EVALUATING THE PHYSICAL ENVIRONMENT AT SUMOBOO RESTAURANT AND DESSERT HOUSE BY USING IMPORTANCE AND PERFORMANCE ANALYSIS (IPA)

MENGEVALUASI LINGKUNGAN FISIK DI RESTORAN SUMOBOO DENGAN MENGGUNAKAN ANALISA KEPENTINGAN DAN KINERJA

By:

Giacita C. M. Pangkey¹ Sifrid S. Pangemanan² Farlane S. Rumokoy³

Faculty of Economics and Business, International Business Administration, Management Department Sam Ratulangi University Manado

E-mail:

¹ giacita 06@yahoo.com ² sifrid s@gmail.com ³prince farlent@live.com

Abstract: The role of the physical environment in influencing customer behaviors and in creating a provider's image is especially pertinent in a service industry such as the restaurant industry. What appeals to consumer preferences is not just food and drink, but also a pleasant dining environment. Increased attention is paid not only to the price and the merchandise itself, but also to providing a pleasant and possibly exciting shopping atmosphere. This research aims to identify how the Physical Environment at Sumoboo Restaurant and Dessert House. Type of this research is descriptive with quantitative approach and IPA used as the measurement tool. The sample size will be 100 customers. The result for service quality shows, There are two attributes that perceived important to the customer which are Cleanliness and Equipment. Those attributes was performed well by Sumoboo then placed in Quadrant 2. In Quadrant 1, the attributes are Scent. In Quadrant 3, the attributes are Temperature, Music, and Symbol. In Quadrant 4, the attributes are Lighting, Colors, Layout, Furnishing and Decoration. From the result the researcher suggests that Sumoboo Restaurant and Dessert House must have to keep up with the performance that they already given and continuously developing each day.

Keywords: importance and performance Analysis, physical environment.

Abstrak: Peran lingkungan fisik dalam mempengaruhi perilaku pelanggan dan dalam menciptakan citra penyedia sangat penting dalam industri jasa seperti industri restoran. Apa yang menarik bagi preferensi konsumen bukan hanya makanan dan minuman, tapi juga lingkungan makan yang menyenangkan. Peningkatan perhatian dibayar tidak hanya pada harga dan barang dagangan itu sendiri, tapi juga untuk memberikan suasana belanja yang menyenangkan dan semarak. Penelitian ini bertujuan untuk mengetahui bagaimana Lingkungan Fisik di Restoran Sumoboo dan Rumah Dessert. Jenis penelitian ini adalah deskriptif dengan pendekatan kuantitatif dan IPA digunakan sebagai alat ukur. Ukuran sampelnya adalah 100 pelanggan. Hasil untuk kualitas pelayanan menunjukkan, Ada dua atribut yang dirasakan penting bagi pelanggan yaitu Kebersihan dan Peralatan. Atribut tersebut dilakukan dengan baik oleh Sumoboo kemudian ditempatkan di Kuadran 2. Di Kuadran 1, atributnya adalah Aroma. Di kuadran 3, atributnya adalah Suhu, Musik, and Simbol. Di kuadran 4, atributnya adalah Pencahayaan, Warna, Tampilan, Peralatan and Decorasi. Dari hasil tersebut peneliti menyarankan agar Restoran Sumoboo dan Dessert House harus mengikuti kinerja yang telah mereka berikan dan terus berkembang setiap hari.

Kata Kunci: analisa kinerja dan kepentingan, lingkungan Fisik.

INTRODUCTION

Research Background

The growing up of economy in Indonesia, bring a positive impact on the development of business in the country. Development has entered a situation where the competition has become an important thing that must be faced by every company that is certainly engaged in business. In the era of increasingly heavy competition, a strategy that emphasizes only the quality of service is still considered less to attract and retain consumers. Business people are challenged to be able to add innovative strategies to maintain business existence. The growing culture and lifestyles of Indonesian society create a new paradigm in which consumers not only think about what they consume, but on the satisfaction, convenience, and lifestyle of the pre-purchase process, when buying, or after making the purchase process and unwittingly all it is the effect of globalization. However, as a restaurant's physical environment is the first element to be perceived upon entering a restaurant, it forms a key factor for customers. Second, customers want to dine out at a restaurant not only for nutritional needs, but also to form a memorable experience, to be together with others and get away from problems and the routine of life. For these reasons, restaurant physical environments need to provide customers with attractive elements. The physical environment is an important determinant of consumer psychology and behavior when a service is consumed primarily for hedonic purposes and when customers spend moderate to long periods of time immersed in a particular physical environment. Physical environment can either enhance or suppress customers' emotions, which may influence customer satisfaction and subsequent behaviors. People's mindset changed and more see the meaning of satisfaction in consuming goods or services, of course every company think what matters things that can make customers feel satisfied with the food or beverage products in the restaurant. This is what makes the business world more competitive to win the market with various strategies. The restaurant is a service industry where every business competes to offer the best quality products and services to customers.

