

CHAPTER I

INTRODUCTION

1.1 Background of Study

Hospitality is one of the oldest industries, dating back to biblical innkeepers and taverns. The concept of leisure hospitality grew across Europe in the late 1800s, bringing hordes of wealthy visitors to Switzerland. Visitors seeking cultural and natural exposure on guided excursions in the Swiss Alps, train rides, and wellness tourism started it all. In Switzerland, palace-style hotels, thermal baths, and ski resorts have become symbols of luxury tourism (EHL,2023).

This new generation of wealthy guests demanded more luxurious rooms, convenient services, and good food. The leisure travel phenomenon gave rise to hospitality schools EHL was formed in 1893 in Lausanne as the first hotel management school, and it has led the way in hospitality education ever since. Hospitality is one of the world's most resilient, flexible, and dynamic industries. It is a constantly changing industry in which technology and innovation are being combined to better the guest experience.

The hotel sector is a labor-intensive one. Its products and services are intangible, with the goal of providing services to guests. Service quality has a significant impact on customer satisfaction (Zygiaris et al., 2022). Empathy, reliability, confidence, responsiveness, and tangibles have a substantial positive link with customer happiness. Customer happiness is most strongly predicted by the perceived quality of products and

services. As a result, businesses must priorities offering high-quality services to their clients.

Delgado et al. (2003) cited in (Diputra, I.G.A, &Yasa, N. N,2021) describe brand image as customer expectations, with belief in the reliability and intentions of a brand in scenarios involving customer risks. According to Kundu and Datta (2018), Image is a crucial determinant in service quality and customer happiness. In an online purchasing study conducted in Greece, the influence of brand image on customer satisfaction was found to be positive and significant (Pappas et al, 2014) cited in (Diputra, I.G.A, &Yasa, N. N,2021).

(Abdullah et al., 2023) In the hospitality industry, food quality has a huge impact on client happiness. According to a study on fast food businesses (Rajput & Gahfoor, 2020), meal quality influences customer loyalty, and customers evaluate the restaurant based on food quality. Furthermore, food quality is critical for meeting consumer requirements and expectations. Another study discovered that the quality of food taste can influence consumer interest, demand, and satisfaction. A study on the impact of service and meal quality on customer satisfaction and retention discovered that service and food quality have a favorable influence on customer satisfaction. The study also discovered that higher food quality influences repeat business and provides better eating experiences in hotel and restaurant environments. As a result, businesses in the hospitality industry must concentrate on enhancing food quality to increase consumer happiness.

Customer satisfaction is an important part of every organization, and it is influenced by several aspects, including brand image, service quality, food quality and corporate image. Businesses can improve customer satisfaction and long-term success by knowing these characteristics and executing methods to improve them.

This research was conducted in the W Hotel Bali, Seminyak. W Hotel Bali is located at Kerobokan, Jl. Petitenget, Seminyak, Kabupaten Badung, Bali 8036. This are several negative reviews from the service quality at W Hotel Bali collected from booking.com:

Table 1.1 Guest Review Comment at W hotel Bali

NAME	REVIEW
Bond	Getting old and tired. Towels and sheets poor quality.
Faisal	Buggy service is quite slow
Brian	we didn't like was the long walk to exit the hotel, there's golf carts dedicated to take guests in and out of the property but when none is available, you'll have to walk like 10 minutes, or request a cart and wait for it .
Zuhair	They are a bit slow in terms of services and their concierge can be better
Demah	The drinks on the pool are watered-down and overpriced for the quantity you get. You will need to be in a couple with a close friend for the as the bathroom situation limits the movement as it's all open so if you're taking a shower and someone needs the sink or to just walk out of the room, you'll be exposed
Sambhav	For a W, it felt a bit old. Rooms felt a little worn out. Colours were faded (not like the pictures you see online). My curtains won't draw completely (which they fixed immediately). The USB port was loose. If I'm paying 500 USD a night, I expect a little more than this. Even my check-in experience was quite annoying. A band was doing sound check in the main lobby. And I could barely hear the receptionist sitting across me. I know it's a party hotel, but come on, a full-blown musical event in the main lobby??

