

CHAPTER I

INTRODUCTION

1.1. Background of the Study

The food and beverage industry in Indonesia has a very important role in supporting the country's economy. As said by Putu Juli Ardika (Director General of Agro Industry of the Ministry of Industry) that, "Although the economy in the food and beverage industry had declined due to the impact of the Covid-19 pandemic, the economy in the food and beverage industry rebounded with a growth of 4.47% in 2023" (Harianto, 2024). This certainly proves that the food and beverage industry in Indonesia has developed over time, which can be seen from the many food and beverage store businesses that continue to appear in all cities in Indonesia, which is also supported by the technological advances (Nasution et al., 2023). Especially in big cities themselves, there will be a lot of restaurants, cafes, and other food and beverage businesses located not only in shopping malls, but also in shophouses like Zisel Gelateria Cafe Medan, roadsides, tourist attractions, and even those online businesses held at home.

Because there are so many food and beverage businesses in Indonesia, it ultimately results in fierce competition between each other, so inevitably every business must think of its own strategy that is effective in attracting and retaining its customers, same thing goes to Zisel Gelateria Cafe Medan.

The food and beverage business that continues to emerge in all cities in Indonesia is certainly not only limited to the typical food of a country/culture but also different from various cultures and also various countries. It's the same as cute and aesthetic cafes or restaurants that go viral on social media such as Instagram and TikTok, such as classic Italian-style restaurants, Chinese restaurants that serve home-cooked food, Korean-style dessert cafes, and so on. This proves that the people of Indonesia can adapt to the impact of globalization which brings various cultures from various countries into Indonesia (K. A. Wardani et al., 2022). The people of Indonesia are able to create their own opportunities in doing business by following food and beverage trends around the world (Avrilian, 2020).

Although the tastes of the people of Indonesia in terms of food and beverages can be different from the tastes of other countries citizens, expert businessmen can change and adjust the flavours of food and drinks from other countries to be suitable for the tongue of Indonesians or often they make a fusion dish between two different country, so that the people of Indonesia can certainly enjoy food and drinks from various countries and cultures without having to travel directly to other countries (Yulistiyono et al., 2023). It is the same as in the city of Medan itself, whereas said by (Hasibuan & Jannah, 2023) that the city of Medan has become an icon of Tourism in North Sumatra, especially in terms of food and drinks. Because the people of Medan city consist of various types of ethnicities, tribes, and cultures, as a result of which various types of food and beverages are produced.

In the context of business in the food and beverage industry, customer's revisit intention is one of the most important things in determining customer

satisfaction towards a destination (Um et al., 2006) cited in (Satriawan et al., 2022), it is also today's currently main focus especially in the food and beverage industry. Which from the high revisiting intention rate from the customer, it can have a high impact on the success of a business. Because business success does not only depend on new customers but also on how a business can retain customers who have come before. The desire of customers to come back to a place to eat can be influenced by the customer's past experience when visiting the place, and if their past experience has a positive impact on the customers themselves, then of course the percentage of revisiting intention from customers to the place will definitely increase, and vice versa (Arslan, 2020).

Where based on what (Seetanah et al., 2020) has mentioned, that destination image, service quality, customer satisfaction, and perceived value are the main factors that affects the customer's revisit intention. The growing rivalry amongst Medan's dining establishments has made business owners have to think about new strategies that are efficient in attracting and retaining their customers. Where people, especially teenagers and adult women, are likely to prefer to visit cafes/restaurants that have good spots to take their photos.

Zisel Gelateria Cafe Medan is a cafe located in Cemara Asri residential, Boulevard Raya Street, Number B80, Medan. Founded in 2016, Zisel Gelateria has been in the food and beverage industry for about 8 years. This cafe sells various kinds of food from different countries, so guests who come can enjoy western, Asian, Japanese, and Indonesian dishes, besides that, they also sell gelato with many flavours to be chosen. But as time went by, in the locations around Zisel

Gelateria Cafe Medan, many new cafes and restaurants have also been opened, thus causing Zisel Gelateria Cafe Medan to lose its customers, as shown in the following data.