Manado is the capital of North Sulawesi province which is also the second largest city in Sulawesi after Makassar. Along with the economic growth of Manado city in recent years, the property and retail industry in Manado is growing quite rapidly. Starting from a 10-year coastal reclamation project built after a coastal road or highway was inaugurated in 1993 and named Piere Tendean or better known as Manado Boulevard Area. In 2010 Manado City became the World Tourism shows that the shopping and entertainment center is very promising for people in Manado as well as for domestic and foreign visitors even a place for big investment for businessmen. In Manado especially in the most crowded area or often known as Manado Boulevard Area there are several star hotels, restaurants and cafes that sell a variety of foods ranging from coffe shop, dessert house, heavy food and other snacks, of course any type of restaurant and cafes, the management must be trying to make customers feel comfortable with the best physical environment. When customers enjoyed in the room, it is likely that customers will not be bored to come back and even recommend to friends, relatives, or relatives, because a well-designed physical environment is considered important to influence consumer purchase decisions, pre-consumer, and their post-purchase behavior. What appeals to consumer preferences is not just food and drink, but also a pleasant dining environment. Increased attention is paid not only to the price and the merchandise itself, but also to providing a pleasant and possibly exciting shopping atmosphere (Bitner, 1992). Based on the description above the title of this research are: Evaluating the Physical Environment at Sumoboo Restaurant and Dessert House by Using Importance and Performance Analysis (IPA).

Research Objective

Based on the formulation of the problems above, the research objectives to be achieved is to identify the Importance and Performance of Physical Environment at Sumoboo Restaurant and Dessert House by Using Importance and Performance Analysis (IPA)

THEORETICAL FRAMEWORK

Marketing

According to Kotler, Armstrong (2010: 15) Marketing is the social process by which individuals and organizations obtain what they need and want through creating and exchanging value with others. According to Chan (2003: 17) Marketing is one of the principal activities undertaken by a company to maintain its viability, but in this modern marketing the marketing paradigm has shifted, not only creating a transaction to achieve marketing success but the company must also engage with customers for a long time. The paradigm is called Relationship Marketing the rationale in this marketing practice is fostering closer relationships by creating two-way communication by managing a mutually beneficial relationship between customers and company.

Service Marketing

According to Payne in Tuzunkan and Albayrak, (2016) that service marketing is a process of perceiving, understanding, stimulating and meeting the needs of specially selected target markets by channeling the resources of an organization to see those needs. Thus the management of service marketing is the process of aligning the resources of an organization to the needs of the market.

Consumer Behavior

According to Kotler and Keller (2009: 22) Consumer behavior is the study of how individuals, groups, and organizations choose, buy, use, and how goods, services, ideas, or experiences to satisfy their needs and wants. According to Lemy *et al* 2013 (Salomon and Bamossy, 2006) Consumer behavior is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires.

Physical Environment

The physical means is a matter that significantly affects the consumer's severity to buy and use the services products on offer. The elements included in the physical means include the physical environment, in this case the physical building, equipment, supplies, logos, colors and other items. (Zeithalm and Bitner, 2010). According to Ryu and Jang (2008), physical environment can have a significance impact on perception of the overall quality of the service encounter which in turn affects customer satisfaction in the restaurant industry. The role of the physical environment in influencing customer behaviors and in creating a provider's image is especially pertinent in a service industry such as the restaurant industry (Han and Ryu, 2009).