Carin	I think the Hotel, especially the rooms need a bit of touchup, if they want to keep their 5 star standard.
Dara	The concierge was abysmal. spent so much time with concierge before our trip and still got things wrong. We got charged wrongly and missed out on pick-ups. Concierge was a mess and hence giving this hotel a horrible experience because they made our stay frustrating
Andrea	<p>This hotel was a disappointment and very underwhelming. For over \$1,200 a night I expected a 5 star resort, however I wouldn't give it more than 3...4 if I was over generous. It has all the facilities and ambiance but its old and dirty as per photos attached. Im sure it was nice in its "hey day" but it currently needs an upgrade to its outdoor area and a lot of love. There are cleaner and much better resorts in Bali that I've stayed at, at better prices. The pool filtration system also needs to be looked at as the pool was very dirty and had floating bits in it.</p> <ul style="list-style-type: none"> - Dirty bathtub and shower drain - Dirty pool - Stained outdoor chairs and pillows. - Rusty furnishings - Stained outdoor lounges - Old, frayed and discolored pool towels <p>I could go on, but I'll stop here. Not value for money.</p>
Chris	<p>Overall, for the money, we spent the W disappointed.</p> <p>On Multiple occasions, we were told our account was closed and we would not be able to charge to the room; the first time was a mistake, the second time was someone not following up from the first time and then the third time was someone not following up from the 1st and 2nd time - We were on a splurge holiday specifically picking the W hotel because we hoped the Service, Quality and services available would mean we dont have to leave and could just live it up at the hotel.</p> <p>We felt like we were being treated like we had no money when in fact, the reason we booked was to splurge and live it up; being chased out of a restaurant telling us our bill had bounced on 2 occasions in front of other guests is embarrassing and not how a hotel guest should be treated, every time the account was closed we then had to go to reception and get it fixed.</p> <p>The Food is hit-and-miss. We had a horrible experience with room service the first day when</p>

dairy was added to our food order (yes, we checked it before the food was consumed) and lucky we did otherwise; my partner would have ended up in the hospital. Dietary requirements need to be stuck to and no other ingredients added off the menu otherwise, people with serious and real food allergies will become ill. We dined at Fire twice, and the BBQ chicken was the best i have ever eaten and sparked our return to try the steaksMy partner's dinner showed up before my steak, and once my steak arrived, my partner's meal was finished. Once my meal did show up, the steak was rare as rare can be inside. Unfortunately, it took three attempts at a medium-rare steak and even then, it wasn't right.

Sours: Linked.com



Figure 1.1 Guest Rating and Feedback at W hotel Bali

The ratings and feedback submitted by customers on the Trip Advisor site, as shown in the example above, indicate that there is a lack of service quality, training, employee involvement, and the brand image among the personnel. Guest feedback and evaluations show that W Bali Seminyak employees rarely interact with one another, lack communication skills training, and do not function well as a team. As a result,

clients are dissatisfied with the hotel's service, brand image and the performance of its employees.

This is Potato Head hotel Bali guest rating and feedback that can be W hotel Bali competitor.

Name	Review
Alex	<p>Extremely disappointing and a con, go to Finns or Ku De Ta</p> <p>Was really looking forward to a day in the sun at Potato Head after being a few years ago, however the place has changed very much for the worse. The vibe, area and just totally misled online. There is no entrance fee, but minimum spends and online for a simple day bed it's 500k which is fine, expected by the pool as stated, but on arrival they only have 1.5million or 3 million in the main area or sheltered lounges, which for a few hours a single traveller isn't going to spend (roughly AUD 270; GBP £170; USD \$ 200) - there is total disconnect between website and reality and what was a great time a few years ago, this was disgusting. Many other and better places to go in the area, avoid here and go there.</p>
Traces	<p>Having looked forward to visiting Potato Head Beach Club for many years I can't believe how disappointing the experience was. The cocktails were so bad we did not drink the first 4 we ordered. Just mediocre quality and service all round. And a non existent vibe. We visited Fiinn's Club the day before and there is no comparison...everything they did in the way of food , drinks and service was superior to Potato Head.</p> <p>We left without using our minimum spend it was that bad...and i did not care...we were so disappointed we wanted out of there.</p> <p>Not sure what the hype is around this place because trust me there is no quality there at all</p>
Miki	<p>Very unwelcoming and lacking a vibe - not what it used to be... I used to be a regular here some years before covid and took a very good friend here for a nice day out. The staff are SUPER unwelcoming on entry. They seem concerned about one thing - money. I was asked 4 times what my name was, what I was doing there (we came for drinks and some food). The towels are not allowed on the beach, the loungers and daybeds were mostly empty and you can't sit there (I realise there's a minimum spend,</p>

