ANALYZING THE EFFECT OF CUSTOMER EXPERIENCE AND BRAND IMAGE ON CUSTOMER SATISACTION OF KFC MANADO TOWN SQUARE

ANALISA PENGARUH PENGALAMAN PELANGGAN DAN CITRA MEREK TERHADAP KEPUASAN PELANGGAN DI KFC MANADO TOWN SQUARE

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Abstract: Customer satisfaction is the feeling of pleasure or disappointment incurred for comparing the performance of the products with the desire to be expected. If the performance of the product is lower as expected, then the customer will feel disappointed. It is important for a company to meet customer satisfaction. The aims of this study are to analyze the effects of customer experience and brand image on customer satisfaction withdrawing taking fast food restaurant KFC Manado Town Square as its case study. This research is causal type of research which uses primary data obtained through questionnaires and uses Multiple Regression Analysis. The population observed is people in Manado who have experienced bought the product and experience the facilities at the KFC Manado Town Square with 100 respondents as the sample size. The result of this study shows that customer experience and brand image have significant effects on customer satisfaction. It is important to provide good experience to customer in order to meet customer expectation. Consistent food quality, service quality and atmospheric quality increase customer satisfaction. KFC also has to keep building and maintaining the value of reputation of brand name.

Keywords: fast food, customer experience, brand image, customer satisfaction

Abstrak: *Kepuasan pelanggan adalah perasaan senang atau kecewa seseorang yang muncul setelah membandingkan kinerja atau hasil produk yang dipikirkan terhadap kinerja yang diharapkan. Jika kinerja atau hasil produk tidak mencapai yang diharapkan, maka pelanggan akan merasa kecewa. Sangat penting bagi perusahaan untuk memenuhi kepuasan pelanggan. Tujuan penelitan ini untuk menganalisa pengaruh pengalaman pelanggan dan citra merek terhadap kepuasan pelanggan dengan mengambil KFC Manado Town Square sebagai objek penelitian. Penelitian ini merupakan penelitian kausal yang menggnakan data premier yang diperoleh melalui kuesioner dan menggunakan Analisa Regresi Berganda. Populasi adalah orang di manado yang pernah merasakan produk dan fasilitas di KFC Manado Town Square dengan mengambil 100 orang responden sebagai sample. Hasil dari penelitian ini menunjukan bahwa pengalaman pelanggan dan citra produk memiliki eek signifikan terhadap kepuasan pelanggan. Penting untuk menyediakan pengalaman yang baik dalam rangka memenuhi kepuasan pelanggan. Kualitas produk, kualitas pelaanan, dan kualitas suasana yang konsisten meningkatkan kepuasan pelanggan. KFC juga harus mempertahankan dan meningkatkan nilai reputasi dari citra produk.*

Kata Kunci: makanan cepat saji, pengalaman pelanggan, citra produk, kepuasan pelanggan

INTRODUCTION

Research Background

In this era of globalization, business development in Indonesia is progressing rapidly. One of the business industry that growing now is culinary business. We can easily find so many restaurant in every kind of food. Culinary business will never desolated because food is a basic need of human that have to be fulfilled by everyone..

The rapid globalization growth give a big impact to the changing of customer lifestyle and also to the behavior of the customer. Years ago, people go to restaurant to get food and drink to fulfilled their primary needs. But nowadays, the function of restaurant not only became a place to get food and drink, but also became a place for people to socializing and self-actualization. Eating and drinking itself not only became a biological needs but also being a part of hobby. Providing consumer experience by presenting a unique products and services that meet customer's lifestyle and hobbies, will be automatically stored in the memory of the customer. The experience gives little special memories to the consumer, if the consumer gets positive memories, they will be satisfied and will recount his/her experience to others. So, it is really important to give positive experience to get the customer satisfaction.

KFC is one of the restaurant chain that's been globalizing. KFC Corporation, based in Louisville, Kentucky, is one of the few brands in America that can boast a rich, decades-long history of success and innovation. It all started with one cook who created a soon-to-be world-famous recipe more than 70 years ago, a list of secret herbs and spices scratched out on the back of the door to his kitchen. That cook was Colonel Harland Sanders, of course, and now KFC is the world's most popular chicken restaurant chain, specializing in that same Original Recipe® along with Extra Crispy™ chicken, home-style sides and buttermilk biscuits. There are more than 18,000 KFC outlets in 115 countries and territories around the world.

