

CHAPTER I

INTRODUCTION

1.1 Background of the Study

The tourism sector is the sector which is growing very rapidly not only in tourist destinations in this present era. With increasingly rapid development, many tourism industries such as hotels, restaurants, and cafés have started to emerge everywhere and have led to business competition in the world of tourism among the industries in these fields. Tourism has a lot of potential in order to speed up the progress across all the economic sectors in a sustainable manner way (Khan et al., 2020).

To face the business competition that continues to emerge, all tourism industries must continue to strive to make new developments and innovations such as providing facilities, providing additional services, increasing service quality, and also need to provide a professional workforce in order to get good reviews and also good feedback from visitors or tourists. According to Chang and Yeh (2017), as cited in Sari and Ratnawili (2021), service quality has a long-term impact on consumer satisfaction, which service quality also leads to customer loyalty.

According to Safrudin (2019), customer satisfaction is influenced by a variety of factors, which includes service quality and the availability of facilities. Facilities serve as a benchmark for all services that are being offered and provided by the hotel and also have significant effect or impact toward customer satisfaction.

Besides, the current level of the existing hotel facilities also can assist customers easier in carrying out their activities. Thus, customers can easily comfortably use the existing hotel facilities.

In Medan, there are various kinds of hotels that have different uniqueness. Each hotel in Medan provides various types of facilities, for example, free Wi-Fi, outdoor swimming pool, restaurant, fitness center, spa, and many more, and offers these facilities to the customers who stay at the hotel in order to obtain positive feedback or positive reviews and also gain customer satisfaction. According to Juliana et al. (2021), facilities are utilized by a hotel company in order to improve the customer satisfaction level. The better the facilities offered to the customers, so customer satisfaction level also will be higher. Therefore, customers who are satisfied with the accommodations provided by the hotel will come again to the hotel. According to Nurwahyuni et al. (2021), the customer response and reaction to the fulfillment being met are called customer satisfaction. Customer satisfaction is an evaluation that a type of privilege of the goods, items, or services themselves.

Several hotels provide and offer various amenities and facilities to the customers one of which is Le Polonia Hotel Medan. Le Polonia Hotel Medan is a hotel with classic mixed with modern design, which features traditional furnishings and muted decor in a modern building. Le Polonia Hotel is the hotel that has 4 stars in Medan which is suitable for families to relax and also suitable for holding company meetings. Le Polonia Hotel Medan is located at Jln. Jenderal Sudirman No. 14-18, Madras Hulu, Medan City, North Sumatera. Le Polonia Hotel is managed by an international company which is Topotels Hotels and Resorts and

under PT. *Syukur Indah Mulia*. This hotel provides leisure for the tourists or visitors since flat-screen TVs are provided in each of the hotel rooms and 24/7 room service availability, provides delicious Indonesian local cuisines, and also provides many facilities such as fitness center, massage or wellness, an outdoor swimming pool, coffee lounge, Le Café, Wi-Fi facilities, business center, and 24 hours ATM gallery. Inside Le Polonia Hotel Medan, there is a restaurant named *Suasana* restaurant which is available for 24 hours and opens for buffet and events, pool side bar, praying room, in-house laundry, and outdoor and indoor lounge which is available for company meetings that are also included as Le Polonia Hotel other facilities. Besides that, Le Polonia Hotel Medan provides 239 guest rooms from the 1st floor to the 7th floor, 3 ballrooms, 14 rooms for banquets and meetings, and an airy lobby lounge.

