

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Nowadays, the hospitality industry, especially in the food and beverages sectors, is attracting many people from everywhere. Many people are interested in cuisine and trying much food they have never tasted or eaten. Suddenly, one kind of food and beverages menu can be a trend in the world because of some people or something happened. Because of that, so many people will open cafes or restaurants to sell food and beverages. Therefore, the owner of the cafe or restaurant must be good at making a food menu and set the price well. The owner must also find a place that is easy to be reached by all people. They must also think about what kind of design and concept they will use in their cafe and restaurant so that the customers will be comfortable and satisfied when they are in our cafe or restaurant.

To make the customer get satisfied at our cafe or restaurant, we must know what the customer wants and what food and beverages are on trend. The price that we have to set for the menu is also important because some people want to see the price of the menu before they decide to come to the cafe or the restaurant.

According to Swastha and Irawan (2005) as cited in Achmad (2017), Price is the amount of money (plus some products if possible) needed to get a number of combinations of products and services.

According to Kotler and Armstrong (2012), as cited in Yusuf (2017), store atmosphere is a significant component in selling items. Sellers need to make a remarkable store insight, that can draw in a client that is in their objective market and make clients purchase their item.

According to Kotler and Armstrong (2016), as cited in Gultom (2020), Customer Satisfaction is the extent to which a product or service's perceived performance matches with customer expectations. If the product or service performance does not reach the customer expectation, the customers will feel dissatisfied. If performance matches expectations, the customers are satisfied. If performance exceeds the customer expectation, the customers get satisfied or delighted.

The object of this research is Rowist Cafe. Rowist cafe is located at Jl. Marelan Raya Ps. II No.248, Rengas Pulau, Kec. Medan Marelan, Kota Medan, Sumatera Utara 20255 and started operating in 2018. The cafe is open every day, however, their operation hours are different on a weekday they open from 9 am to 12 pm, while on weekends they open from 10am to 1am. This cafe is good to visit for doing the assignment, hanging out with a friend, and meeting with people.

The following are the online comment from Google Review:

**Table 1.1 Online Reviews**

Star	Comment
1	The price is expensive, but the taste of the food doesn't match the quality

2	So many mosquitoes, so it's not convenient to eat there
3	The place and atmosphere are good. The taste of the food is standard and a little expensive
4	Roadside location, matching tables and chairs
5	The place is recommended, the food and beverages good, the atmosphere good, definitely coming back

Source: Prepared by the Writer (Google Review 2022)

Based on the google review stated in the table above, this cafe has good and bad reviews from the customer, such as the place is not comfortable, the price is expensive for the portion, the menu does not have enough variation, the physical environment is not comfortable and there are many aspects to be improved. However, some people give a good review, such as the place is comfortable, the price is affordable and the food and beverages are good, and many more.

The following are the pricelist of Rowist cafe menu:

**Table 1.2 Rowist Cafe Food Pricelist**

Food		
Nasi Goreng	Menu	Price
	Nasi Goreng Rowist Special	32.000
	Nasi Goreng Kari	28.000
	Nasi Goreng Hijau	25.000
	Nasi Goreng Teri Pete	28.000
	Nasi Goreng Veggie	20.000
	Nasi Goreng Pedas	28.000
	Nasi Goreng Gila	28.000
	Nasi Goreng Seafood	30.000
	Nasi Goreng Kampung	20.000
	Nasi Goreng Ikan Dori	35.000
	Nasi Goreng Telur	18.000
Topping	Sosis-Mozarella-Telur-Nugget-Nasi Putih	5.000

