

CHAPTER I

INTRODUCTION

1.1. Background of the Study

Business development today has been colored by various competitions in all fields. Seeing these conditions makes business people increasingly required to have the right strategy in meeting sales volume targets. Moreover, given the increasingly dynamic development of technology, humans are required quickly and appropriately to act to not be less competitive (Ilyas and Mustafa, 2021).

Customer satisfaction is an individual perception or feelings towards the kind of service or product they received in relation to their expectation. The idea is basically to satisfy customers for them to continue patronizing a business, for the business to increase their profit and to be sustainable in their line of industry. Today's competitive market situation make industries prioritize customer satisfaction, which is widely known to lead to customer retention and loyalty (Balinado et al, 2021).

The service quality concept is closely linked to customer satisfaction and is grounded in the expectancy-disconfirmation theory. Nevertheless, this theory's transaction-specific conceptualization has been found to be more appropriate for the service quality construct, from whose perspective service quality is an antecedent of customer satisfaction (Nunkoo et al, 2019).

Facility factors are also related to customer satisfaction because facilities have an essential role in customer perception obtained and interaction with facilities.

Facilities are everything that will be used or used and enjoyed by customers, and the use is not always paid. Factors that include facilities such as the offer of a package stay on holidays or holidays, completeness of room facilities, and cleanliness of the room (Ilham and Mustafa, 2022).

Companies must have a brand that can be distinguished from its competitors, as well as a brand image that is embedded in the minds of customers. Because brand image is one of the things first seen by customers before making a purchase or product selection. When brand image has been able to build the character of a product, brand image provide value proposition, convey the character of the product to its customers uniquely, brand has given emotional more than rational possessed by the product (Ilham et al, 2020).

PT Tirta Kartika Swimmingpool is a company engaged in the service sector which is better known as the Tirta Kartika swimming pool. Customer satisfaction is a very important part of PT Tirta Kartika Swimmingpool. The following is the number of visits at Tirta Kartika swimming pool.

Table 1.1 Number of Visitors from 2021-2023

Month	Year		
	2021	2022	2023
January	6780	6751	6251
February	4175	6300	5125
March	5760	5150	4250
April	5700	5200	5100
May	5115	4615	5115
June	5125	4125	4125
July	5750	4250	4310
August	5293	4100	4023
September	5165	4165	4665
October	5213	5278	5265
November	5650	5150	5150
December	7325	7235	7825
Total	67051	62319	61204

Source: Tirta Kartika Swimmingpool (2021-2023)

The number of visits at Tirta Kartika swimming pool shows a downward trend from 2021 to 2023. The decreasing number shows that there is a decrease in the number of consumer visits. In this case, the decline in consumer visits is thought to be due to a decrease in visiting consumer satisfaction which can be caused by various conditions including service quality, facilities and brand image of the tirta kartika swimming pool.

Service quality as one of the factors that can influence customer satisfaction. In the quality of service at Tirta Kartika swimming pool, there are still several complaints about the services provided to consumers when visiting Tirta Kartika Swimmingpool. Here are some service complaints given by consumers on google reviews.

Table 1.2 Complaints of Service Quality from Tirta Kartika Swimmingpool

Ratings and Time	Comments
2 stars (10 months ago)	Employees who are less responsive when needed
1 stars (1 year ago)	Employees are not dressed neatly
2 stars (7 months ago)	Employees speak in an impolite manner
2 stars (6 months ago)	Employees are difficult to find when needed
3 stars (8 months ago)	Employees are not able to communicate well in explain my needs

Source: Google Reviews (2022-2023)

From the complaints submitted by consumers regarding the quality of service at Tirta Kartika swimming pool, consumers complain about employees who do not respond when needed, employees who are not neatly dressed, the existence of employees who are less polite, the communication skills of employees who are still not good. This shows that there is still poor service provided to consumers.

From the facilities at Tirta Kartika swimming pool, consumers still complain about some of the facilities at Tirta Kartika swimming pool which are still not

comfortable to use. Here are some complaints about the facilities at Tirta Kartika swimming pool from Google Reviews.

Table 1.3 Complaints of Facilities from Tirta Kartika Swimmingpool

Ratings and Time	Comments
2 stars (1 year ago)	Cloudy pool water, pay attention to the quality of the pool water
2 stars (8 months ago)	Pool facilities that are not clean
4 stars (1 year ago)	Expensive for incomplete facilities
2 stars (1 year ago)	Dirty pools, broken toilets, quality of facilities should be improved.

Source: Google Reviews (2022-2023)

In complaints about the facilities at Tirta Kartika swimming pool, consumers still make many complaints about facilities that are less clean, less complete, toilets and swimming pools are less maintained, dirty pool water. The complaints given by consumers show that the facilities provided at Tirta Kartika swimming pool are not in accordance with the expectations of consumers.

Brand image is important for all brands to be recognised by consumers. [Here is the logo of Tirta Kartika swimming pool and some documentation of Tirta Kartika swimming pool.](#)



Figure 1.1 Logo of Tirta Kartika Swimmingpool

Source: Tirta Kartika Swimmingpool (2024)



Figure 1.2 Tirta Kartika Swimmingpool
Source: Tirta Kartika Swimmingpool (2024)

To find out the problems in brand image at Tirta Kartika, the author conducted pre-survey research. To find out consumer opinions about brand image at Tirta Kartika swimming pool, the author conducted a pre-survey to 30 random respondents regarding brand image. The following are the results of the pre-survey.

