

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Hospitality management, on the other hand, is an umbrella of different industries including food and beverage, travel, accommodation, event management, etc. There are varied managerial job opportunities in this sector, such as working as a casino manager, resort manager, restaurant manager, or event organiser, among others (Revfine, 2022).

The restaurant industry is the industry of professional restaurants, bars, and other food service providers that allow customers to enter, order food, and eat on the premises. This term can be used in several different settings and can refer to just about any type of eatery, from the most expensive restaurants to fast-food locations (Wiesen, 2023). Customer satisfaction is the main thing in running a business in the restaurant sector. With customer satisfaction, business continuity can continue to run well in the future.

Customer satisfaction is determined by the product's perceived performance in relation to purchase expectations. The customer feels dissatisfied if the product fails to satisfy expectations. Consumer satisfaction is defined as a reaction to customer behavior measured by comparing performance or perceived results to expectations (Setiyowati and Ismaya, 2022). Several factors that can affect customer satisfaction include store atmosphere, product quality, and service quality.

Store Atmosphere is a combination for designing the environment and store attributes both physically and emotionally such as architecture, layout, lighting, displays, colors, temperature, music, aroma, uniforms, and so on to create attractiveness and arouse consumer desire to make a purchase (Riadi, 2021).

Product quality is the ability of a product to carry out a function which includes reliability, durability, ease of operation, accuracy, goodness of the product, or other valued attributes (Runtunuwu & Oroh (2019).

Service quality is an activity provided by companies for consumers so that consumers feel comfortable and the company's ability to create good and consistent relationships with consumers (Liliani, 2020).

Ayam Kremes Prambanan Wahidin Medan which will be the research location is located at Jl. Wahidin No.234, Pandau Hulu II, Kec. Medan Area, Kota Medan, Sumatera Utara 20223, Indonesia. The restaurant provides various types of food such as Ayam Goreng, Ikan Goreng and others. And also provides drinks such as Lemon Tea, Teh Tarik and others. In the current customer satisfaction at Ayam Kremes Prambanan Wahidin Medan, there are still consumers who feel dissatisfied when making purchases or visiting Ayam Kremes Prambanan Wahidin Medan restaurants. Here are some reviews of consumer dissatisfaction from google reviews.

Table 1.1
Negative Review from Ayam Kremes Prambanan Wahidin Medan

Name	Rating and Time	Statements
SN	1 star (4 months ago)	The employees are all noisy even though the place is cramped so if it's noisy it's not good for vibes eat, for food there are many variants but the taste is not good and the drinks are all tasteless. and also problems in the parking lot

Name	Rating and Time	Statements
HN	2 stars (4 months ago)	The chicken is good, but sometimes the texture can be different. inconsistent, maybe because of the heat of the oil which is sometimes different when cooking, especially when it's crowded, the maturity is different
TS	4 stars (1 year ago)	It's a bit hot because maybe the fried things get hot in the place, the taste is very good, especially the soy sauce chili is delicious
RR	1 star (1 year ago)	If you sit near the front of the canopy or the outside yard is a bit hot there is no air conditioning, if you want to order take it home
SA	1 star (6 months ago)	The restaurant is not polite

Source: Google Reviews (2023)

The results of google reviews show that there are still consumers who give negative reviews of Ayam Kremes Prambanan Wahidin Medan. This can be seen from the reviews given regarding aspects of restaurant conditions, product quality and service quality received by consumers in visiting and buying food at Ayam Kremes Prambanan Wahidin Medan.

In the phenomenon of store atmosphere at Ayam Kremes Prambanan Wahidin Medan, customers complain about the rather hot restaurant conditions and the noisy restaurant atmosphere. The following is a view of the Ayam Kremes Prambanan Wahidin Medan restaurant.



Figure 1.1 Condition of Ayam Kremes Prambanan Wahidin Medan

Source: Prepared by writer (2023)

In the view of the conditions in the restaurant, the position of the restaurant is in the middle of a busy road in the Wahidin area, and the cooking place is in front of the restaurant so that the hot air of the fryer enters the restaurant and makes the restaurant conditions hotter than usual.

From the quality of the product, there are still some consumers complaining about the menu that is less consistent in taste. The following are the results of consumer reviews regarding product quality at Ayam Kremes Prambanan Wahidin Medan.

