

CHAPTER II

LITERATURE REVIEW

2.1. Consumer behavior

The marketing concept teaches that companies which create products / services must always be consumer oriented. In this case the company should determine the basic needs of buyers who will be served, measure, assess, and interpret the desires, attitudes, and behaviors of consumers. For that purpose it is necessary to an adequate understanding of consumer behavior. Consumer behavior is the activity of individuals who are directly involved in obtaining and using goods and services, including the decision-making process of preparation and determination of these activities.

2.2. Service quality

According to Sylvie Liosa, JL. Chandon and C. Orsingher explained that "Service quality is defined as consumer valuation of services provided by organizations" in Purbasari and Purnamasari (2018). Whereas added by Parasuraman, Zeithaml, and Berry "service quality is a comparison that consumers expect from the service they receive" in Purbasari and Purnamasari (2018). From the understanding of various experts it can be understood that the community in providing an assessment of service quality is based on a comparison of experience that has been felt with what is expected of the service. As explained earlier that in an organization, the concept of service quality is a measure of the success of the organization, the success of the organization that is meant by both the business organization and the organization whose task is to provide public services.

Zeithaml states that service quality is determined by two things, namely: expected service and perceived service. Expected service and perceived service are determined by the dimension of service quality which consists of ten dimensions, stated by Liung (2017), namely:

(1) Tangibles - Appearance of physical facilities, equipment, personnel, and communication materials; (2) Reliability - Ability to perform the promised service dependably and accurately; (3) Responsiveness - Willingness to help customers and provide prompt service; (4) Competence - Possession of required skill and knowledge to perform service; (5) Courtesy - Politeness, respect, consideration and friendliness of contact personnel; (6) Credibility - Trustworthiness, believability, honesty of the service provider; (7) Feel secure - Freedom from danger, risk, or doubt; (8) Access - Approachable and easy for contact; (9) Communication - Listens to its customers and acknowledges their comments. Customers informed in a language they can understand; and (10) understands the customer - Making the effort to know customers and their needs.

Understanding the above implies that measuring the quality of service has ten dimensions, namely tangible (visible / touchable), consisting of physical facilities, equipment, personnel and communication; Reliable (reliability), consists of the ability of the service unit to create a promised service properly; Responsiveness (response), willingness to help consumers responsible for the quality of services provided; Competence (competent), its demands, a good knowledge and skills by personnel in providing services; courtesy (friendly), attitudes or behavior of the realm, friendly, responsive to the desires of consumers and would make contact or personal relationships; Credibility (trustworthy), fairness in every effort to attract

public confidence; Security (feel safe), services provided should be free from danger and risks; Access, there is the ease of establishing contact and approach; Communication, a willingness to listen to the voice service provider, wishes or aspirations of customers, as well as the willingness to constantly deliver new information to the public; and understanding the customer, make every effort to understand the needs of customers. From the ten dimensions of service quality Zeithaml et. al in Suatmodjo (2017) simplified into five dimensions :

(1) Tangibles - Appearance of physical facilities, equipment, personnel, and communication materials; (2) Reliability - Ability to perform the promised service dependably and accurately; (3) Responsiveness - Willingness to help customers and provide prompt service; (4) Assurance - Knowledge and courtesy of employees and their ability to convey trust and confidence; and (5) Empathy - The firm provides care and individualized attention to its customers.

The basis for assessing a quality of service is always changing. What is considered as a quality service today is not impossible to consider as something that is not qualified at the other time. Therefore, an agreement on the quality is very difficult to achieve.

Based on the description above, the quality can be given an understanding as the totality of the characteristics of a product (goods and or services) that supports the ability to meet demand. Quality is often defined as everything that satisfy the customer or in accordance with the requirements or needs.

Quality of service is considered as an significant thing from certain social practices as long as it coincides with a certain position in the social field, the standard set is that the practice of food production and consumption alone

contributes to the refinement over time. The definition of food quality arises empirically from the transformation process of a group of materials made so that food quality can be better (biological, organic, etc.) and can be a guideline for a restaurant to have high food standards.

Quality of service must be functioned properly and according to procedures to establish customer perceptions. Basically, service quality is a service obtained by consumers so that consumers can provide an assessment of the services they get. For key competitive entrepreneurs, they can adjust and meet even exceed the quality desired by consumers, if a service provided is good and as expected, consumers will give a good assessment of the service. In today's business market, it can be assumed that to get a lot of profit lies in high and satisfying service quality. Service is an activity or series of activities that are invisible (inaccessible) that occur as a result of interactions between consumers and employees or other things provided by the service provider company that are intended to solve consumer / customer problems, stated by Prastiwi (2018). In fact, it can be focused on the ways in which different subjects or objects (as suggested by the Actor-Network theory) in various fields of practice compete for authority (as highlighted by the Convention theory) to define the actual character. The purpose of the institutionalization process in the field of practice of food production and consumption is to empower and weaken certain resources, which is a mixture of human and non-human assets.

2.3. Customer satisfaction

According to Hill, Brierley and MacDougall in Tjiptono and Chandra (2016) customer satisfaction is a measure of the performance of an organization than its

total product range of customer requirements. Customer satisfaction is not an absolute concept, but a relative or depending on what the customer expects. Operationalization of measurement of customer satisfaction can use a number of factors, such as expectations, importance, performance, and ideal factors. Nevertheless, a customer satisfaction measurement technique most often used is the "Importance of performance analysis" by Tjiptono and Chandra (2016), which uses the importance ratings and performance ratings".