Table 1. 1 Number of Customers of Zisel Gelateria Cafe Medan 2021-2023

Month	2021	2022	2023
January	382	1090	1279
February	404	1289	1332
March	444	1268	1306
April	360	1326	1314
May	526	1321	1311
June	393	1297	1292
July	437	1301	1256
August	407	1322	1263
September	368	1297	1242
October	393	1352	1237
November	368	1387	1233
December	546	1326	1238
Total	5028	15576	15303

Source: Zisel Gelateria Cafe Medan (2024)

The table and figures attached above shows the number of customers of Zisel Gelateria Cafe Medan in 2021-2023. And from the table, it is evident that the number of customers is decreasing each year. Based on the interview, the owner mentioned that since there are a lot of cafes and restaurants starting to open in the residential area, the competition is tighter than before. Especially during the student's holiday season, there are only a few customers that visit the cafe, because students and their family tend to go on a vacation. Especially during the pandemic COVID-19 times, when all stores are limited in opening hours and during PPKM people are not advised to leave their homes, which resulting in the number of customers who came to Zisel Gelateria Cafe Medan is very small or almost not at all, and at the moment they only rely on takeaways, as well as online order applications such as Grab and GO-JEK.

However, after the situation began to improve, namely in 2022, the customers started to return to visit Zisel Gelateria Cafe Medan. But not long after, in 2023 several new cafes and restaurants began to be established in the residential area where Zisel Gelateria Cafe Medan is located, so that the competition became even tighter. New cafes that have sprung up outside residential areas also make the competition even tighter, because the more choices of cafes and restaurants, the lesser the number of customers that will come to Zisel Gelateria Cafe Medan.

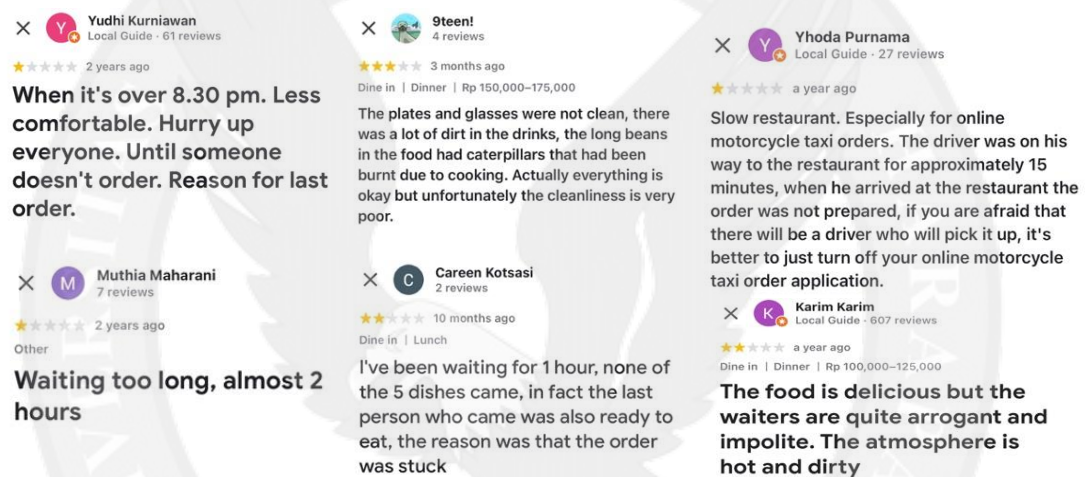


Figure 1. 1 Zisel Gelateria's Bad Review on Google
Source: Google Review (2024)

Table 1. 2 List of Google Reviews at Zisel Gelateria Cafe Medan (2021-2024)

