

## **CHAPTER I**

### **INTRODUCTION**

#### **1.1 Overview of Research Object**

##### **1.1.1 Company Profile**

Asep Liwet Strawberry is a traditional restaurant that has been in this business for almost thirteen years. Founded in 2009, Asep Liwet Strawberry is a traditional restaurant with West Java specialties located in various areas in West Java, namely in Nagreg, Kadungora, Cimaragas, Taroggong, Tasikmalaya, Ciawi, Singaparna, Cicaleng, Lembang, and Ciater. Liwet Asep Strawberry Traditional Restaurant is owned by a businessman, Mr. Haji Asep Haelusna. Liwet Asep Strawberry Restaurant Lembang is a restaurant that carries the concept of lesehan with natural and rural nuances. With the mainstay menu, Nasi Liwet is served using kastrol (a special pot) with seasoning toppings and side dishes that can be ordered as desired. And there is strawberry juice which is the signature drink menu for Liwet Asep Strawberry Restaurant.

Currently Liwet Asep Strawberry has 65 employees with an organizational structure that shows above. The top structure is occupied by the owner. Each restaurant branch owned by the owner is led by a branch head. The head of the branch is assisted by the Operations Manager and the vice. After the Vice of Operations Manager there is a Supervisor. The supervisor oversees all heads of sections, and in carrying out his duties the head of section is assisted by a captain.

##### **1.1.2 Vision and Mission**

###### **Vision**

*Providing great food quality, satisfying customer experience and a warm atmosphere*

###### **Mission**

*Inspire and involve the community in promoting the richness of Sundanese culinary specialties and Indonesian culture.*

### 1.1.3 Company Logo



**Figure 1.1 Liwet Asep Strawberry logo**

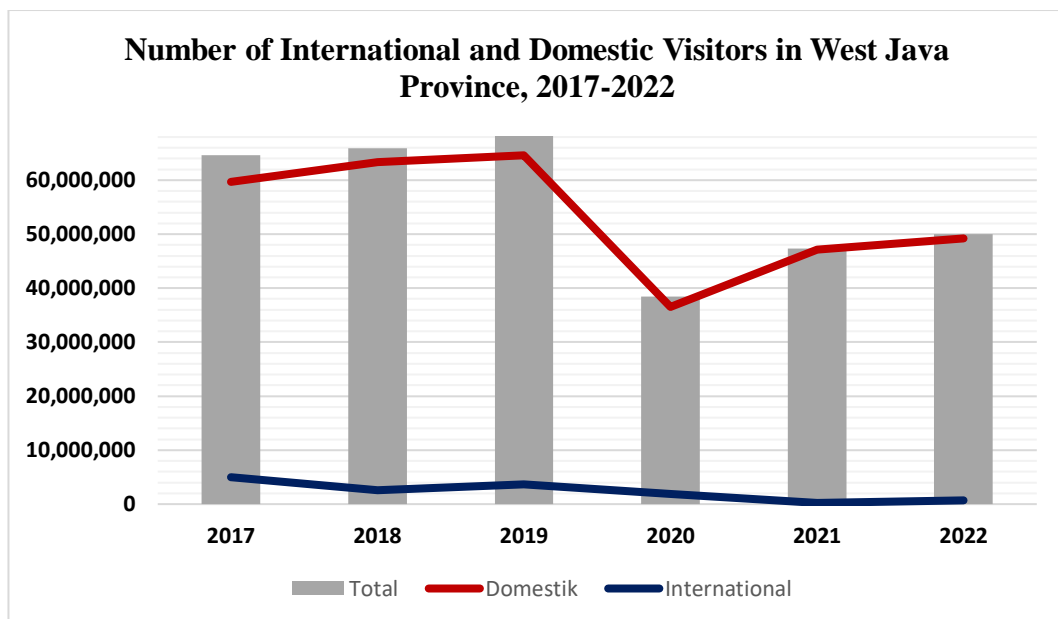
*Source: Personal Data, 2023*

### 1.2 Research Background

Indonesia's tourism industry is now growing quite rapidly. The increase in domestic and foreign tourists presents opportunities and challenges for tourism development, especially in relation to tourism facility providers such as hotels, restaurants, travel services, etc. The restaurant can become a tourism icon through regional culinary specialties that affect the satisfaction of tourists become region. On the other hand, to support tourist activity, the number of catering establishments, at a good quality. The information said by Simanjuntak (2013) is expected to be useful in formulating policy at both the government and private levels. The statistics presented in this publication aim to meet the need.