Table 1 Fast Food Company in Indonesia

Fast Food Company	Number of Outlet in Indonesia	Number of Outlet in Manado
KFC	540	10
A&W	207	3
McDonald	168	1

KFC continues to grow rapidly to the rest of Indonesia. Based on the table above, it shows that KFC is the largest fast food restaurant in Indonesia with 540 stores followed by A&W with 207 stores and McDonald 168 stores. KFC has restaurant chain with total amount 540 stores that spread at 133 cities/ regencies and mobile catering. KFC locations are strategic and the tendency of society to consume fast food in the middle of the compact time, making KFC never deserted visitors, but when viewed carefully there are many things that can make customers feel satisfied, have a story with experience can be attributed to customer experience and brand image.

The customer also faced a wide rare of restaurant option and each restaurant has its own advantage and disadvantage especially when consumers are very smart, careful and cautious to make a choice in accordance with the wishes and needs. This reason makes the company to strengthen its products in order to create a positive brand image and embedded in the minds of consumers. Brand image according to Kotler (2006) is a vision and a belief that buried in the minds of consumers, as a reflection of the association that stuck in the memory of consumers. In addition to brand image, product quality will also be important to reassure consumers that products of assured quality, guaranteed cleanliness, kosher guaranteed a product so that consumers believe the product.

Research Objectives

1. To identify the simultaneous effect of customer experience and brand image on customer satisfaction.
2. To identify the partial effect of customer experience on customer satisfaction.
3. To identify the partial effect of customer experience on customer satisfaction.

THEORETICAL FRAMEWORK

Marketing

Kotler and Keller (2006) defined marketing as the task of creating, promoting, and delivering goods and services to consumers and businesses. Marketers are skilled in stimulating demand for a company's product, but this is too limited a view of the task marketers performs. Just as production and logistics professionals are responsible for supply management, marketers are responsible for demand management.

Customer Satisfaction

Tjiptono (2001) Customer Satisfaction is the customer response to the evaluation of the perceived discrepancy between expectations and actual performance of products in the wearer. Customer satisfaction is selling a full evaluation where the selected alternatives at least – the lack of equal or exceed customer expectation, while dissatisfaction arises when, the result did not meet expectation.

Customer Experience

Meyer and Schwager (2007) defined it as a personal and subjective response from a customer to any direct and indirect contact with the company or product. It means that customer experience will have different result to different individuals.

Brand

Brand is a name, term, sign, symbol, or design, or a combination of these, that identifies the maker or seller of a product or service according to Kotler et al. (2011). Consumers view a brand as an important part of a product, and branding can add value to a product. Brand is one of the main factors which impacts on customer's behavior. According to customer's opinions, brand is considered an important part of product (Abbasyan, 2007).

Brand Image

Keller, (1993) defined brand image as a summation of brand associations in the memory of the consumer which leads him towards brand perception and brand association including brand attributes, brand benefits, and brand attitude.

Previous Research

Debrota, Nikodijevic, Mahailovic (2012) entitled *Inluence of customer experience on satisfaction with mobile phone*. The results showed that the customer experience builds customer loyalty, which will have positive impact on their satisfaction with mobile phone.

Hsiung (2011) with the title *A study on the relations between the brand image and customer satisfaction in catering business.*This research is a quantitative research. As a result, based on the process to gradually establish the brand image in catering industry, studies on customer satisfaction and the integration of brand image could be applied to the establishment of brand image to thoroughly meet customer satisfaction.

Chandra (2014) entitiled *The impact of customer experience toward customer satisfaction and loyalty of Ciputra World Surabaya.* The results showed that Customer experience (sensory experience, emotional sensory) simultaneously has significant impact toward customer satisfaction. Individually emotional experience and social experience has significant impact toward customer satisfaction.
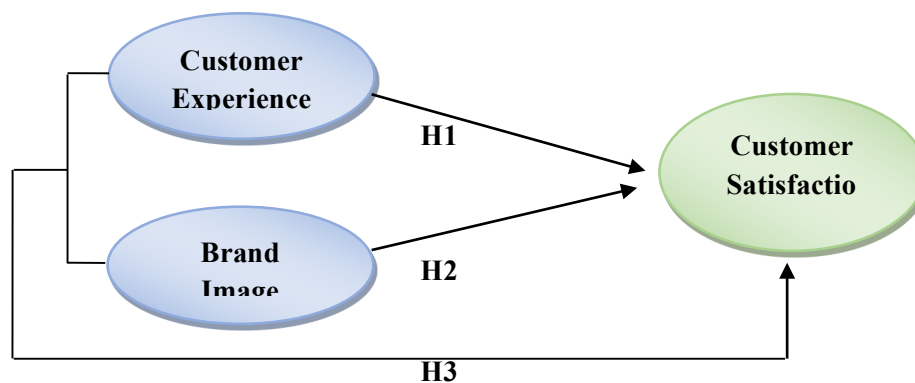
Conceptual Framework

