

CHAPTER I

INTRODUCTION

1.1. BACKGROUND OF THE STUDY

Tourism in Indonesia will go hand in hand with the growth of the hotel industry in Indonesia which is participating in its success. It is undeniable that the development in the world of tourism has developed very rapidly is the hotel. Hotels nowadays especially in Indonesia play an important role in providing accommodation for the public.

Hotels are a form of company that makes a profit by providing food, beverage and room facilities to people who are traveling at a predetermined price. The most important resource in carrying out company activities is only human resources and service quality. The definition of quality of service is, the result of a comparison made by customers between their expectations and reality According to Nuralam (2017) service involves two parties, namely consumers and service providers, although the parties involved are not always aware of it. According to Budhiarta (2019) Quality includes meeting or exceeding customer expectations.

From the point of view Hermanto (2019), service quality is a comparison between customer assumptions and the correctness of the services

provided. Therefore, as service quality affects all aspects in the field of hospitality, service quality can be assessed from the customers who get the experience when they stay in a hotel; their services and perceptions of how to serve are carried out.

When dealing with consumers it affects the aspects where customer must get a good service so that consumers have a sense and thoughts increasingly critical and smart in choosing a brand. Providing excellent service quality can make consumers stay with existing products or services at 1 hotel. Customers are the key to winning competition in the hospitality industry proved that customers tend to use trusted brands to avoid feeling disappointed and insecurity therefore every hotel provides a quality standard of service as a company, that cares about service quality and willingness.

In the hotel industry, quality of service is an important consideration, therefore companies striving to reach the maximum customer satisfaction with the provision of quality services. According to that, quality of service is the lifeblood of the hotel industry, and service quality is further linked to customer satisfaction. To be studied and the other the customer. Satisfaction is related to customer loyalty and the service quality is considered to be the evaluation between the service prospect and what was actually received.

Customer satisfaction is one of the business objectives and can be achieved by understanding the needs of the target market (traveler or business man) and by providing a package of satisfying needs to meet and satisfy those needs to a greater extent; therefore by building and maintaining a long-lasting and favorable relationship with the target market and also satisfaction is one of the important factors affecting the customer loyalty as people tend to be rational and tend to avoid taking risks. They might have a tendency, therefore tend to reduce the risk and stay with the service company they already had. Experience with a person (Ngo & Nguyen, 2016).

Quality of service has been widely discussed since the 20th century and its idea helps organizations to create today's differentiation and competitive gain advantage in an era of a borderless world, globalization, Ali et al. 2016.

Service quality plays a key role in creating customer satisfaction. The relation between quality of service and customer satisfaction has been well established in the literature on Hotel Industry. Many researchers have found that the quality of service significantly determines customer satisfaction that affects customer loyalty. That is the several points to define the service quality runs well as a base for all employees to understand, how

to deal with customer and shape their behavior and attitude while their dealing with guest, (The Karatepe 2016).

Promises of the service company regarding delivery, terms of service, problem solving and solutions. Customers like to make comments, complaints or compliment about these hotels, which makes them come back to the hotel. It is therefore an important element in the perception and loyalty of customer service quality. Hotels therefore need to be aware of the customer's expectations for reliability. In terms of hotel services, the dimensions of reliability include-regularity, attitude to complaints, protection of guest information, consistency, procedures, etc. (N. Rayma , A Kowsalya , K Dharanipriya 2019)

1. Physical facilities (equipment and appearance)
2. Employees' reliability (ability to perform, promise of a reliable and accurate service)
3. Responsiveness (a willingness to help the customer and provide prompt service)
4. Assurance (knowledge and courtesy of the workers and their employees. The ability to inspire trust and trust)

5. Empathy (careful, individualized attention; organization provides services to its customers)

As an overall assessment of excellent service and the result of the service quality brings satisfaction to the customer, while the satisfaction have a chance to create loyalty, it is same like “symbiotic mutualism” service quality will be related to customer satisfaction and the customer loyalty will follow; this is how the service quality works, and brought the satisfaction for customer.

Impact of customer satisfaction has a positive effect. Because they have the great service quality as their foundation to improve a corporation as the best of the best among other firms who run in the same field. Nowadays a lot of the hotel industry try to make the service as their “product” to attract customer. Customer satisfaction has been focused on developing their industry. And usually, they don't address the concept of quality of service and where people very picky and tricky to spend on goods and services. Besides, considering people's incomes, the price would be an important issue when discussing customer satisfaction and quality of service. It'll be interesting to focus on customer satisfaction. Satisfaction and loyalty have a related connection to reach out the goals of the industry (Bedi, 2014).

