

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Even though in history Japan had once colonized Indonesia, the fact is that Japanese food only started to enter Indonesia in 1969. This invasion began with the establishment of a Japanese restaurant in Cikini. The restaurant, named Kikugawa, was founded by Kikuchi, a Japanese man who married a woman from Manado. Kikugawa introduced a variety of Japanese dishes, such as sushi, tempura and sukiyaki to the Indonesian market. After Kikugawa, various types of Japanese restaurants emerged with various innovations until now. Ranging from teppanyaki to Japanese food that can be found on the side of the road (www.nibble.id, retrieved in 2022, August 20).

The large amount of food from other countries that enters Indonesia in fact does not reduce the prestige of Japanese food in Indonesia. Apparently this is because Japanese food has a distinctive taste. Just compare it with typical South Korean food which only has a few variants. Thai and Chinese food varies, but not all of them suit the tongue of the Indonesian people. Talking about the tongue, Japanese food can be very loved in Indonesia because it does not use complex raw materials. Precisely with its simplicity, Japanese food can survive until now, not only in Indonesia but also in the world. Japan as a developed country will continue to look for ways to continue to innovate in popularizing its specialties in Indonesia (www.nibble.id, retrieved in 2022, August 20).

One of the most visited Japanese food locations is Hataka Ikkosuha in Medan. Hakata Ikkousha is a ramen restaurant that was founded 40 years ago in Fukkuoka, Japan. Hakata itself is a village famous for its culinary diversity and also as one of the most popular places to eat in Fukuoka, Japan. There is no doubt that Ikkousha ramen is the number 1 favorite ramen in Hakata. In Indonesia, Ikkousha Jakarta ramen is one of the official branches of Fukkuoka Hakata, Japan. Ramen Ikkousha Jakarta provides a wide selection of flavors tailored to Indonesian spices and tastes. To maintain the taste and quality of Ikkousha Ramen, original chefs / chefs from Japan are imported directly to each Ikkousha Jakarta branch (www.ikkousha.co.id, retrieved in 2022, August 20).

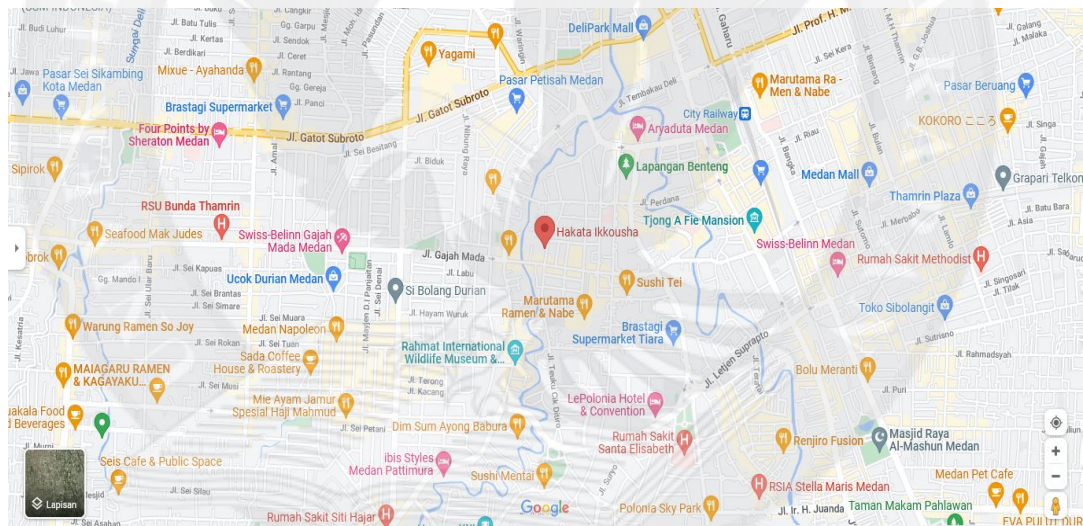


Figure 1.1 The location of Hakata Ikkousha, Medan via Google Maps

Source: <https://bit.ly/3SRVjqr>, retrieved in 2022, August 20

Hakata Ikkousha as the object of this research is one of the most sought after places by the people in Binjai City because it has a unique shape, fresh delicious taste and easy processing method. Opened in May 2014, Hakata Ikkousha can make culinary business more exciting for culinary lovers in Medan.