Indeed, customers consciously (or unconsciously) sense the physical surroundings before, during, and after the meal when dining out in a restaurant. While the food and the service must be of acceptable quality, pleasing physical surroundings, such as decor, artifacts, layout, and music may determine, to a large extent, the degree of overall customer satisfaction and subsequent customer behavior. There are three attributes that use in this research that will be explain in bellow:

Ambient conditions

Ambient conditions are intangible background characteristics that generally have a subconscious effect on customer perceptions and responses to the environment. These conditions include elements (e.g., lighting, noise, music, scent, air quality, and temperature) that are considered background characteristics of the environment. The ambient conditions of the physical environment in service settings encourage customers to pursue the service consumptions and consequently affect their attitudes and behaviors toward the provider. Pleasant scent, pleasing music, comfortable temperature, low noise level, and adequate lighting, all harmonizing with other elements in a restaurant, may result in customers having more favorable perceptions of an operation and evaluating their experiences more positively (Han and Ryu,2009)

Ambient factors are non-visual conditions, background conditions in the environment, including elements such as room lighting and music rebound. The atmosphere can create a feeling of harmony with the décor and make the experience more enjoyable, leading to positive emotions. Several authors have identified ambient conditions as a factors that affects perception of and human responses to the environment Ambient conditions include background characteristics of the environment such as temperature, lighting, noise, music, and scent. (Bitner, 1992).

Spatial layout

Spatial layout refers to the ways in which machinery, equipment, and furnishings are arranged, the size and shape of those items, and the spatial relationships among them. Functionality refers to the ability of the accomplishment of goals. Much of the empirical research in organizational behavior and psychology has illustrated effects of the spatial layout and functionality dimensions, always from the employee's point of view. With the exception of some research on retail store layout, crowding and use of orientations aids. Surprisingly little has been published about the effects of spatial layout and functionality on customers in commercial service setting. Logic suggest that spatial layout and functionality of the environments where they must perform on their own and cannot rely on employees to assist them. Similarly, if the tasks to be performed are very complex, efficiency of layout and functionality will be more important than when the tasks are mundane or simple. When either the employees or customer are under time pressure, they will also be highly conscious of the relative ease with which they can perform their tasks in the environment. (Bitner, 1992).

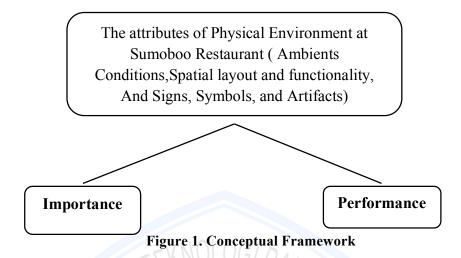
Sign, Symbol and Artifacts

Many items in the physical environment serve as explicit or implicit signals that communicate about the place to its users. Signs displayed on the exterior and interior of a structure are examples of explicit communicators. They can be used as labels like name of company, name of department), for directional purposes and to communicate rules of behavior. Likes: no smoking, children must be accompanied by an adult. Signace an play an important past in communicating firm image. Signs have been found to reduce perceived crowding and stress in a jail lobby setting. Other environmental objects may communicate less directly than signs, giving implicit cues to users about the meaning of the place and norms and expectations for behavior in the place (Bitner,1992)

Previous Research

The Importance of Restaurant Physical Environment For Turkish Customers by Tuzunkan and Albayrak. The results indicated that there were strong relationships between customer characteristics and restaurant Physical environment elements for Turkish customers. The most important restaurant physical environmental element for Turkish customers was 'Service Staff' as this constituted the first element to be recognized upon entering a restaurant. Turkish customers' perceptions of restaurant quality and image are deeply influenced by the number of employees and quality of uniforms. Uniforms must be clean, neat and appropriate to the atmosphere 'Facility Aesthetics' (including clean furniture, inviting colors, nice paintings/pictures, furniture quality and wall decoration) constituted the second most important physical environment element.

Conceptual Framework:



RESEARCH METHOD

Type of Research

The type of this research is descriptive research with quantitative approach. The method used in this research is Importance and Performance Analysis (IPA).

Place and Time of Research

This research will be conducted in Manado and the time of research is about 2 (two) months from August until September May 2017.

Population and Sample

Population is a generalization region consisting of objects or subjects that have certain qualities and characteristics set by the researchers to be studied and then drawn conclusions, Sugiyono (2013: 45). The population in this research is the people that already visit Sumoboo restaurant and dessert house. The sample size will be 100 customers of Sumoboo Restaurant and Dessert House.

