

CHAPTER I

INTRODUCTION

1.1 Background of Study

Indonesia is a country with the fourth largest population in the world after China, India, and the United States. Indonesia's population is equivalent to 3.51 percent of the world's total population (Kompas.com, 2021). The Indonesian Central Bureau for Statistics (BPS) has released the results of the 2020 Population Census which provides data on the number, composition, distribution, and characteristics of the Indonesian population. Based on census results, the population of Indonesia in 2020 reached 270,203,917 people (as of September 2020). As in North Sumatra, there is total of 14.799.361 people (Kompas.com, 2021).

This increase in population will be a major contributor to the growth of the restaurant industry because food is one of the primary needs for human survival. Moreover, people are continuously looking for new dishes to try, conducting friends or family gathering, socializing, finding relationships, prospecting for business, or simply having a break from their hectic daily activities in restaurant. The mobility of today's society is also getting higher. In order to obtain income for living and varied needs, both husband and wife work to help the family economy. That's why most people don't have time to cook and eat in restaurant.

The food quality is very important and greatly affects progress in restaurant industry. Restaurants that make high-quality products will be preferred more by the

consumer. (Panthi, 2018) state that food quality has a positive influence on customer satisfaction. Food quality can affect customer satisfaction as customer judge a food product based on the quality of the food which could create satisfaction in customers both in terms of aroma, texture, and even the freshness of the food. A research conducted by (Wijaya, 2017) at Yoshinoya Restaurant in Galaxy Mall Surabaya, also stated the same thing that the quality of food has been generally accepted as one of the fundamental factors of the overall experience in the restaurant.

Research by (Kannan, 2017); (Almohaimmeed, 2017); (Tuver, 2017), also tested the effect of food quality on the satisfaction of restaurant customers, and the results of this study successfully prove that the quality of food determines customer satisfaction. High-quality food is indicated by flavors that match or exceed consumer expectations, and they have a positive influence when consumed because they meet the nutrients the body needs when consumed. High-quality food is determined by various factors, including quality of ingredients, accuracy of processing, and the accuracy of the way of presentation. Food's particular flavor is also influenced by the recipes employed and the composition of the components utilized. Customer satisfaction is also determined by a restaurant's ability to deliver high-quality food.

Previous research stated that price has a significant effect on customer satisfaction. This means that when restaurants offer good food at affordable price, give effect customer satisfaction (Wahyudi, 2018). This opinion was reinforced by (Nurmasari, 2018) who explained that price affects customer satisfaction. (Situmeang, 2017) also, clarify that there is a direct influence between price with customer

satisfaction and that price is one of the aspects that buyers consider when purchasing something. Prices that are too expensive without being matched by decent quality might lead to customer dissatisfaction.

"Customer satisfaction is the key to the success of a business." (Sudari, 2019). According to (Khadka, 2017), "Customer satisfaction is dynamic and relative, therefore customer expectations become important in increasing customer satisfaction, where the products they buy provide a sense of satisfaction and meet desires or expectations." Some of the factors that affect customer satisfaction are product quality, pricing, a pleasant shopping experience, other people's testimonials, and marketing strategies as described in the article (Sodexo, 2019)

Besides the reason that eating is a must-do and is very important for everyone, the development of trend also influence restaurant industry. As in the trend of ayam penyet that never decreases (remains stable), evidenced by the data obtained from Google Trends, search with the keyword "ayam penyet" there has been no significant decline in Indonesia. The popularity of the ayam penyet even increased drastically from 2016 to 2018 the ayam penyet reached peak number of 100 (Google, 2018). Trend numbers on Google represent interest search based on the highest points on the diagram for region and time certain. A value of 100 indicates a term or keyword is at the top of popularity. A more complete graph can be viewed in figure 1.1

