

CHAPTER I

INTRODUCTION

1.1 Background of the Study

The vegetarian culinary business is currently developing in Indonesia, especially in the city of Medan. In its development, many restaurants or restaurants have emerged that provide special food for vegetarians. In addition, at the end of the day, a healthy lifestyle that is currently increasing has made people's interest in vegetarian menus increasing and making the development of this business more interesting in the future.

In running a restaurant business, it is closely related to the hospitality element. Good hospitality application is needed in running a culinary business. One of the elements of hospitality is service, which is prioritized in providing services. Assessment of employee service capabilities is always the main thing in consumer considerations. The ability of employees to provide services will be an important aspect of consumer assessment. In general, consumers really pay attention to the services provided as a major factor in visiting these restaurants.

To get a good rating from customers, it is necessary to have good service quality as the main thing that is assessed. Service quality represents an organization's level of achievement in customer service: it refers to consumers' evaluations and responses to an organization's service offerings that may be favorable (or not). Businesses are constantly striving to improve their service

offerings in order to not only please customers but also to surprise and impress them.

The quality of the food served is also a concern of the customers. By serving food that has good basic ingredients in the presentation to the appearance of the food from color, texture to taste will be things that influence consumer opinions. Food quality is a characteristic of food that is acceptable to consumers, including its size, shape, color, consistency, texture, and taste.

Customer satisfaction is the response given by the customer to the service received by him. If the customer is satisfied, it means that the customer's expectations for the desired service are good and in accordance with their wishes. Customer satisfaction is the client's judgment following their experience with the product or service, or the client's determination that the service or product given meets their expectations. Additionally, customer happiness raises the lifetime value of a customer. It establishes the revenue provided by a client for business enterprises, although the cost of retaining existing consumers is lower than the cost of obtaining new customers.

With the quality of food and good service, it will make customer satisfaction more fulfilled by culinary business owners. According to Al Tit (2020), the study found a significant relationship between service quality and food quality, and customer satisfaction. In addition, service quality has a positive influence on customer retention. Similarly, customer satisfaction has a positive influence on customer retention and mediates the relationship between service quality and customer retention.

Green Bean Vegetarian is a restaurant that provides a variety of vegetarian menus. Located at Jalan Sun Yat Sen No.26 with opening hours 10.30-21.00 WIB. Some of the popular menus provided include Khau Bak, Nestun Shrimp, Luan Lak Soup, Curtain Mushroom, FuYung Broccoli, and other vegetarian menus.

At this time, customer satisfaction at Green Bean Vegetarian is still not maximized. This can still be seen from the complaints that occur about the services provided to customers. To see the existing complaints, the author will take some reviews from Google Reviews in complaints by customers.

Table 1.1
Problems from google review

Rating	Name	Review Results
1 star	Noela Ambarita	<i>Terlalu lama menunggu di restoran... Tempat yg kurang baik untuk driver ojol</i>
1 star	Bobi Setiawan	<i>Restorannya gak layak... Makanan nya gak enak Masa saya harus nunggu 1 jam baru makanan nya keluar</i>
1 star	Benny Saragih	<i>Pelayanan nya tdk bagus</i>
1 star	HW	<i>Very bad experience dining in the restaurant, worst everrestaurant i ever visit. Never recommended to first timer</i>
2 stars	Achmad Suwanda	<i>Pelayanan nya kurang baik, pelanggan beli dibungkus bawa pulang, masa harus di suruh nunggu diluar. Sedangkan protokol dari pemerintah hanya menyuruh pakai masker dan cuci tangan di setiap mau memasuki restoran tersebut.</i>

Source: Google reviews, (2022)

The table shows that customers are still complaining that they are not satisfied with the services provided by Green Bean Vegetarian employees at this time. Customers still complain about slow service, food that takes a long time to be served, and employees' lack of response to customers. To see the complaints as a whole, the authors conducted interviews and collected data through complaints that went to Green Bean Vegetarian in the following table.

