

CHAPTER I

INTRODUCTION

1.1 Background of Study

The service sector, which includes a number of businesses including banking, hotels, transportation, and telecommunications, has grown quickly as a result of globalization. In order to predict changes in customer behavior and utilize that information as a study to enhance their marketing approach, businesses must constantly monitor changes in consumer behavior (Buwung and Sudana, 2022).

The development of the business world is currently growing rapidly, both businesses in the fields of manufacturing and services. Currently, the world of tourism is of great interest to the public. Besides that, the rise of the community on vacation to enjoy and want to get entertainment and satisfaction satisfaction to relieve fatigue in its runitas, such as staycation at the hotel (Prasetiyo, 2022).

In addition to providing accommodation services, the hospitality industry must assess the quality of services that its clients get. The hospitality industry serves customers who need products that can be felt immediately, like fully equipped rooms, as well as intangibles, like hospitality, comfort, security, and the success of hotel management, which can influence the hotel's reputation in the eyes of its patrons (Ovidani and Hidayat, 2023). The following is data on the development of hotels in Indonesia as follows.

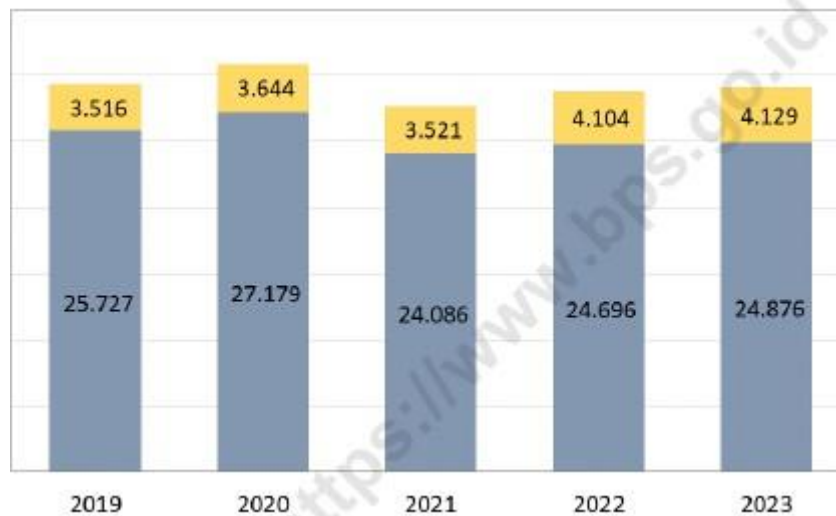


Figure 1.1 Number of Hotels and Other Accommodation Business in Indonesia by Classification

Source: BPS (2019-2023)

If differentiated according to classification, star hotels and non-star hotels have a slightly different. Star hotels experienced a sharp decline in the year 2021. However, after that it increased back in 2022 and 2023. Even the number of star hotels in 2023 is quite high and greater than conditions before the Covid 19 pandemic. Hotels with non-star classifications also experienced a sharp decline in 2021 due to Covid 19 and increased in 2022-2023. The difference in hotels the difference is that in non-star hotels the number of businesses in 2022-2023 still not as high as the number of businesses in 2019 before the occurrence of Covid 19. This shows that small-scale businesses have not fully risen as in large-scale accommodation service businesses (star hotels).

Customer satisfaction is one of the separate assessments for business people in predicting a product to be made. Customer satisfaction is important to measure dissatisfaction from using the product. By using these products, consumers can assess satisfaction in using the products used (Putri and Darmawan, 2019).

PT Trikarya Era Sukses is a company engaged in the field of hospitality. Currently the company oversees the Ibis Style Nagoya Hotel Batam as one of the hotels in the city of Batam. Customer satisfaction is something that must be considered by companies in the hospitality business. Customer satisfaction at Hotel Ibis Style Nagoya Batam is still complained about by consumers. This can be seen from the data on consumer complaints from Google Reviews as follows



Figure 1.2 Complaints from Google Reviews

Source: Google Reviews (2024)

On the issue of consumer complaints staying at Ibis Style Nagoya Hotel Batam, consumers complain about several problems such as less strategic location, less supportive hotel facilities (wifi, sink cleanliness, hot water problems, breakfast), then services that are still considered slow because of the small number of hotel staff. This will make customers feel uncomfortable and become dissatisfied with the hotel management.

In addition, a strong brand is also a factor in making purchasing decisions. To build strong brand awareness, companies must differentiate their products or services from their competitors by finding the right profile and market value or services with those of competitors, namely by finding the right market profile and value and according to the objectives to be achieved. The success of branding also depends on customer participation in sharing their experiences, either through testimonials, rating, recommending products and services to friends, honest reviews, and others. Thus, new customers will be more confident to decide to make a purchase room services (Ananda and Surenda, 2024).

To find out the problem in brand awareness, the author conducted a pre-survey to 30 respondents who are visitors to Ibis Style Nagoya Hotel Batam with the following results.

Table 1.1 Pra Survey of Brand Awareness

No.	Questions	Answer Yes	Answer No
1	Have you heard of Ibis Hotel Nagoya Batam before?	12	18
2	Do you recognise Ibis Hotel Nagoya Batam as one of the best hotels in Batam?	10	20
3	Would you consider Ibis Hotel Nagoya Batam when booking a hotel in Batam?	11	19
4	Have you ever compared your experience staying at other hotels with the experience at Ibis Hotel Nagoya Batam?	18	12

Source: Pra Survey (2024)

The results of the pre-survey showed that the dominant respondents had never heard of Ibis Hotel, then consumers stated that Ibis Hotel was not one of the best hotels in Batam city. Respondents also dominantly stated that they did not consider Ibis Hotel and the dominant respondent also stated that they had compared the experience of staying at Ibis Hotel compared to other hotels in Batam city. The pre-survey results show that respondents are less familiar with the Ibis Hotel brand than other competitors.

