
EVALUATING THE SERVICE QUALITY OF COFFEE SHOP USING IMPORTANCE AND PERFORMANCE ANALYSIS (CASE STUDY: EXCELSCO COFFEE MANADO TOWN SQUARE)

EVALUASI KUALITAS PELAYANAN WARUNG KOPI MENGGUNAKAN ANALISA KEPENTINGAN DAN KINERJA (STUDI KASUS: EXCELSCO COFFEE MANADO TOWN SQUARE)

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ABSTRACT

All company around the world are moving rapidly and concern their service quality, service quality should got an attention and improved to make customer feel satisfied. This research is conducted in order to analyze the importance of service quality and how is the performance of the service quality of Excelso Coffee Manado Town Square using Importance and Performance Analysis. There are 100 consumer of Excelso Coffee Manado Town Square taken as the sample of this research by using simple random sampling. Result of this research reveals that the Facilities the only attribute that is very important and the performance level is also high while others attributes have high importance but low performance, low importance but high performance and low importance along with low performance. From that Result researcher suggests that the management of Excelso Coffee Manado Town Square should focus to unimportant attributes and make it important attributes.

Keywords: service quality, importance and performance analysis, coffee shop

ABSTRAK

Semua perusahaan di seluruh dunia yang bergerak cepat dan peduli dengan kualitas layanan, kualitas layanan mereka harus mendapat perhatian dan diperbaiki untuk membuat pelanggan merasa puas. Penelitian ini dilakukan untuk menganalisis pentingnya kualitas pelayanan dan bagaimana kinerja kualitas pelayanan Excelso Coffee Manado Town Square menggunakan analisa tingkat kepentingan dan kinerja. Ada 100 konsumen Excelso Coffee Manado Town Square diambil sebagai sampel penelitian ini dengan menggunakan simple random sampling. Hasil penelitian ini menunjukkan bahwa fasilitas adalah satu-satunya atribut yang sangat penting dan tingkat kinerja juga tinggi sementara yang lain atribut memiliki kepentingan tinggi tetapi kinerja rendah, sedangkan atribut yang lain ada yang sangat penting tetapi kinerjanya rendah, tidak penting tetapi kinerjanya tinggi, dan tidak penting dan juga kinerjanya rendah. Dari hasil itu peneliti menyarankan manajemen Excelso Coffee Manado Town Square harus fokus untuk atribut yang tidak penting dan membuatnya atribut penting.

Kata Kunci: kualitas layanan, analisa tingkat kepentingan dan kinerja, kedai kopi

1. INTRODUCTION

Research Background

Coffee has become the most popular drink around the world. A good quality of coffee bean will make a good taste as well. There are two varieties of coffee trees that are known in general, first one is Robusta coffee (*Coffea canephora*) and the second one is Arabica coffee (*Coffea arabica*). After coffee became a lifestyle there are many coffee shops that open in the market, busy lifestyle also be the reason why some of society choose coffee shops to become the place that they can relax or gathering with friends. This also happens in Indonesia.

Company should pay attention to service quality in order to create a long term relationship and make a win-win solution. So, both can get benefit from each other. Many business organizations underestimate the importance of customer satisfaction and quality services while focusing on the quality of products.

As a time passed by Excelso coffee opened in Manado, many citizens of North Sulawesi come and visit also buy the coffee product from Excelso, Excelso also known as one of famous national franchise brand coffee. Excelso coffee offer service that can make consumer feel satisfied like enjoying coffee with nice atmosphere, comfort sofas, free Wi-Fi, air conditioning, high quality coffee also they have friendly waiters.

Research Objective

The objective of this thesis is to :

1. To Evaluate the importance of Service Quality in Excelso Manado Town Square using Importance Performance Analysis.
2. To Evaluate the performance of Service Quality in Excelso Manado Town Square using Importance Performance Analysis.