Table 1.2
Reviews about Product Quality

Name (Initial)	Rating and Time	Statements
HN	2 stars (4 months ago)	The chicken is good, but sometimes the texture can be different. inconsistent, maybe because of the heat of the oil which is sometimes different when cooking, especially when it's crowded, the maturity is different
LDS	1 star (4 months ago)	I waited for cappuccino & tea for almost 25 minutes and it didn't taste good and the packaging wasn't attractive either
WL	5 stars (1 year ago)	The nasi uduk smells good, the chicken seasoning recipe reaches the bone, the texture of the chicken is soft & crunchy. Plus, the chili sauce is delicious, when it's spicy, it's delicious, the tempeh/eggplant is crunchy too.. The best seller menu is rujak & fried chicken
KR	1 star (7 months ago)	It's been 3 years of subscription. The taste never changes and is always consistent. The fried cauliflower is really delicious with soy sauce and chilli sauce. Anyway, all menus must be tried

Source: Google Reviews (2023)

The results of the review submitted by consumers show that in the quality of food has not had a consistent taste, is not good and the taste of chicken is too oily. However, it was also found that there were consumers who felt that they were satisfied with the menu served. This shows that the quality of the food served by the Ayam Kremes Prambanan Wahidin Medan is stated to be good and there are

also consumers who assess the quality of the food served is not in accordance with their standards.

On the quality of service at the Restoran Pohon Pisang, there are also still complaints from consumers en in the quality of service owned. Here are some complaints about the quality of service.

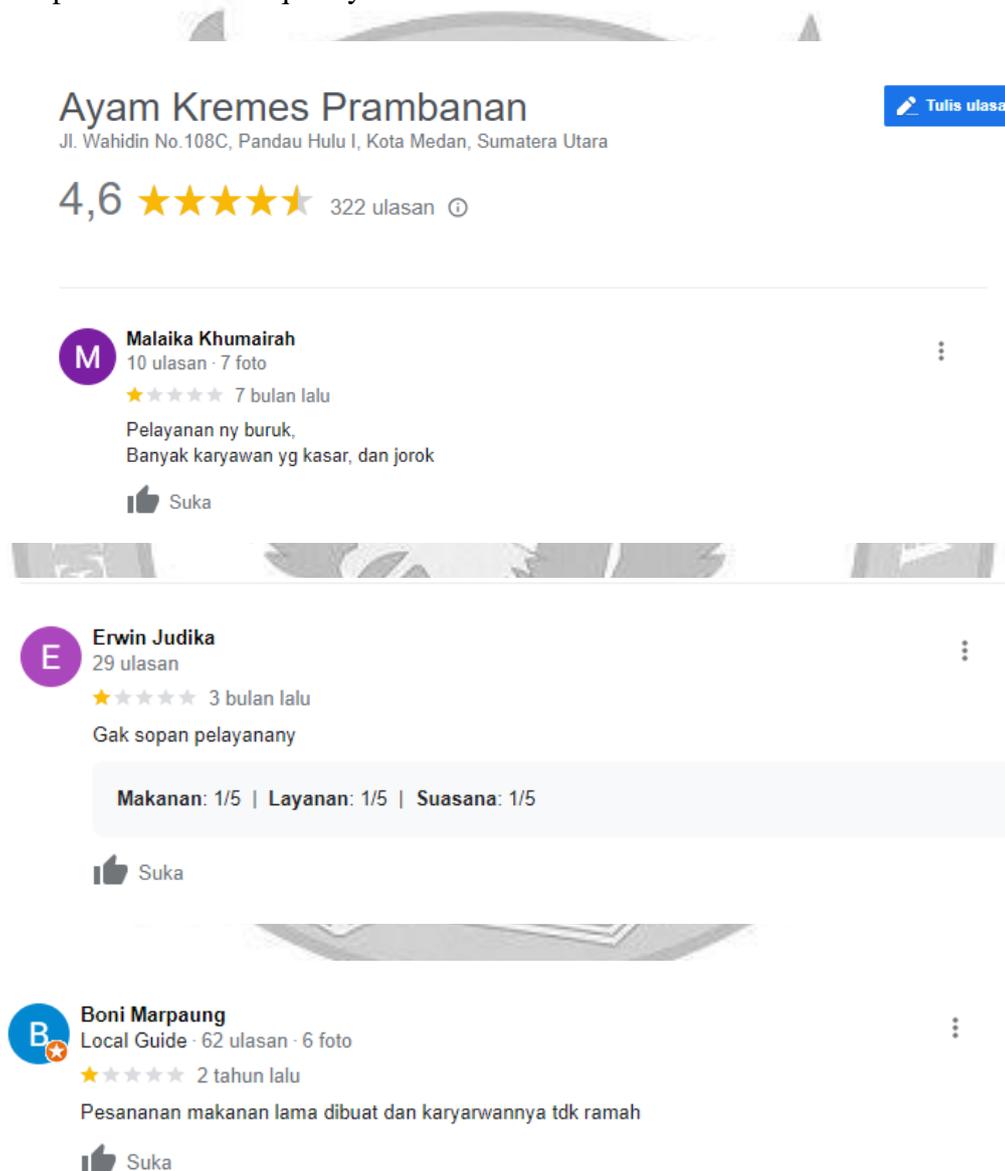


Figure 1.2 Reviews about Service Quality at Ayam Kremes Prambanan Wahidin Medan
Source: Restoran Pohon Pisang (2023)

