

# Analysis of The Effect of Facility and Service Quality on Consumer Satisfaction

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## Abstract

This study aims to determine the variable of facilities (X1) and service quality (X2) and the variable of customer satisfaction (Y). In this study, the population used was all consumers who had visited the Hotel Platinum Rantauprapat at least 1 time, and the sample was taken using the *unknown population formula for* as many as 100 respondents. Data was collected by distributing questionnaires using *google Forms* and measured by a Likert scale. The data analysis technique in this study uses PLS (partial least square) analysis which is a variant-based Structural Equation Modeling (SEM) equation analysis using SmartPLS 3 software. The results of this study indicate that facilities and service quality have a positive and significant effect on customer satisfaction.

*Keywords:* Facilities, Service Quality, Consumer Satisfaction.

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## 1. Introduction

In this era of globalization, competition in the business world is getting tougher. Globalization can cause various industries to develop rapidly, both product and service industries. Services can be interpreted as economic activities offered to other parties, about the desired results to the recipient, objects or other assets for which the buyer is responsible. (Alaska, 2014).

This makes every company compete with its customers by implementing the right marketing strategies to stay in the business they manage. In service industries such as hospitality, some countries have been able to build their hotels vigorously in their area (Alexander, 2015). In this proposed model of service quality measurement, gap analysis is used to find the difference between customer expectations and actual service performance.

Meanwhile, the facilities of a company are important to note. Facilities are facilities that make it easier for consumers to carry out an activity. All existing facilities, namely the condition of the facilities, completeness, interior and exterior design as well as the cleanliness of the facilities must be considered, especially those closely related to what consumers feel or get directly. The customer's perception of a service is influenced by the atmosphere created by the relevant exterior and interior facilities. Facilities are physical resources that must exist before a service can be offered to consumers. Facilities are provided, for example the feasibility of a seat, the feasibility of air conditioning, and the feasibility of a toilet.

Santoso, (2015) shows that the quality of service provided is perfect service to meet customer needs. With the various definitions put forward, it can be stated that service quality is the performance given to customers to meet their needs and expectations. According to (Itafia et al., 2014) Consumer satisfaction is a comparison between the service or results received by consumers with the expectation that the service or results received to meet their expectations or more. However, there is general agreement that consumer satisfaction is the end product of consuming a product or service.

## 2. Literature Review

### 2.1. Facility

Facilities by (F. Tjiptono, 2011) are physical resources that must exist before services can be offered to consumers.

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Facilities can also be anything that makes it easier for consumers to obtain satisfaction. Meanwhile, according to (Lupiyoadi, 2013) Facilities are the appearance, ability of infrastructure facilities and the state of the surrounding environment in showing their existence to the external which includes physical facilities (buildings) equipment and equipment. Facilities include tools, objects, equipment, money, work space.

According to (F. Tjiptono, 2011) There are six facility indicators, namely:

- a. Spatial considerations/planning
- b. Space planning
- c. Equipment/furniture
- d. Lighting and color
- e. Messages delivered graphically
- f. Supporting elements.

## 2.2. *Service Quality*

Service quality is an important factor in a company for customers, which is part of customer satisfaction that cannot be used as an example. It involves the attitudes and behavior of members of the organization. The emotional consequences are relatively significant in a product related to lifestyle, such as four-wheeled vehicles, clothing and cosmetics, and even other properties. Meanwhile (Santoso, 2015) revealed that service quality is an advantage that is corrected by customers, customer expectations, and handling this excess level to meet customer desires. In other words, two main factors can affect the quality of service expected and the quality of service that can be felt or received (Jaka, 2011).