Literature Review

Marketing

Kotler and Armstrong (2012) define marketing is the process by which companies create value for customers and build strong relationship in order to capture value from customer in return. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.

Service

Adrian Payne (2000), services are economic activities which have a value or intangible benefits related thereto, involving interaction with consumers or with the property, but does not produce the transfer of ownership. Services have some major characteristics that distinguish it with goods. According Sunyoto (2012) Characteristics of these services are Intangibility Services (intangible and insubstantial): they can not be touched, gripped, handled, looked at, smelled, tasted.

1. Inseparability The service provider is indispensable for service delivery as he must promptly generate and render the service to the requesting service consumer.

2. Heterogeneity Industrial services or individual service seller is not possible to hold the output standardization. Each unit services different from each other.
3. Missing fast and Demand Fluctuations Service was quickly lost and can not be saved, and that the services market varies according to the season, by hour, and day. Because they were perishable and perishable demand and demand change, the need for proper refineries.

Service Quality

Service quality has become an important aspect that helps company create a beneficial advantage over their competitors which also contribute to company's profitability and productivity (Vourinen, Jarvinen, and Lehtinen, 1998). Service quality is an important tool to measure customer satisfaction (Hazlina *et al.*, 2011). Empirical studies show that the quality of service offered is related to overall satisfaction of the customer.

Service Quality Dimension

Service Quality Dimensions makes an extra addition to the level and quality of service which the company offers their customers. It also makes the service far more unique and satisfying. Tjiptono (2012) has filed five dimensions of service quality, namely:

1. Tangibles: The tangible Service Quality Dimension refers to the appearance of the physical surroundings and facilities, equipment, personnel and the way of communication.
2. Reliability: The reliability Service Quality Dimension refers to how the company are performing and completing their promised service, quality and accuracy within the given set requirements between the company and the customer.
3. Responsiveness: The responsiveness Service Quality Dimension refers to the willingness of the company to help its customers in providing them with a good, quality and fast service.
4. Assurance: The assurance Service Quality Dimension refers to the company's employees.
5. Empathy: The empathy Service Quality Dimension refers to how the company cares and gives individualized attention to their customers, to make the customers feeling extra valued and special

Customer Satisfaction

Customer satisfaction is conceptualized as specific transaction that is based on the customer experience in meeting specific service, and customer satisfaction is an accumulation in the overall evaluation of the service experience (Cronin and Taylor, 1992).

Previous Resesarch

Shin, Hwang, Lee, and Cho (2015), The Impact of Korean Franchise coffee shop Service Quality and Atmosphere on Customer Satisfaction and loyalty. The purpose of this study is to analyze franchise coffee shop service quality factors based on pilot research. The result are the taste is revealed to be the most influential factor among components that have an impact on service quality, taste also has the most impact on service quality among components influencing customer loyalty and customer satisfaction affected customer loyalty.

Chirayu and Nopparat (2014), Service Quality, Customer Satisfaction and brand loyalty of brand coffee shops in Thailand. This study aims to examine and identify elements within service quality that has positive influence upon customer satisfaction, and elements within service quality and customer satisfaction. The Result shown that among 5 dimensions of service quality and enjoyable experience of customer satisfaction, the three dimensions which are reliability and responsiveness, assurance and recovery only have positive influence respectively. The other two

dimensions (tangible and empathy) do not have influence upon enjoyable experience aspect of customer satisfaction.

Doukoure, Supinit (2016) Measuring Customer Perceptions of Service Quality (SERVQUAL) towards TOM N TOMS coffee shop, in Phaya Thai Bangkok, Thailand. This research find out the expectation levels of service quality at TOM N TOMS coffee shop on Phaya Thai road in customer mind. This research finds that the restaurant's service performance exceeded customer expectations in all five dimension such as: reliability, assurance, tangible, empathy, and responsiveness. Service Quality is an important key for Business success because it provides a lot of benefits, the customer of TOM N TOMS coffee shop did not perceive the service delivered from the restaurant as they expected.