Figure 1.2 Hakata Ikkousha Medan's Logo

Source: <https://bit.ly/3TWbtAz>, retrieved in 2022, August 20

Hakata Ikkousha offers a much more enjoyable place to eat for foodies with a special interest in udon noodle ramen menus and this characteristic is a hit for this restaurant in Medan which attracts buyers and that is why Hakata Ikkousha in Medan was chosen as the object of this research.



Figure 1.3 Hakata Ikkousha Medan Ramen Noodles

Source: <https://bit.ly/3FCRmTx>, retrieved in 2022, August 20

Located right in Medan City, Hakata Ikkousha is a restaurant that serves Japanese specialties. Lots of menus are offered here, for example Ramen, Soba, Somen Hiyamug, Sushi and many other Japanese specialties. The Hakata Ikkousha itself is complete with air conditioning, a comfortable dining area

accompanied by delicious food and drinks, and of course free Wi-Fi connection. Hakata Ikkousha also offers a dining reservation service by telephone (061) 4561165 which is open from 11.00-22.00. After operating for almost seven years since it opened, Hakata Ikkousha in Medan is now well known to many people and Hakata Ikkousha in Medan is believed to be a Japanese specialty that is suitable for dining with friends and family.

Culinary in Medan is filled with special foods from foreign countries, one of which is from Japan. One of the foods that many people like is ramen noodles because it is savory and delicious. The number of restaurants serving ramen noodles makes the competition tougher, this is because the increasing interest in Japanese restaurants in Medan is also inseparable from the taste of Japanese food which often makes anyone tempted to try it (<https://www.pinhome.id/info-area/ramen-in-field/>, retrieved in 2022, August 20). This can also be seen in the table below which shows that the rating held by each Japanese restaurant serving ramen noodles in Medan is quite high. Awareness of the increasing interest in ramen noodles in recent years has made the competition even tougher and has become crucial for Hakata Ikkousha in Medan to be able to increase behavioral intentions.

Table 1.1 Lists of Japanese Restaurant Ratings in Medan

No.	Cafe Name	Ratings	Year of Establishment	Main Product
1	Genko Hakata	4.5	2020	Ramen and Japanese cuisine
2	Sushi Tei Sun Plaza	4.6	2003	Sushi, ramen and Japanese cuisine
3	Gokana Ramen & Teppan	4.3	2020	Ramen and Japanese cuisine
4	Ramen So Joy	4.4	2014	Ramen and Japanese cuisine
5	Hakata Ikkousha Medan	4.7	2014	Ramen and Japanese cuisine

Source: <https://bit.ly/3zBMydh>, <https://bit.ly/3SZpRXb>, <https://bit.ly/3fldKX0>, <https://bit.ly/3WlIE28>, retrieved in 2022, August 20

From the table above, we can see that the cafe has a rating that is not much different, namely in the range of 4. Specifically, Genko Hakata with a rating of 4.5, Sushi Tei Sun Plaza with a rating of 4.6, Gokana Ramen & Teppan with a rating of 4.3, Ramen So Joy with a rating of 4.4, and Hakata Ikkousha Medan with a rating of 4.5.

The increase in Hakata Ikkousha customers is due to the behavioral intention of the customer. Behavioral intentions are defined as a person's readiness to show a behavior. An important basis in determining an intention is a person's guess about the perceived tendency or possibility of carrying out certain behaviors (Fishbein & Ajzen, 2011). Behavioral intentions within the scope of the restaurant can be described as the possibility to return to the restaurant at a later time, recommend the restaurant to family, friends, etc., will say positive things about the restaurant and consider the restaurant as the main restaurant choice for the next visit (Ryu *et al.*, 2008; Jang *et al.*, 2011; serta Wu, 2013). So to increase Behavioral Intentions, several factors need to be considered, namely Service Quality, Food Quality, Atmospherics, Authenticity (Food), and Authenticity (Atmospherics).