Figure1.Conceptual Framework
Source: Data Processed, 2016

Research Hypothesis
The hypothesis of this research are:
H$_1$:   There is significant effect of customer experience and brand image on customer satisfaction simultaneously.
H$_2$:   There is a significant effect of customer experience on customer satisfaction partially.
H$_3$:   There is a significant effect of brand image on customer satisfaction partially.

RESEARCH METHOD

Type of Research
This research is a causal type of research where it will investigate the effect of customer experience and brand image on customer satisfaction. According to Heir, et al. (2007)cusal research tests whwther or not one event causes another.

Place and Time of Research
This research held in Manado. The research started from December 2016 to Februari 2017.

Population and Sample
According to Sekaran (2009) and Aluy *et al (2017)*, population is "the entire group of people, events, of things of interest that the researcher wishes to investigate". Sekaran and Bougie (2010) noted that, all elements in the population are considered and each element has an equal chance of being chosen as the subject. The population in this research are the people in Manado who have bought the product and experience the facilities at the KFC Manado Town Square. The sample of this research is 100 people in Manado who have bought the product and experience the facilities at the KFC Manado Town Square.

Data Collection Method
The source of data used in this research are taken from primary and secondary data. The primary data of this study gets from the results of questionnaires. The secondary data collected in varied of sources and the sources are books, journals, articles, thesis, and websites.

Operational Definition of Research Variable
1. **Customer Experience (X1)** a personal and subjective response from a customer to any direct and indirect contact with KFC Manado Town Square.
2. **Brand Image (X2)** The perception of customers towards KFC brand.
3. **Customer Satisfaction (Y)** Customer Reaction to the state of satisfaction and customer's judgment of satisfaction level of KFC.

Measurement of Research Variables

Likert scale is used to measure the variables of this research. Sekaran and Bougie (2010)) stated that Likert scale is designed to examine how strongly subjects agree or disagree with statement on a five-point scale ranging from "strongly disagree" to "strongly agree". Scale is used to measure the variables of this research.

Data Analysis Method

Validity and Reliabiliy

To analyze the validity of questionnaire, Pearson Product Moment was used. An instrument measure is valid if the instrument measure what ought to be measured. If probabiility of correlation is less than 0.05 (5%) then the research instrument is considered valid. Reliability test is established by testing for both consisency and stability of the answer of questions. The reliability test in this research used Alpha Cronbach. If Alpha is less han 0.6 then it is unreliable.

Multiple Linear Regression

To analyze the data, researcher uses multiple regression analysis. It is the study of how a dependent variable y is related to two or more independent variables. Multiple regression analysis is similar to the simple regression analysis but only in this case multiple regression use more than one independent variable to explain variance in the dependent variable. The starting point of multiple regression analysis is the conceptual model and the hypotheses derived from that model that the researcher has developed in an earlier stage of the research process.

The formula of multiple regression models in this research is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$$

Description:

Y	= Customer Satisfaction
A	= Intercept
β_1, β_2	= The Regression Coefficient of Each Variable
X_1	= Customer Experience
X_2	= Brand Image
e	= Error Standard or Error Term

RESULT AND DISCUSSION

Validity and Reliability Result

The result of reliability test shows that Alpha Cronbach is 0.915 The output of SPSS shows that the value of Cronbach's Alpha of 15 items used in this research is 0.915. The data is considered as reliable since the value of Cronbach's Alpha is above the minimum value which is 0.6. The result of validity test shows that the value of MSA of all 15 items used in this research are above 0.5. Therefore, the data is considered valid

Classical Test Assumption

Multicollinerity
Table 2. Multicollinearity Test Result

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Customer Experience	.417	2.396
	Brand Image	.417	2.396

a. Dependent Variable: Customer Satisfaction

Source: SPSS Output (2016)