Zainol, Rozali, Razali, Tazijan, and Ngelambong (2015) Service Quality Measurement in Kopitiam Seberang Jaya, Pulau Pinang. This study aims to measure service quality in the context of kopitiam customers and observe the extent service quality attribution influence customer revisit intention. This research result indicated that the famous service quality variables such as tangible, reliability, responsiveness, assurance, and empathy were adopted to measure the service quality, the majority of respondents agreed with the service delivery in kopitiam is meeting their expectations and show their intention to revisit the kopitiam.

2. RESEARCH METHOD

Type of Research

This research is using the descriptive study with a quantitative approach. Descriptive in this study means that the researcher tries to describe and explain about the service quality of Excelso coffee Manado using Importance Performance Analysis (IPA).

Place and Time Research

This study is conducted in Manado and the time of research is for about three months (July until September) 2016.

Research Procedure

The data for this research were collected using a survey questionnaire. Likert scale was used to determine if the respondent agreed or disagreed in a statement. Participants were given time to respond and then the researcher collected the surveys the next day or after the questionnaire are already filled. The result will be provided by all the respondents perception, understanding, and perspective of the Service Quality in Excelso coffee Manado Town Square through questionnaire or data collected.

Population and Sample

Population is all members of a defined group elements (e.g, people, products, organizations) that possess some common characteristic defined by the sampling criteria established by the researcher. The population in this research are the customer of Excelso coffee Manado Town Square. The sampling method that this research uses is simple random sampling. so the sample of this research will be 100 customers of Excelso coffee Manado Town Square.

Data Collection Method

Primary data refer to information obtained first-hand by the researcher on the variables of interest for the simple random sampling of the study. The primary data used in this research is questionnaire that will be distributed to respondents. And the data of this study gets from the results of questionnaires.

Data Analysis Method

In this section explain about the validity and reliability testin and entire of the analysis methods that had been used in this research, either the fundamental testing of the obtained data or the main analysis method of the tabulated data for proving hypotheses in this research.

Validity Test

In this validity testing researcher used PPMCC (Pearson Product Moment Correlation Coefficient) a measure of the linear correlation (dependence) between two variable X and Y, giving a value between +1 and -1 inclusive, where 1 is total positive correlation, and 0 is no correlation, -1 is total negative correlation. Is used to know whether the measurement tool that selected can measure what that supposed to be measured.

Reliability Test

The reliability of a measure is established by testing for both consistency and stability. Consistency indicates how well the items measuring a concept hang together as a set. Cronbach’s Alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another (Sekaran and Bougie, 2003).

Importance and Performance Analysis

Matrilla and James (1977) first proposed IPA as a useful tool to provide management insights to identify company strengths and weaknesses for improving company performance. IPA provides management with a useful focus for developing marketing strategies for expectations related to importance and performance. The data are then mapped into four quadrants as depicted in Figure 1.

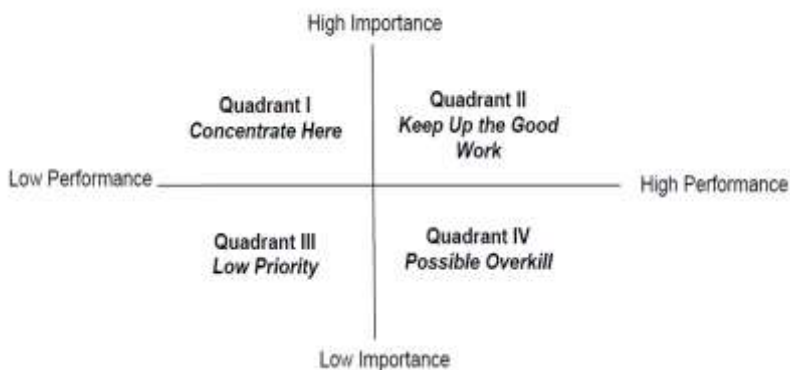


Figure 1. Importance Performance Analysis Matrix
 Source: Martilla and James, *Importance and Performance Analysis*

