

CHAPTER I

INTRODUCTION

1.1 Background of the Study

As we know by looking at the existing history, the café's function indeed has changed with the times. In the past people knew café's the place that provided coffee before shifting to many types of drinks with low alcohol content, and a comfortable place to talk and relax where customers can order food and drinks. From the shop that offered coffee drinks, it now has a wider function like a café building that exists today being made as comfortable as possible and attractive to attract young people, as a place to unwind after a long day of work, chat with friends, meeting with colleagues outside office hours.

The cafe business has become an activity conducted by companies or individuals to seek profit, more income, and added value. Many cafes have appeared in Medan city as the competition that offers a variety of promotions ranging from low prices, several types of food from other cafes, a comfortable atmosphere, and various other promotions.



Figure 1 The consumption of coffee each year in Indonesia.

Source: Prepare by the writer (SWA.co.id, 2024)

Data from the International Coffee Organization (ICO) The data reveals that the consumption of Indonesian coffee is consistently on the rise over the years. This is also in line with the growth of domestic coffee production which at the end of 2017 reached 666.692 tons. Source: (Hendi Pradika, 2019)

The Brewing Space Medan is a popular restaurant and coffeehouse located in Medan, Jl. Aipda KS Tubun no.33. This study aims to investigate how service quality, food quality, and café atmosphere effect customer satisfaction at Brewing Space Medan. understanding these factors is essential for the restaurant to enhance its overall customer experience and maintain a competitive edge in the market. The brewing space is a café that serves manual brew coffee menu. This menu is known for its uniqueness made many people come to try this menu, besides coffee this café also sells a variety of foods and drinks such as Choco matcha latte, honey lemon and foods such as tacos burgers, and rice bowls.

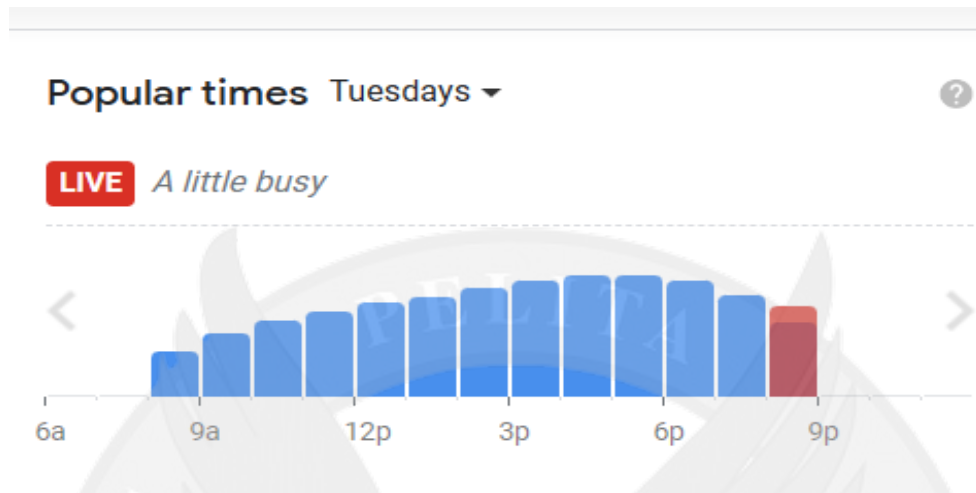


Figure 2 The statistical data of customers at The Brewing Space Café

Source: Prepare by writer (Google, 2024)

However, there are still criticisms from customers about their service quality, food quality, café atmosphere from Google reviews. Some customers criticisms about their foods or the waiter is service are too slow.

Table 1. 1 The Brewing Space Customer Online Reviews

Name, Ratings, Time	Comment
Eddrick Mak (9 months ago, 3 star)	The food is good but its too long and the waiters is good but not the best too slow for the food and everything.
Berdestinasi Kopi (7 months ago, 3 star)	Food 3, service 3, atmosphere 3.
Minvin H (3 months ago, 4 star)	The smoked texas, it's not brisket. It's just ordinary smoked ham.
JoJo (7 months ago, 1 star)	Ordered chicken, given beef

<p>Calvin Sparkbor Yamaha (1 year ago, 4 star)</p>	<p>Went to this place on January 27th 2022. Place has nice atmosphere and drinks are pretty good. Sadly the spicygyudon is a bit too oily and the omelette is bland, maybe just season the omelette a bit more and cut down on the oil and that would be nice. Karaage is pretty good tho.</p>
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Source: Prepared by writer (Google Review, 2024)

