CHAPTER I

INTRODUCTION

1.1 BACKGROUND OF STUDY

The Development on the food industry in Indonesia is also on the increase, as is competition. One of the is Kalasan Cemara Asri, Restaurant Kalasan Cemara Asri is engaged in managing food by serving traditional Indonesian flavors with specific characteristics, namely Java, where the reason for establishing this restaurant is to promote Javanese culinary because of the lack of restaurants, especially those that provide Javanese food in the city of Medan.

According to (Elisa, 2017) The increase in population growth has prompted associate degree rising economic scenario thanks to a rise in financial gain. This causes changes in people's lifestyles. Changes in people's lifestyles with their daily busy work outside the house that takes up loads of your time, makes folks consume outside the house with quality food, cheap places and low costs. Today, Indonesians tend to prefer the way to meet their food needs by consuming food purchased from restaurants. This example is an attraction for capital homeowners to form a cookery business. Basically, all human beings have the same needs, but they are also some different because of culture. The food industry is one of the businesses that many people like, because food is becoming a basic necessity for everyone. The food industry therefore has a high potential to generate high profits.

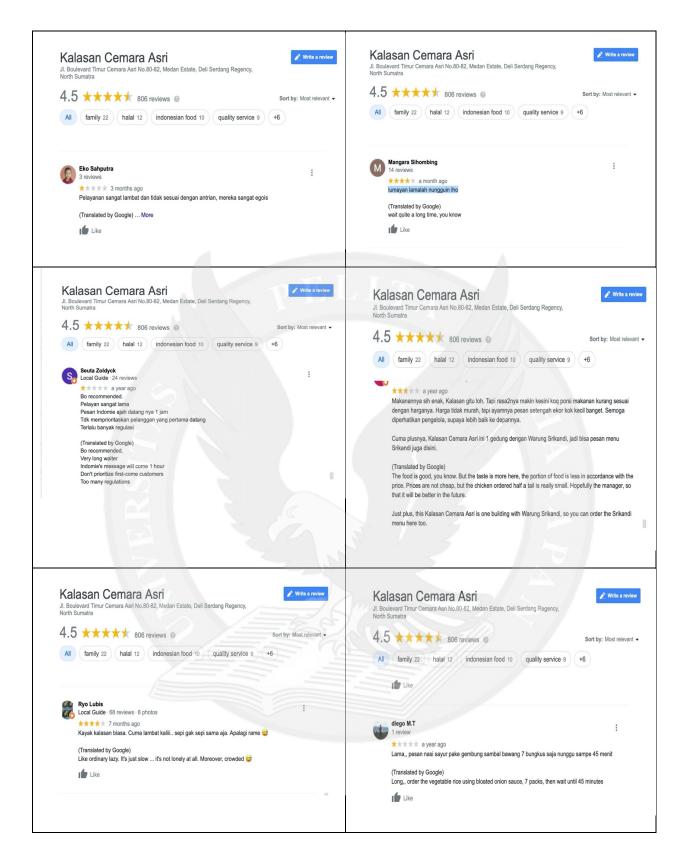
The growth of the types of restaurant businesses that are scattered in Medan City allows a level culinary business competition such as restaurants. Business people need to carry out strategies to deal with increasingly competitive business competition. As an effort to win the competition in

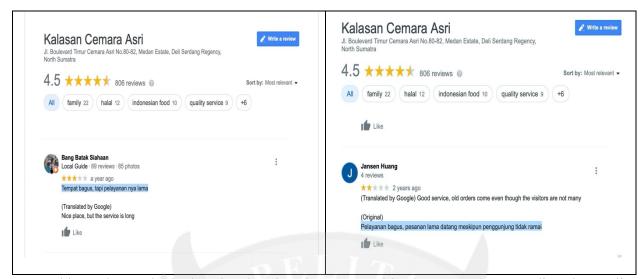
the culinary business, the Kalasan restaurant places customer service and satisfaction as the main goal. Service and food quality is closely related to customer satisfaction.