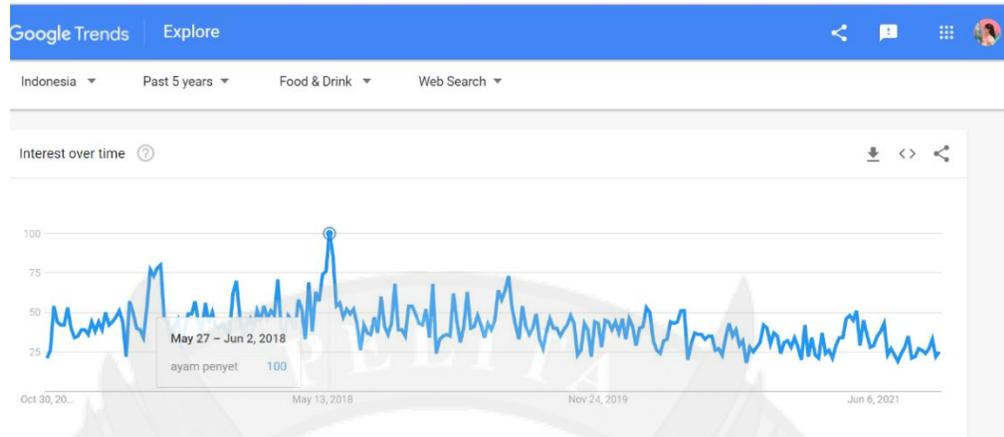


Figure 1.1 Google Trends “Ayam Penyet”

(Source : Google Trends)

Figure 1.1 shows that from the year 2016 until 2021 trend of Ayam Penyet emerge due to development of restaurant industry in Indonesia. The number 100 in the year 2018 indicates that the trend of Ayam Penyet reached its peak, just one year after the establishment of Ayam Penyet Cabe Hijau Medan.

The popularity of ayam penyet that increased drastically was influenced by the emergence of ayam penyet restaurants, one of them is Ayam Penyet Cabe Hijau Medan. The restaurant established in 2017, serves traditional food from Indonesia and gives a classy impression with interior and exterior resembling countryside. Hendra Chaniago, Operational Manager of Ayam Penyet Cabe Hijau Medan, said the restaurant wants to preserve the culture of the region and the foods that have its characteristics.

On Google Reviews, Ayam Penyet Cabe Hijau Medan is rated 4.6 stars, with 1,825 reviews. The restaurant gains many positive reviews from customers, but the

customer satisfaction has somehow decreased recently. These can be seen from a number of complaints received by Ayam Penyet Cabe Hijau Medan taken from Google reviews:

No.	Rating	Comments
1.	1	Food is not delicious, the price is too high and they don't sell water but mineral water instead. Customers must buy a mineral water and then ask the waiters to make it hot.
2.	1	This is my first time here, the service is okay, the place is okay, but they lack in food taste. Their dimsum isn't pleasing to eat, their hotplate fried rice is not delicious either. Maybe according to the theme of the restaurant, ayam penyet, so they focus on ayam penyet more.
3.	1	The rice is half cooked, and I kind of regret it because the taste is not worth the price.
4.	1	The price is too high, and not suitable for people with thin pockets.
5.	1	The food is too salty.
6.	1	Food is not that good.
7.	1	The place is cool, but the food is so so.
8.	1	Great place, food is not that good.
9.	2	The ayam penyet is not good.
10.	2	The place is good but the food is not tasty.
11.	2	The food is not good.
12.	2	The food is salty.
13.	3	The place was family-friendly, there are playground, instagramable corner, etc. But the food was too ordinary.

14.	3	The place is beautiful, the service is also good, but the taste is still lacking and the price is expensive.
15.	3	Expensive but the taste is just so so.
16.	3	It takes a long time to serve food, it's a bit expensive, food isn't that wow, the place is okay and the variety of food is okay.
17.	3	Beautiful place, in the middle of the city, but quite expensive too.
18.	3	The location is cool and has lots of cool photo spots, I would only give 3 stars for now, due to the food taste, not fit my appetite. But overall not bad.
19.	3	Chicken dishes are good especially their black pepper chicken, but fish dishes aren't tasty
20.	3	It's nice place but taste of food is lacking.
21.	3	The food taste is so so, the menu is Indonesian food and it is also dimsum.
22.	3	The price is standard, atmosphere is 5 stars, many variations of food to choose, good taste but nothing special.
23.	3	Relatively expensive.
24.	3	The food is so so, but the place is beautiful.
25.	3	The taste of some menu is somewhat disappointing, doesn't fit the price.
26.	3	The place is okay but the food is lacking.
27.	4	Too expensive, but the design is great.
28.	4	The place is comfortable, but I think they better not sell water for Rp 2.000,- I didn't like the grilled chicken seasoning, it tasted like curry.
29.	4	The place is comfortable and spacious, but the food and drink don't fit my tongue and the price is expensive.
30.	4	The place is good, but the food is just ordinary.