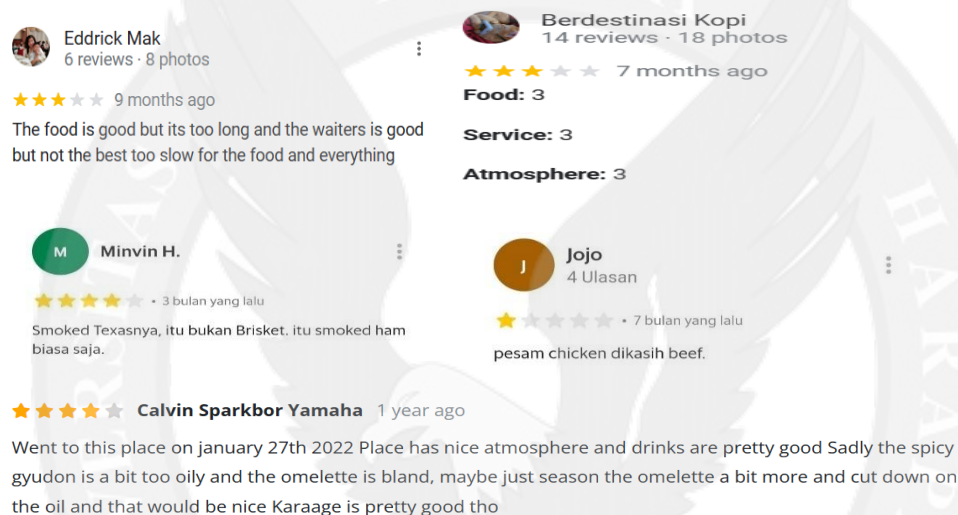


Figure 3 Google Review at The Brewing Space Cafe

Source: Prepared by writer (Google review, 2024)

3 factors that affect customer satisfaction namely: Service quality, food quality, café atmosphere:

Efforts to ensure customer satisfaction by meeting needs, requirements, and deadlines. According to (Gofur, 2019) that service quality is the action or action of a person or organization aimed at providing satisfaction to customers or employees, satisfaction can certainly be created if customer expectations are met. Continued by Amelia, (2021), service quality is the company's ability to provide the best service

compared to its competitors. Quality of service is also one component of marketing that is difficult for competitors to imitate. According to (Tjiptono, 2017), Service quality is the degree to which the service meets customer expectations.

Another thing to note besides service quality is food quality, food quality stated by (japariato, 2017), states that providing quality food that is to customer expectations can have a positive influence on the relationship between the company and customers. From (Suhartanto, 2018), food quality is the skill of a thing to deliver outcomes that match/ exceed what the customer wants. Food quality in this case is taken from the term food quality, which includes food and beverages.

Café atmosphere according to (Purnomo, 2017a) café atmosphere is an attractively arranged environment with the support of light, color, music, fragrance, and so on to evoke certain emotional responses as a driving force to make purchases. As stated by (Levy and Weitz, 2009) cited in (Ariningtyas, 2020), the reflects a combination of physical characteristics, such as architecture, board name, and display color, lighting, temperature, sound, fragrance all of which can be an image in the minds of customers.

Sugiono (2015) states that store/ café atmosphere has 4 indicators 1. Exterior (outside of the café that can influence store image to look unique and attractive to invite people to enter the café), 2. General interior (general interior of the store such as advertising to invite consumers to come to the café), 3. Store layout (store layout will invite or cause consumers to stay away when they see through the door or window, a

good store layout will be able to invite consumers), 4. Interior point of purchase display (provide information to consumers to influence the mood of café environment and the main goal is to increase the café's sales and profits).

In conclusion, the strength of The Brewing Space Café is in its food and beverages, and café atmosphere while the weakness is in its service quality during service customer. From online customer reviews writer have been evaluating the service quality, food quality, and café atmosphere, but writer still interested and want to know what affect the most the customer satisfaction at The Brewing Space Café. The writer decided to conduct research with tittle **“The effect of Service Quality, Food Quality, and Café Atmosphere on Customer Satisfaction at The Brewing Space Café, Medan”**.

1.2 Problem limitation

The scope of this study has several restrictions. As this study is based on the opinions of Brewing Space Medan customers in Medan, it will, in accordance with their perceptions, only include those customers. In this texted study, 3 independent variables are occurred and 1 dependent variable.

X1: Service Quality

X2: Food quality,

X3: Café atmosphere

Y: Customer satisfaction

The characteristics of the respondents studied were as follows: respondents who were domiciled in Medan and who have purchased products directly at The Brewing Space Café.

1.3 Problem Formulation

Based on the problem limitations that have been discussed previously, then this problem can be formulated into questions as follows:

1. Does Service quality have a significant effect on customer satisfaction in Brewing Space North Sumatra?
2. Does Food quality have a significant effect on customer satisfaction in Brewing Space North Sumatra?

3. Does Café atmosphere have a significant effect on customer satisfaction in Brewing North Sumatra?
4. Does Service quality, Food quality, and Café atmosphere have a simultaneous effect on customer satisfaction in Brewing Space North Sumatra?

1.4 Objective of the Research

By considering the problem formulation presented earlier, the research at hand aims to achieve the following objectives:

1. To know Service quality, has a significant effect on customer satisfaction in Brewing Space Medan.
2. To know how Food quality, has a significant effect on customer satisfaction in Brewing Space Medan.
3. To know Café atmosphere, has a significant effect on customer satisfaction in Brewing Space Medan.
4. To know does Service quality, Food quality, and Café atmosphere have a simultaneous effect on customer satisfaction in Brewing Space Medan.

1.5 Benefits of Research

The outcomes of the research can be advantageous for different groups of people, and these advantages can be categorized into both theoretical and practical benefits.

1.5.1 Theoretical benefits

This research can provide information and knowledge in the field of Hospitality Management including Service Quality, Food Quality, Café Atmosphere, and Customer Satisfaction. And the results of the research can be a reference for future researchers who want to conduct research with similar/new themes of these variables.

1.5.2 Practical benefits

This research can be used as information and consideration for companies in improving and providing better in-Service Quality, Food Quality, Café Atmosphere, and Customer Satisfaction.