

# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

The food and beverage business has been quickly expanding, resulting in increased competition. Nowadays there are so many culinary businesses in Indonesia that start from small business to a big business, especially in Medan. Medan is one of the most known cities in Sumatra, in Medan not only the city is famous but also the culinary business. Paradise Dynasty Center Point Medan is one of the famous Chinese cuisines in Medan, the restaurant not only has a nice and beautiful interior but also the restaurant has a signature dish that everyone always says that the “Xiao Long Bao” which is so delicious, the presentation of the dish is like dumpling with many colors of the dumpling skin and also the filling is various. Xiao Long Bao in Paradise Dynasty Center Point Medan is the most famous and also the best in Medan.












As the fact above many restaurants business need to keep an eye on their services and also their food quality for their customer so the customer can be satisfied with not only the food but also the services as well, so restaurant need to upgrade and also keep their company so the restaurant business can be improving. In every business world whether it is a big business or small business service is the most important factor to keep it improving because a good service quality is a form of how grateful the restaurant to have customer into the restaurant. As result, the restaurant may improve customer satisfaction by maximizing a happy



customer. Matter of fact nowadays restaurant already has a tougher rivalry with other restaurant business, restaurant business must be able to survive and compete with one another by improving the service quality. One of the steps a restaurant business may take to survive a fierce competition is to work with a professional so the restaurant did not make a bad decision for the future. Customer satisfaction and service quality factors have a positive and significant relationship. As a result, the higher the quality of service, the higher the level of the customer satisfaction. Restaurant business needs to keep improving and also train the trainees to keep the service quality and also the food quality so the customer can meet their satisfaction and happiness from the offer that the restaurant gives, can become regular customer can repeat their order and also can give a suggestion to their friend to visit the restaurant.

Some supporting data to show the problem from the research object can be seen in figure 1.1

From the data below, we can see that Paradise Dynasty Center Point Medan is lack in both service and food quality. As we can see from the review customers did not satisfied with the services and also the food provided by Paradise Dynasty Center Point Medan, customers' expectation did not match with the services and food that had been provided by Paradise Dynasty Center Point Medan. In food quality, there are several factors that can help writer measure how good is the food quality, by presentation, menu variety, healthiness, tastiness, freshness, and temperature.

**Figure 1.1** Source : google review on Paradise Dynasty Center Point Medan & TripAdvisor review

<p> <b>Hendra Wong</b> Local Guide · 68 reviews · 18 photos</p> <p>★★★★☆ 4 years ago</p> <p>Pas masuk ke dalam. Ada 3 waiter lagi ngobrol. Salah satu nya anterin ke dalam. Kemudian ntah pigi ke mana. Pelayanan jelek sekali. Semua waiter pada ngumpul di dua titik ada komputer menu. Duduk lebih dari 7 menit. Satu pun engga mo liat dan nanya. Keluar de. Thank you paradise dynasty centre point</p> <p>(Translated by Google)</p> <p>Pas come in. There are 3 other waiters chatting. One of the antherine into. Then don't know where to go. Poor service. All waiters gather at two points with a computer menu. Sit for more than 7 minutes. Not even one can see and ask. Get out de. Thank you paradise dynasty center point</p>	<p> nellymarcella Medan, Indonesia</p> <p>●●●○○○ Reviewed April 24, 2017  via mobile</p> <p><b>Food standard is going down</b></p> <p>We used to come here n eat with family. Their lamian, xiao long bao and yang chow fried rice are the favorites of the kids. But today, the yang chow fried rice tasted very different from the first time it was opened. The color changed from brownish to yellowish like curry. Taste is not as good as previous. Portion size is also different. Standards should not be downgraded if it is a franchise restaurant. Owners should check on the standard on an internal audit regularly to maintain its best standard. Lamian and xiao long bao are still OK. The new pork dumpling tastes ok but the bun is kind of thick.</p> <p>Show less</p>
<p> <b>Suwandy Sudiman (Asian Electronics)</b> Local Guide · 164 reviews · 219 photos</p> <p>★★★★☆ 2 years ago</p> <p>Some food not fresh and bad.</p>	<p> <b>Steve Kosmo</b> Local Guide · 21 reviews</p> <p>★★★★☆ 2 years ago</p> <p>Bad service we just finished last food and then we just have the last one a while ago it was bayam aneka 3 telur was not served yet such a disaster and have not a good time .</p> <p> </p>
<p> <b>Alvina Joe</b> Local Guide · 289 reviews · 925 photos</p> <p>★★★★☆ 2 years ago</p> <p>A bit disappointed when dishes were served. Food presentation is different than Jakarta's paradise dynasty. Wondering if they are under the same brand. Dun like the way they greet customer, shouting in broken chinese (wonder if they act understand the meaning. They greet us with welcome and goodbye in one sentence).</p>	<p> <b>GoRuFu</b> Local Guide · 193 reviews · 1,142 photos</p> <p>★★★★☆ a year ago</p> <p>Slow and no customer service , air conditioning not working and they don't have any solution to solve the problems! At least they should go and buy some electric fan for customers or at least should compensatae by giving discount to show some customer service ! Food just ok ! Need to improve on staff and customer service skills !!!</p>
<p> <b>Alexander Suciawan</b> Local Guide · 87 reviews · 206 photos</p> <p>★★★★☆ 2 years ago</p> <p>Food is good but the service is quiet bad</p>	<p> <b>Lismawaty chen</b> 2 reviews</p> <p>★★★★☆ a year ago</p> <p>Pelayanan kurang bagus</p>