No.	Name	Description	Rating				
			5	4	3	2	1
1	9teen!	<i>Piring dan gelas tidak bersih, di minuman ada banyak kotoran, kacang panjang di makanan ada ulat yang sudah gosong akibat dimasak. Sebenarnya semuanya sudah oke tetapi sayang sekali kebersihannya sangat kurang.</i>			✓		
2	Murni Tjahaja	<i>Makanannya cenderung manis, saya krg suka.</i>			✓		
3	Careen Kotsasi	<i>Sudah tunggu 1 jam, dari 5 makanan tidak ada yang datang satupun, malahan orang yg datang terakhir juga sudah siap makan, alasan orderan nyangkut.</i>				✓	
4	Karim Karim	<i>Makanan enak seh tapi pelayan nya cukup2 sombong dan gk sopan. Suasana panas dan jorok.</i>				✓	
5	Muthia Maharani	<i>Terlalu lama menunggu hampir 2 jam.</i>					✓
6	Yhoda Purnama	<i>Resto lamban. Terutama untuk orderan ojek online. Driver dalam perjalanan menuju resto lebih kurang 15 menit, sampai di resto pesanan tidak di siapkan, kalau memang kalian takut GK ada driver yg ngambil lebih baik matikan aja aplikasi orderan ojek online kalian.</i>					✓
7	Yudhi Kurniawan	<i>Kl uda diatas jam 8.30 mlm. Kurang nyaman. Buru2 smua. Sampai ada yg tidak terorder. Alasan last order.</i>				✓	
8	Rayhana Zaidan	<i>Pelayanan buruk..</i>					✓
9	Li Lis	<i>Layanan mayan bagus, buat makanan rasanya b aja udh tuh mahal, suasana biasa saja</i>			✓		
10	Zaky Stories	<i>Cukup bagus untuk nongkrong, lokasi strategis, namun harga lumayan mahal kalau untuk rame2</i>			✓		

Source: Google Review (2024)

Besides that, it can be seen from the figure above, that some customers complain about the service quality, the atmosphere, the food, and etc, which may be the reason why the number of customers who came is decreasing, both new customers and customers who have visited before. As these customers might be influenced after they see bad comments on Google Reviews or social media and can also hear through word-of-mouth circulating from customers who are dissatisfied with their past experience at Zisel Gelateria Cafe Medan. And they

might have compared Zisel Gelateria Cafe Medan with another store that has recently opened, which resulting to the customers started to become fewer and fewer.

Social media represents a new range of communication and collaboration tools, allowing various types of interactions that were once inaccessible to the general public (Brogan, 2010) cited in (Liedfray et al., 2022). Or in other words are a means of communication that can connect people from all over the world, such as for example through the Instagram platform, TikTok, and so on. Of course, it includes not only teenagers and adults, but also children and also the elderly and the elderly. The use of social media in marketing will greatly facilitate a business to reach a wider audience, supported by the speed and efficiency of technology in this digital era can be very helpful in gaining the attention of its potential customers (Herdiyani et al., 2022).

A business can form a deeper relationship with its customers through social media, by building brand awareness in a more personal way, creating interesting content to attract customers' attention, and encouraging customer engagement with the brand which results in the customer's revisit intention to the brand (Mashudi et al., 2023). Nowadays, there are almost no businesses that do not use social media to promote their brands, starting from the Instagram application, TikTok, and so on. Because through social media, a business can reach its customers more effectively, therefore most businesses use two or even more social media applications to promote their brand.

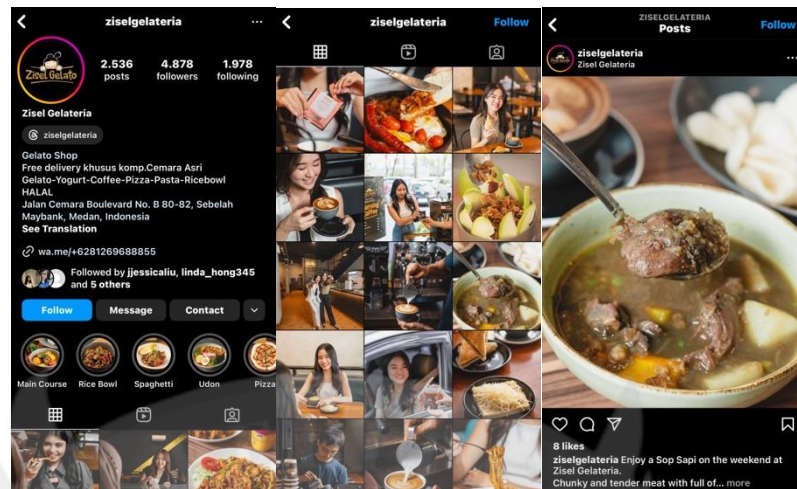


Figure 1. 2 Zisel Gelateria Cafe's Instagram Account
Source: Instagram (2024)