The Government of the Republic of Indonesia through the Ministry of Tourism and Creative Industries has defined the scope of the creative industries into 15 industrial sub-sectors, one of the industries developed in the creative industries is the culinary industry. Pratiningsih (2018) state that the development of the culinary industry is currently experiencing significant growth.

According to the 2009 ISIC (Indonesia Standard Industrial Classification), a restaurant is an enterprise that includes the type of catering establishment located in part or all of the permanent buildings where food and beverages are sold and served to customers, either with or without tools for processing manufacturing and storage. and received a decree as a restaurant from related agencies. The development of the food industry such as restaurants is growing rapidly in Indonesia. It is evident from the data obtained through BPS (*Badan Pusat Statistik*) which shows that there is an increase in the growth amount of domestic and foreign tourism in West Java West Java 2016-2020. As can be seen in figure 1.1 that there is a significant decrease in data in 2020 where there is a Covid-19 pandemic that makes the prohibition of travel or visiting a recreation place in one country or another country (Badan Pusat Statistik, 2021)



**Picture 1.2 Number of International and Domestic Visitors in West Java Province, 2017-2022**

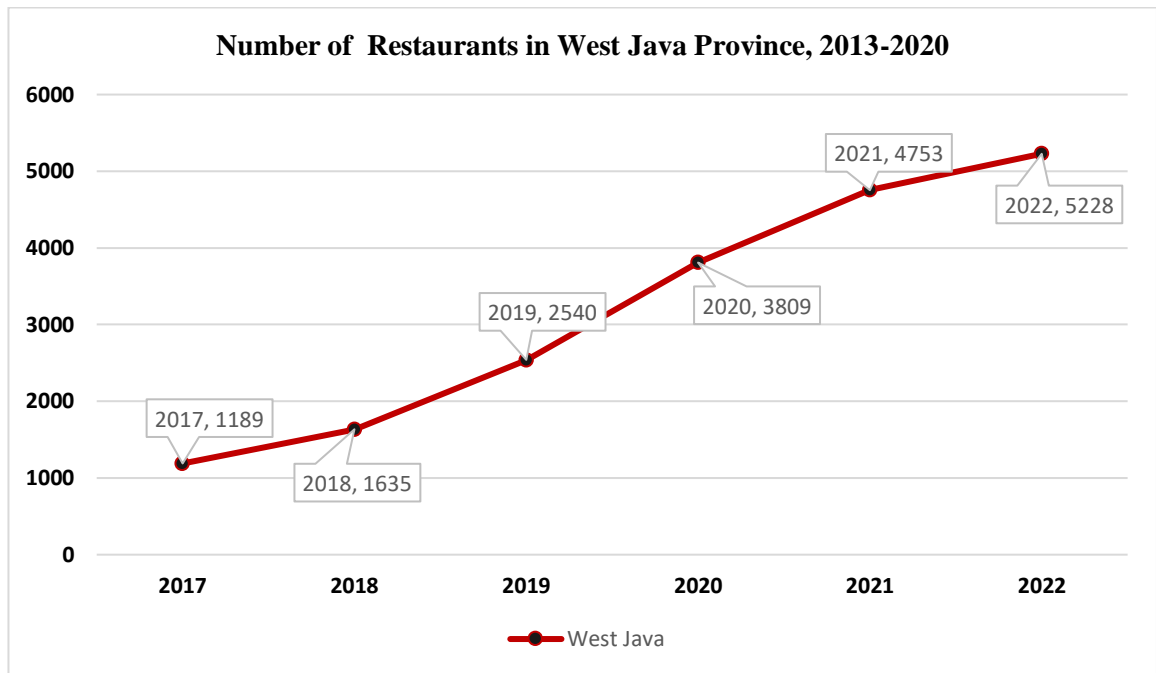
*source : opendata.jabarprov.go.id, 2023*

Overall, the number of domestic and international tourists has fluctuated from year to year. The number of domestic tourists tends to be higher than international tourists in West Java province every year. There was a significant

decrease in the total number of tourists in 2020, possibly due to the impact of the COVID-19 pandemic affecting the tourism industry globally. In 2021 and 2022, there will be an increase in the total number of tourists, but it will still be below the pre-pandemic level. Domestic travelers have an important role to play in supporting the tourism industry, especially during a pandemic when international mobility is limited. International audiences remain an important factor in tourism growth and their role is expected to increase again as the industry recovers and borders open.