Ayam	Paket Nasi	Alacarte
Nasi Telur Viral	12.000	
Ayam Geprek Original	22.000	18.000
Ayam Geprek Mozarella	26.000	23.000
Ayam Panggang	22.000	18.000
Ayam Pecak	22.000	18.000
Ayam Penyet	22.000	18.000
Ayam Kremes	22.000	18.000
Ayam Saus Telur Asin	32.000	28.000
Ayam Saus Thailand	32.000	28.000
Ayam Kecap	26.000	23.000
Ayam Lada Hitam	26.000	23.000
Ayam Mentega	26.000	23.000
Ayam Dabu-Dabu	28.000	25.000
Ayam Cabe Hijau	28.000	25.000
Ayam Rica-Rica	28.000	25.000
Dori Asam Manis	35.000	32.000
Dori Penyet	35.000	32.000
Dori Geprek	35.000	32.000
Dori Pecak	35.000	32.000
Dori Saus Thailand	35.000	32.000
Mie		
Kwetiau Goreng Seafood	25.000	
Kwetiau Goreng Telur	18.000	
Ifumie Goreng Seafood	25.000	
Ifumie Goreng Telur	18.000	
Indomie Goreng	15.000	
Indomie Kuah	15.000	
Indomie Nusantara	15.000	
Indomie Penatapan	15.000	
Mie Goreng Ayam Geprek	22.000	
Indomie Sambal Matah	18.000	
Steak		
Chicken Steak Crispy Blackpepper	26.000	
Chicken Steak Crispy Mushroom	26.000	
Chicken Steak Blackpepper	26.000	
Chicken Steak Mushroom	26.000	
Dori Crispy Blackpepper	30.000	

	Dori Crispy Mushroom	30.000
Spaghetti		
	Spaghetti Black Pepper	28.000
	Spaghetti Marinara	28.000
	Spaghetti Bolognese	28.000
	Spaghetti Aglio Olio	28.000
Snack		
	Ubi Goreng	12.000
	Tahu / Tempe Goreng	12.000
	Banana Crispy	12.000
	Bakwan	12.000
	Tahu Cabai	15.000
	Cuma Goreng Tepung	18.000
	Udang Goreng Tepung	18.000
	Ayam Popcorn	18.000
	French fries	18.000
	Ropang (Ovomaltine/Nutella/Coklat Keju)	17.000
	Pisang Lemer	18.000
	Sosis + Nugget	20.000
	Sate Taichan	22.000

Source: Rowist Cafe (2022)

**Table 1.3 Rowist Cafe Beverages Pricelist**

Beverages			
Coffee & Tea	Menu	Hot	Iced
		Ristretto	12.000
	Espresso	12.000	
	Doppio	15.000	
	Lungo	17.000	18.000
	Americano	17.000	18.000
	Long black	17.000	18.000
	Cappuccino	19.000	20.000
	Sanger Espress	19.000	20.000
	Coffee Latte Original	22.000	23.000
	Coffee Latte Caramel	22.000	23.000
	Coffee Latte Hazelnut	22.000	23.000
	Coffee Latte Tiramisu	22.000	23.000

	Brown Sugar Milk Coffee	22.000	23.000
	Vietnam Drip	20.000	
	Avocado Coffee		25.000
	Greentea Latte	22.000	23.000
	Red Velvet Latte	22.000	23.000
	Kopi Tubruk	10.000	11.000
	Teh Tawar	6.000	7.000
	Teh Manis	7.000	8.000
	Lemon Tea	15.000	16.000
	Thai Tea	15.000	16.000
	Milo	15.000	16.000
Mocktail/Special Mix			
	Rowist Aquarium	40.000	
	Blue Ocean	22.000	
	Strawberry Soda	22.000	
	Kiwi Punch Soda	22.000	
	Lychee Tea	22.000	
	Lychee Mint Tea	22.000	
	Blue Ocean Mojito	26.000	
	Red Iced Mojito	26.000	
	Markisa Mojito	26.000	
	Cranberry Mojito	26.000	
	Strawberry De Coco	26.000	
	Orange De Coco	26.000	
Ice Blend			
	Chocolate Blend	20.000	
	Caramel Coffee Blend	25.000	
	Hazelnut Coffee Blend	25.000	
	Vanilla Coffee Blend	25.000	
	Oreo Coffee Blend	25.000	
	Single Origin V60/ Aero Press/ French Press Mandaling	22.000	
	Java Ijen	22.000	
	Gayo	22.000	
	Gayo Natural	25.000	
	Wamena Papua	25.000	
Juice			
	Jeruk	16.000	

Tomat	16.000
Timun	16.000
Kuini	16.000
Wortel	16.000
Markisa	16.000
Semangka	16.000
Jeruk Nipis	16.000
Dragon Fruit	20.000
Alpukat	20.000

Source: Rowist Cafe (2022)

Based on the above table we can see that the range price for the food at Rowist cafe is 15.000-35.000, for the snack is 12.000-22.000, and for the beverages are 6.000-40.000.

