# THE INFLUENCE OF RESTAURANT AMBIENCE AND SERVICE QUALITY ON CUSTOMER SATISFACTION AT PONDOK HIJAU RESTAURANT MANADO

## PENGARUH SUASANA RESTORAN DAN KUALITAS PELAYANAN TERHADAP KEPUASAN PELANGGAN DI PONDOK HIJAU RESTORAN MANADO

Dylan C. Senduk<sup>1</sup>, David P. E. Saerang<sup>2</sup>, Linda Lambey<sup>3</sup>

<sup>1,2,3</sup>International Business Administration (IBA) Program, Economics and Business Faculty, Sam Ratulangi University, Manado, 95115, Indonesia E-mail: <sup>1</sup>dylansenduk@yahoo.com

### ABSTRACT

Food is one of the basic human needs. The fulfillment of food becomes absolute if people want to remain able to maintain the continuity of their life. The market of food has always played a central role in human's life, communities, communication, and culture. Restaurant is a business which prepares and serves food and drinks to customers in exchange for money, either paid before the meal or after the meal. Restaurants vary greatly in appearance and offerings, including a wide variety of cuisines and service models starting from inexpensive fast food restaurants to high-priced luxury establishment. This research is aimed to know the influence of Restaurant Ambience and Service Quality on Customer Satisfaction by applying Multiple Regression Analysis. This method is to enable understanding the relationship between the Restaurant Ambience and Service Quality to the Customer Satisfaction.

Keywords: restaurant ambience, service quality, customer satisfaction

#### ABSTRAK

Makanan adalah salah satu kebutuhan dasar manusia. Pemenuhan makanan menjadi mutlak jika orang ingin tetap dapat mempertahankan kelangsungan hidup mereka. Pasar makanan selalu memainkan peran sentral dalam kehidupan manusia, masyarakat, komunikasi, dan budaya. Restoran adalah bisnis yang mempersiapkan dan menyajikan makanan dan minuman untuk pelanggan dengan imbalan uang, baik dibayar sebelum makan atau setelah makan. Restoran sangat bervariasi dalam penampilan dan persembahan, termasuk berbagai macam masakan dan model layanan mulai dari restoran murah dengan makanan cepat saji hingga pembentukan mewah harga tinggi. Penelitian ini bertujuan untuk mengetahui pengaruh Suasana Restoran dan Kualitas Pelayanan Terhadap Kepuasan Pelanggan dengan menerapkan Analisis Regresi Berganda. Metode ini digunakan untuk memahami hubungan antara variabel independen (Suasana Restoran dan Kualitas Pelayanan) dan variabel terikat (Kepuasan Pelanggan).

Kata kunci: suasana restoran, kualitas pelayanan, kepuasan pelanggan

# **1. INTRODUCTION**

### **Research Background**

People always get hungry so they need food. In some occasions, people find themselves hungry with no time to cook so they looking for places that offer them some food to purchase and consume. Food is one of the basic human needs. The fulfillment of food becomes absolute if people want to remain able to maintain the continuity of their life. The market of food has always played a central role in human's life, communities, communication, and culture (Claxton, 2008).

Discussing about food and taste every household in this era has changed a lot (Harian Ekonomi Neraca, 2012). They prefer to buy fast food or food that ready to eat than make a homemade food. Regarding with this situation, many business activities are growing up such as restaurants. Every business has their own way to build up and their own brand towards the market and the customers. Restaurant is a business which prepares and serves food and drinks to customers in exchange for money, either paid before the meal or after the meal. Restaurants vary greatly in appearance and offerings, including a wide variety of cuisines and service models starting from inexpensive fast food restaurants to high-priced luxury establishment. Trend of phenomenon meal in the restaurant is part of social activity in Indonesia (Tribun News, 2014). Along with the increase of growth in the restaurant every year, it continues to emerge of new competitors and the increasing competition. Therefore, the owner of restaurant needs to consider more about factors that could affect customer satisfaction. Every customer has their own evaluation of services in restaurant. Customer satisfaction has been recognized as one of the most important determinants of customer loyalty (Bae, 2012).