Along with the times, humans are increasingly busy with their work, they are required to always be busy in their activities so they tend to choose practical things by eating in restaurants rather than cooking at home themselves. Thus indirectly the needs and desires of consumers also change. This phenomenon can be captured by some people who later set up a business in the service of providing food or restaurants. Changes in people's lifestyles that tend to be consumptive, accompanied by an increase in people's purchasing power, have led to a shift in consumptive patterns accompanied by an increase in people's purchasing power and a shift in consumption patterns that have led to an increase in the intensity of the community in buying food and drinks in restaurants. (Gajjar, 2013)

The development of restaurants is growing rapidly in Indonesia especially in West Java Province. It is evident from the data obtained through the BPS (*Badan Pusat Statistika*) which shows that there is an increase in the growth of number of restaurants in 2013 - 2020. This can be seen from the data on the growth of number of restaurants in Bandung District in figure 1.1 as follows :



**Figure 1.3 Number of Restaurants in West Java Province, 2017-2022**

*source : BPS (Badan Pusat Statistika), 2023*

Which can be seen in the data presented in figure 1.1 above, the restaurant industry in West Java has experienced significant development. The data obtained shows that the number of restaurants continues to increase from year to year. In 2017, there were 1,189 restaurants in West Java. This figure experienced a significant increase in 2018, with the number of restaurants reaching 1,635. Then, in 2019, the number of restaurants again experienced an even greater increase, reaching 2,540 restaurants. However, the most notable increase occurred in 2020. In that year, the number of restaurants in West Java reached 3,809, indicating very rapid growth in this industry. This could indicate an increasing interest from the public towards culinary and places to eat in this region. The trend of increasing the number of restaurants continued in the following years. In 2021, the number of restaurants in West Java will reach 4,753, indicating continued growth. And in 2022, the number of restaurants will increase again to 5,228, confirming West Java's position as one of the fastest growing culinary destinations.

Development of science and technology not only impact education sector, but also impact the economic and cultural sector. The cultural changing is also

inevitable. With the development of the district of Bandung, it also supports the development of the restaurant and restaurant industries that have been operating to this day. With the increasing number of restaurants and restaurants in Bandung, the competition level of the restaurant and restaurant industry is getting tighter. (Pratminingsih et al., 2018)

In order for customers to feel satisfied with the products or services sold by the company, effective marketing steps are needed, one of which is to understand and know consumer behavior as measured through the activities, interests and opinions of consumers. Understanding consumer behavior and recognizing customers is not a simple matter. Customers may express their needs and wants but act the opposite. These customers do not understand their motivations any deeper. They are more likely to respond to influences that change their minds at the last minute of the buying process. (Kotler et al., 2016)

Bandung District can be an option in a vacation, the reason is that there are many tours that can be visited in Lembang, ranging from nature tourism to culinary tours. One of the mandatory tours that must be visited when arriving in Lembang is culinary tours. Moreover, if you intend to travel to Lembang, West Bandung District, there are many choices of affordable culinary places. According to (Gajjar, 2013) not only that, the Lembang area really attracts visitors to come there. There is also a culinary spot that also presents natural panoramas that spoil the eye. So that many visitors who come not only from Bandung and its surroundings, even from outside West Java also come just to enjoy the cool air and the scenery there.