<p> <b>Johannes Lauw</b> Local Guide · 186 reviews · 1,067 photos</p> <p>★★★★★ 2 years ago</p> <p>Many trainees here that have to be patient to be served. The Lamien Beef is one of recommended dish here, only few options for steam dim sum but all are very tasteful. But the garlic fillet fish just like ordinary house made one fillet filled with flour and fried with tiny chopped garlicks. Nothing special and the flour is too thick.</p>	<p> <b>Wira dharmawan</b> Local Guide · 44 reviews · 49 photos</p> <p>★★★★★ 3 years ago</p> <p>It not halal,it served pork as a chain chinese restaurant from abroad.The food is not really authentic chinese food.Quite closed like what we having in china,noodle is absolute good since is lamian made noodle,a few small dishd is lacking the tasted because they using different material.Cucumber dish is using local cucumber not a baby cucumber as usually served in local chinese restaurant in china.Well at last chili oil and black vinegar still feel the same.Price is quite expensive for noodle restaurant,serving is quite longer,dont come with empty stomach.They will definetly let you down with serving time 😊</p>
--	--

As we can see in Paradise Dynasty Center Point Medan, the reviews above that the lack of food quality are some foods did not fresh and bad, the presentation is not the same, and lastly, the tastes also different from the other branches of Paradise Dynasty. In service quality, There are many factors that can make it easier for the writer to measure the quality of services in Paradise Dynasty Center Point Medan, such as reliability, responsiveness, competence, and friendliness. For the service quality, in this situation, the problem that has been happening in Paradise Dynasty Center Point Medan is the lack of responsiveness, reliability, and competence. For example, the employee did not care for the customer if they want to order, the service time took a long time until the customer left the restaurant, and service skills are just bad and lacking. As for the customer, satisfaction writer wants to see and find out if food quality and service quality can effects the customer satisfaction at Paradise Dynasty Center Point Medan, as we see in the reviews that service quality and food quality can affect the customer satisfaction and also customer interest to come at Paradise Dynasty Center Point Medan.

The writer also experiences a bad quality of the service and also the food as well, when going to the restaurant the waitress did not respond to the writer when the writer wants to order, writer need to call them until they want to respond, when the waitress already response and food already came out, at that time writer order a dimsums, and the dimsum is so cold and hot as the usual. And when writer want to pay the bill the waitress took too long to take the bill, even though at that time the restaurant have no customer to pay the bill.

The reason why author chooses this restaurant as research object, is because there is no previous research on this restaurant, and also writer's experience because the writer feels for themselves that the service at this restaurant is not good and the food is sometimes not as fresh as the usual.

Because of the problem above about how is the food quality and service quality, writer is interested in reference to the title “**The Influence of Food Quality and Service Quality toward Customer Satisfaction at ParadiseDynasty Center Point Medan**”

## **1.2 Problem Limitation**

Based on the fact before this study is restricted toward the service quality and food quality on customer satisfaction at Paradise Dynasty Center Point Medan. The writer places limitations on the problem, such like focuses on elements of service quality, food quality, and customer satisfaction, so that writer did not too expansive in searching the research. The author recognizes that food quality



is based upon a number of aspects, including food presentation, menu diversity, healthiness, tastiness, freshness, and temperature. Service quality can also be assessed from the following variables namely, reliability, responsiveness, competence, and friendliness. customer satisfaction can be influenced by, being satisfied with the restaurant, visiting the restaurant, and also enjoying the restaurant.

### **1.3 Problem Formulation**

Based on the background of study above, writer can see that the problems formulated as follows:

1. How is customer satisfaction at Paradise Dynasty Center Point Medan?
2. How is service quality at Paradise Dynasty Center Point Medan?
3. Can food quality and service quality influence customer satisfaction at Paradise Dynasty Center Point Medan?

### **1.4 Objective of the Research**

These are some of the objective researches that have been found:

1. To analyze the food quality that can influence the customer satisfaction at Paradise Dynasty Center Point Medan
2. To analyze the service quality that can influence the customer satisfaction at Paradise Dynasty Center Point Medan
3. To identify the influence of food quality and service quality at Paradise Dynasty Center Point Medan

## **1.5 Benefit of the Research**

### **1.5.1 Theoretical Benefit**

For the theoretical benefit, this study is expected to:

1. Provide readers with information or more understanding of the impact of food quality and quality on customer satisfaction.
2. Can help other future researchers in gaining a better knowledge of how food quality and Service quality impacts customer satisfaction.

### **1.5.2 Practical Benefit**

For the practical benefit, this research expected that:

1. Can help Paradise Dynasty Center Point Medan to improve the quality of their food and also their service quality to be more responsive so that Paradise Dynasty Center Point Medan can get more customer satisfaction.
2. Can give detailed explanations and recommendations for other comparable restaurants, including the restaurant's attention to food quality aspects and service quality aspect that might affect customer satisfaction.