But what we can see from Zisel Gelateria Cafe Medan's Instagram account is that they only have a very small number of likes, even though they are consistent in posting the Instagram Feeds contents, but the content posted does not succeed in attracting the attention of customers. Likewise, Instagram Story posts are monotonous every day and there is no engagement with customers at all. Zisel Gelateria Cafe Medan also only uses Instagram social media as a place to market to its customers. At this time the TikTok application has also proven to be very helpful in spreading brand awareness and marketing to get the attention of potential customers and also customers who have previously visited (Mou, 2020). Zisel Gelateria Cafe Medan is also rarely giving discounts or holding a special event, so not many customers will be attracted to their social media, since there is little information that is provided by the cafe. Besides Instagram, Zisel Gelateria Cafe Medan also uses WhatsApp application for their customer service, so if there are customers that want to ask some questions or order takeaway menu, they can directly chat to their WhatsApp account.

Of course, in addition to social media marketing, another variable that is quite important is store atmosphere. Where naturally, social media platforms like Instagram and TikTok may also be used to enhance the store atmosphere, which it may be done by posting content to attract customers. By creating and providing a comfortable place and atmosphere, customers can feel at home, even if they sit for a long time. However, there are many things that must be considered to create a comfortable and pleasant store atmosphere that concerns the senses of sight, sound, smell, touch, and taste in humans, such as room design, cleanliness, music, fragrance, and many other things (Erlinda & Anggraeni, 2020). Having a good store atmosphere can attract the attention of potential customers, and at the same time can retain customers who have visited before so that it can increase their intention to revisit the cafe.

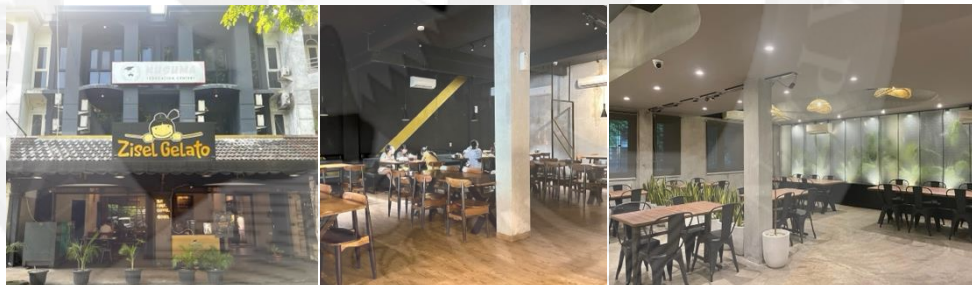


Figure 1.3 Zisel Gelateria Cafe Medan

Source: By Writer (2024)

Zisel Gelateria Cafe Medan has a large dining area so that it can accommodate many customers. However, because the design of Zisel Gelateria Cafe Medan is an industrial concept, as a result, the atmosphere and lighting inside the cafe become dark and dim, especially on the 1st floor. And in the Zisel Gelateria Cafe Medan there is no partition between the tables so that the voices of the customers will be mixed, and there is a lack of privacy when chatting. If Zisel Gelateria Cafe Medan

has a fairly large number of customers (such as on weekends), the atmosphere of the cafe will become very noisy and loud, so it can disturb other customers who visit there for the purpose of a comfortable and relaxing dining experience. There are also customers who comment that the atmosphere of Zisel Gelateria Cafe Medan is hot and also dirty. This is a pretty big issue, because the cleanliness of a cafe is very important because besides it might disturb customer comfort, it also affects the cleanliness of the food and drinks served, thus affecting the customer satisfactions and revisiting intention (Tastan & Soylu, 2023).

