

CHAPTER I

INTRODUCTION

1.1 Background of The Study

Company nowadays, tends to enter the international market to expand their business as the effect of globalization, where multiple business can be conducted anywhere and everywhere. While entering international market meaning having more diverse market, company can distinguish themselves from the market that offers the same sectors, which is implement the suitable service quality. A firm may offer the same products; however, the different factor is the way the products are being delivered to the customer in order to achieve the customer satisfaction as it is critical part for the company existence.

Satisfaction is a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance or outcome to expectations. If the performance falls short of expectations, the outcome is dissatisfied. If it matches expectations, the customer is satisfied or delighted". Which means satisfaction Is someone's feeling of satisfaction or disappointment resulting from a comparison of product performance or results with expectation.

In the company of CV Cipta Prima Mobil, Pekanbaru decreased customer satisfaction. The following data on the number of consumers who feel dissatisfaction on the performance of CV Cipta Prima Mobil, Pekanbaru, namely

**Table 1. 1 Customer Dissatisfaction Data (2019-2021)
CV Cipta Prima Mobil, Pekanbaru**

Month	Amount of Customer Dissatisfaction			Reason of Dissatisfaction
	2019	2020	2021	
January	0	0	2	Pending working progress Striped Vehicle Body Paint Indent part (Spare part order pending from dealer)
February	0	0	0	
March	0	1	0	
April	1	0	0	
May	0	2	1	
June	0	0	1	
July	0	0	2	
August	0	0	1	
September	1	0	0	
October	0	0	0	
November	0	0	0	
December	0	1	3	
Total	2	4	10	

Source: CV Cipta Prima Mobil, Pekanbaru (2022)

Based on the customer dissatisfaction data above, it concludes that through the years, the amount of customer dissatisfaction is increasing significantly, from 2 complaints (before pandemic) to 10 complaints now in 1 year. It also shows that Covid-19 pandemic brings a very huge impact to PT. Cipta Prima Mobil as car service company. Based on the reason of the customer dissatisfaction, it explains that the dissatisfaction came from pending working progress because of the number of employees working during Covid-19 pandemic, and most of the complaints came from indent part (spare part order pending from the dealer). During pandemic, the stock of the spare part is decreasing as don't produce as much as before pandemic, and that automatically brings tons of complains and negative responds from our customer.

Implementation of service quality can assist the company in increasing the advantage in order to have chance to create competitive differentiation. Therefore,

for big or small enterprises, it is so much important for organization to make an evaluation on their customer's perception about their services quality and help organization to be more competitive to their competitors. As service quality is one of the most crucial effect on customer satisfaction in any business organization, it is also considered as a very important strategy in order to reach one of the main purposes of an organization, which is very much underestimated by some business cooperation, it should be equipped with the development to facilitate the service quality. This thesis will conduct an in-depth research to find out more about service quality and social media marketing, with the dimensions and the role inside it, which can attract customer satisfaction in one of the car workshops in Indonesia, CV Cipta Prima Mobil, Pekanbaru. This paper is an attempt to cover more relevant literature and other available resources on service quality relationship with customer satisfaction measurement in CV Cipta Prima Mobil, Pekanbaru as their main stimulation for company's growth.

Social media is an optimal spot for business organization in order to get to know what customers are crafting and to know about the newest trend. Nowadays, especially in pandemic time, business organizations will constantly put what sell in social media in order to develop their business. As time goes by, the fate of social media business, obviously online media advertising isn't the only choice. In an undeniably aggressive climate, business can't bear to pass up online media. It's particularly aggressive in the web-based media powerhouse space, where there are huge number of new forces to be reckoned with beginning a brand each day.

Social media is a digital platform for companies to do marketing activities in this modern era where consumers are actively involved in the offer, have access to comment, share and get information easily. Marketing that uses social media is called social media marketing. Social media marketing is a program designed by the company to engage consumers directly or indirectly to creating brand awareness, to enhance the brand and to increase sales of the product or service. Many companies claim that social media marketing adds value, effective and efficient to introduce a product or a brand to become the choice of consumers to buy products or services offered (Kurniasari & Budiarmo, 2018). Social media CV Cipta Prima Mobil, Pekanbaru less updates as the program of promotion or a new menu. CV Cipta Prima Mobil, Pekanbaru less leverage social media appropriately so as not to trigger an increase in sales.

By doing the research on finding out how service quality and social media marketing work out in a company, we will be able to automatically attract lots of customer, we have to analyze how customer might evaluate, rate, and asses on how good a service quality and the importance of social media marketing nowadays. To analyze for a better service quality and social media marketing that can increase customer satisfaction and decrease customer dissatisfaction, the writer is interested to conduct a research with the title “**The Influence of Service Quality and Social Media Marketing towards Customer Satisfaction in CV Cipta Prima Mobil, Pekanbaru**”

1.2 Problem Limitation

According to the research, the independent variable will be the service quality and social media marketing, and the dependent variable is that the customer satisfaction of the company. Collection of the data will be done by doing survey to some of the customer, and the Director of the company himself. In this study only conducted social media research Instagram CV Cipta Prima Mobil, Pekanbaru.

1.3 Problem Formulation

The problem formulation from the research insist:

1. Does service quality have partial effect on customer satisfaction in CV Cipta Prima Mobil, Pekanbaru?
2. Does social media marketing have partial effect on customer satisfaction in CV Cipta Prima Mobil, Pekanbaru?
3. Do service quality and social media marketing have simultaneous effect on customer satisfaction in CV Cipta Prima Mobil, Pekanbaru?

1.4 Objective of the Research

The purpose of the research is:

1. To analyze whether service quality have partial effect on customer satisfaction in CV Cipta Prima Mobil, Pekanbaru.
2. To discover whether social media marketing have partial effect on customer satisfaction in CV Cipta Prima Mobil, Pekanbaru.

3. To investigate whether service quality and social media marketing have simultaneous effect on customer satisfaction in CV Cipta Prima Mobil, Pekanbaru

1.5 Benefit of the Research

The benefit of the research insists of:

1.5.1 Theoretical Benefit

The research can bring benefit to the company by finding out how a customer satisfaction can increase or decrease by looking from their service skills and quality. This will also increase the service development that might possibly need correction or improvement.

1.5.2 Practical Benefit

1. For the company

The research can help the company to collect research on how to increase customer satisfaction from their quality service

2. For the Writer

The writer as the researcher to get more experience in doing the research and as an addition to knowledge about service quality, social media marketing and customer satisfaction.

3. For another Researcher

The research can make the researchers know more about how to increase customers' satisfaction.