

CHAPTER I

INTRODUCTION

1.1 Background of the Study

The hospitality and tourism industry in Indonesia become better due to the growth of company and politic which lead the society to seek income from the tourism industry. Hotel is becoming a place where some families might stay for some periods of time when they are on vacation or a place for business to stay when they have a business trip, either from another city or from another country.

Hotel is a place where lodging, food and drink and other services are provided for rent for guests or people who live temporarily. Along with these developments, if previously the main product or service of a hotel that was the main need for tourists was a room or lodging, now it has experienced development. Hotels are a form of sales of services and products that provide lodging services and other hotel services that support guests coming to the hotel, thereby giving a positive impact on occupancy rates and providing benefits to hotels. (Yofi Kurnia, 2016)

To gain a better guest satisfaction, hotel consists of many departments such as Food & Beverages department, Housekeeping department, Front Office department, where the front office is the nerve center of a hotel. The first thing a

visitor will see. In a sense, the front office department is an introduction to the company.

Service quality is closely related to guest satisfaction, because when guests are not satisfied with service they will choose another hotel to stay, but if guests are satisfied with the service of a hotel they will come back to the same hotel and will easily tell about their satisfaction with service in a hotel to their colleagues. In this way consumers can be attracted to visit hotels, namely because of positive comments about good service, so as to increase the number of visitors at the hotel. That's why service quality is needed. (Destiana, 2018)

According to research done by Melissa (2016), to create and maintain guest satisfaction, a hotel must pay attention to the services provided by all employees, especially for employees who have intense contact with guests such as the front office. Quoted by Parasuraman, Zeithaml & Berry (2016) there are 5 dimensions of service quality, including Tangible (physical evidence), empathy, reliability, assurances and responsiveness.

According to Destiana (2018), Customer satisfaction was a comparison between services or results accepted by the consumer with a hope that the services or results accepted met their expectations or more. However, there is a general agreement that customer satisfaction is a final product of the post-consumption of a product or service. The customer services are different from customer loyalty. Customer loyalty can be achieved in some cases by offering a good product with a guarantee or through free offers. The purpose is to develop customers who will

come back to purchase again and persuade others to use the product or services. Satisfaction is about how customers' needs and demands meet at the same time as loyalty is ready how customers repeat to buy product or services.

Front office departments are important to a company as they provide a number of benefits. A front office department can act as a welcome point to greet guests. There will be a receptionist close by to take down the visitor's name and ensure that they are comfortable while they wait to be seen.

According to Supranto in Apriani and Sunarti (2017) states that guest satisfaction is a level where the needs, desires and expectations of guests can be fulfilled which will result in repeat purchases or continued loyalty. In the hospitality business there are many things that can be offered to guests. Hotel products can be divided into forms such as hotel rooms, restaurant food and beverage services, laundry and other facilities.

In addition to hotel products which are a determining factor for guest satisfaction, service quality is also needed which plays an important role in satisfying guests, because guests do not only need hotel facilities but also need quality service from hotel employees to fulfill their desires so that guest satisfaction is achieved.

Hotel consumers in choosing a place to stay have a variety of criteria, with differences in hotel selection criteria, the management is required to always try to improve services and make continuous innovations. For this reason, hotels need to do research to evaluate what their customers want in terms of the quality of service

provided to their customers. The quality of service will be generated by the operations carried out by the company and the success of the company's operational processes is determined by many factors including employees, technology, systems, and consumer involvement. As well as how much each of these factors contributes to the quality of service created.

To maintain in order to survive in the midst of intense competition, they are competing to offer more value that they can attract customers. From various foods, entertainment and other facilities that are characteristic in the eyes of consumers. In addition, various equipment and facilities are also added to support the comfort so that the guests feel at home in the hotel.

In the guests' room, the ambiance of Alpha Inn is reflected in every guestroom, internet access-wireless, non-smoking rooms, air conditioning and desk are just some of the facilities that can be found throughout the property. And guests can enjoy free Wi-Fi in all rooms, 24-hour front desk, 24-hour room service, luggage storage, Wi-Fi in public areas.

Hotel Alpha Inn Hotel is required to be able to understand what consumer expect from the quality of services provided in order to create guest satisfaction. So, the hotel will make effort to improve the quality of service through the use of employees who have high competence and dedication.

Based on the google review, there are some unsatisfied customer who wrote negative comments about the service quality. Some comments said that the staff is less attention with customer. There are problems regarding service quality at front

office department. Based on finding and interview with the manager, the hotel has front office department with multitasking job and the service is lack because the limitation of employee. The employee is unfriendly and not responsive when customers ask for help. In this situation, it may cause the level of consumer satisfaction to decrease.

This research aims to analyze whether the service quality affects the customer satisfaction at Alpha Inn Hotel. It can be measured based on five dimension of service quality such as tangibles, reliability, responsiveness, assurance and empathy.

Rooms rates are very affordable and they surely have their own rules and regulation about how to satisfied their guest. The main objective of this research is to investigate whether the service quality of this hotel still can be maintained after the change of management system.

So, writer would like to know whether consumers will understand even though they are lacking in some terms. Therefore, the writer decides to do a research with the title **“The Influence of Service Quality Towards Guest Satisfaction at Alpha Inn Hotel Medan”**

1.2 Problem Limitation

In this study the author wants to limit the problem by focused on discussing service quality. This *skripsi* aims to investigate how service quality provides value

and how it creates guest satisfaction. Therefore, author collects information from respondents who have experienced the service quality at the hotel.

In order to investigate the influence of service quality towards guest satisfaction, the author determines the problem identification of Alpha Inn Hotel Medan for this study is the indicators of the service quality have five dimensions consists of Tangibles, Reliability, Assurance, Responsiveness and Empathy in Parasuraman, Zeithaml & Berry (2016).

1.3 Problem Formulation

According to the background of the study, there are the problems to investigate the influence of service quality at front office department towards guest satisfaction at Alpha Inn Hotel, Medan. There are some of problems formulation which will be used:

1. Does service quality have influence at Alpha Inn Hotel Medan?
2. Does guest satisfaction have influence at Alpha Inn Hotel Medan?
3. Does service quality have influence towards guest satisfaction at Alpha Inn Hotel Medan?

1.4 Objective of The Research

According to background of the study and problem formulation, the main purposes of this research are:

1. To know the service quality at Alpha Inn Hotel.

2. To perceive the guest satisfaction who stay at Alpha Inn Hotel.
3. To perceive the effect of service quality towards guest satisfaction at Alpha Inn Hotel.

1.5 Benefit of The Research

1.5.1 Theoretical Benefit

The results of this study are expected to provide a useful contribution to a comprehensive study in improving service quality in a hotel industry as a support for guest satisfaction staying at the hotel. It expected to give benefit in developing theory about service quality and customer satisfaction.

1.5.2 Practical Benefit

The result of this research is expected to provide benefits as listed below:

1. For the company, the results of this study can be used as an evaluation material for the performance of Alpha Inn Hotel management in improving service quality, especially in the five dimensions of service for the satisfaction of guests staying at the present or the future.
2. For the writer, this research is one of the requirements for completing a study program. And as additional knowledge and experience in order to be able to analyze the facts in scientifically and objectively.