Service Quality provides incentives to customers to forge a strong relationship with the company. Likewise with the food quality. In a relationship like this allows the Kalasan Cemara Asri to understand carefully the expectations of customers and their needs. Service quality mean how well a service meets customer expectation and for the service quality, in this case we find several phenomena that occur which refer to research problems due to the low service quality such as the length of time the food arrives. Food quality, food is the most important thing in restaurant and for the food quality, we find the food quality is not good.

Right now, there several types of such unique eateries or restaurant that are developing, one among that is ethnic cafe or restaurant. Ethnic eating places Ethnic eateries themselves serve dishes customized to the topic of the their theme of their restaurant like Javanese, Sundanese, Batak, Chinese et al. The culinary industry that is currently developing also provides space for consumers to be able to gather with their communities or friends through gives their good services to customer (Kurniawan, 2015). Customer satisfaction is indicated by the services provided by the restaurant, consumers are not only satisfied, but will become regular customers and make repeat purchases of products offered by the restaurant. In addition, consumers will also recommend the restaurant to others.

Some supporting data to show the problem that refers to the research problem





In this study, we looked at the situation that occurred in the restaurant regarding the quality provided by the Kalasan Cemara Asri both in food and service. We can also see from the supporting data, the number of complaints received by the restaurant can occur if the service and quality of the food provided is not in accordance with expectations and this is also what we can see the quality of service and food provided by the Kalasan Cemara Asri is not too good.

In service quality, there are several things that are usually used as benchmarks to measure it, namely tangible, reliability, responsiveness, assurance, empathy. For service quality, in this situation the problems that occur at Kalasan Cemara Asri Restaurant are more about the lack of responsiveness, assurance and empathy so that the service quality becomes low, example such as the length of time the food arrives the lack of certainty of time so that the ordered food can arrive, thus making the services provided to customers not really good. For the food quality, there are several things such as size/portion, presentation, taste, variety of food, and aroma, that can be used to see the food quality. In this situation, we find the food quality is not really such as the portion or size given by the restaurant Kalasan Cemara Asri which is relatively small. And for customer satisfaction, we wanted to find out whether the service quality and food quality would affect

customer satisfaction so that it can change customer interest to Kalasan Cemara Asri restaurant. In this case, with the quality of food and good service quality will certainly affect consumers and can satisfy consumers.

1.2 PROBLEM LIMITATION

The food sector in Indonesia is growing, and applying the right resources of service and food quality will boost customer happiness. Based on the identification of this problem, this study is limited to the effect of service quality and food quality on customer satisfaction at Restaurant Kalasan Medan. So that researchers are not too broad, the researchers set limits on problems such as; This research focuses on the factors of service quality, food quality and customer satisfaction.

1.3 PROBLEM FORMULATION

Based on the background of the problem, the problem can be formulated as follows :

- 1. Does service quality affect customer satisfaction at Kalasan Restaurant?
- 2. Does food quality affect customer satisfaction at Kalasan Restaurant?

1.4 OBJECTIVE OF THE RESEARCH

Here are some objective of the research that've been found. The objective of this research is :

- 1. To analyze the service quality that affect customer satisfaction at Kalasan Restaurant?
- 2. To analyze the food quality that affect customer satisfaction at Kalasan Restaurant?

1.5 BENEFIT OF THE RESEARCH

The purpose of this research is to be useful. These benefits can be divided into two types as follows:

1.5.1 Theoretical Benefit

This research is expected to be useful for the development of knowledge and increase knowledge related to the factors of service quality, food quality and customer satisfaction, as well as can be used as further research.

1.5.2 Practical Benefit

The analysis is used to analyze as a way feature insight to researchers, especially those associated with service quality, food quality and the company performance level in relation to customer satisfaction. For the general public, this research is anticipated to be ready to provide knowledge about service quality, food quality, and customer satisfaction.

