CHAPTER I INTRODUCTION

1.1 Background

According to Groiler (1995) hotel is a commercial business that provides a place to stay, food and beverage, and other service to the public. In line with Sud (2011) hotel is an accomodation that managed commercially, and it served to every people to obtain an accomodation, food and beverage. From the definitions above, the writer conclude that hotel is a company that provide room service, food and beverage service, and other facilities to every people who travel.

As a service industry, hotel must be supported by an adequate facilities such as, room, restaurant, meeting room, ballroom, swimming pool, and others. So the hotel business become a trully commercial business that is able to raise the maximum benefit and it can also use to support the development of the country. Marpaung (1990) states that in supporting the country's development, hotel business could play an active role is many aspects, for example, improving the folk industry, creating jobs, helping the businesses improvements, increasing the local revenue, raising national foreign revenue, and improving the relations between nation.

Hotel has a close relation with the hotel customer. The better the service provided by the hotel, the higher the level of customer loyalty. The customer who feel satisfied with the hotel service will promote the hotel inderictly by sharing what they have been gotten (mouth to mouth promotion). It can make the visitors more interested in using the facilities of the hotel.

Cronin (2000) states that service quality affects the customer satisfaction. Guests satisfaction is an indicator of business philosophy on creating customer value, anticipating and managing customer's expectations, and showing the ability and the responsibility to fulfill needs of the guests. Quality of service and customer satisfaction is a key to achieve the competitive advantage. According to Bowen and Chen (2011), having a satisfied customer is not enough. The company which serve the service must make sure that the customer are very satisfied because the customer satisfaction should lead the customer into the customer loyalty.

Aryaduta is one of the companies that actives in tourism sector which covers hospitality, tour and travel, restaurant, entertainment and others. Aryaduta Hotel as hospitality company must be able to give a good service to every customers because in the hospitality company, the service quality is the important part to increase the number of customers. Customer who is satisfied with the hotel service will become a loyal customer. According the Zeithaml (2002), Consumer satisfaction is defined as a situation where consumer expectations for a product in accordance with the accepted fact about the ability of the product by the consumer. If the products are below the expectations of consumers, they will be disappointed. Otherwise, if the product fullfill consumer expectations, then they will be satisfied. Consumer expectations can be seen from their own experience when using the product, what people say and advertising information. The writer conclude that loyal customer is the person who will use the facilities of a company continuously although, there are many other companies offering the same services and goods. Eventhough as a five stars hotel in Palembang, Aryaduta Hotel still has the posibility to be failed in giving a good service quality. Zeithaml and Berry (1985, p.48) defined service quality as a function of the differences between expectation and performance along the quality dimensions.

Therefore, the writer is interested to investigate the guests' perceptions of the service quality of Aryaduta Hotel.

1.2 Problem Formulation and Problem Limitation

1.2.1. Problem Formulation

Aryaduta Hotel serves many kind of services on its operational such as room, convention center, restaurant, tour and travel, and entertainment. To knowing the guest comments about the satisfaction, complaint, and suggestion, the writer needs the guests' perception about the Aryaduta Hotel quality to prove the service on it operational

1.2.2. Problem Limitation

This study is limited about guests' perception in Aryaduta Hotel. The writer would like to describe the guests' perception in Aryaduta Hotel as the only five stars hotel in Palembang. Therefore, the guest needs to give their perception about the service in Aryaduta Hotel.

1.3 Research Questions

What are the guests' perceptions of the service quality of Aryaduta Hotel?

1.4 Purpose

The purpose of this research is analyzing the guest' perception in Aryaduta Hotel, and clasifying it into hotel service or hotel facilities clasifications.

1.5 Benefit

1.4.1. For Arya Duta Hotel,

• Giving the feedback to improve the quality hotel service .

1.4.2. For writer,

- Extending the knowledge in business of hospitality service.
- Enhancing the knowledge about hotel management in effort to increasing customer satisfaction.

1.4.3. For Readers/others

- Helping and minding power to plan and implement development
- Improving the ways of thinking, behaving and acting according to the development of science and knowledge
- Getting the renewals that necessary.