31.	4	The place is cool, there is a band too, but the food is quite expensive.
32.	4	The place and atmosphere are okay, with lots of photo spots. The food is not tasty, it's not much different from food in other places.
33.	4	In my opinion, the taste of food is nothing special. But it doesn't mean that they're not tasty, it's my standard of taste. But for the place, you wouldn't be disappointed.
34.	5	The resto is such a combination between a good food and a good view.
35.	5	Very nice and clean Indonesian restaurant, serving lots of food and mini cakes, nice place for photo.
36.	5	Wide setting area, both indoors and outdoors. The food is good too.
37.	5	Good food, good place, excellent service.
38.	5	Cheap and yummy and good place to take a photo.
39.	5	Nice place and good taste of food with fair enough prices but not so easy to find the location.
40.	5	This is one of the famous restaurants in Medan. A very comfortable place and delicious food, the price of the food are appropriate for our purse.

Table 1.1 Customer Reviews and Comments Towards Ayam Penyet Cabe Hijau Medan

(Source : Prepared by the author 2021)

 **ranita sitanggang**
12 reviews · 1 photo

★★★★☆ a year ago

Tempat oke,tapi makanannya kurang

 **handri sunjaya**
Local Guide · 111 reviews · 59 photos

★★★★☆ a year ago

Rasa beberapa menu agak mengecewakan tidak sesuai dengan harganya

 **lina delina**
Local Guide · 5 reviews · 3 photos

★★★★☆ 4 months ago

Mahal rasa kurang

 **Leonard Parlindungan**
Local Guide · 135 reviews · 6 photos

★★★★☆ a year ago

Relatif mahal

 **Bisman Ritonga**
Local Guide · 23 reviews · 2 photos

★★★★☆ a year ago

Tempat ok namun makanan kurang

 **Yolla Veronica**
Local Guide · 9 reviews

★★★★☆ 3 months ago

Tempatnya cantik, pelayanannya juga baik, tapi untuk rasa masih kurang dan harganya mahal

 **Muhammad Ershad**
15 reviews

★★★★☆ 11 months ago

Lama bgt menyajikan makanan... Agak mahal... Makanan lumayan gak wow...tempat lumayan dan variasi makanan jg oke laah...

 **Ismail Fahmi**
Local Guide · 181 reviews · 40 photos

★★★★☆ 10 months ago

Tempatnya asri , ditengah kota. , Tapi Lumayan mahal juga

 **Denny Roy**
Local Guide · 24 reviews · 5 photos

★★★★☆ 7 months ago

Food tasted not delicious, the price too high and they dont sell water, but mineral water instead. Too greedy even a hot cup water you must buy a mineral water the you asking the waiters to make it become hot.

 **Tha_Riii**
Local Guide · 37 reviews · 147 photos

★★★★☆ 8 months ago

Baru pertama kali makan disini, pelayanan oke, tempat oke, kurangnya di citarasa makanan. Dimsum nya gk enak, kyk uda berhari2 dipanasin. warnanya pucat. Kuah nya jg encer kek air. Nasi goreng hotplate nya jg gk enak. Mungkin sesuai tema resto nya ayam penyet sehingga menu fokus nya cm ayam penyet.

 **M. Rizki Iqbal Nasution**
Local Guide · 30 reviews · 25 photos

★★★★☆ 9 months ago

Too expensive...

