Challenges and Opportunities of Service Industry in Emerging Economies

20-22 August 2013
Majapahit Hotel, Surabaya
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Designing Service Marketing Strategy in A Culinary Business

Esti Dwi Rinawiyanti, Rini Rahardjo

Industrial Engineering Department, University of Surabaya, Indonesia
estidwi@ubaya.ac.id

ABSTRACT

Depot Rasa Suka is a culinary business that provides a variety of Indonesian dishes located in Kediri. However people still do not know and yet loyal to Depot Rasa Suka due to fierce competition with several new opened restaurants in Kediri. Therefore Depot Rasa Suka needs to design service marketing strategies based on the consumer behavior analysis. The goal of this research is to identify consumer behavior of Depot Rasa Suka and then designing the proper marketing strategy to improve its service and to increase its sales. The research was conducted by distributing questionnaire to the respondents of actual consumers. Based on the results can be known that the majority characteristics of consumer behavior of Depot Rasa Suka are male, married, 20-30 years, the majority is entrepreneurs, income 3,000,000-6,000,000 per month, and 3-4x visiting a restaurant a month. Based on this research can be seen that almost all dimensions of 8P service marketing have the high value both of importance level and of satisfaction level, and only dimension promotion gets the medium value of importance level and satisfaction level. Based on the analysis of consumer behavior and quadrant analysis can be designed the service marketing strategy covering 8Ps with focusing on the two variables in quadrant IV, while they have high average value of importance level but low average value of satisfaction level.

Keywords: Restaurant, consumer behavior, service marketing

1. Introduction

Along with the increase of population in Indonesia, the development of the culinary industry in Indonesia has also experienced a rapid increase. It is happened also in Kediri. Almost in the last 2 years a lot of the development in the town of Kediri makes the competition in the culinary business become more stringent. Many of the popular restaurants were opened in Kediri, like Mc Donald's, Pizza Hut, Hoka Hoka Bento, Solaria, KFC, Ice Teler 77, Bumbu Desa, Ayam Penyet Surabaya, Bebek Goreng Haji Slamet, and Holiday Restaurant. This encourages the community in Kediri city and its surrounding visit Kediri to try the food in these restaurants. It could be said that the presence of new restaurants could be as one caution that reduced sales levels of existing local restaurants in Kediri, like Depot Rasa Suka. This restaurant is located in Jalan Panglima Sudirman No. 18 Kediri established in 2007 by Mrs. Wulan Sari. According to her, during the last two years there has been a decline in sales due to the presence of new well-known restaurants that attracted the attention of the public to try. In order to win the competition the owner feels that she needs to identify the factors that influence consumer behavior in choosing a restaurant. Therefore a research was conducted with the purpose: (1) Identifying the factors that influence consumer behavior in choosing a restaurant, (2) Knowing the customer satisfaction of Depot Rasa Suka, and (3) Designing the proper service marketing strategy for Depot Rasa Suka.

2. Theoretical Background

One of the products that can be offered to the market is the service, activities or benefits benefits offered for sale that are essentially intangible and do not result in ownership of anything (Kotler, 2010, p.30). According to Kotler (2010, p 269) service has four characteristics that should be considered in designing a marketing program, namely: (1) Intangibility: services cannot be seen, touched, or heard before purchase, so that customers cannot see the results or benefits of services before making a purchase; (2) Inseperability: services are generally produced and consumed exclusively at the same time; (3) Variability: it is very difficult to achieve a result of service with the appropriate