Facilities are auxiliary resources that businesses utilize to try to improve customer pleasure. Customer satisfaction will rise in proportion to the quality of amenities offered to them. Providing the greatest facilities to draw in and keep clients is one of the things that management of the firm does, particularly when it comes to customer happiness (Buwung and Sudana, 2022).

On the issue of facilities at Ibis Nagoya Hotel Batam, there are still many complaints about supporting facilities that are less qualified and incomplete so that visitors who stay overnight feel uncomfortable. The following are consumer complaints about facilities from Google Reviews.

Table 1.2 Complaints of Facility at Ibis Hotel Nagoya Batam

No.	Time	Complaints	Rating
1	5 months ago	Shower jets have problems, Wifi is super slow	1/5
2	7 months ago	Hot water not hot, sink clogged, bread machine broken	1/5
3	7 months ago	Towels smell bad, used hotel slippers	1/5
4	9 months ago	Accor members do not get free welcome drinks and room upgrades	1/5
5	1 year ago	Room ac is not cold, asking for extra bed is not given	1/5

Source: Google Reviews (2024)

From facility issues, consumer complaints regarding shower jets, broken and not cold air conditioners and wifi that often has problems. In addition, there is also a broken bread machine and then public facilities such as towels and hotel

slippers that are not replaced. Complaints from consumers show that the facilities provided by Ibis Hotel Nagoya Batam are minimal and receive less attention from management and make consumers have an uncomfortable experience.

If employees work well and provide maximum service quality, it will have an impact on the value of customer satisfaction felt by customers. With high customer satisfaction, guests will come back and a hotel will stay alive in fierce market competition. One way to win the competition is to win the hearts of hotel guests in terms of meeting their expected needs. To win the hearts of customers is to get customer satisfaction (Ovidani and Hidayat, 2023).

On the issue of service quality, visitors who stay overnight still complain a lot about the service of hotel staff who are slow in dealing with problems that occur and are less responsive in providing services to consumers. The following are consumer complaints about service quality on Google Reviews.

Table 1.3 Complaints of Service Quality at Ibis Hotel Nagoya Batam

No.	Time	Complaints	Rating
1	5 months ago	No one came to fix the broken shower jets	1/5
2	7 months ago	There were staff who had not showered and were sick when preparing buffet food	1/5
3	7 months ago	Long service, not prepared towels every day, long service during complaint	1/5
4	7 months ago	Arrogant receptionist service	1/5
5	9 months ago	Complaints are not responded to by employees	1/5

Source: Google Reviews (2024)

In complaints about service quality, visitors stated that employees seemed slow in handling consumer complaints. Employees tend to be less responsive and unprepared when a problem occurs. The services provided are slow and unresponsive to complaints made by consumers. Consumer complaints show that the existing service quality is not in line with expectations.

Considering the described background of study above, the writer determines the study of brand awareness, facility, service quality on customer satisfaction at PT Trikarya Era Sukses. Therefore, the relationship between these three variables will increase customer satisfaction. Hence, the title of this research is: **“THE INFLUENCE OF BRAND AWARENESS, FACILITY AND SERVICE QUALITY ON CUSTOMER SATISFACTION AT IBIS STYLES HOTEL BATAM”**.

1.2 Problem Limitation

This research will be undertaken due to the restricted opportunity from August 2024 to December 2024 about those relevant problems including brand awareness, facility, service quality, and customer satisfaction. The writer has previously determined the problem's limitations, which include several independent variables (referred to as Variable X), social brand awareness, facility, service quality, and dependent variable (Variable Y) consist of customer satisfaction.

1.3 Problem Formulation

Through study conducted at Ibis Styles Hotel Batam, the writer has identified numerous inquiries pertaining to the emerging issues, which are:

- a. Does brand awareness have influence on customer satisfaction Ibis Styles Hotel Batam ?
- b. Does facility have influence on customer satisfaction at Ibis Styles Hotel Batam ?

- c. Does service quality have influence on customer satisfaction at PT Trikarya Era Sukses ?
- d. Does brand awareness, facility, service quality have influence on customer satisfaction at PT Trikarya Era Sukses ?

1.4 Objective of the Research

The aim of this research is to investigate and gather information about:

- a. To describe whether brand awareness have partial influence on customer satisfaction at Ibis Styles Hotel Batam.
- b. To explain whether facility have partial influence on customer satisfaction at Ibis Styles Hotel Batam.
- c. To explain whether service quality have partial influence on customer satisfaction at Ibis Styles Hotel Batam.
- d. To analyze whether brand awareness, facility, and service quality have simultaneous influence on customer satisfaction at Ibis Styles Hotel Batam.

1.5 Benefit of the Research

The benefits of this research can be enumerated as follows:

1.5.1. Theoretical Benefit

The findings of this study are anticipated to enhance the current theories pertaining to brand awareness, facility, and service quality and customer satisfaction.

1.5.2. Practical Benefit

The practical advantage of this research is as follows:

- a. The writer anticipates that the outcome of this research will make a valuable contribution to the current ideas on brand awareness, facility, and service quality in relation to the goal of satisfaction.
- b. For Ibis Styles Hotel Batam, this research examines the efficacy of the survey in enhancing the company's performance.
- c. This research serves as a guide and reference for other researchers, directing them towards conducting compatible research.