But the design is great

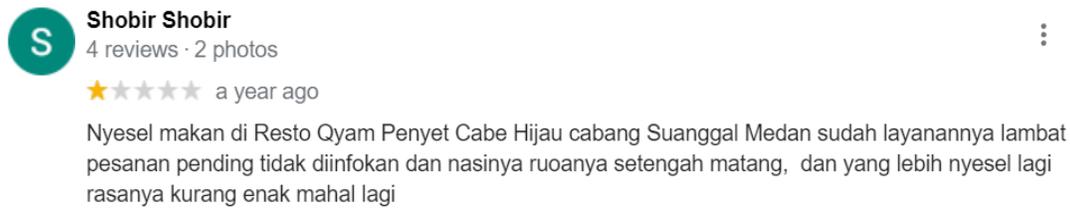


Figure 1.2 Ayam Penyet Cabe Hijau Google Reviews

(Source : Google)

The author often visited Ayam Penyet Cabe Hijau Medan to have dinner and conduct family gathering. Based on author's experience, unfortunately, the author agrees with one of the statements mentioned above: part of the food is overpriced. Hendra Chaniago, the Manager of Operational of the restaurant also stated that they have received comments about the price. Despite the price, author thinks that the food has nice presentation, good color, and good temperature. Furthermore, the restaurant has a traditional ambiance, with classical interior and exterior, and both indoor and outdoor seating options that please the eyes.

Furthermore, the author conducted a preliminary interview with five customers of Ayam Penyet Cabe Hijau Medan using customer satisfaction form about customer satisfaction. The author prepared and distributed the forms to the restaurant customers on the same day as research proposal in November 2021. After the owner and Management Operational approved, the forms were distributed.

The author was told by the first diner with the initial DH that the food was good and the restaurant had a pleasant atmosphere. He was, however, displeased with the pricing of various menu items, claiming that some of them were not worth the money.

CY, gave the restaurant a two-star rating, indicating that she was dissatisfied with both the food and the price. Food was cold, portion was too little, nothing remarkable compared to other restaurants, and certain menu items were not worth ordering. She went on to say that the restaurant might be focusing solely on Ayam Penyet Cabe Hijau Hijau.

The third customer, AL, told author that everything except the price was satisfactory. She thought the pricing was excessively exorbitant, and she experienced payment issues. Fourth customer, TF, told author that the food in the restaurant was delicious, but the portion is too little for the price. Lastly, HEP, a customer who feels Ayam Penyet Cabe Hijau Medan is OK in general but that the dish was not warm enough, making her dining experience less enjoyable. She added that she had asked for a hot tea, but that the restaurant failed to make it hot enough.

FORMULIR KEPUASAN PELANGGAN
AYAM PENYET CABE HIJAU MEDAN

Nama : DENNI HARKINGTO

	Sangat Baik	Baik	Cukup	Buruk	Sangat Buruk
Kualitas makanan		✓			
Harga makanan dan minuman			✓		
Kepuasan pelanggan			✓		

Komentar terkait kualitas makanan dan harga makanan di restoran Ayam Penyet Cabe Hijau Medan:

MAKANAN ENAK SUASANA RESTORAN MENYENANGKAN MESKIPUN ENAK
 BEBERAPA MENU HARGANYA TERLALU MAHAL DAN TIDAK SESUAI
 DENGAN MAKANANNYA (TIDAK BEGITU SEBANDING DENGAN HARGA)

Figure 1.3 Preliminary Interview Form
(Source : Prepared by author)

FORMULIR KEPUASAN PELANGGAN
AYAM PENYET CABE HIJAU MEDAN

Nama : Cynthia Yanda

	Sangat Baik	Baik	Cukup	Buruk	Sangat Buruk
Kualitas makanan				✓	
Harga makanan dan minuman			✓		
Kepuasan pelanggan				✓	

Komentar terkait kualitas makanan dan harga makanan di restoran Ayam Penyet Cabe Hijau Medan:

Makanan yg disajikan dingin, porsi terlalu kecil, tidak begitu istimewa dibandingkan dgn restoran lain, ada beberapa menu yg tidak worth it, mungkin hanya filis ke Ayam penyet Cabe hijau aja

Figure 1.4 Preliminary Interview Form
(Source : Prepared by author)