Table 2 shows that the tolerance value of customer experience is 0.617 and brand image is 0.617 meaning that the tolerance value of each variable is more than 0.1. The VIF value of customer experience is 1.621 and brand image is 1.621 meaning that the VIF value of each variable is less than 10. Since all the tolerance values are more than 0.1 and VIF value of each independent variable is less than 10, this research is free from multicollinearity.
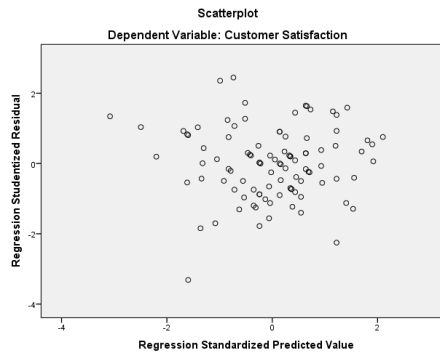
Heteroscedasticity Test

Figure 2. Result of Heterocedasticity Test
Source: SPSS Output (2016)

Figure 2 shows that the pattern of the dots is spreading and does not create a clear pattern. The dots are spreading above and below 0 (zero) in the Y axis. It proves that the model is free from heteroscedasticity.
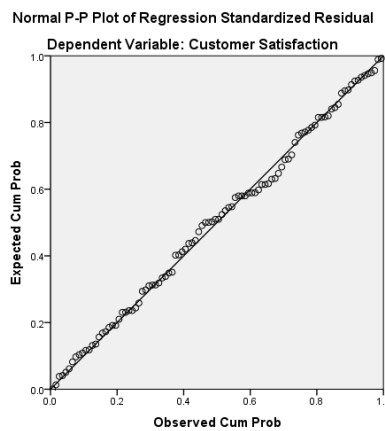
Normality Test

Figure 3. Result of Normality Test
Source: SPSS Output (2016)

Figure 3 shows that the data spreads near the diagonal line and follow the direction of diagonal line. This proves that the model has passed the normality test.

Multiple Regression Analysis
Table 3. Multiple Linier Regression Result Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.

1	(Constant)	3.306	1.192		2.773	.007
	Customer Experience	.553	.098	.557	5.644	.000
	Brand Image	.249	.093	.266	2.692	.008

a. Dependent Variable: Customer Satisfaction
   Source: SPSS Output (2016)

Based on the analysis result, the formula of multiple regression models in this research is shown as follows:

$$Y = 3.306 + 0.553\ X_1 + 0.249\ X_2$$

Multiple regressions analysis is used to determine the effect of the independent variables on dependent variable. The multiple linier regression equation can be interpreted as follows :

1. Constant value of 1.364 means that in a condition of ceteris paribus, if all independent variables are constant (zero), customer satisfaction (Y) as dependent variable will be 3.306.
2. X_1 's coefficient value of 0.553 means that in condition of cateris paribus, if customer experience is increase by one scale or one unit, it will improve and increase customer satisfaction (Y) by 0.553.
3. X_2 's coefficient value of 0.249 means that in condition of cateris paribus, if brand image is increase by one scale or one unit, it will improve and increase customer satisfaction (Y) by 0.249.
   The multiple linier regression result shows that customer experience and brand image have relationship with customer satisfaction, where customer experience has the closet relationship followed by brand image.

Table 4. Table of R and R Square

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.779[a]	.606	.598	2.231

a. Predictors: (Constant), Customer Experience, Brand Image

b. Dependent Variable: Customer Satisfaction

Source: SPSS Output (2016)

The value of R is 0.776 proves that independents variables and dependent variable have a very strong positive association. The value of R^2 is 0.606 which shows that the linear relationship in this model is able to explain 77.9% customer satisfaction (Y) while the remaining 22.1% is explained by the factors which are not discussed in this research.

Hypothesis Testing
Table 5. F-Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	743.091	2	371.545	74.663	.000[b]
	Residual	482.699	97	4.976		

Total	1.225.790	99

a. Dependent Variable: Customer Satisfaction
b. Predictors: (Constant), Customer Experience, Brand Image
Source: SPSS Output (2016)

Table 5 shows that F-count is 74.663 with level of significance 0.000. Since the value of F_{count} = 74.663 > $F_{\alpha (0.05)}$ = 3.09 meaning that H_o is rejected and H_a is accepted. Si g <0.05 means that the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. The result declares that there is a simultaneously significant effect of customer experience (X_1) and brand image (X_2) on customer satisfaction (Y).