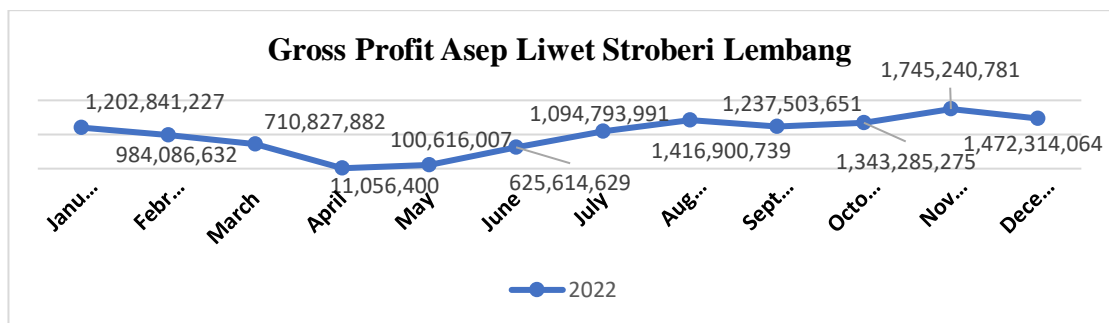
In Bandung, precisely in Lembang which became tourist destination, there are various restaurants that provide natural or natural concepts as their signature. The food menu offered has something in common, namely traditional West Java food and each restaurant has its own signature menu. Restaurants located in the Lembang area and often become traditional culinary destinations are Kampung Daun, Dusun Bambu and Liwet Asep Stroberi Lembang. That three restaurants became competitors rated from the concept displayed (nature), and having traditional food menu that became the signature of the three restaurants. However,

these restaurants, which are located in Lembang, Bandung, have differences in price segmentation where Dusun Bambu and Kampung Daun have a high price range on the food menu and target middle and upper consumers while Liwet Asep Strawberry Lembang has a food price range that can touch various economic strata of the community and continue to provide high quality both in service, place design, quality of food served and cleanliness. Where do we know that during the Covid-19 period there were health protocols regulated by the government, and among its competitors it was stated by Mr. Tata as the operational and development management of Liwet Asep Strawberry, that this restaurant is at the forefront of following health protocols and providing complete health protocols. This is evidenced by the assessment of high health protocol compliance by the West Java government towards the Liwet Asep Strawberry restaurant itself. This is targeting consumers who have different habits since the Covid-19 pandemic, consumers have the characteristics of choosing a clean restaurant and following health protocols properly to maintain the health and safety of consumers. This is what makes researcher choose Liwet Asep Strawberry Lembang restaurant as the object of this research.

Liwet Asep Stroberi or often called Astro is one of the legendary Sundanese restaurants. In West Java, Asep Stroberi Restaurant is located in Nagreg, Kadungora, Cimaragas, Tarogong, 3 branches in Tasikmalaya, Ciawi, Singaparna, Cicaleng, Lembang and Ciater. Nasi Liwet is the mainstay of the restaurant at Astro. Accompanied by the main course of processed carp, chicken and selected meats, this main menu differs from other restaurants as the main courses are combined with a variety of fresh vegetables, sudden chilli sauce, hearty mendona temp, soft fried tofu and peda. roast delicious. Food is served on a serving tray with a hot Liwet castor.

Liwet Asep Stroberi Lembang Restaurant is a eating place that contains the idea of lesehan with a herbal and herbal sense of the countryside. With exclusive standards among luxurious eating places withinside the metropolis of Bandung. Different from different eating places, which prioritize present day in preference to conventional menus. But this eating place nonetheless prioritizes matters starting

from the flavor of conventional meals, serving conventional meals the usage of conventional locations which includes baskets, serving plates fabricated from rattan and bamboo, and the dominant room layout is out of doors and fabricated from bamboo and wood. Liwet Asep Stroberi Lembang Restaurant keeps to apply its advertising and marketing approach to draw clients to stay generous. In marketing the product, restaurant management has implemented various policies in order to stimulate consumers to buy so that the sales volume can be increased. The following is a table of data on the number of consumers per month in 2022:



**Picture 1. 4 Gross Profit Asep Liwet Stroberi**

*source : Restaurant personal data, 2023*

Based on the table above, it is explained that in calculating the number of consumers, Asep Liwet Stroberi Lembang calculates based on the number of invoices or receipts it receives per month. From the data above, it can be concluded that the number of consumers of Liwet Asep Stroberi Lembang Restaurant has fluctuated every month, generally the increase in the number of consumers occurs during holidays. The significant increase in total income is also in line with the increase in the number of consumers in the last 3 months. Therefore, according to (Mothersbaugh & Hawkins, 2016) knowledge about consumer behavior in making purchases as well as consumer desires is needed for marketers and is important for the survival and development of the company. In addition, consumer behavior affects purchasing decisions, so that purchasing behavior affects the increase in the number of consumers and automatically increases the amount of income.