The restaurant business is a business that prioritizes product quality and service quality provided by the company to its consumers. The product quality of the restaurant is in the form of food and beverages, while the quality of service is in the form of service from the restaurant's employees and other physical facilities that can support it. If these two qualities are not considered, then consumers will not come back again. Service quality is an important factor for a business entity. If

the quality of service provided by a business entity is good, then the consumer will be satisfied, and vice versa, if the quality of service provided by the business entity is not good, then the consumer may be disappointed with the company (Immanuel, 2016). Restaurants need to find ways to maintain and continuously improve the quality of service. There are factors that determine customer satisfaction, one of which is consumer perception of service quality, which focuses on five dimensions of service quality, namely: tangibles, reliability, responsiveness, assurance, and empathy. Although Hakata Ikkousha has implemented good service quality, there are still many customer complaints about the service from Hakata Ikkousha (Hakata Ikkousha, 2022).



Figure 1.4 Customer Complaints About Service Quality

Source : <https://g.co/kgs/qXAL9P>, retrieved in 2022, August 20

Based on Figure 1.4, it can be seen that there are two-star reviews from customers for service quality which say that Hakata Ikkousha's waiter has not provided good service even though the food is okay. This indicates that when it is crowded, Hakata Ikkousha's waiter cannot provide fast service due to lack of work experience waiter in serving customers in a Japanese restaurant.

In addition, the quality of food can also affect behavioral intentions. In this case, food is the main product of a restaurant and cafe. The food quality of a culinary business plays an important role for companies looking to entertain

customers. Food quality is the most important dimension of the quality of a restaurant or cafe. Therefore, there are many developments in the food and beverage menu that have an impact on the customer experience at dining establishments for the success of restaurants and cafes. The consumer experience (customer experience) that is felt when enjoying the menu at restaurants and cafes is also a consideration for consumers. To keep customers loyal, a strategy that not only focuses on quality but also on customer experience is needed to increase customer satisfaction (Mindari 2022). The following is an overview of the quality of the food at Hakata Ikkousha.



Figure 1.5 Ramen noodles in Hakata Ikkousha

Source: <https://bit.ly/3SOdKMI>, retrieved in 2022, August 20

From Figure 1.5, it can be seen that Hakata Ikkousha always provides visually attractive food appearances. This adds to the attraction for customers to come to Hakata Ikkousha. In addition, when viewed from the attractive appearance of the food, customers can feel that the food served has a good taste which can be seen from Figure 1.6 which has 5 star reviews from customers who say the taste of the food is top.



Figure 1.6 Hakata Ikkousha Customer's Review On Food Quality

Source: <https://g.co/kgs/1dXNd1>, retrieved in 2022, August 20

Café atmosphere is an atmosphere that includes various interiors, exteriors, layouts, internal store traffic, comfort, air, service, music, sales staff uniforms, display of goods, and so on that cause consumer attraction and arouse the desire to buy. Café atmosphere is also a design and a design environment that uses visual communication, lighting, color, music, and smell to stimulate customer perceptions and emotions, influencing customer purchasing behavior. Physical characteristics that are very important in creating a comfortable atmosphere for consumers who are in the cafe and can indirectly affect the consumer's picture and buying behavior (Munwaroh & Riptiono, 2021).



Figure 1.7 Atmospherics in Hakata Ikkousha

Source: <https://bit.ly/3foj8IJ>, , retrieved in 2022, August 20

From Figure 1.7, it can be seen that the atmosphere of Hakata Ikkousha shows a visually attractive Hakata interior design so as to create a comfortable and very pleasant atmosphere through the lighting of the room and the colors used in the interior design of Hakata Ikkousha. The table settings are very pleasant and neat and orderly, although sometimes customers who come to Hakata Ikkousha in Medan have to queue at busy times.

The authenticity of food can be said to be a local food specialty from a place that describes the local culture. Authenticity is an important aspect of the culinary experience that consumers get. Authentic cuisine provides an experience for consumers to taste dishes with original recipes passed down from generation to generation and restaurant concepts that represent the culture of the past. In other words, the authentic experience that consumers get from consuming MLT includes both the food experience and the restaurant experience (Özdemir & Seyitoğlu, 2017). The authenticity of food includes how to cook; the smell of food; recipes; ingredients; and even habits in eating and drinking.