Table 1.2
Complaint Data from Green Bean Vegetarian in 2021

Months	Number of Complaints	Reasons of Complaints
January	3	1. Slow service from employees 2. The long-ordered menu is finished when the restaurant is busy 3. Employees who are not responsive in answering customer questions 4. Unfriendly employees 5. Unresponsive employees when serving customers 6. Tasteless food 7. Poor dining area management 8. Food is cold
February	4	
March	4	
April	5	
May	4	
June	4	
July	5	
August	6	
September	5	
October	4	
November	4	
December	5	

Source: Green Bean Vegetarian (2021)

The table shows that every month there are complaints from customers due to unsatisfactory service and about food quality. There are many factors that cause customers are not satisfied, but the main thing is that the café does not meet the customers' expectation. Service complaints that occur because employees lack a good response in providing services and make customers feel less comfortable. In addition, unresponsive service from employees also occurs when conditions are crowded, the food menu ordered by guests is considered quite long by consumers in serving, tasteless food, and food is cold and tasteless food. Late response from employees, shows that employees have not been able to provide good service to consumers. Usually, the food and beverage only took 15 minutes to be served but the customers have to wait more than 30 minutes for their food and beverages. All of these lead to numerous consumer complaints, starting with the service that is not responsive, slow in serving food to the customers, and the lack of employees during holiday and weekend that cause the employees overwhelmed with the customers.

Due to the limited time, out of many factors, writer will only focus on two main variables which are Food Quality and Service Quality. The writer also

realized that Food Quality and Service Quality influence the dependent variable known as Customers Satisfaction. This research will focus on Green Bean Vegetarian Medan. Having realized that there is problem due to their food quality and service quality and influence on customers' satisfaction, the writer is interested to conduct research with the title of **"The Influence of Food Quality and Service Quality Towards Customer Satisfaction at Green Bean Vegetarian Medan"**

1.2 Problem Limitation

The writer will focus on variables which are food quality and service quality and customer satisfaction on the problem limitation. In this study, the writer will focus on the problem of the taste of food and unresponsive service when serving customers. This research will focus on the customers of Green Bean Vegetarian Medan.

The indicator of food quality from Karki & Panthi (2018) which: smell of the food is enticing, the food is nutritious, the food is delicious, and the food is fresh. The indicator of service quality from Tjiptono and Chandra (2019) which: reliability, responsiveness, assurance, empathy, tangibility The indicator of customer satisfaction from Rembet et al (2020), which is: intention to repurchase, customers loyalty, and recommendation to others.

1.3 Problem Formulation

The problems discussed and evaluated are presented in the form of questions as below:

1. How is food quality at Green Bean Vegetarian Medan?
2. How is service quality at Green Bean Vegetarian Medan?
3. How is customer satisfaction at Green Bean Vegetarian Medan?
4. Does food quality have partial influence towards customer satisfaction at Green Bean Vegetarian Medan?
5. Does service quality have partial influence towards customer satisfaction at Green Bean Vegetarian Medan?
6. Do food quality and service quality simultaneously influenced customer satisfaction at Green Bean Vegetarian Medan?

1.4 Objective of The Research

The main purpose of this research is to identify the relationship between food quality and service quality towards customer satisfaction. The objectives of this research are as follows:

1. To evaluate the food quality at Green Bean Vegetarian Medan.
2. To evaluate the service quality at Green Bean Vegetarian Medan.
3. To determine the customer satisfaction at Green Bean Vegetarian Medan.
4. To analyse whether food quality partially influences customer satisfaction at Green Bean Vegetarian Medan.
5. To analyse whether service quality partially influences customer satisfaction at Green Bean Vegetarian Medan.
6. To find out if food quality and service quality simultaneously influenced customer satisfaction at Green Bean Vegetarian Medan.

1.5 Benefit of the Research

Benefits of this research are as follows:

1.5.1 Theoretical Benefit

Theoretically, this research outcome is to enhance an understanding of food quality and service quality in the hospitality industry, especially for the employees at Green Bean Vegetarian Medan by developing conceptual theories that are useful for the readers and any employees in conducting policies related to service quality, food quality, and customer satisfaction.

1.5.2 Practical Benefit

1. For Readers

The results of this research can be used as material to prove that service quality is important and needed to be focused on a business.

2. For Writer

The results of this research can be used as a knowledge to support learning and observing the real business fields.

3. For Other Researchers

The results of this study can be used as a reference to others who are potentially having the same purpose of research.