Data Collection Method

Primary data is the data obtained directly from the original source, specifically the primary collected by researchers to answer the research questions and consist of information collected for the specific purpose at hand Kotler (2012: 22). The researcher collected the primary data from the result of questionnaire. Online questionnaire were shared to respondents so they can respond directly on the questionnaire.

Operational Definition of Research Variable

Physical Environment

- Temperature
- Lighting
- Colors
- Scent

- Music
- Cleanliness
- Layout
- Equipment
- Furnishing
- Symbol
- Decoration

Data Analysis Method Validity and Reliability

Validity test used to measure the validity of the questionnaire. To analyze that, Pearson Product Moment was used. If probability of correlation is less than 0.05 (5%) then the research instrument is considered valid. This reliability test in this research used Alpha Cronbach. If Alpha is less than 0.6 then it is unreliable.

Importance and Performance Analysis

The IPA model is divided into four quadrants, with importance on the y-axis and performance on the x-axis. The four-quadrant IPA matrix is shown in figure below. Quadrant I is labeled Concentrate Here, with high importance/low performance, which indicates that the attributes are perceived to be very important to respondent, but performance levels are fairly low. This sends a direct message that improvement effort should concentrate here. Quadrant II is labeled Keep up the Good Work with high importance/high performance, indicating that the attributes are perceived to be very important to respondent, and at the same time, the firm seems to have high level of performance on these actions. The message here is to keep up the good work. Quadrant III is labeled Low Priority with low importance/low performance. Any attributes falling into this quadrant are non-important and pose no threat to organizations. Quadrant IV is labeled Possible Overkill with low importance/high performance, indicating that employees are satisfied with the performance, but the specific attribute is relatively non-important.

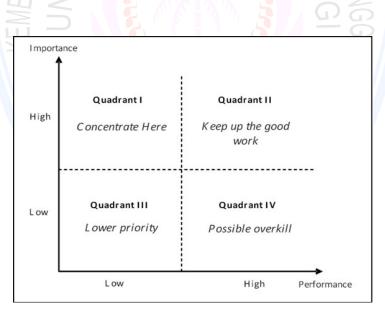


Figure 2. IPA Framework

RESULT AND DISCUSSION

Validity and Reliability Result Validity Test

Table 1. Validity Test Result

		avr_impr	avr_perf	avr_impr_perf
avr_impr	Pearson Correlation	1	.381**	.724**
	Sig. (2-tailed)		.000	.000
	N	100	100	100
avr_perf	Pearson Correlation	.381**	1	.914**
	Sig. (2-tailed)	.000		.000
	N	100	100	100

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2017

Table 1. Shows that the correlation index is higher than 0.3 and below the significance level of 5%. Therefore the data is considered valid.

Reliability Test

Table 2. Reliability Test Result

Cronbach's Alpha	N of Items
.833	3
Carrage CDCC Outrant 2017	

Source: SPSS Output, 2017

Table 2. Shows that Alpha Cronbach is 0.833 which is above the acceptance limit of 0.6; therefore the research instrument is reliable.

Importance and Performance Analysis of Physical Environment

Table 3. Attributes, Importance Mean, Performance Mean, Quadrant

Attributes	Importance Mean	Performance Mean	Quadrant
Temperature	4.59	4.39	2
Lighting	4.06	4.08	3
Colors	4.25	4.29	4
Scent	4.37	4.21	3
Music	4.49	4.17	3
Cleanliness	4.38	4.24	1
Layout	4.5	4.34	2
Equipment	4.49	4.34	2
Furnishing	4.38	4.24	3

Symbol	4.5	4.34	2
Decoration	4.49	4.34	2

Source: Data processed, 2017

Discussion

Based on the problem statement in this research, the researcher attempts to answer that question, which already expounded earlier and again will be mentioned as follows:

The researcher has considered all sources of theories, previous research, books, journals and some other supporting sources in conducting the whole research. Online questionnaire was built and shared to collect the data and Likert scale was used to sore the data. The data then were analyzed with Importance-Performance Analysis method. This method is useful to know the importance and performance of Physical Environment of Sumoboo in Manado.

This research has identified each eleven indicators for the physical environment at Sumoboo, the indicators are: Temperature, Lighting, Colors, Scent, Music, Cleanliness, Layout, Equipment, Furnishing, Symbol, Decoration.