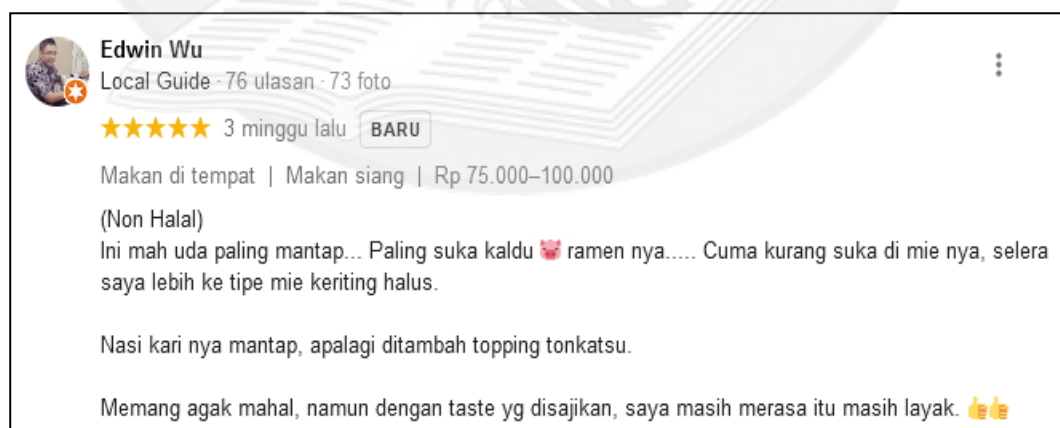


Figure 1.8 Hakata Ikkousha Customer's Review On Authenticity food

Source: <https://g.co/kgs/kV2muN>, retrieved in 2022, August 20

Figure 1.8 can be seen from the four star reviews from customers who think that the food served is worth eating even though there are still some shortcomings in making a delicious Japanese dish. This is because the chefs at Hakata Ikkousha master the presentation of traditional Japanese food as a whole, so when applying Hakata Ikkousha food as authentic Japanese food it is quite good, there is still a composition of the food that still does not show the authenticity of the food itself.

Authenticity also refers to an environment that can reflect the true or "real" taste and culture of a particular ethnicity. Authentic atmospherics is the use of art, ethnicity, decoration, music, outdoor terraces, names, and various classical markers to create a special setting that places demands to be a reflection of some exoticism but is able to introduce a culture. Authentic atmospheres at the restaurant are communicated through furnishing, decoration, music, and menu presentation. The unique dining environment in ethnic restaurants provides value for money for customers through food that reflects the authenticity of an ethnicity (Ridwanudin & Dewi, 2018). Ethnic restaurants not only function as places to eat but also function as "cultural ambassadors" who communicate between foreign food and culture with local customers.



Figure 1.9 Authenticity Atmospherics

Source: <https://g.co/kgs/Qin8bb>, retrieved in 2022, August 20

Figure 1.9 can be seen from Authenticity (Atmospherics) showing the interior design at Hakata Ikkousha restaurant has shown a Japanese atmosphere by displaying Japanese characteristics with simple and geometric shapes applied to furniture and aesthetic elements. In addition, the interior design of the restaurant at Hakata Ikkousha shows the distinctive elements used in the restaurant's interior design, namely cherry blossoms, kanji, and Hakata Ori fabric.

Perceived value is a consumer's overall assessment of the benefits of a product based on what they receive and what they provide. This assessment is in the view of the consumer whether the benefits obtained are in accordance with the things he sacrificed. The scale called "Perceived Value" is intended to assess customer perceptions of the value of a durable customer product at the brand level. This scale was developed based on the context of retail buying situations to determine consumption values that lead to buying attitudes and behavior. The four variables above will determine consumer attitudes toward their assessment of Hakata Ikkousha restaurants. Are they satisfied or not? (Sari & Siregar, 2019).