Service quality is a level that must be felt by every consumer for a product. Or the service that is expected from a combination of willingness and how consumers feel after doing the service. If a product or service has been obtained and handled (perceived usefulness), it is of good quality and can provide satisfaction. In this case, it is good quality of service not only seen from the point of view and understanding of the company. When viewed from the point of view of a customer's knowledge, the consumer's impression of service quality is also an assessment or summation of all service advantages (Ani Lestari, 2018);(Fure, 2014)

## 2.3. *Consumer Satisfaction*

Satisfaction is a consumer's attitude that is determined by the experience he has obtained. Satisfaction is also a value for the superiority of a product / service itself, which satisfies consumers in terms of needs. Satisfaction (Genapathi, 2016) ; (Dariansyah, 2018); (Masharyono, 2016). In the world of service, customer satisfaction is an important factor to stay loyal to the product/service (Tjiptono, 2016). Consumer satisfaction is a condition addressed by consumers when they have realized that their wants and needs are what consumers expect. Meanwhile, according to (Pardede & Haryadi, 2016) consumer satisfaction is a positive thing between consumer feelings related to the product/service while using the product or service in meeting their needs.

## 3. **Methods**

This research is an associative research that aims to determine the effect or relationship between two or more variables. This study uses a cross-dimensional part of time (Neolaka, 2014). A cross sectional study is a study that collects data only once as stated by (Sekaran & Bougie, 2016). Therefore, information for this study was collected from employees carried out in a certain time. In this study, the sampling used is No.-probability sampling. Nonprobability sampling is a sampling technique where each member of the population does not have the same opportunity as a sample. This sampling technique is used if the representativeness of the sample is not important. Moreover, the technique of determining the sample with exclusive considerations until it is considered appropriate for a sample. Samples as part of the population are classified as selected members but not every element in the population for research (Uma, 2011).

For data collection, this study used a list of questions. Questionnaire is a technique of collecting data by providing written questions that will be answered to selected respondents (Sugiyono, 2015). Meanwhile, the data analysis procedure was carried out through the research instrument test (validity and reliability). As said (Santoso, 2014), validity test aims to measure whether the questions asked are valid or not. On the other hand, reliability test is used to test the measuring instrument. It means that the questions in the questionnaire are considered consistent if the measurement has been repeated.

Due to the unknown population size, the sample size is known, in this study using the unknown population formula as follows :

$$n = \frac{Z^2}{4\mu^2}$$

**Information**

n = sample size

Z = the level of sample needed in the study at ( $\alpha = 5\%$  or the degree of confidence is determined by 95% then  $Z = 1.96$ ) = *margin of error*, the level of error that can be tolerated (set 10%)

by using the above formula, the following calculation is obtained

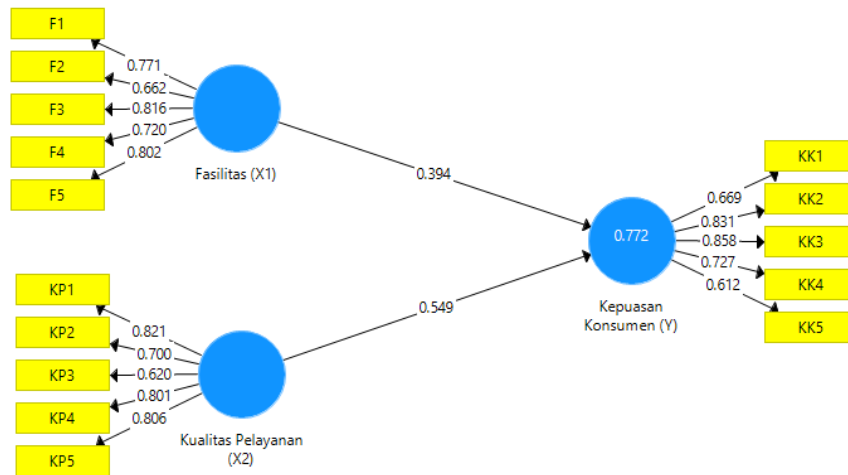
$$n = \frac{Z^2}{4\mu^2}$$

$$n = \frac{1,96^2}{4(0,1)^2}$$

n= 96.4, rounded up to 100 respondents.