Table 1.4 Pre-Survey of Brand Image from Tirta Kartika Swimmingpool in Medan

No	Questions	Yes	No
1	Do you recognise about Tirta Kartika swimming pool brand?	12	18
2	Do you remember about Tirta Kartika when visiting swimming pool?	20	10
3	Would you choose to visit Tirta Kartika Swimming Pool over others?	12	18
4	Does Tirta Kartika swimming pool fullfil your expectation?	14	16

Source: Pra-Survey (2023)

From the results of the pre-survey to respondents, the dominant consumers stated that they did not recognise about Tirta Kartika Swimmingpool, most of consumers remember about Tirta Kartika Swimmingpool, then most of consumers choose to visit others swimmingpools compared to Tirta Kartika Swimmingpool,

and most of consumers stated that Tirta Kartika Swimmingpool could not fulfil their expectations.

The pre-survey results show several phenomena related to Tirta Kartika Swimmingpool's brand image based on indicators such as brand identity, brand personality, brand association, brand attitude and behaviour, and brand benefits and competence. Many consumers do not recognise Tirta Kartika Swimmingpool, which suggests that the brand identity is not strong or sufficiently spread among consumers. In addition, many consumers prefer to visit other swimming pools, which could be caused by Tirta Kartika Swimmingpool's brand personality not being attractive enough or not reflecting the characteristics desired by consumers. Although many consumers remember Tirta Kartika Swimmingpool, they still choose other places, which indicates that the brand associations are not strong or positive enough to influence their decisions. Furthermore, many consumers stated that Tirta Kartika Swimmingpool did not meet their expectations, indicating negative attitudes and behaviours towards the brand. This could be due to inadequate service quality, insufficient facilities, or an unsatisfactory experience. Finally, consumers feel that the benefits offered by Tirta Kartika Swimmingpool are not competitive enough compared to other options, which makes them feel they are getting better value elsewhere. Overall, Tirta Kartika Swimmingpool faces great challenges in strengthening its brand image and meeting consumer expectations to increase customer attraction and loyalty.

Considering the described background of study above, the writer determines the study of service quality, facilities, and brand image on customer satisfaction at

PT Tirta Kartika Swimmingpool. Therefore, the relationship between these three variables will increase customer satisfaction. Hence, the title of this research is: **“The Influence of Service Quality, Facilities, and Brand Image on Customer Satisfaction at PT Tirta Kartika Swimmingpool”**

1.2. Problem Limitation

Due to the limited occasion and expenditure, this research will be conducted at PT Tirta Kartika Swimmingpool that located at Jalan H.A Manaf Lubis Blok. G No. 20 A from January 2024 to April 2024 about those relevant problems including service quality, facilities, brand image, and customer satisfaction. For the problem limitation already chooses by writer where there are some independent variables (Variable X) consist of service quality, facilities, brand image, and dependent variable (Variable Y) consist of customer satisfaction.

The indicator of service quality are tangibility, reliability, responsiveness, assurance, and empathy (Supriyanto et al, 2021).

The indicator of facilities is comfort, space planning, equipment, cleanliness (Ernvestivita and Subagyo, 2020)

The indicator of brand image is brand identity, brand personality, brand association, brand attitude and behavior, and brand benefit and competence (Ilham et al, 2020).

The indicator of customer satisfaction are satisfaction, subscription, recommendation to others, fulfilment of consumer expectations (Ernvestivita and Subagyo, 2020).

1.3. Problem Formulation

From research at PT Tirta Kartika Swimmingpool, the writer obtained several questions regarding the arising problems which are.

- a. Does service quality have partial influence on customer satisfaction at PT Tirta Kartika Swimmingpool?
- b. Does facilities have partial influence on customer satisfaction at PT Tirta Kartika Swimmingpool?
- c. Does brand image have partial influence on customer satisfaction at PT Tirta Kartika Swimmingpool?
- d. Do service quality, facilities, and brand image have simultaneous influence on customer satisfaction at PT Tirta Kartika Swimmingpool?

1.4. Objective of the Research

The objective for this research is to find out about:

- a. To describe whether service quality has partial influence on customer satisfaction at PT Tirta Kartika Swimmingpool.
- b. To explain whether facilities has partial influence on customer satisfaction at PT Tirta Kartika Swimmingpool.
- c. To explain whether brand image has partial influence on customer satisfaction at PT Tirta Kartika Swimmingpool.

- d. To analyze whether service quality, facilities, and brand image have simultaneous influence on customer satisfaction at PT Tirta Kartika Swimmingpool.

1.5. Benefit of the Research

Benefits of this research can be listed as follow:

1.5.1. Theoretical Benefit

The results of this research are expected to contribute to the existing theories relevant with service quality, facilities, and brand image, towards customer satisfaction.

1.5.2. Practical Benefit

The practical benefit of this research as follow:

- a. For the writer, the result of this research is expected to contribute to the exciting theories relevant with service quality, facilities, and brand image on customer satisfaction.
- b. For PT Tirta Kartika Swimmingpool, this research as information about whether the survey that has been made will be useful to improve the company performance.
- c. For other researchers, to be a guide and reference in leading the researcher to do other research that is compatible with this research.