Table 5. T-Test

Model		T	Sig.
1	(Constant)	2.773	.007
	Customer Experience	5.644	.000
	Brand Image	2.692	.008

a. Dependent Variable: Customer Satisfaction
Source: SPSS Output (2016)

1. T-count of X_1 is 5.644 with the level of significance of 0.000. Since the value of t_{count} = 5.717 > $t_{\alpha (0.05)}$ = 0.29 meaning that H_o is rejected and H_a is accepted. Sig <0.05 means that the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. The result of this test declares that there is a partially significant effect of customer experience (X_1) on customer satisfaction (Y).
2. T-count for X_2 is 4.176 with the level of significance of 0.008. Since the value of t_{count} = 2.695 > $t_{\alpha (0.05)}$ = 0.29 meaning that H_o is rejected and H_a is accepted. Sig <0.05 means that the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.008. The result of this test declares that there is a partially significant effect of customer experience (X_2) on customer satisfaction (Y).

Discussion

Conducting a research on customer satisfaction is highly interesting among the researchers. By studying customer satisfaction and its causal factors, it is expected that marketers can develop a sustainable relationship with customers which in particular can increase sales of the store. This study has been conducted to analyze the effect of customer experience and brand image on customer satisfaction of people in Manado with case study of KFC Manado Town Square.

The result of the multiple regression analysis shows that there is a significant effect of customer experience on customer satisfaction at KFC Manado Town Square. In this research, it is represented by food quality, service quality and atmospheric quality. Based on the coefficient sult in Multiple Linier Regression Analysis, the significant o customer experience (X_1) is 0.000 which is below 0,05, so the customer experience (X_1) has significant effect on customer satisfaction (Y). This finding has similar result with Chandra (2014) which revealed that customer experience has significant impact toward customer satisfaction.

The result of this research found that customer experience has a direct and significant effect on customer satisfaction. The increasing in each indicator of the customer experience causes the increasing value of customer satisfaction, so KFC Manado Town Square have to pay attention on each indicator of customer experience such as food quality, service quality, and atmospheric quality in order to meet the customer satisfaction. The result of this research found that customer experience has a direct and significant effect on customer satisfaction. The increasing in each indicator of the customer experience causes the increasing value of customer satisfaction, so KFC Manado Town Square have to pay attention on each indicator of customer

experience such as food quality, service quality, and atmospheric quality in order to meet the customer satisfaction. If KFC Manado Town Square delivered a good experience for the customer, satisfied customers will rank that company higher in surveys than companies that fail to provide quality products or services. In addition, dissatisfied customers are more vocal in their criticisms of a company with quality problems. While customer satisfaction is tightly linked to revenue and repeat purchases, it is often forgotten how customer dissatisfaction negatively impacts businesses. Losing one dissatisfied customer may lead to losing another customers because of negative word of mouth.

The result of the multiple regression analysis shows that there is a significant effect of Brand Image on customer satisfaction at KFC Manado Town Square. In this research, it is represented by corporate image, user image and product image. Based on the coefficient result in Multiple Linear Regression Analysis, the significant of brand image is 0,000 which below than 0,05, so the brand image (X_2) has significant effect on customer satisfaction (Y). This result is supported by previous research conducted by Kurniawati, et al. (2014) which revealed that brand image significant effect on Customer Satisfaction.

Based on the result of the questionnaire, the respondents mostly agree for the statement "KFC is a brand of fast food restaurant with good reputation". Successful brand image enables customer to identify the satisfaction of a brand. Through brand image, customer are able to recognize a product, evaluating the quality, lower purchase risk, and obtain certain experience and satisfaction out of product differentiation. A good brand image is the more recognition that consumer give to its product quality.

CONCLUSION AND RECOMMENDATION

Conclusions

Based on analsis and discussion, three conclusions can be formulated :

1. The independent variables which are customer experience and brand image simultaneously influence customer satisfaction as the dependent variable. The increasing of these two variables simultaneously will increase the customer satisfaction.
2. Customer experience as one of independent variables partially affects customer satisfaction positively.
3. Brand image as one of independent variables partially affects customer satisfaction positively.

Recommendations

Some recommendations are considered important to address those results. They are as follows:

1. It is important to provide good experience to customer in order to meet customer expectation. Consistent food quality, service quality and atmospheric quality increase customer satisfaction.
2. Keep building and maintaining the value of reputation of brand name, in this case Kentucky Fried Chicken because it is one of the ways of increasing customer satisfaction.
3. Company should pay intention to the quality of the service, company should to maintain the skill of the staffs in order to give good service to the customer to meet their expectation.
4. This research only focusing on one store in Manado, the future research may to be conducted in different store to know more about the customer satisfaction of KFC in Manado since there are 9 KFC store in Manado.

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