After customers are exposed to the effects of the store atmosphere of a cafe, the customer experience they have while in the cafe will be a determining factor whether they will have the intention to revisit or not. Just as the customer experience in a cafe includes all interactions that occur between customers and things in the cafe when they visit, starting from staff service, product quality, store atmosphere, food quality, and many other things. When customers have expectations for a place, and those expectations are reached and even exceeded, then of course there will be strong positive feelings from the customer. So that customers will feel appreciated and happy to visit the cafe, as a result encouraging them to have the intention to revisit. And from the Google Review that has been attached before, it can be seen that some of the customers didn't have their best experience while dining in the Zisel Gelateria Cafe Medan. It happened because of the lack of good service from the staff, the duration of food served took too long, the hygiene and cleanliness in the cafe area, and etc.

From the explanation above, it can be seen that variables like social media marketing, store atmosphere, and customer experience play a significant role in customers' revisit intention to the cafe. Considering Zisel Gelateria Cafe Medan as one of the cafes that has thrived over the years and become a suitable choice for people of all ages, the writer chose to explore these influencing factors in this thesis. The aim is to provide insights that may benefit the cafe's future operations.

And based on this, the writer is motivated to conduct research under the title **“The Influence of Social Media Marketing, Store Atmosphere, and Customer Experience Towards Revisit Intention at Zisel Gelateria Cafe Medan”**.

1.2. Problem Limitation

The writer determines problem limitation on social media marketing, store atmosphere, and customer experience as the independent variable and revisit intention as the dependent variable, whereas:

1. Indicators Social Media Marketing (X1) in this research are content creation, content sharing, connecting, and community building.
2. Indicators Store Atmosphere (X2) in this research are store exterior, general interior, store layout, and interior point of display.
3. Indicators Customer Experience (X3) in this research are experience (sense), satisfaction with service (feel), satisfaction with provided solution (think), consumers are involved in decision making (act), service added value compared to other services (relate).

4. Indicators Revisit intention (Y) in this research are willingness to visit again, willingness to invite, willingness to positive tale, and willingness to place the visiting destination in priority.
5. The characteristics of these respondents consists of people who have ever visited Medan or currently staying in Medan, and people who have ever visited or ever dine in/food takeaway at Zisel Gelateria Cafe Medan.
6. This research is taken during the period July to October 2024.

1.3. Problem Formulation

Based on the background study above, the writes can take problem identification as follows:

1. Does the social media marketing have a partial influence towards revisit intention at Zisel Gelateria Cafe Medan?
2. Does the store atmosphere have a partial influence towards revisiting intention at Zisel Gelateria Cafe Medan?
3. Does the customer experience have a partial influence towards revisiting intention at Zisel Gelateria Cafe Medan?
4. Do the social media marketing, store atmosphere, and customer experience have a simultaneously influence towards revisit intention at Zisel Gelateria Cafe Medan?

1.4. Objective of the Research

The objectives of the research are as follows:

1. To know whether social media marketing has a significant influence towards revisit intention at Zisel Gelateria Cafe Medan.
2. To know whether store atmosphere has a significant influence towards revisit intention at Zisel Gelateria Cafe Medan.
3. To know whether customer experience has a significant influence towards revisit intention at Zisel Gelateria Cafe Medan.
4. To know whether social media marketing, store atmosphere and customer experience have simultaneously influence towards revisit intention at Zisel Gelateria Cafe Medan.

1.5. Benefit of the Research

1.5.1. Theoretical Benefit

This research can provide theory about social media marketing, store atmosphere, customer experience and revisit intention that can provide theoretical benefit for researcher and reader.

1.5.2. Practical Benefit

1. For the company,

For the company, this research may provide suggestions for the company to conduct the social media marketing, store atmosphere, and customer experience for their improvement and to increase their revisit intention.

2. For the writer,

For the writer, this research may provide knowledge for the writers in term of revisit intention especially in term of social media marketing, store atmosphere, and customer experience.

3. For the future researcher,

For the future researcher, this research may be used as references if they are writing research with the same topic.