There are many factors that can influence a customer's experience while they are dining at the restaurant. Setting the right mood, or ambience, plays an important role in customer satisfaction (Ariffin, Bibon, Saadiah & Abdullah, 2011). To gain a competitive advantage in today's market, restaurants have attempted to offer the best value of meals in a favorable ambience. A restaurant that provides a pleasing ambience is more likely to attract customers in spending more time and money. The ambience of the restaurant is made up of everything that makes an impression on the people such as design of the building, interior, color scheme, texture of the walls and the decoration (Omar, Arifin and Ahmad, 2015).

The concept in casual dining restaurants is to create an ambience that will make the customers relax, and enjoy themselves. Ambience is a simple decoration that can give restaurants a competitive edge; ambience leads person to think the place they are in will be a lot 'homier' and friendly. Ambience is all about how the places you are in makes you feel (Omar, Arifin and Ahmad, 2015). Service qualities are essential in determining customer satisfaction as well as customers' future behavior towards the restaurant. Service quality is a focused evaluation that reflects the customer's perception of specific dimensions of service, reliability, responsiveness, assurance, empathy, tangibles, satisfaction on other hand, is more inclusive, it is influenced by perceptions of service quality affects customer satisfaction by providing performance (Botha, 2010). Since there are many restaurant options available, restaurant customers will not hesitate to leave an establishment for a new one if the restaurant fails to provide quality service.

### **Research Objectives**

- 1. To know the significant influence of restaurant ambience and service quality on customers' satisfaction at Pondok Hijau restaurant simultaneously.
- 2. To know the partially significant influence of restaurant ambience on customers' satisfaction at Pondok Hijau restaurant.

3. To know the partially significant influence of restaurant service quality on customers' satisfaction at Pondok Hijau restaurant.

### Theoretical Framework Customer Satisfaction

According to Oliver (1999), customer satisfaction is an enjoyable completion which the customers get in the utilization, which means that consumers feel that the utilization has completed his/her some wants, wishes, requirements, aim and this completion is enjoyable. Zeithaml and Bitner (2003) define satisfaction as a judgment that a product or service feature and provides a pleasurable level of consumption-related fulfilment. Pizam and Ellis (1999) define customer satisfaction as the feeling of well-being and pleasure that results from obtaining what one hopes for and expects from an appealing product and or service. Cronin and Taylor (1992) define Customer satisfaction is critically significant because it reflects subjective customer evaluations of the attribute performance associated with the consumption experience. Customer satisfaction is the result of a customer perception of the value received in a transaction or relationship – where value equals perceived service quality relative to price and customer acquisition costs (Hallowell, 1996).

### **Restaurant Ambience**

According to Zeithaml and Bitner (2003), the ambient conditions in a restaurant include the background characteristics of the restaurant environment such as interior decoration, exterior appearance, room temperature, lighting, music, noise and smell. Ryu and Jang (2007) found that ambience (e.g. music, temperature and aroma) and employee appearance had the most important influence on customers" emotional responses, which in turn affected customers post-dining behavioural intentions.

### Service Quality

Service quality is most often conceptualized as the comparison of service expectations with actual performance perceptions (Zeithaml and Bitner, 2003). Parasuraman, Zeithaml, and Berry (1988) said that service quality is about what consumer makes an opinion of an overall firm's brilliance or superiority. According to Rangkuti (2006) Service quality is the delivery of services that will exceed the level of customer interest. Gronroos (1984) defines service quality as the difference between service expectations and perceived standard of delivery. He identified technical and functional quality as being two principle components of quality. Technical quality is the relatively quantifiable aspects of a service received by interacting with organizations; examples being waiting time at check-out counters and reliability of public transport services.

### **Previous Research**

Hafidz and Budi (2013) found the influence of service quality dimension standard which is reliability, tangibles, assurance is known that the effect of customer satisfaction. Abadh Jimi Ghimire (2012) found Most of the customers commented that the food is quite good and tasty but in some cases, the lunch list that is outside the door and inside is completely different. Saufiyudin Omar and Hashim Rozila Ahmad (2015) shows that spatial layout, interior design, colour and music have significant. Relationships with customers' satisfaction. The largest contribution is colour followed by spatial layout, music and interior design. Colour scheme chose by restaurant operators meet customers want and satisfied them. The lowest contribution was interior design. This shows that customers dislike the interior design created by the restaurant operators. Daniel

Petzer and Nedia Mackay (2014) found the provides insight into the aspects restaurateurs need to consider in order to increase customer satisfaction and to ultimately be sustainable and prosper.