3. RESULT AND DISCUSSION

Result

By comparing correlation index in Pearson Product Moment with significance level of 5%, it can be seen a research instrument is valid or not. If probability of correlation is less than 0.05 (5%) then the research instrument is stated as valid. The correlation index is 0.586 and the significance level IS 0.00. Therefore the data is considered valid. Reliability analysis was using the Alpha Cronbach Analysis. Alpha Cronbach in this research is 0.856 which is above the acceptance limit of 0.6; therefore the research instrument is reliable.

Result of Importance and Performance Analysis

Table 1. Attributes, Importance Mean, Performance Mean, Quadrant

| Service Quality Attributes | Importance Mean | Performance Mean | Quadrant |
|----------------------------|-----------------|------------------|----------|
| Facilities | 4,245 | 3,82 | I |
| Providing Menu | 4,083 | 3,79 | III |
| Fast respons | 4,07 | 3,74 | III |
| Experience | 3,96 | 3,86 | IV |
| Hospitality | 4,24 | 4,016 | II |
| Average | 4,119 | 3,845 | |

Source: Data Processed, 2016

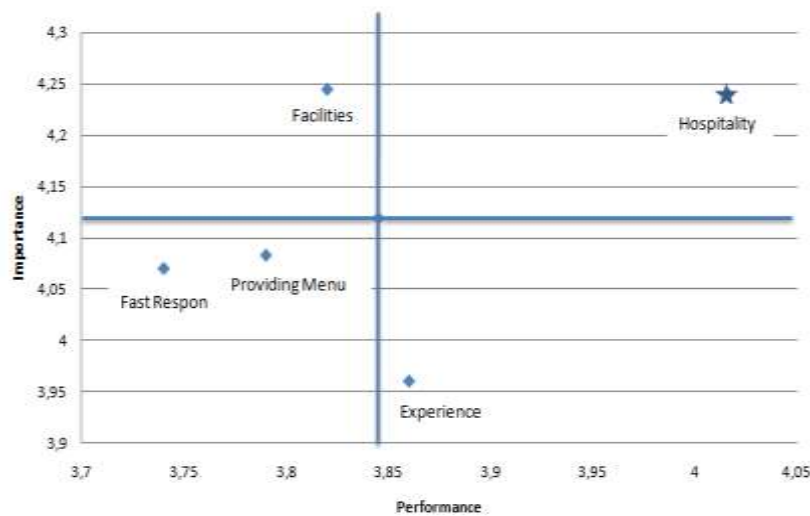


Figure 2. Data Plotting of Service Quality Attributes

Source: Data Processed, 2016

In figure 2, Facilities attributes is located in quadrant I (Concentrate Here) it means that Facilities attributes are perceived to be important to consumer in Excelso Coffee Manado Town Square but the performance level are fairly low. Hospitality is located in quadrant II (Keep Up the good Work). Which means that Hospitality are perceived to be very important to consumer, Providing Menu and Fast Response are located in quadrant III (Low Priority) The last is Experience that belongs to quadrant IV (Possible Overkill) this contains attributes of low importance, but where performance is relatively high.

Discussion

This research has identified five attributes of Competencies, namely: Facilities, Providing Menu, Fast Respons, Experience and Hospitality. Researcher has considered all variables/factors which are theories, books, journal and some other supporting sources in constructing whole research. Questionnaire is used to collect data and Likert scale is used to score data. The data then tabulated and analyzed with Importance and Performance Analysis Method. This method is useful to see the importance and performance of Service Quality in Excelso Coffee Manado Town Square.

Based on all the data recapitulation which are gathered by questionnaires, Hospitality has the highest Rank in terms of Importance and Performance, Hospitality located in quadrant II scored by consumer of Excelso Coffee Manado Town Square. It is a sign that this attribute has affected most of the customers in a good way and they are satisfied with this attributes means that the service quality was going well. This attribute is perceived to be very important to customers compared with other attributes and at the same time Excelso could manage the performance level so it means the consumer feel satisfied and all the expectation were worth with reality.