FORMULIR KEPUASAN PELANGGAN
AYAM PENYET CABE HIJAU MEDAN

Nama : Tuti Peranta

	Sangat Baik	Baik	Cukup	Buruk	Sangat Buruk
Kualitas makanan					
Harga makanan dan minuman					
Kepuasan pelanggan					

Komentar terkait kualitas makanan dan harga makanan di restoran Ayam Penyet Cabe Hijau Medan:

Matanannya enak, sayang porsi terlalu kecil untuk ukuran harga

Figure 15. Preliminary Interview Form
(Source : Prepared by author)

FORMULIR KEPUASAN PELANGGAN
AYAM PENYET CABE HIJAU MEDAN

Nama: *Angelina Lubis*

	Sangat Baik	Baik	Cukup	Buruk	Sangat Buruk
Kualitas makanan		✓			
Harga makanan dan minuman			✓		
Kepuasan pelanggan		✓			

Komentar terkait kualitas makanan dan harga makanan di restoran Ayam Penyet Cabe Hijau Medan:

Semuanya bagus kecuali untuk harga, juga pernah ada kesalahan sistem gas pas mau bayar.

Figure 1.6 Preliminary Interview Form
(Source : Prepared by author)

FORMULIR KEPUASAN PELANGGAN
AYAM PENYET CABE HIJAU MEDAN

Nama: *Hani Emanuella Pasaribu*

	Sangat Baik	Baik	Cukup	Buruk	Sangat Buruk
Kualitas makanan			✓		
Harga makanan dan minuman		✓			
Kepuasan pelanggan		✓			

Komentar terkait kualitas makanan dan harga makanan di restoran Ayam Penyet Cabe Hijau Medan:

Secara umum baik, tetapi makanan tidak hangat, minuman juga saya ada request teh hangat, tapi juga kurang hangat.

Figure 1.7 Preliminary Interview Form
(Source : Prepared by author)

1.2 Problem Limitation

The limitation of this skripsi will be food quality and price, and how these variables affect customer satisfaction, in order to perform effective and focused research. The dependent variable (Y) is customer satisfaction. Meanwhile, the independent variables are food quality (X1) and price (X2). These variables were chosen because they have a direct impact on consumer satisfaction. The indicators to measure customer satisfaction (Y) are satisfied with product quality, value of satisfaction with quality of service, and value of satisfaction with price as described by (Hariyanto, 2017). To measure food quality (X1) taste, texture, portion, aroma, color, temperature, and presentation (Davis et al., 2018). Meanwhile, the price (X2) will be measured with the food's price fairness, good price of drinks, price conformity, and price rationality (Prayag et al., 2019) as cited in (Astawakra, 2021).

1.3 Problem Formulation

Based on the background study above, the problems of this research are formulated as the follows:

1. Does food quality influence customer satisfaction at Ayam Penyet Cabe Hijau Medan?

2. Does the price influence customer satisfaction at Ayam Penyet Cabe Hijau Medan?
3. Does the food quality and price influence the customer satisfaction at Ayam Penyet Cabe Hijau Medan?

1.4 Objective of the Research

The research objective of this skripsi is:

1. To describe about food quality at Ayam Penyet Cabe Hijau Medan.
2. To describe about price at Ayam Penyet Cabe Hijau Medan.
3. To identify whether food quality and price have positive effect on customer satisfaction at Ayam Penyet Cabe Hijau Medan.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

By conducting research for this skripsi, the author is expected to gain further experience and insights regarding the relationship between food quality, price, and customer satisfaction in a restaurant.

1.5.2 Practical Benefit

- a. For Writer

To learn more about the impact of food quality and pricing on customer satisfaction at Ayam Penyet Cabe Hijau Medan.

- b. For Company

To achieve its market aim, the restaurant must expand and consider its food quality and pricing in order to satisfy its customers. This study is also intended to be used as an input or review for the restaurant's operations.

c. For other Researcher

Other researchers are expected to utilize the findings of this study as a reference in the future to obtain a better knowledge of the influence of food quality and pricing on consumer satisfaction.