# 2. RESEARCH METHOD

### **Type of Research**

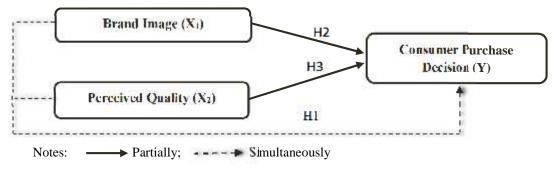
This research used a quantitative method that formed from the respondents responses by a questionnaire.

### Place and Time of Research

The study was conducted in Manado from the period of May-July 2016.

### **Research Framework**

This research is to analyze about the influence of Restaurant Ambience and Service Quality on Customer Satisfaction. The research procedure will be explained by this following conceptual framework.



Picture 1. Research Framework Source: Data analysis, 2016

### **Population and Sample**

The population in this research is customer of Pondok Hijau Restaurant Manado. The sample in this research consist of 100 respondents who already visited and have experienced of in pondok hijau restaurant Manado. The sampling method is purposive sampling. The purposive sampling was implemented in this research to get information according to the criteria based on the research which is the consumers of Pondok Hijau restaurant.

### **Multiple Regression Analysis Method**

Cooper and Schindler (2001) stated that multiple regression analysis is a technique to observed value more than X to estimate or predict corresponding Y value. The equation model of multiple regression analysis which used in this research can formulated as shown below: Where:

 $Y = +b_1x_1 + b_2x_2 + b_3x_3 + e$ 

Whereas:

- : Customer Satisfaction
- Y : Customer a : Intercept
- $b_1, b_2$  : The regression coefficient of each variable

- x<sub>1</sub> : Restaurant Ambience
- x<sub>2</sub> : Service Quality
- e : Error

# 3. RESULT AND DISCUSSION

### Validity Test Result

Table 1. Validity Test				
Indicator		MSA Correlation	Conclusion	
Restaurant Ambience	Cleanliness	.620	Valid	
(X1)	Restaurant concept	.445	Invalid	
	Interior design	.434	Invalid	
Service Quality	Delivery on time	.643	Valid	
(X2)	Employees services	.601	Valid	
	Facilities	.627	Valid	
Customer Satisfaction (Y)	Price	.771	Valid	
	Product quality	.714	Valid	
	Place coziness	.717	Valid	

Source: Data processed, 2016

Validity test is used to know whether the instrument is valid or not. The instrument is valid if the value of Pearson Correlation above 0.3. The Correlation between restaurant ambience (0.740), service quality (0.878), with customer satisfaction (0,871) show a positive relationship. Therefore, the data is considered as valid.

### **Reliability Result**

**Table 2. Reliablity Test** 

Cronbach's Alpha	N of Items	
.876	9	

Source: Data processed, 2016

Reliability test is to measure if one item of question was tested several times would give consistent value. In this research, it shows that Alpha Cronbach is 0.876 which is above the acceptance limit of 0.6; therefore, the research instrument is reliable.

### **Multiple Regression Result**

Table 3.	Multiple	Regression	Result
----------	----------	------------	--------

Coefficie	nts(a)					
		Unstandardized Coefficients		Standardized Coefficients	Т	Sig.
Model		В	Std. Error	Beta		
1	(Constant)	.198	.324		.612	.542
	Restaurant Ambience	.338	.093	.269	3.625	.000
	Service Quality	.598	.073	.606	8.179	.000

a Dependent Variable: Customer Satisfaction

Source: Data processed, 2016

## **Hypothesis Testing**

 $\mathbf{F}_{\text{test}}$ 

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	24.108	2	12.054	74.693	.000(a)
	Residual	15.654	97	.161		
	Total	39.761	99			

a Predictors: (Constant), Service Quality, Restaurant Ambience

b Dependent Variable: Customer Satisfaction

Source: Data processed, 2016

Table 4 shows that  $F_{count}$  is 74.693 with level of significance 95%. Since the value of  $F_{count} = 74.693 > F_{table (0.05)} = 3.9$ , it means that  $H_0$  is rejected and  $H_1$  is accepted. Based on this result there is a simultaneously significant effect of restaurant ambience (X<sub>1</sub>) and service quality (X<sub>2</sub>) on customer satisfaction (Y).