From the results of the reviews shows that there are still complaints in the service by the restaurant. Slow service from employees is still the main obstacle to the ethics of serving food to consumers. This shows that the standard of service quality has not been in accordance with the wishes of consumers.

Based on the background of the problems that have been described, the authors decided to conduct research with the title "**The Influence of Store Atmosphere, Product Quality, and Service Quality on Customer Satisfaction at Ayam Kremes Prambanan Wahidin Medan**".

1.2 Problem Limitation

In this research, the writer decided to do research by setting some limitations. The first way in this research, the data will be collected through shop owners as informants about the Prambanan Kremes Chicken restaurant which is located on Jalan Wahidin.

The second way is to collect data from making customer response forms at Ayam Kremes Prambanan Wahidin Medan which focuses on the variables that are the research objectives, namely the store atmosphere, product quality and also the quality of the restaurant's service on customer satisfaction.

The third way can also collect some of the customer reviews that are on Google restaurant reviews at Ayam Kremes Prambanan Wahidin Medan.

This study uses the variables Store Atmosphere, Product Quality and Service Quality as variable X (independent variable) and Influence on Customer Satisfaction as variable Y (dependent variable).

According to Mowen and Minor (2002), store atmosphere is an effort to

design a buyer's environment to produce a special emotional impact on buyers who are likely to increase their purchases.

Product quality is making a product perfect and useful, so that it meets all consumer requirements/expectations.

According to Kotler (2007) the definition of service is any action or activity that can be offered by one party to another, which is essentially intangible and does not result in any ownership.

1.3 Problem Formulation

The formulation of the problem that will be research material by researchers after observing the restaurant is as follows:

- a. Does the Store Atmosphere affect Customer Satisfaction with Ayam Kremes Prambanan Wahidin Medan?
- b. Does Product Quality Affect Customer Satisfaction in Ayam Kremes Prambanan Wahidin Medan?
- c. What is the Quality of Customer Satisfaction Service in Ayam Kremes Prambanan Wahidin Medan?
- d. Do Store Atmosphere, Product Quality and Service Quality affect Customers Satisfaction with Ayam Kremes Prambanan Wahidin Medan?

1.4 Objective of the Research

Understanding the important role of Store Atmosphere, Product Quality, and Service Quality in influencing Customer Satisfaction at Ayam Kremes Prambanan Wahidin Medan is the main objective of this research. The following

are some of the objectives of the research to solve the problems in this research is:

- a. To find out whether Store Atmosphere affects Customer Satisfaction at Ayam Kremes Prambanan Wahidin Medan.
- b. To find out whether Product Quality affects Customer Satisfaction at AyamKremes Prambanan Wahidin Medan.
- c. To find out whether Service Quality affects Customer Satisfaction at AyamKremes Prambanan Wahidin Medan.
- d. To find out whether Store Atmosphere, Product Quality, and Service Quality affect Customer Satisfaction at Ayam Kremes Prambanan Wahidin Medan.

1.5 Benefit of the Research

There are 2 types of benefits that will be generated by the writer when conducting this research, that is :

1.5.1 Theoretical Benefit

The theoretical benefit that will be obtained is to further explore the relationship and the effect of Store Atmosphere, Product Quality and Service Quality on Customer Satisfaction. That way it will be more understandable and can be an evaluation if dealing with it and know the importance of these factors to pay attention to.

1.5.2 Practical Benefit

The practical benefits that will be obtained from this research:

- a. For restaurants, you can apply this and find out how significant the influence of these factors is on their satisfaction. In addition to being able to evaluate the strengths and weaknesses of the restaurant and apply things that are even better so that they can maintain their business properly. Especially in terms of the store atmosphere that must be implemented, what kind of product quality is expected and also the quality of service that must be considered.
- b. For the writer, so that in the future it can be applied in the real workplace, as well as when doing business so that they can pay attention to these factors whether they are influential or not. Such as how to organize a store atmosphere, produce good products and also provide good service to consumers to influence their satisfaction.
- c. For other researchers, it can be their reference on the significance of the influence of store atmosphere, product quality and service quality on customer satisfaction.