The results of the calculation of the unknown *population formula* in this study, it is known that the sample size of the population required is 100 respondents who have stayed at the Hotel Platinum Rantau Prapat at least 1 time.

**4. Result and Discussions**



**Figure 1.** Result of Analysis using SmartPLS3

**4.1. Composite Reliability**

Composite reliability is used to test the value of the variable indicator reliability. The value of the composite reliability result can be said to be reliable if it shows a value of >0.7.

The reliability test can be strengthened by Cronbach's Alpha which the value of the variable must show a result of > 0.7 (Table 1).

In the table 1, it can be seen that the *composite reliability value* for all research variables shows a value of above > 0.7. So it can be concluded that all research variables can be said to be reliable. The reliability test is also strengthened by the Cronbach's Alpha value in which the research variable must show a value of > 0.7. The value of Cronbach's Alpha for the facility variable (X1) has a value of 0.812, the service quality variable (X2) has a value of 0.807 and the customer satisfaction variable (Y) has a value of 0.795. So it can be concluded that the value of each variable has met Cronbach's Alpha.

**Table 1.** Cronbach's Alpha and Composite Reliability

	Cronbach's Alpha	Composite Reliability
Facilities (X1)	0.812	0.869
Service Quality (X2)	0.807	0.867
Consumer Satisfaction (Y)	0.795	0.860

Source: Results of the management of SmartPLS3 (2022)

#### 4.2. Inner Model Analysis

##### 4.2.1. R-Square

R-square is a goodness fit model test in which the test is a test used for the dependent variable or dependent variable (Astuti et al., 2021). The higher the R-square value, the better the value of the proposed model. The criteria for the R-square value, namely, an R-square value of 0.75 means a strong model, a value of 0.50 means a moderate model and a value of 0.25 means a weak model. (Juliandi, 2018).

**Table 2.** R-Square

	R Square	R Square Adjusted
Consumer Satisfaction	0.772	0.767

Source: Results of the management of SmartPLS3 (2022)

In the adjusted R-square table 2, it can be concluded that from several criteria the R-square value has a "strong" value category. In which the research can be seen that all the variables involved in the model are able to explain the variables studied, namely the consumer satisfaction variable with a value of 0.772 or 77.2 % . so that it can be categorized in the "strong" model with the remaining 22.8 % explained by other variables outside of this study.

##### 4.2.2. F-Square Test

F square test is a test used to see how much influence between variables. The F-square test has several categories, namely, the f-square value of 0.02 is interpreted as a small influence, the f-square value of 0.15 is interpreted as a moderate influence and the f-square value of 0.35 has a large influence.(Furadantin, 2018)

**Table 3.** F-Square

	Consumer Satisfaction
Facility	0.317
Service quality	0.617

Source: Results of the management of SmartPLS3 (2022)

In this study, it can be seen in the table that F square has a variable value of facility which has a moderate influence on customer satisfaction of 0.317 and the variable of service quality has a major influence on customer loyalty, which is 0.617.

##### 4.2.3. Direct Effect

The path coefficients test is a hypothesis test which in the research is seen from the t-statistic value and the p-value. The hypothesis is accepted if the research has a p-value <0.05.

**Table 4.** Path Coefficients

	Original Sample (O)	T Statistics ( O/STDEV )	P Values
Facilities -> Customer satisfaction	0.394	6.049	0.000
Service Quality -> Customer Satisfaction	0.549	9.165	0.000