#### T<sub>test</sub>

Madal	Т	Sig.
Model	В	Std. Error
(Constant)	.612	.542
Restaurant Ambience	3.625	.000
Service Quality	8.179	.000

**Table 5. T-test Result** 

a Dependent Variable: Customer Satisfaction Source: Data processed, 2016

- 1. Table 5 shows that  $T_{count}$  of  $X_1$  is 3.625 with the level of significance of 95%. Since the  $T_{count} = 3.625 > T_{table} = 1.9$ , meaning that  $H_0$  is rejected and  $H_2$  is accepted. The result of this test there is partially significant influence of restaurant ambience  $(X_1)$  on customer satisfaction (Y).
- 2. Table 5 shows that  $T_{count}$  of  $X_2$  is 8.179 with the level of significance of 95%. Since the  $T_{count} = 8.179 > T_{table} = 1.9$  meaning that  $H_0$  is rejected and  $H_3$  is accepted. The result of this test is, there is partially significant influence of service quality (X<sub>2</sub>) on customer satisfaction (Y).

#### Discussion

By studying about the customer satisfaction and all the related factors, it is expected that all the owner in that restaurant to develop to apply a plan for their restaurant to increase of their customers satisfaction by make an improvement on the appearance of their restaurant as well the service quality that they provide to all their customer to coming to their restaurant. There are some factors that has been discovered in Pondok Hijau restaurant by conducting this research. Also the all the validity and reliability of the data that has been used in this is been confirmed. The three indicators that influence the service quality and customer satisfaction are more than 0.05 which is valid, but there are indicators in restaurant ambience is under 0.05 which is not valid. The data is also considered reliable and good from the result of the reliability test which is more than 0.6 (the Alpha Cronbach value is 0.876). Also there is a linear relationship in this multiple regression analysis modelbased on F-test result indicating that both of the independent variables which is

restaurant ambience and service quality influence the customer satisfaction simultaneously. All the independent variables have a positive influence to the dependent variable. The result of this research proves that the restaurant ambience and service quality has a positive impact to the customer satisfaction even though the restaurant ambience does not have a significant influence on customer satisfaction. The restaurant ambience in the restaurant which is in this case Pondok Hijau Restaurant Manado has the positive impact.

This research proves that when the owner of the restaurant does not consider about the restaurant cleanliness, it will give a bad reputation for the restaurant. Customer satisfaction is important in business. Customer satisfaction is an enjoyable completion which the customers get in the utilization, which means that consumers feel that the utilization has completed his or her wants, wishes, requirements, aim and this completion is enjoyable (Oliver, 1999). Therefore, the restaurant owner needs to consider about the restaurant ambience, especially the cleanliness of the restaurant. Having the customers satisfied customer will lead to having loyal customer and this will affect the other people. The satisfied customers will be happy to recommend the restaurant to their companions.

Nowadays some people they are most prioritized the goodness of the restaurant rather than food. People want to enjoy their food in a good mood, and the service of the restaurant is having a huge role with customer satisfaction. If the employees give the menu to the customer is impolite for example in a grumpy face, it immediately gives a bad impression to the customer and for sure it is going to change the customer mood. Therefore, the guest will not enjoy the food and the restaurant itself and not only that, it also gives a bad affect to the restaurant. Every restaurant wants their restaurant to be famous so it gives more advantage and the customer will increase. Even the service quality in pondok hijau restaurant is good but the owner need an improvement such as the time to prepare the fish and then cooking the fish their must quickly if not the customer will boring to wait the food especially for the customer is very hungry and give a bad reputation for the restaurant itself. So the service quality is very important to the restaurant and the owner must concern more to the service quality because that can affect the restaurant.

## 4. CONCLUSION AND RECOMMENDATION

### Conclusions

There are four constructive findings that can be concluded from the overall result in this research, which are listed as follow:

- 1. There is a simultaneous effect between restaurant ambience and service quality on customer satisfaction at Pondok Hijau Restaurant Manado.
- 2. There is a partial effect from restaurant ambience on customer satisfaction at Pondok Hijau Restaurant Manado.
- 3. There is a partial effect from service quality on customer satisfaction at Pondok Hijau Restaurant Manado.