	<p>however it's the WAY they jump on you for money). Seems all a bit desperate. Lacking a vibe, facilities are good but I won't be back. Potatohead has lost its charm IMO. For min spend, I'd rather be at the W.</p>
Sisca	<p>Expensive if you pre-book especially. We paid 12 million IDR for 2 daybeds so we were quite disappointed to find they had sold out of so much food.</p> <p>No Jackfruit, no fresh coconuts, no oysters. We needed to spend 12 million on food and drink, but everything we wanted just seemed to be sold out. The gluten free options are also quite limited unfortunately and there were only literally a FEW things on the menu that were GF. (PH looks better but Ku De Ta has WAY better food and options) Confusing when you first get there, trying to find someone to get you to your daybed because it's not clear where you have to go</p> <p>When it's busy it's really hard to get the staff's attention and some of our food took absolutely ages to come out. My fish and chips were cold and some of my friends' other dishes were also cold that were meant to be hot when they came out</p> <p>This is not just Potato Head, but all other beach clubs in Bali - they only play EDM(?). Personally hated it lol would love a bit of variety in the music and music with actual singing so that it caters for more than just one type of music taste. Our group was thoroughly bored by the end of the night just because of the music</p> <p>There are no proper changing rooms! Considering this space is so large, they only have toilets but it would be so helpful if there were actual changing rooms</p>



Figure 1.2 Guest rating and feedback at Potato Head Bali

As we can see from this guest rating and feedback that I take in the same situs with W hotel Bali it is Trip Adviser site it can be compete that they almost have the same

feedback. The reason I take Potato Head hotel Bali as a competitor to W hotel Bali because they are near each other, both of the hotel known as the party hotel and well known in seminyak area.

In this study the researcher wants to analyze about the impact from the brand image, service quality, and the staff training in the W hotel Bali Seminyak and write it in this thesis entitled “THE IMPACT OF BRANDS IMAGE, SERVICE QUALITY, FOOD QUALITY TOWARDS CUSTOMER SATISFACTION IN W BALI SEMINYAK”

1.2 Problem Limitation

In this topic, the writer will take the brand image, service quality and food quality as the independent variable and customer satisfaction as dependent variable.

This research is limited to customer and visitor at W hotel Bali.

1.3 Problem Formulation

Based on the description on the background of the study above, the research question in this study are as follows:

1. Does service quality give impact on customer satisfaction in W Bali hotel ?
2. Does brand image have impact on customer satisfaction in W Bali hotel ?
3. Does food quality have impact on customer satisfaction in W Bali hotel ?
4. Does brand image, service quality and food quality have impact on customer satisfaction in W Bali hotel ?

1.4 Objective of Research

In the end of the research, the writes is expected to find the objectives such as:

1. To know the impact from service quality on customer satisfaction in W Bali hotel.
2. To find the impact of brand image on customer satisfaction in W Bali hotel.
3. To find the impact of food quality on customer satisfaction in W Bali hotel.
4. To know the impact of brand image, service quality and food quality on customer satisfaction in W Bali hotel.

1.5 Benefit of the research

The following are the benefit of this research based on the specified research objectives:

1.5.1 Theoretical Benefit

The reader and the researcher both stand to gain form this research, which can be separated into two categories:

For the Research: In this case, being able to use the content gained in lectures to further analyze actual firms and cases rather than merely comprehending it conceptually is important. Personal development, knowledge, and skill are also developing and increasing during this process.

For the reader: The reader will gain a better knowledge of the impact of service quality and brand reputation on customer satisfaction because of this research.

1.5.2 Practical Benefit

For the writer: This research needs a wide range of skills, including research design, data collection, analysis, and academic writing. These skills will be valuable in future academic and professional endeavors. Aside from that, the writer will broaden his understanding on how to improve client happiness.

For the company: The Marriott company can use this study as a guide to improve the customer satisfaction by understanding the effect of service quality, technology adaption and the staff training and development.

For the researcher: The findings of the study may have practical applications for readers in their employment, studies, or daily lives, resulting in better procedures or solutions to specific challenges. They can also use this material to educate their pupils or to stimulate additional research into related issues.