Therefore, there is a lot of understanding about service quality that has an impact on customer satisfaction in the hotel industry. It is important for all hotel parties or working staff to understand comprehensively and to get a broad understanding of the quality of service provided. It also improves the hotel development better than before, and benefits both the customer and the hotel.

Many researchers have found that the quality of service determines significantly customer satisfaction, which in turn has an impact on customer loyalty. Particularly, customer satisfaction is suggested as a mediating variable between services quality and loyalty to the customer. As a result, the provision of high levels of service quality is considered to be the highest quality in order to achieve the highest customer satisfaction, as it is the most important goal for many businesses to gain customer loyalty (Quddus & Hudrasyah, 2014).

Saka Hotel Medan is 4-star hotel, located in Medan Jl. Gagak Hitam No.14, Sei Sikambing B, Kec. Medan Sunggal, Kota Medan, Sumatera Utara 20122. Saka Hotel as the research object of this research is a hotel which engage in providing the accommodation or Hotel industry. Saka Hotel are popular for travelers and business people to stay in or have meetings or events, as they also have simple concept and interior design. Saka Hotel Medan is also wide enough to hold any events. Not only focusing

on the tangible factors, but because the Saka Hotel Medan is engaging in the hotel industry, the main factor of this industry is the Service. The service quality of this company is the main measurement of their success.

Here are some of the results of the interview with the friends and visitor who had their experience at The Saka Hotel. How is the quality of service at The Saka Hotel Medan?

There are 6 people from out of 10 who are complaining about it, employee responsiveness. It was when they asked for employees, It took them some time to come to the customers especially if it's too late, crowded, sometimes the employees didn't even come to the customers, not only that, it also took a long time for customers to wait, the check-in process In order to be processed.

There is also a complaint about the behavior of the employee. This is the employees who did not smile when the guest arrived, made the guest feel not comfortable and unhappy and complaining about that. The employee then showed that they were tired and under pressure. They either forgot to write down the customer's special request several times, ask for a view, or when a group of people is coming, employees some of the check the guest needs had missed there have also been cases that show the employee's lack of sympathy in they have their service.

There is the phenomena as the proof, about the lack of the services:

1. when the guest come with the luggage, there is no one of the employee or bell boy to help the guest, based on the rules every hotel needs a bellboy to stay at the entrance just in case the guest need help.

Based on the friend's experience and visitor feedbacks on the internet, The Saka Hotel Medan at the Receptionist service quality is important because it will give impact to the service quality that is given to the guest. Therefore, the writer decides to do a research with the title **“The Effect of Service Quality at The Receptionist Department Towards at Customer Satisfaction at Saka Hotel Medan”**

1.2. Problem Limitation

To simplify the study, the writer limits the study on **“The Effect Service Quality at the receptionist department Towards Customer Satisfaction at Saka Hotel Medan”**. The writer focuses on studying the impact of the receptionist service quality that can help to improve the company's development. Because based on the writer experiences to do the research there,

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Q: “My Reservation Was Handle Efficiently”

Provide training to Front Office staff to always emphasize satisfying and maximum service as well as responsiveness to customers so as to give a positive impression, the impact of which will give a positive review to others.

The indicators to measure service quality will be limited to competence, work motivation, self-development and efficiency and moreover, indicators to measure customer satisfaction to the guest of the Saka Hotel Medan.



1.3. Problem Formulation

1. How is the service quality at the receptionist department at The Saka Hotel Medan?
2. How is the customer satisfaction at the receptionist at the Saka Hotel Medan?
3. Does the service quality affect the customer satisfaction at The Saka Hotel Medan?

1.4. Research Object

1. To assess the service quality at The Saka Hotel Medan.
2. To know the customer satisfaction at The Saka Hotel Medan.
3. To know whether service quality affects the customer satisfaction at The Saka Hotel Medan.

1.5. Benefit of Research

1.5.1. Theoretical Benefit

The author is expected to gain more by doing this research. Knowledge and experience, and it helps to broaden the insight of the writer. Particularly in the theory of service quality and customer satisfaction will also be taught in the field of hospitality management.

1.5.2. Practical Benefit

By doing this research is expected to give some feedback to The Saka Hotel Medan. They may be taken into consideration do some correction and help them improve and improve their performance.

Development of the company. The expectation of the results of this research is to be used as a reference for other researchers to further study similar areas and to obtain more, understanding the effect of service quality towards customer satisfaction.