CHAPTER I INTRODUCTION

1.1. BACKGROUND OF STUDY

Nowadays, the rapid growth of lifestyle in a country as well as time needed for food preparation has impacting to the successfulness of the food and beverages industry in Indonesia. A lot of works needed to be done for preparing food, due to varies of activities and income increases in the majority of Indonesian households, consumers preferred to dine out with their family or friends instead of dining at home most of the time. People in the middle to high level income will still choose to dine out even there are certain charges like goods and services tax included in a restaurants or cafes, the consumers will not feel bothered to pay since they can enjoy good food and services to relax after their daily life activities. Consumers will choose to dine out according to their level of income, whether they will dine in a local stalls such as *kopitiam* and food court or enjoying dine dining and hotel restaurants.

All of the fine dining restaurant is trying to upgrade their decoration and interior design to create a unique ambiance for the guest to enjoy the food and services from the restaurant. The fine dining restaurant will always try to approach the guest with different class of experience in services, food and beverages. This will impact those consumers who seek for high quality foods and beverages that are delivered by great services from the restaurant staff. Customers with higher income level may become a loyal customer to this type of restaurant since they will gain their social status. In other words, fine dining restaurants are full service restaurants where consumers are willing to pay a higher price for great food and services.

According to Har (2016), the definition of fine dining restaurant is the great food served with eye-catching presentation, the consistency taste of food and the best quality ingredients used for cooking, also specific culinary techniques needed for food preparation such as cooking or finishing food preparation in front of consumer and live cooking process beside the guest table to show off something like flambé. Employees and consumers are using proper dress code and know the dining etiquette and service standard procedure. Service provided in fine dining is precise, perfect and flawless. The decor of fine dining restaurants will be elegant, exclusively designed and refined atmosphere.

Based on previous research, food has become one of the important factors for a restaurant or café to satisfy their customers and will impact the rate of consumers to come back and dine in the restaurant or café again. In that case, food and beverages industry now were facing a serious challenge on how to provide better quality food with great visual presentation to satisfy their consumers and to win the market business from other competitors.

Customer idea about the restaurant must be aware of the service dimension of food quality which has a causal relationship towards customer satisfaction. In a fine dining restaurant, great services is one of the features that can give an extra customer satisfaction experiences. To have loyal customer, customer satisfaction is one of the most important key in the business that should be critically performing (Sulek and Hensley, 2014).

Ministro Cafe is a business that was established since 2017 whose family members are involved and the majority of ownership or control of the business belongs to them. Ministro Café is a subsidiary of PT. Sari Kreasi Indonesia that is located near the heart of Medan City, S.Parman Street No.308 Medan. Ministro Cafe offer facility that suitable for dining, birthday party, reunions / farewell parties, and other events. It offers western food and beverages with some Indonesian food and beverages.

Sales amount at Ministro Café is under performing. This condition can be seen from the table of sales per year at Ministro Cafe Medan. The sales revenue keeps decreasing in recent years, it is caused by the service from employees given to customer. Number of employees that is available to serve customer was not enough during busy hours. There is also no food checker for each food served to customers.

Base on description above writer feel interested to choose and study problem of food quality in this study entitled: "The Impact of Food Quality Management towards Customer Satisfaction at Ministro Cafe Medan"

1.2. PROBLEM LIMITATION

To avoid the happening of over discussion and due to limited time and resources, then the research will only be covering the problem of food quality management, and its impact on customer satisfaction at Ministro Cafe Medan.

1.3. PROBLEM FORMULATION

Based on the background of study at Ministro Cafe Medan, some questions obtained concerning problems that occurred, which are:

- 1. How is the food quality management at Ministro Cafe Medan?
- 2. How is the impact of food quality management towards customer satisfaction at Ministro Cafe Medan?

1.4. OBJECTIVE OF THE RESEARCH

- 1. To elaborate the food quality management at Ministro Cafe Medan.
- 2. To measure the impact of food quality management towards customer satisfaction at Ministro Cafe Medan.

1.5. BENEFIT OF THE RESEARCH

There are some benefits of conducting this research, there are:

1. For writer, this research study can enrich knowledge related to food quality management and customer satisfaction.

- 2. For Ministro Cafe Medan, this research study may provide input for the corporation that giving a proper food quality management is very important in increasing customer satisfaction.
- 3. For other researchers, provide knowledge and information to readers so it can be taken as reference and material for further research.

1.6. SYSTEMS OF WRITING

This systematic way of writing compiled as follows:

CHAPTER INTRODUCTION

I This chapter elaborates background of study, problem limitation, problem formulation, objective, and benefits of the research, and systems of writing.

CHAPTER LITERATURE REVIEW AND HYPOTHESIS II DEVELOPMENT

This chapter describes definition of food quality management, factors influencing food quality management, food quality management method and system, food quality management dimensions and indicators, definition of customer satisfaction, factors influencing customer satisfaction and measurement method of customer satisfaction, hypothesis development, research model, and framework of thinking.

CHAPTER RESEARCH METHODOLOGY

III This chapter explains research design, population and sample of research, data collection method, operational variable definition and variable measurement, and data analysis method.

CHAPTER DATA ANALYSIS AND DISCUSSION

IV This chapter elaborates the general view of the company, data analysis, descriptive statistic, result of data quality

testing, result of hypothesis testing, and discussion about research.

CHAPTER CONCLUSION

V This chapter describes the clear explanation of research result, the impact from the result of research conducted theoretically and or practically