Figure 1.10 Hakata Ikkousha Customer's Review On Perceived value

Source: <https://g.co/kgs/xwEi4H>, retrieved in 2022, August 20

Based on Figure 1.10 shows the perceived value responses from four-star customer reviews who say the price is quite expensive, but it's worth the price and the portion and taste. This means that the customer assumes that the price of food at Hakata Ikkousha is in accordance with the price paid by the customer, even though the reviews above are still four stars, meaning that there are still things that can be improved from the food menu and the taste of this Japanese food.

From the phenomena and explanations above, it can be seen that there is intense competition that occurs in Japanese restaurants today. Therefore, it is very important for Hakata Ikkousha to continue to improve Behavioral Intentions by knowing the variables that affect Behavioral Intentions. This research will focus on proving that the variables Service Quality, Food Quality, Atmospheric, Authenticity (Food), and Authenticity (Atmospheric) have a significant effect on Perceived Value and eventually increasing Behavioral Intentions at Hakata Ikkousha, Medan.

1.2 Problem Limitation

The problem limitation is used to avoid irregularities or widening of the main problem so that the research is more directed and facilitates the discussion so that the research objectives will be about Service Quality, Food Quality, Atmospheric, Authenticity (Food), and Authenticity (Atmospheric) towards Perceived Value and Behavioral Intentions in Hakata Ikkousha, Medan. The data that is going to be used in examining research model is going to be collected in form of questionnaires that are designed based on the research object. The samples that

are going to be analyzed are limited to certain criteria; both male and female, 18 to 60 years old, living in Medan city, have visited Hakata Ikkousha at least 2 in the last 1 years.

1.3 Problem Formulation

Based on the background that the writers described above, the problem formulation in this research is as follows:

1. Does the Service Quality have a significant effect on Perceived Value in Hakata Ikkousha, Medan?
2. Does the Food Quality have a significant effect on Perceived Value in Hakata Ikkousha, Medan?
3. Does Atmospherics have a significant effect on Perceived Value in Hakata Ikkousha, Medan?
4. Does the Authenticity (Food) have a significant effect on Perceived Value in Hakata Ikkousha, Medan?
5. Does the Authenticity (Atmospherics) have a significant effect on Perceived Value in Hakata Ikkousha, Medan?
6. Does the Perceived Value have a significant effect on Behavioral Intentions in Hakata Ikkousha, Medan?

1.4 Objective of the Research

The objective of this research is :

1. To determine the effect of Service Quality on Perceived Value in Hakata Ikkousha, Medan.

2. To determine the effect of Food Quality on Perceived Value in Hakata Ikkousha, Medan.
3. To determine the effect of Atmospherics on Perceived Value in Hakata Ikkousha, Medan.
4. To determine the effect of Authenticity (Food) on Perceived Value in Hakata Ikkousha, Medan.
5. To determine the effect of Authenticity (Atmospherics) on Perceived Value in Hakata Ikkousha, Medan.
6. To determine the effect of Perceived Value on Behavioral Intentions in Hakata Ikkousha, Medan.

1.5 Benefit of The Research

Based on the objectives of the research to be achieved, this research is expected to have benefits in education both directly and indirectly. The benefits of this research are as follows :

1.5.1 Theoretical Benefit

The theoretical benefit from the results of this study can be used as additional information and as a reference to carry out further research related to Service Quality, Food Quality, Atmospherics, Authenticity (Food), and Authenticity (Atmospherics) towards Perceived Value and Behavioral Intentions.

1.5.2 Practical Benefit

The practical benefits of this research consist of :

1. Hakata Ikkousha, Medan is expected to provide additional information and as a consideration in making decisions related to customer assessment and Behavioral Intentions, so that in the future this research can help Hakata Ikkousha, Medan become a place by having interesting things to match customer expectations.
2. For writer, this research can be used as information in developing knowledge about how relationships Service Quality, Food Quality, Atmospherics, Authenticity (Food), and Authenticity (Atmospherics) with improving Perceived Value and Behavioral Intentions at restaurant.
3. For University, the results of this study can be used as a library material and additional reference for students and younger generations of Hospitality Management students, Pelita Harapan University.
4. For other restaurant, this research can provide input in management about Service Quality, Food Quality, Atmospherics, Authenticity (Food), and Authenticity (Atmospherics) and provide input on how to face Perceived Value and Behavioral Intentions at restaurant in the future.