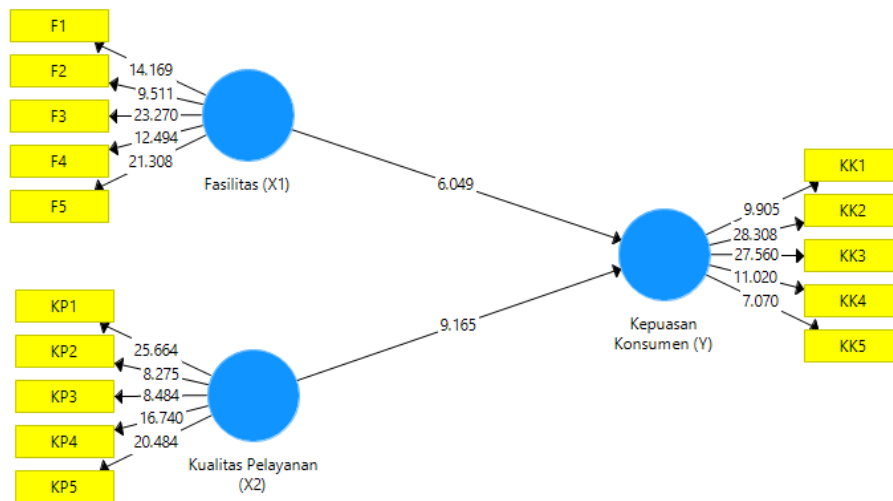
Source: Results of the management of SmartPLS3 (2022)

From the research table 4, it can be seen the value of the path coefficients test as follows:

1. In the X<sub>1</sub> variable , namely the facility to customer satisfaction , the original sample value is 0.394 , which means that the relationship between variables has a positive or unidirectional value . The value of T-statistics on the influence

of facilities on customer satisfaction has a value of  $6.049 > 1.96$  and also the P-Value value has a value of  $0.000 < 0.05$  which can be concluded that the X1 variable, namely the facility has a positive effect and significant to customer satisfaction.

- In the X<sub>2</sub> variable, namely the quality of service to consumer satisfaction has an original sample value of 0.549 which means that the relationship between variables has a positive or unidirectional value. The value of T-statistics on the effect of service quality on customer satisfaction has a value of  $9.165 > 1.96$  and also the P-Value value has a value of  $0.000 < 0.05$ , which can be concluded that the X2 variable, namely service quality, has a positive and significant effect on customer satisfaction.



**Figure 2.** Bootstrapping

#### 4.3. Discussion

##### 4.3.1. H1- The Influence of Facilities on Customer Satisfaction

Based on the results of this study, it supports that the facility (X1) has a positive and significant effect on customer satisfaction (Y), where the X1 variable, namely the influence of facilities on customer satisfaction, has an original sample value of 0.394, which means that the relationship between variables has a positive or unidirectional value. The value of T-statistics on the influence of facilities on customer satisfaction has a value of  $6.049 > 1.96$  and also the P-Value value has a value of  $0.000 < 0.05$  which can be concluded that the X1 variable, namely the facility has a positive effect and significant to customer satisfaction. Thus the hypothesis can be accepted.

##### 4.3.2. H2 – The Effect of Service Quality on Customer Satisfaction

Based on the regression analysis, the results of this study support that service quality (X2) has a positive and significant effect on customer satisfaction (Y), where the X2 variable is service quality to consumer satisfaction has an original sample value of 0.549 which means that the relationship between variables has a positive or unidirectional value. The value of T-statistics on the effect of service quality on customer satisfaction has a value of  $9.165 > 1.96$  and also the P-Value value has a value of  $0.000 < 0.05$  which can be concluded that the variable X<sub>2</sub>, namely service quality has a positive and significant effect on customer satisfaction. Thus the hypothesis can be accepted.

#### 5. Conclusions

Based on the results of the research that has been done, it can be concluded that the facilities have a significant influence on customer satisfaction at Hotel Platinum Rantaupratat. This shows that poor facilities will result in poor customer satisfaction. This means that better facilities will also increase the level of customer satisfaction. In addition, service quality affects customer satisfaction at Hotel Platinum Rantaupratat. This shows that better service quality will increase customer satisfaction, while poor service quality will decrease customer satisfaction. Then customer satisfaction.

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