EFFECT OF SERVICE QUALITY AND SERVICESCAPE ON HOTEL CUSTOMER SATISFACTION IN SOLO

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Abstract : This research is an explanatory research type which aims to prove the hypothesis regarding the relationship of servicescape and service quality to customer loyalty through customer satisfaction. The research place is in the Hotel in Solo. Respondents in this study are repeater guast in one month period. The sampling technique uses non probability sampling, namely quota sampling. The number of samples obtained was 100 respondents. The findings of this study, namely servicescape, have no significant effect on customer satisfaction. Service quality has a significant effect on customer satisfaction.

Keyword: servicescape, service quality, customer satisfication

1. Introduction

Today, the development of hospitality services in the city of Surakarta is so rapid. According to PHRI Surakarta data, the number of hotels in Surakarta in 2019 reached 118 hotels. The number of hotels is increasing and is accompanied by a high level of demand, this results in increasingly fierce hotel competition. The high level of competition encourages each hotel to improve the quality of its services. A good quality of service will have a positive value for each guest so it is likely that guests will stay back. It doesn't even rule out the possibility that the guest will become a loyal customer.

Kandampully and Suhartono (2000) prove that consumer satisfaction is positively correlated to customer loyalty. This is obtained through the performance of housekeeping, reception, food and beverage and a good price. Relevant to Wong and Sohal (2003) proves that customer satisfaction is positively related to loyalty. The relationship between the two is stronger at the company level not at the interpersonal level. The most significant indicator influencing loyalty at the company level is tangibles and the most significant indicator at the interpersonal level is empathy.

Customer loyalty can be formed because of satisfaction in a company's servicescape. Servicescape (physical environment of service) is one element that can have a direct impact on customer satisfaction. The use of servicescape design that is safe, creative and in accordance

with customer needs will provide a sense of comfort for consumers and foster a sense of satisfaction in consumers. This is proven in Jokom (2018) that servicecape has a significant positive effect on customer loyalty. This means that the better the servicecape settings, the higher the level of loyalty. Conversely, if servicescape is not well designed, the customer will not feel comfortable so that consumers are not satisfied and hence customers will choose another hotel. Hoffman et.al (2003) explained that the three main factors of failure of servicescape were cleanliness problems, mechanical problems and facility design problems.

The next forming factor for customer loyalty is satisfaction with Service quality. At the level of good service quality will foster a sense of pleasure and satisfaction in consumers so that they can form loyalty. This is proven by Agustianti, et al (2018) that service quality has a significant positive effect on customer loyalty. Conversely, research Aryani (2010) service quality does not affect customer loyalty. This proves that service quality is not an important factor in the achievement of loyalty because the respondents used are relatively homogeneous namely students.

Tsang (2000) examined the perception of service quality in hotels in China. The results showed that tourists 'perceptions of the quality of services provided in the hotel industry in China were consistently lower than their expectations and that managers were exaggerating service delivery, compared to tourists' perceptions of actual service quality, in the hotel industry in China. From the results of the gap analysis, it can be concluded that the Opportunity Gap and the Internal Evaluation Gap are the main reasons that contribute to the lack of quality service in the hotel industry in China.

This study refers to Simdani (2017) who conducted a study at a hotel in Malang about the effect of perceived service quality on customer loyalty with customer satisfaction as an intervening variable. The results of his research show that perceived service quality has a positive effect on customer loyalty. And customer satisfaction is proven to be an intervening variable. The results of the study made researchers interested in adding servicescape as another independent variable.

This research takes a case study in hotels in Solo. Based on the support of the opinion in the above research, the researcher believes it is feasible to conduct a study with the title "The Effect Of Service Quality And Servicescape On Hotels Customer Satisfaction in Solo."

2. Theoritical Review
Service Quality
Service quality is a dynamic condition that can affect products, services and human resources that are part of the affective process (Soleh, 2018).

Servicescape
Servivescape is a physical facility in a service that is designed according to customer needs in order to influence customer behavior and can have a positive impact so that customers feel satisfied (Ruata, 2017).

Customer Satisfaction

Customer satisfaction is a result of the comparison between expectations and expectations experienced by customers both feeling happy and disappointed (Angkow, 2016).
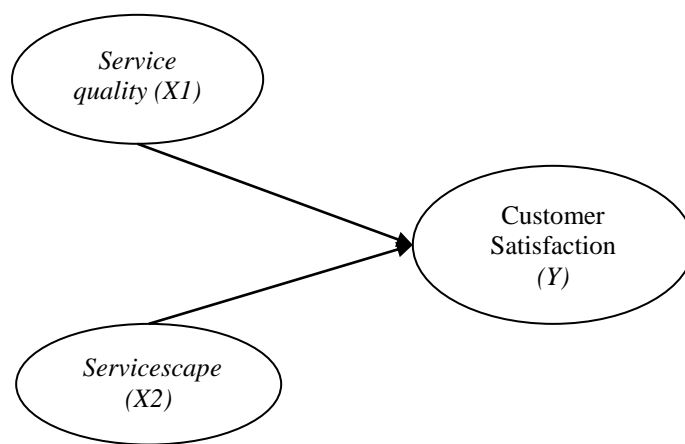
Thinking Framework

Figure.1 Thinking Framework

Hypothesis
H1: service quality has a significant influence on customer satisfaction.
H2: servicescape has a significant influence on customer satisfaction.