The American Marketing Association in Peter and Olson (2013) defines consumer behavior as the dynamics of interaction between influence and



awareness, behavior and the environment in which people exchange aspects of life. According to Kotler and Keller (2012), the factors influencing consumer behavior are cultural, social, personal and psychological. These factors are the basis for determining whether someone will make a purchase.

The number of traditional restaurant businesses in Indonesia coupled with competition from western restaurants and fast food from abroad requires local entrepreneurs to face a competitive situation. A good quality restaurant in terms of physical or place, service and of course the taste of the cuisine requires marketing so that product sales can generate profits. Marketing allows business owners to understand customer wants and needs so that restaurant business owners can provide something according to customer wants and needs, then good pricing allows restaurants to be in demand by consumers because they have competitive prices. The success of the product in the market is also determined by the restaurant entrepreneur's ability to communicate the product to consumers and potential consumers through promotions. (Syafirah et al., 2017)

Said by (Salmah, 2019) understanding consumer behavior is a company challenge for both producers and distributors. This understanding will have an impact on the accuracy of consumer behavior analysis. Several factors that can influence consumer behavior include cultural, social, personal and psychological factors. Companies are required to monitor consumer behavior and changes in consumer behavior in making and making purchasing decisions, thus companies can produce and market their products effectively. The number of restaurant businesses in Indonesia, especially in Lembang, provides an opportunity for consumers to choose a restaurant that they feel is right so that competition in the restaurant industry is getting tougher. Asep Liwet Stroberi Lembang as one of the traditional restaurants that serves liwet as its signature food also enliven the traditional restaurant market in Lembang.

The tight competition causes companies to need to know and understand consumer buying patterns based on understanding consumer behavior so that they can implement the right strategy so that products are produced and marketed.

Culture is the most fundamental cause of a person's desires and behavior. Many subcultures form important market segments, and marketers often design products and marketing programs tailored to consumer needs. Cultural influences can have an unconscious effect on society. Cultural influences are so natural and automatic that their influence on behavior is often taken for granted. When a person is confronted with a society that has a different culture, values and beliefs than they do, they recognize it. Then there will be an appreciation of the culture that you have when someone is in front of another culture. (Keren & Sulistiono, 2019)

Many factors that influence consumer behavior in purchasing decisions are cultural, social, personal and psychological. Asep Liwet Strawberry Traditional Restaurant Business in Lembang must pay attention to consumer behavior factors so that they are not less competitive with other traditional restaurant businesses, especially in Lembang. Most of them are factors that cannot be controlled by marketers, but must be really taken into account and these factors influence consumer buying behavior in making purchasing decisions.

The term consumer behavior is defined as the behavior that consumers engage in seeking, buying, using, evaluating, and disposing of products and services that they expect to meet their needs. Consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items, including what they buy, why they buy, when they buy it, where they buy it, with what, how often they buy it, how often they use it, how they rate it after purchase and how those ratings affect future purchases and how they dispose of it. Two different types of consumers: the personal consumer and the organizational consumer. Consumer Buys goods and services for personal use, home use, or as a gift for a friend. Products are purchased for end use by individuals referred to as end users or end consumers. (Mothersbaugh & Hawkins, 2016)

Each individual consumer has a different behavior. Changes in the behavior of each individual can greatly affect the emergence of demands such as for Liwet Asep Stroberi Lembang to provide quality food, pleasant facilities as well as

economical and affordable prices for all groups. According to (Kotler & Armstrong, 2018a), consumer behavior is the study of how individuals, groups and organizations choose, buy, use, and how goods, services, ideas, or experiences satisfy their needs and desires. The behavior of consumers who decide to make purchases at the Asep Liwet Stroberi Lembang restaurant as a restaurant that provides authentic Sundanese food. Apart from understanding consumer behavior, another factor that is felt to be important is understanding the consumer's decision-making process. Where in the process there are several stages, namely problem recognition, information search, alternative evaluation, purchasing decisions and post-purchase behavior.

