

ABSTRACT

The global hotel industry posted average Occupancy rate of Hotel Industry growth among 2013 - 2014, and should strengthen as world travel demand builds momentum in the second half of the year and in 2015. Increasing investment in emerging markets, particularly Asia, the Middle East, Latin America, and Eastern Europe, will further boost industry growth. *Industry Trend Hotel 2014*

Investments in Indonesia's tourism industry are primarily aimed at the hotel and restaurant sector. Indonesia's Minister of Tourism and Creative Economy, Mari Elka Pangestu said that investments in Indonesia's tourism industry reached a total of USD \$602.6 million in 2013. This consisted of foreign investments (USD \$462.5 million) and domestic investments (USD \$140.2 million). The hospitality industry of Indonesia is booming, evidenced by the steadily increasing number of tourists each year. This study conducts the Balairung Hotel in Jakarta, service quality and customer satisfaction with concerning the occupancy rate hotel compare to Balairung Hotel competitor, total guest and amount of complaints. The objective of this study is to give company a suggestion to overcome the problem and also this study were design to compare the theory and the reality exists.

Quantitative research was used in this study. 250 guests who ever visited Balairung Hotel in are giving their response through twenty six questions in questionnaire to represent the other guest. The data was analyzed using multiple regressions and the sampling technique used is purposive sampling method this is in order to minimize the chance of the same person to be selected.

From the results show that the adjusted R square in this research is 0.842 It means that **84.2%** of customer satisfaction are affected by Tangible, Empathy, Reliability, Responsiveness, Assurance of service quality. While the rest, which is of customer satisfaction are effected by others variable which are not included in this research.

Keywords: Service Quality, Customer Satisfaction, Balairung Hotel