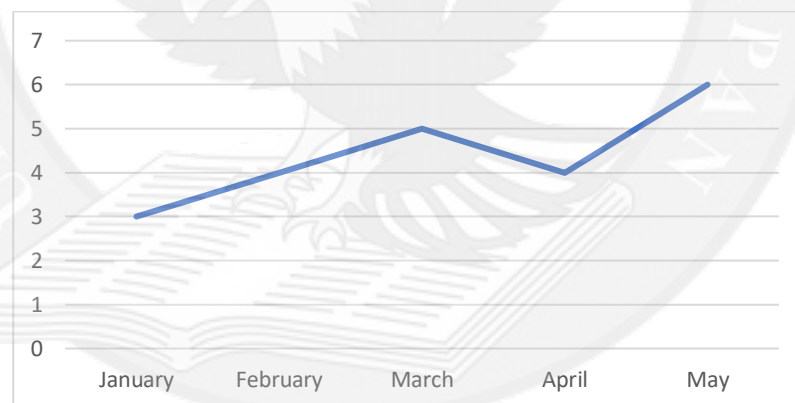


Figure 1. 1 Average Le Polonia Hotel Medan Customers Complaints

Source: Data Processed by the Writer (2021)

From the data above, we can see the data of average Le Polonia Hotel Medan customers' complaints per month. The data above is customer complaints data which obtained from supervisor or manager of each department of Le Polonia Hotel Medan. This assessment is done monthly from January 2021 to May 2021 to

know how many customers have complained and are dissatisfied with Le Polonia Hotel's service quality and facilities. As we can see on the graph data, it shows that there is some problems phenomenon regarding quality of services provided by the hotel staff and the hotel facilities which have been experienced by customers. The problems of the service quality are mostly about the hotel staff's slow in dealing with customer requests and lack of attention of the hotel staff to the customers. While the problems with the facilities are about the air conditioner is not cold, and the hotel Wi-Fi facility is very slow. Therefore, the manager or the supervisor of Le Polonia Hotel should be considering these factors which affect the customer satisfaction. If the service quality and the hotel facilities are good and improved and meet what is expected by the customer, the customer will be satisfied, will become a loyal customer, and might give or spread a good and positive review or feedback of the hotel to others.

Therefore, in this research, the writer will analyze and describe more about the relationship between Le Polonia Hotel's service quality and facilities that will influence the customers' satisfaction. The writer will write the research in the form paper entitled **“THE INFLUENCE OF SERVICE QUALITY AND FACILITIES TOWARD CUSTOMER SATISFACTION AT LE POLONIA HOTEL MEDAN”**. This study or research is hoped by the writer to be able to bring positive benefit to the hotel in improving their staff service quality and the hotel facilities so that the customers will be satisfied.

1.2 Problem Limitation

To be more concentrated on this research and the limited sources, the writer set the limitation of this study to service quality and facilities as the independent variables, and customer satisfaction as the dependent variable. Since there are limited sources, the writer will only research in Le Polonia Hotel Medan.

1.3 Problem Formulation

The main purpose of this study is to find out whether customer satisfaction is being influenced by the independent variables or not and also based on the above study or research background. Therefore, the writer could formulate the problems into several questions, as follows:

1. Does service quality partially influence customer satisfaction at Le Polonia Hotel Medan?
2. Do facilities partially influence customer satisfaction at Le Polonia Hotel Medan?
3. Do service quality and facilities simultaneously influence customer satisfaction at Le Polonia Hotel Medan?

1.4 Objective of the Research

The main purpose of this study is as follows:

1. To find out whether service quality has partially influenced customer satisfaction at Le Polonia Hotel Medan.

2. To identify whether facilities have partial influence on customer satisfaction at Le Polonia Hotel Medan.
3. To know whether service quality and facilities have simultaneously influenced customer satisfaction at Le Polonia Hotel Medan.

1.5 Benefit of the Research

This research has several benefits and advantages which will be split into two categories which are:

1.5.1 Theoretical Benefit

The completion of this study is hoped by the writer in order to offer and provide a better understanding of how service quality and facilities can influence customer satisfaction. In addition, this study is also expected to give more information to future readers or researchers who are interested and will conduct a related or similar topic.

1.5.2 Practical Benefit

1. For Future Researchers

This study is expected by the writer in order to bring more knowledge and additional sources or references in learning about service quality and facilities, as well as how they influence customer satisfaction.

2. For Le Polonia Hotel Medan

This study is expected by the writer to be a platform in order to provide information about service quality, facilities, and customer satisfaction at

Le Polonia Hotel Medan so it can become a consideration for the leaders in making future improvements.