Facilities is located in quadrant I considered relatively high in Importance level but the performance level is low in customer's mind according to the data plotting, here researcher found that the facilities need to be improved because some of the participant think the sofa is not comfortable enough and the wifi is not work well. it means customers expect more from this attributes while the outcome of Excelso Coffee Manado Town Square's performance is not as expected by the customers. Excelso should consider to this attribute, evaluate what it is need in order to increase the performace and to make consumer satisfied. They should take an action to make all the facilities going good as customer expected.

Followed by Providing Menu and Fast Respons these two attributes have a low level of important to the consumer and at the same time also have a low level of performance that is why both of them are located in quadrant III. The worker do not need to prioritize or give too much attention to this attribute since this attributes is not really important to the customers but still need an attention, and also did not have much effect towards customer's satisfaction. And the last one is Experience located in quadrant IV this attribute has a low importance, but where performance is relatively high. In this case the service quality that Excelso give to the customers was good. This attribute is not really important to the customers but they keep doing the best that is why the Experience has a high performance.

4. CONCLUSION AND RECOMMENDATION

Conclusion

1. Facilities is very important and has low performance for customers in Excelso coffee Manado Town Square. Facilities is importance to make customer comfortable when they come and enjoy the coffee in Excelso but what they see that the performance of facilities is low, some of the facilities not work well such as wifi and it makes the customers are not satisfied.
2. Providing Menu has a low importance and low performance which means the attribute is not really important for the customers and at the same time also has the low performance level.
3. Fast Response are assessed as a low priority, as we know fast response play an important role in service quality but the customer of Excelso see that Fast respons is not really matter that is why the importance and performance are low.
4. Experience has low importance, but where performance is relatively high. The importance low because consumers think that experience is not really matter but Excelso do it well.
5. Hospitality plays important role in service quality, hospitality also has an important issue in every business, here hospitality has a high importance also high performace. Which means that Hospitality is perceived to be very important to customers and the implementation was good and make customers feel satisfied with the service in Excelso Manado Town Square.

Recommendation

1. First quadrant of analysis, Excelso Manado Town Square should maintain their facilities because it is percieved to be very important but at the same time the level of performance is not good enough and did not reach the customer's expectation. Therefore the management of Excelso need to pay attention and should find the solution on their facilities like change the sofa if the sofa broke and make customers not comfortable, add more speed of wifi, the Air conditioner and so on, in order to increase the level of performance in this attribute and make customer will feel satisfied.
2. Keep Up the Good Work in Hospitality because it is important for customers, meanwhile the performance also is good. This attributes is the biggest factor that influences Excelso Manado Town Square. customers feel satisfied with the hospitality that Excelso gives to them, so Excelso should maintain their hospitality and keep doing the best in order to keep the customers satisfaction.
3. Providing Menu and Fast response are in quadrant III meaning in low priority. The management doesn't need to be concern about the performance of these attributes since it is not perceived to be very important to the customers. But, the researcher is recommended to improve the performance of these attributes since all of these five attributes are the parts of service quality in order to reach the customers satisfaction. Excelso Coffee Manado Town Square should think about providing menu and fast response for example when the waiter and waitress just sit and wasting the time so they are not work well, means the performance is low so, Excelso should improve their service and make the customers feel satisfied when they come to Excelso Coffee Manado Town Square.
4. Experience in quadrant IV means it is in Possible overkill. Even this attribute is not perceived to be very important to the customers but customers feel quite satisfied with this attribute, excelso was doing a good job because this attribute shows that they offer a high performance maybe the barista has a lot experience, but the manager also should be careful do not give too much attention in this attribute and forget the other attribute, but in the other hand they should keep doing this good things so the customer will feel satisfy.

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