3. Research Methods

This research is an explanatory research which aims to prove the hypothesis that has been formulated. The sampling technique used is a type of non probability sampling, namely quota sampling. Respondents in this study were guest repeaters in a period of 2 month at a hotel in Solo. The number of samples collected was 100 respondents.

PLS Analysis

The analytical tool used is Partial Least Square with warpPLS 6.0 as supporting software.

Evaluation Of Outer Models

Convergent validity, aims to measure the construct by confirming the measurement of the construct. In measuring convergent validity that is by looking at the value of AVE. AVE value

must be> from 0.50 (Latan & Ghozali, 2017: 88). AVE value of SS = 0.740, SQ = 0.680, CS = 0.776.

Discriminant validity, used to know that indicator variables do not have a high correlation. A good value of square roots of AVE is must be> correlation between variables (Latan & Ghozali, 2017: 89). The results show that the resulting Square roots of AVE> correlation between latent variables so that the discriminant validity criteria are met.

Indicator reliability, To measure the reliability indicator is to look at the loading factor value of each construct indicator. The loading factor value is expected to be ≥ 0.7 (Lathan and Ghozali 2017: 87).

Table 1 Combined loadings and cross-loadings

	Servicescape	Service Quality	Kepuasan Pelanggan
SS	**0,846**	0,112	-0,110
SQ	-0,010	**0,787**	0,208
CS	0,093	-0,131	**0,897**

Source: Data processing with warpPLS, 2020

Internal consistency reliability, used to average the correlation between items in the test. The parameter of internal consistency reliability is the value of composite reliability. The CR value must be> 0.7 (Latan & Ghozali, 2017: 89). CR value of SS = 0.895, SQ = 0.864, KP = 0.912, LP = 0.855.

Evaluation of Inner Models

R^2, used to find out how much the dependent variable can be explained by the independent variable. The value of R^2 cannot be more than 0.70 in the context of PLS (Latan & Ghozali, 2017: 92). R2 value of CS = 0.615

Effect Size, used to find out how much the proportion of certain independent variable variance to the dependent variable. Sequentially F2 value of 0.35, 0.15 and 0.02 can be interpreted that the independent variable has a large and small influence on the structural level of the dependent variable (Latan & Ghozali, 2017: 92).

Table.2
Effect Size for Path Coefficients

	Value	Information
SS ☐ KP	0,045	Little
SQ ☐ KP	0,570	Big

Source: Data processing with warpPLS 6.0, 2019

Predictive Relevance (Q2), useful for validating the predictive ability of the model. Q2 values of 0.02, 0.15 and 0.35 indicate that the model has a predictive relevance of weak, medium and strong (Latan & Ghozali, 2017: 94). Q2 value of KP = 0.626, LP = 0.681

Hypothesis Testing

Direct effect

Table 3. Path Value Coefficients and P-values

	Value Coefficients	P-value	Level of Significance	Information
SS □ KP	0,116	0,135	0.05	Not significant
SQ □ KP	0.734	<0.001	0.05	Significant

Source: Data processing with warpPLS 6.0, 2020

4. Discussion Of Results

Effect of service quality on customer satisfaction

Based on the results of the output path coefficient and P-values in Table.3 it can be concluded that the value of the service quality coefficient path to the customer satisfaction variable is 0.734 with a P-value < 0.001. Because the P-value is smaller than 0.05. This shows that service quality has a significant effect on customer satisfaction, H2 is accepted. This shows that Hotel in Solo customer satisfaction will be formed if you get good service quality from the hotel. These results are in line with researcher Jacky (2018), Sri Wulan (2018) proving that service quality has a significant positive effect on customer satisfaction.

The effect of servicescape on customer satisfaction

Based on the results of the output path coefficient and P-values in Table.3 it can be concluded that the value of the servicescape coefficient on the customer satisfaction variable is 0.116 with a P-value of 0.135. Because the P-value is greater than 0.05. This shows that there is no significant effect of servicescape on customer satisfaction then H1 is rejected. This proves that the increased application of servicescape does not guarantee it will increase customer satisfaction. The results of the study are not relevant to Tommy (2018), Tumbelaka (2014), Jokom et al (2018) which shows that servicescape has a significant positive effect on customer satisfaction.

CONCLUSION AND SUGGESTION

Conclusion

Service quality has no significant effect on customer satisfaction at Hotels in Solo. This shows that Hotel in Solo customer satisfaction will be formed if you get good service quality from the hotel

Servicescape has a significant positive effect on customer satisfaction at Hotels in Solo. This proves that the increased application of servicescape does not guarantee it will increase customer satisfaction.

Suggestion

1. For companies

    Hotel leaders in Solo are advised to improve the service quality of each line so that customer satisfaction will be formed and have implications for customer loyalty.

2. Share further research

    Future researchers are expected to conduct research in other hotels as a comparison of the results of this study. Different places of research make it possible to find different results.

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