow:

1.5.1 Theoretical Benefit

The theoretical benefit of this research is as follows:

1. To enrich the knowledge of the writer by doing the research and also increase the experience of the writer in doing research.
2. To become reading material for all students at Universitas Pelita Harapan, Medan

1.5.2 Practical Benefit

1. To the company, to get information whether the survey that has been made will be useful to improve the company's productivity.
2. To other people, future researchers, readers: to be a guide in leading the reader to do another research that is compatible with this research.
3. To gain insight about what needs to be updated in the relevant data provided in this research, so readers will get a picture on how to improve the quality of their data.