Customer satisfaction measurement is done by a variety of purposes as stated by Tjiptono and Chandra (2016), including:

1. Identify customer requirements (importance ratings), namely aspects that are considered important by the customer and influence whether is satisfied or not.
2. Determine the level of customer satisfaction with organizational performance on important aspects.
3. Comparing the level of customer satisfaction with the company's customer satisfaction rate against other organizations, both direct and indirect competitors.
4. Identifying PFI (Priorities for improvement) through the analysis of the gap between the scores of importance and satisfaction.

Measuring customer satisfaction index of refraction can be a reliable indicator in monitoring the progress of the development over time.

According to Kotler and Keller (2016), marketing mix is a set of marketing tools that companies use to continuously achieve their marketing goals in the target market. So the purpose of Marketing Mix is a marketing strategy that explains

how to sell a product as effectively as possible so that it matches the goals and targets.

2.3.1. Repurchase intentions

Repurchase intention is a behavior that appears as a response to an object. Intention is the result of a person's behavior before doing an action, which can be used as a basis for predicting the behavior of these actions, as stated by Riorini (2016). The intention to reuse goods or services is a reflection that the services offered by the company are of a quality so that customers feel satisfied. According to Schiffman and Kanuk Wissenblitz: research methodologies, repurchase or reuse usually indicates that the product meets the customer's agreement and the customer is willing to use it again which is in line with Dwipayana's study (2018). In the decision-making model, the decision making process by consumers to purchase a product begins with an awareness of meeting needs and desires. Furthermore, consumers will find information about the existence of the desired product. This information seeking process will be carried out by gathering all information related to the desired product. From various information obtained by consumers, they select the available alternatives. By using various criteria in the minds of consumers, one brand of product is chosen to be purchased.

2.4. Hypothesis

2.4.1. Effect of delivery price to the satisfaction

Delivery price is another important attribute. It cannot be denied that prices are one of the important factors for a customer in purchasing both goods and services. Competitive prices will have an effect on attracting customers to

order food. Research by Sukawati (2018) found that price perceptions have a positive and significant effect on customer satisfaction. Research conducted in Makassar showed that low price perception together with ease to search price through Internet and price to product quality compatibility will have a positive effect on satisfaction. The results of this study are relevant to a previous study conducted by the study by Ghassani (2017). The study shows that the price variable has a significant relationship with the variable of repurchase interest through customer satisfaction. Based on this, the researcher will submit the 1st hypothesis, as follows:

H1: There is a positive effect of delivery prices on satisfaction.

2.4.2. Effect of service quality on satisfaction

Gopinath (2016) mentions that interactions which occur during service delivery have a strong influence on perceptions of service quality. This is in line with statement from Menshah (2018) in which he stated that in results of his study service quality has a partially significant effect on repurchase interest with the existence of customer satisfaction as a mediating variable. The results of this study are in line with the research of Basrah Saidani and Samsul Arifin (2012) that indirectly customer satisfaction can strengthen repurchases interests. This shows that product quality and high customer satisfaction can increase consumers' repurchasing interest. There are several attributes in customer expectations regarding customer's decision to use Go-Food, namely: speed and accuracy in food delivery. Based on this, the researcher will submit the second hypothesis, as follows:

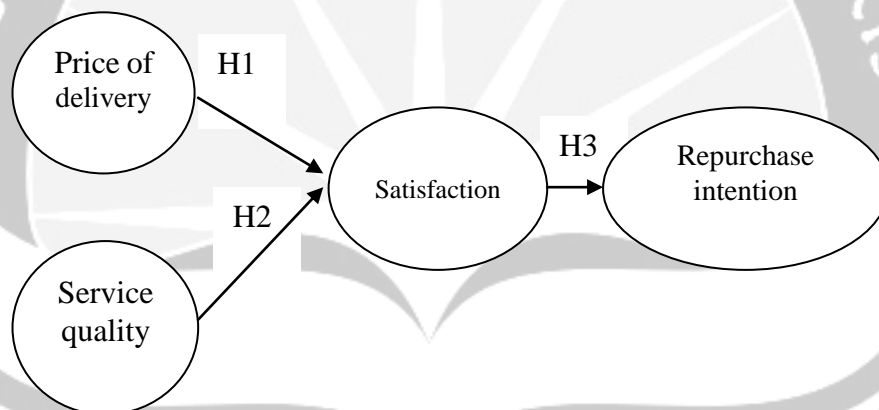
H2: There is a positive effect of service quality on satisfaction.

2.4.3. Effect of satisfaction on repurchase intention

The research conducted by Purbasari and Purnamasari (2018) showed that there is influence on service quality and satisfaction with repurchases both directly and indirectly. The study suggests that overall customer satisfaction on services that have been received will have a strong influence on consumer behavior intentions to use the same company service in the future. This shows that the contribution of the satisfaction variable has a positive effect. From this, the hypothesis taken is as follows:

H3: There is a positive effect of satisfaction on repurchase intention.

2.5. Framework research



Source: Purbasari dan Purnamasari (2018)

Figure 2.1.

Research Framework