In the terms of importance, the research shows that Cleanliness is very important to customer compared with others attributes. It then followed by Equipment, Scent, Temperature, Colors, Furnishing, Lighting and Decoration. After that Music, Layout, and Symbol attributes are below the average level of importance for customers.

While in terms of performance, Cleanliness is on the highest level of performance followed by Decoration, Equipment, Colors, Lighting, Layout, Furnishing, and Temperature. After that, there are 3 attributes which are below the average of important such as: Symbol, Scent, and Music.

Quadrant 1 means the importance is high, but the performance considered lower. There are 1 attributes of physical environment located in this quadrant such as Scent. What makes those attributes are very important to the customers, but the company offered lower performance to them, here is the researcher trying to elaborate more about that. Scent here means how the physical environment in Sumoboo gives unique scent to be remembered by Sumoboo customers.

The scent located in high importance but not so high as the other attributes, because customers have a different sense of smell and it is hard to decide which scent will be remembered or have unique signature for the customer, that is why the performance of this attributes is low.

Quadrant 2 defined as high importance and high performance for those attributes which had placed in this quadrant based on the data plotting. There are two attributes that located in this quadrant 2 namely: Cleanliness and Equipment.

Cleanliness refers to how Sumoboo can maintain the hygiene of their place. And Equipment means the items that being served there is enough for customers. All those attributes in this Quadrant 2 are considered important based on the questionnaire's result and the company also provides high performance. It can be defined that Sumoboo customers is satisfied with it.

In quadrant 3 there are three attribute that have been plotted which is Temperature, Music, and Symbol. This quadrant means the attributes are quite not too important and the company performs lower service performance. Then, Temperature, Music, and Symbol attributes considered as low important and low performance as an attribute of physical environment.

Temperature refers to condition of the Sumoboo itself that customer can feel whether it Hot or Cold, it may been plotted in low importance, but Manado people, especially people in young age, prefer to hang out in the cold area, that may have not been a concern anymore from the customer but they already expect a hang out place to be cold. Music also not be a concern anymore from Sumoboo and the customer itself, as long the music that been played is not to disturbing people in Sumoboo. Symbol also may not be a concern as well, but Sumoboo can still put a unique set up so the customers can remember Sumoboo by just looking at it.

The last quadrant is Quadrant 4 which means this element that plotted in here considered as low important, but the company provide higher performance to the customers. There is five attributes that located in this quadrant, namely: Lighting, Colors, Layout, Furnishing, Decoration.

This five attributes have been proved well from Sumoboo by giving high performance for it, it is because Sumoboo categorized as one of favorite destionation to hang out place in Manado and by giving high performance to that five attributes, Sumoboo physical environment can become a trendy yet cozy place to hang out for.

CONCLUSION AND RECOMMENDATION

Conclusion

After examining the findings and discussing the result, the conclusions based on this research can be formulated as follows:

There are two attributes that perceive important to the customer which are Cleanliness and Equipment. Those attributes was performed well by Sumoboo then placed in Quadrant 2. In Quadrant 1, the attributes are Scent. In Quadrant 3, the attributes are Temperature, Music, and Symbol. In Quadrant 4, the attributes are Lighting, Colors, Layout, Furnishing and Decoration.

There are eleven attributes in this research: Temperature, Lighting, Color, Scent, Music, Cleanliness, Layout, Equipment, Furnishing, Symbol, and Decoration. Respondent were asked by twenty two questions of questionnaire about how important these attributes to them, eleven questions about importance and another eleven question about performance, and how the company delivered the performance of these attributes toward them. The conclusion using IPA method to know the Importance and Performance value of these eleven attributes that will be explained bellow:

- 1. Scent which is very importance physical environment attributes for consumer, but the performance of Sumoboo restaurant is perceived to be low. Scent is very important because it can make the consumer feels comfort while enjoyed the meal. But the performance Scent in Sumoboo restaurant fairly low this means the scent in Sumoboo makes the customer feel uncomfortable while in the room.
- 2. Cleanliness and Equipment while the performance of physical environment of Sumoboo restaurant perceived as good as what consumer expected and these two attributes are perceived to be very importance to consumer.
- 3. Temperature, Music, and Symbol which are assessed to low priority to physical environment attributes when the importance and performance level are perceived low for consumer Sumoboo restaurant.
- 4. Lighting, Color, Layout, Furnishing, Decoration which are unimportance physical environment for consumer of Sumoboo restaurant, however the performance of Sumoboo restaurant is perceived good more than what the consumer of Sumoboo restaurant expected.