Another possibility according to (Schiffman & Wisenbit, 2015) is that a consumer is dissatisfied with his or her current brand of restaurant. On the next trip to Lembang, Bandung, the consumer inspects other brands and selects one that promises to get good foods and restaurant concepts. In this example, a change in affect and perception (dissatisfaction) led to a change in the consumer's environment (visiting different brands), which led to a change in behavior (purchasing a different brand). Although change can also occur in other ways, these examples serve to illustrate a consumer perspective, namely that consumption processes not only involve a dynamic and interactive system, but are also a two-way system. In a reciprocal system, each of the elements can be a cause or a Each of the elements can be the cause or effect of a change at a given point in time. Affect and cognition can alter the consumer's behavior and environment.

Based on the description above, this research involves an in-depth exploration of the factors that influence consumer purchasing decisions at the Asep Strawberry Lembang Restaurant. The restaurant has become a focal point in the local culinary industry due to its solid reputation for serving dishes with unique and varied flavors. In the midst of increasingly fierce competition in the food and beverage market, a thorough understanding of consumer preferences and behavior is the key to maintaining and increasing market share. In this context, this research aims to investigate various aspects that influence consumer purchasing decisions.

The questions asked in this research include taste quality, product variety, presentation consistency, ingredient quality, price, service, promotion and consumer experience. A deep understanding of these variables is expected to provide valuable insights for restaurant owners in formulating effective strategies to improve service quality, expand customer base, and maintain competitiveness in a dynamic market. Through this research, it is hoped that significant patterns and trends in consumer behavior can be found, so that restaurant owners can optimize marketing strategies, develop new products that suit market needs, and increase overall customer satisfaction. Thus, the authors put it in a final project entitled "**The Influence Of Consumer Behavior On Purchase Decisions At Liwet Asep Stroberi Restaurant In Bandung**".

### **1.3 Problem Statement**

Based on the description mentioned in the research background, the following problems can be formulated:

1. How does the influence of service quality to purchasing decision at the Liwet Asep Strawberry Restaurant in Bandung?
2. How does the influence of customer experience to purchasing decision at the Liwet Asep Strawberry Restaurant in Bandung?
3. How does the influence consumer behavior purchasing toward decisions at the Liwet Asep Strawberry Restaurant in Bandung?

### **1.4 Research Objectives**

1. To determine the influence of service quality to purchasing decision at Liwet Asep Strawberry Restaurant in Bandung.
2. To determine the influence of customer experience to purchasing decision at Liwet Asep Strawberry Restaurant in Bandung?
3. To determine the influence of consumer behavior toward purchasing decisions at Liwet Asep Strawberry Restaurant in Bandung?

### **1.5 Research Benefit**

This research is expected to provide the following benefits:

- a) Academic Aspect

This research is contributed to the Faculty of Economics and Business at Telkom University, particularly the International ICT Business program, with the aim of providing valuable insights and serving as a valuable resource for future research in this field. The findings of this study can be utilized as a reference and reading material for researchers conducting similar studies in the future

b) Practical Aspect

This research is expected to provide input for parties who need knowledge regarding the influence of consumer behavior on purchasing decisions at Liwet Asep Stroberi Restaurant.

### **1.6 Final Task Writing Systematics**

The systematics used in writing this thesis aims to provide guidance and an overview of the contents of the material to be discussed. Therefore, the authors arrange this systematics in the following order

**a. CHAPTER I INTRODUCTION**

This chapter describes the general description of the research object, background, problem formulation, research questions, research objectives, scope and research systematics.

**b. CHAPTER II. LITERATURE REVIEW AND RESEARCH SCOPE**

This chapter describes the theories related to the problems discussed in the research, previous research, research framework and research hypotheses.

**c. CHAPTER III. RESEARCH METHODOLOGY**

This chapter describes the approaches, methods and techniques used in collecting and analyzing data. This chapter includes descriptions of research types, operational variables, research stages, population and sample, data collection, and data analysis techniques.