#### Recommendations

Based on the result of this research Pondok Hijau restaurant need to concern about their service quality because the variable has a positive significant influence on customer satisfaction. The recommendation for restaurant owners that can be concluded from the overall result in this research are listed as follows:

1. It is important to improve the restaurant ambience indicators which are design interior, cleanliness and restaurant concept especially for the cleanliness because based on the validity test the cleanliness is the highest value more than others.

- 2. It is essential to pay more attention in the service quality in restaurant because this variable also has a positive influence on customer satisfaction. The owner of restaurant is expected to still improve their service like the amount of time needed before the food was served and how to handle and fulfil all the needs from the customer and how to react and act properly when the customer has some complain to the restaurant. By doing the good service to customer it can make the customer can be satisfied.
- 3. It is important to create loyal customers by increasing the indicators of restaurant ambience and service quality. It will be beneficial for the owner because the satisfied customers will be happy to recommend the restaurant to their companions.

### REFERENCES

#### Papers in Journals

- [1] Cronin, J.J. and S.A. Taylor, 1992. "Measuring service quality: A reexamination and extension", Journal of Marketing.
- [2] Hallowell, R. (1996). The relationships of customer satisfaction, customer loyalty and profitability: An empirical study. International Journal of Service Industry Management.
- [3] Oliver, L. R., 1999. When consumer loyalty? *Journal of Marketing*, Retrieved from: http://www.uta.edu/ faculty/richarme/MARK%205342/Articles/Oliver%201999.pdf. Accessed on January 13<sup>th</sup> 2016.
- [4] Omar, M. S., Ariffin, H. F. and Ahmad, R. 2015. The Relationship between Restaurant Ambience and Customers' Satisfaction in Shah Alam Arabic Restaurants, Selangor. *International Journal of Administration and Governance*.
- [5] Parasuraman, A., Zeithaml, V. A. and Berry, L. L., 1988. SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64 (Spring).
- [6] Petzer, D., Mackay. N. 2014. Dining Atmospheric and Food and Service Quality as Predictors of Customer Satisfaction at Sit-Down Restaurant. *African Journal of Hospitality, Tourism and Leisure Vol. 3.*
- [7] Pizam, A. and T. Ellis, 1999. Customer satisfaction and its measurement in hospitality enterprises. International Journal of Contemporary Hospitality Managemen.
- [8] Ryu, K. and S. Jang, 2007. The effect of environment perceptions on behavioral intentions through emotions: The case of upscale restaurants. Journal of Hospitality and Tourism Research.
- [9] Supranata, H. and Iskandar. B. P. 2013. Evaluation of Customer Satisfaction Using Service Quality Dimension at D'seuhah Da Lada Restaurant. *Journal of Business and Management*. Vol 2, No. 1.

#### Books

- [10] Cooper D. R., and Schindler. 2001. Business Research Method. McGrew- Hill Companies. New York.
- [11] Hair, J.F. Jr., Anderson, R.E., Tatham, R.L., and Black, W.C. 1998. *Multivariate Data Analysis*,(5<sup>th</sup> *Edition*). Upper Saddle River, NJ: Prentice Hall.
- [12] Malhotra Naresh K., and David F. Birks. 2007. *Marketing Research: An Applied Approach*. 3rd Edition. Prentice Hall. Southampton.
- [13] Sekaran, U. 2006. Research method for business: A skill building approach. 4<sup>th</sup> edition, John Wiley & Sons.
- [14] Sue, V.M. and L.A. Ritter. 2011. *Conducting online surveys*. Sage Publications, Thousand Oaks, CA.
- [15] Zeithaml, V.A. and M.J Bitner. 2003. *Service Marketing: Integrating customer focus across the firm*, Third Edition. McGraw Hill/Irwin. Boston.

Thesis

[16] Ghimire. A. J., 2012. Service Quality and Consumer Satisfaction in the Restaurant Business Case Study of Restaurant Sagarmatha in Vantaa. Thesis central Ostrobothnia University of applied sciences. Degree programme in Tourism.