Recommendation

The researcher provided recommendation to the company in order to improve the Physical Environment based on the result above. The recommendation is listed as follows:

1. For the physical environment's attributes which got score lower the average, Sumoboo need to improve all of them in order to keep the market share they have already created otherwise to keep satisfying their customers. For the Scent attribute that located in Quadrant 1, Sumoboo should look for unique smell that fits for all the customer sense of smell and can be remembered by the customer. For the Temperature, Music, and Symbol attributes that are located in Quadrant 3, Sumoboo can have put more iconic Japanese-feel set up in the Temperature, Music, and Symbol because Sumoboo sells Japanese food, so it indirectly fits the situation for the customers.

2. For all the physical environment's attributes that have scored higher the average level of importance and performance, means the company already provides good performance to the customers. Those attributes are Cleanliness, Equipment, Lighting, Colors, Layout, Furnishing and Decoration. Sumoboo must have to keep up with the performance that they already given and continuously developing each day.

REFERENCES

- Bitner, M. J.1992, Servicespace: The Impact of Physical Surroundings on Customers and Employees, *Journal of Marketing*, Retrieved from http://www.ida.liu.se/~steho87/und/htdd01/9208310667.pdf access in June 8 2017. Vol. 56, 57-
- Chan 2003. The Impact Of Customer Satisfaction On Customer Loyalty And Intentions To Switch In The Banking Sector In Malaysia. Hailey College of Commerce, University of the Punjab, *The Journal of Commerce*, Pakistan, Retrieved from http://joc.hcc.edu.pk/articlepdf/3 5 1 14 21.pdf access in June 8 2017. Vol. 17, No. 1.
- Han H and Ryu K 2009. The Roles of the Physical Environment, Price Perception, and Customer Satisfaction in Determining Customer Loyalty in the Restaurant Industry. *Journal of Hospitality & Tourism.* Retrieved from http://journals.sagepub.com/doi/abs/10.1177/1096348009344212 access in August 3 2017. Vol.4-5
- Kotler, P., and Amstrong, G. 2010. *Principles of Marketing*, 12th Edition. Published by Prentice Hall. New Jersey
- Kotler, P and Keller, K. L. 2009. Marketing Management. 14th Edition. Published by Prentice Hall. New Jersey
- Kotler and Armstrong, 2010, *Principles of Marketing*, thirteenth edition, Pearson Education. Published by Prentice Hall.
- Kotler, P and Keller, K. L. 2012. *Marketing Management*.14th Edition. Published by Prentice Hall. New Jersey
- Lemy, D. M., Bernarto, I., & Tulung, Joy Elly. (2013). Pengaruh Bauran Komunikasi Pemasaran Jasa Terhadap Proses Pengambilan Keputusan Mahasiswa Memilih Perguruan Tinggi Swasta di Sulawesi Utara. Jurnal Manajemen: Derema
- Ryu, K., & Jang, S. 2008. DINESCAPE: A scale for customers' perception of dining environment. *Journal of Food Service Business Research*. Retrieved from https://www.researchgate.net/profile/Kisang Ryu2/publication/248920911 DINESCAPE A scale for customers%27 perception of dining environments/links/0a85e5385cd1c79d56000000/DINESCAPE -A-scale-for-customers-perception-of-dining-environments.pdf access in August 1 2017. Vol 8(1), 10-22.
- Salomon, M., et al., 2006. Consumer Behaviour: A European Perspective. 3rd ed. Harlow: Prentice Hall
- Sugiyono. 2013. Metodologi Penelitian Manajemen. Alfabeta. Bandung

Tuzunkan and Albayrak 2016, The Importance of Restaurant Physical Environment For Turkish Customers .Journal of Tourism Research & Hospitality. Turkish. Retrieved from http://dx.doi.org/10.4172/2324-8807.1000154 access in August 20 2017. Vol. 5-1

Tulung, Joy Elly (2017). "Resource Availability and Firm's International Strategy as Key Determinants Of Entry Mode Choice." *Jurnal Aplikasi Manajemen-Journal of Applied Management* 15.1. http://jurnaljam.ub.ac.id/index.php/jam/article/view/916