The cafe atmosphere of Rowist cafe can be seen as follow:



**Figure 1.1 Rowist Cafe Atmosphere**

Sources: Prepared by the Writer (2022)

This research is done in Rowist Cafe because the writer wants to know more about Rowist Cafe. Based on the google review, pricelist and figure 1.1

above the writer wanted to know about the customer satisfaction at Rowist cafe because customer satisfaction can be measured by the price and cafe atmosphere but not only that two can measure customer satisfaction other factors also can affect the customer satisfaction. However, price and cafe atmosphere can be the important things for the customer to get satisfied because if the price and cafe atmosphere is good, the customer will feel satisfied.

Therefore, from the description above the writer has decided to make research with the title **“The Influence of Price and Cafe Atmosphere on Customer Satisfaction at Rowist Cafe, Medan”**.

## **1.2 Problem Limitation**

Due to limited time, access to this cafe, and knowledge, the writer has settled the problem limitation for this research will focus only on Price and Cafe Atmosphere as the independent variables and the dependent variable is Customer Satisfaction. Indeed, the writer is also has settled the limitation for the place of the research to take place in Rowist Cafe, Medan.

The indicators for price variables according to Kotler and Armstrong (2008) as cited in Pradana (2018) consist of price affordability, price compatibility with the product quality, and price competitiveness.



The indicators for cafe atmosphere variables according to Banat and Wandebori (2012) as cited in Munwaroh (2021) are cleanliness, music, scent, temperature, lighting, color, and display/layout.

The indicators used for the customer satisfaction variable according to Firman (2021) include match expectation, willingness to come back again, and willingness to recommend.

### **1.3 Problem Formulation**

The writer could formulate the research questions as follow:

- a. Does price have a partial influence on customer satisfaction at Rowist cafe, Medan?
- b. Does cafe atmosphere have a partial influence on customer satisfaction at Rowist cafe, Medan?
- c. Do price and cafe atmosphere have a simultaneous influence on customer satisfaction at Rowist cafe, Medan?

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

The objective of this research follows:

- a. To assess whether the price has a partial influence on customer satisfaction at Rowist cafe, Medan

- b. To analyze whether cafe atmosphere has a partial influence on customer satisfaction at Rowist cafe, Medan
- c. To investigate whether price and cafe atmosphere have a simultaneous influence on customer satisfaction on customer satisfaction at Rowist cafe, Medan

### **1.5 Benefit of Research**

The benefits of this research are divided into:

#### **1.5.1 Theoretical Benefits**

The result of this research is expected to contribute to updating the existing theories, especially those relevant to price & cafe atmosphere and their influence on customer satisfaction. By reading this research, the writer expects that the readers have more understanding of customer satisfaction and the impact of the Price that has been set, and the cafe atmosphere. And this research is expected to give more knowledge to many people that are doing research that have a similar topic.

#### **1.5.2 Practical Benefits**

The following are the practical benefits of this research:

a. For the writer,

This research is expected to make the writer more knowledgeable about price, cafe atmosphere, and customer satisfaction.

b. For Rowist Cafe, Medan,

This research is expected to give Rowist Cafe more information and feedback from the people about the price they already set and their cafe atmosphere and with reading this research, they must take more concern on the price they have set before and their cafe atmosphere to make the customer satisfied with their cafe and that make the customer will come back again to their cafe.

c. For Future Researches

This research is expected to become an additional reference and information for the people that want to know more about customer satisfaction with the price that has been set and also the cafe atmosphere for research with a similar topic. And with this research, the writer hopes that it can help other people when they research a similar topic with this research.