# THE INFLUENCE OF SERVICE QUALITY, PRODUCT QUALITY AND PROMOTION TOWARDS MISS POE VIETNAM EATERY'S CONSUMER LOYALTY AT GWALK SURABAYA

**Jessica Laurentia[1], J. E. Sutanto[2], Michael Ricky Sondak[3]**
Culinary Business, Universitas Ciputra Surabaya[1,3]
Magister Management Universitas Ciputra Surabaya[2]
Email: *jlaurentia@student.ciputra.ac.id[1]* , *je.sutanto@ciputra.ac.id[2]* , *michael@ciputra.ac.id[3]*

**Abstract:** This research entitled "The Influence of Service Quality, Product Quality and Promotion Towards Miss Poe Vietnam Eatery's Consumer Loyalty at Gwalk Surabaya" has three objectives, namely: (1) Knowing the influence of service quality towards Miss Poe Vietnam Eatery's consumer loyalty, (2) Knowing the influence of product quality towards Miss Poe Vietnam Eatery's consumer loyalty, (3) Knowing the influence of promotion quality towards Miss Poe Vietnam Eatery's consumer loyalty. Miss Poe Vietnam Eatery is a business that is engaged in food that offers Vietnamese food. This study uses quantitative methods. The population in this study are all consumers who have bought Miss Poe Vietnam Eatery products more than once. The sample in this study amounted to 170 respondents. Data was collected using a questionnaire that distributed online. In this study, the data obtained was processed using multiple linear regression analysis using the SPSS program as a tool. The results of this study are: (1) service quality has a significant effect on Miss Poe Vietnam Eatery's consumer loyalty. (2) product quality has a significant effect on Miss Poe Vietnam Eatery's consumer loyalty. (3) Promotion has a significant effect on Miss Poe Vietnam Eatery's consumer loyalty.

**Keywords:** *Service Quality, Product Quality, Promotion, Consumer Loyalty.*

## 1. Introduction

The development of an advanced era has an influence in the business world including culinary business. The increase in the food and beverage industry makes it increasingly difficult for sellers to sell their goods and services. Based on data taken from Menteri Perindustrian Airlangga Hartanto, it can be seen that there is an increase in the number of businesses every year in the food and beverage sector.

Figure 1.1 Culinary Business Growth Rate in 2017-2019

| Year | Growth (%) |
|------|------------|
| 2017 | 8.5 |
| 2018 | 7.91 |
| 2019 | >9 |

Source: Processed Data from Menteri Perindustrian Airlangga Hartanto (2019)

As seen from Figure 1.1 it is clear that the level of culinary business increases every year causing the demand and competitors in culinary business also increase. This increase in the food and beverage industry makes it increasingly difficult for sellers to sell their goods and services. According to Aramita (2018) companies that are able to compete are those who can preserve their customer to make them loyal.

Consumer loyalty is something that is very important for companies to maintain the consistency of the continuity of their business activities. When consumers are satisfied with certain products and services, consumers will subconsciously become a loyal consumer. According to Hasan (2014:104) loyalty is a favourable attitude towards a brand that is presented in the purchase in the long term (over time) consistently.

Researchers have also conducted a pre-survey to 30 people in Surabaya related to food product purchasing decisions, the results showed that service quality (67.6%), product quality (83.9%), promotion (51.6%), location (19.4%) and price (48.4%). These five things are taken into consideration in making food product purchasing decisions. Based on the research stated above, it shows that service quality, product quality and promotion certainly have an effect on consumers making purchases.

According to Sunyoto (2012:23) service is an intangible action towards consumer given from employee. According to Maziriri (2017:45) product is the overall product features that meet consumer needs. According to Daryanto (2011:94) promotion is a one-way flow of information or persuasion created to direct a person or organization to an exchange-creating action in marketing.

Miss Poe Vietnam Eatery is a small business that offers Vietnamese food. Miss Poe Vietnam Eatery opened its first restaurant at Gwalk Citraland Surabaya in May 2018. Miss Poe Vietnam Eatery has the vision to make consumers feel nostalgic as if they are in Vietnam and to feel the authenticity of Vietnamese food.

With the development of the new era, each brand including Miss Poe Vietnam Eatery continues to provide innovation to attract every consumers. The essence of a brand is not only limited to introducing a brand to one consumer or another and to make consumer a loyal consumer, companies need to make a great business concept for instance be able to build awareness, provide good service quality, provide product quality, a strategic location, and affordable price. According to Miss Poe Vietnam Eatery's business owner there were few problems that she cannot afford to do so for instance service quality provided were too slow, the taste of the products were unstable, business's owner cannot afford to handle the promotion of the business. Therefore, this study wanted to find out whether these 3 things affect consumer purchasing decisions so that the title of the research taken is "The Influence of Service Quality, Product Quality, and Promotion Towards Miss Poe Vietnam Eatery's Consumer Loyalty at Gwalk Surabaya".

## 2. Research Method

This study uses quantitative research methods to obtain the final results of the study. According to Arikunto (2013:27) quantitative research is research that uses numbers in data collection, appearance and interpretation This study obtained data in the form of numbers obtained through respondents. According to Sugiyono (2017:80) quantitative research methods are used to examine certain populations or samples, data collection uses research instruments that aim to test predetermined hypotheses. The population in this study were the consumers of Miss Poe Vietnam Eatery who made transactions more than once. According to

Ul'fah Harnaeny (2021:33) The population is a group of people whose data will be taken which will be the source of data in a study.

To obtain a research sample, the ideal sample to obtain data has a value of 5 to 10 times the number of indicators in the study Hair (2014:176). Researchers used a maximum value of 10 to determine the sample in this study, so the sample to be obtained was 17 x 10, namely 170 samples because in this study there were 17 indicators. In this research, the writer uses purposive sampling technique because the criteria that must be met by the respondent is that the respondent has made a minimum transaction of three times at Miss Poe Vietnam Eatery.

Software in the form of IBM SPSS (Statistical Program for Social Science) Statistics for Windows version 23 is used by researchers as a tool to analysed data so that data measurements are carried out more accurately. "The function of SPSS is to analyses statistical data and can be used by most data files and is able to make reports in the form of graphs, tabulations, and plots for various descriptive statistics and distributions" According to Kristanto (2015: 87).

## 3. Results and Discussion

3.1 Result

The subjects in this study were the consumers of Miss Poe Vietnam Eatery who made transactions more than once. In this study, the independent variables are service quality, product quality, and promotion, while the dependent variable is consumer loyalty.

**Table 3.1 Characteristics of Respondents**

| Variable | | Frequency | Percentage |
|---|---|---|---|
| Gender | Men | 60 | 34,9 |
| | Women | 110 | 65.1 |
| Age | 18-24 year | 111 | 65.1% |
| | 25-29 year | 33 | 19.53% |
| | 30-34 year | 6 | 3.6% |
| | 35-40 year | 10 | 6% |
| | >40 year | 10 | 6% |

Source: Processed Data (2022)

As seen on Table 3.1 that there are 170 respondents, of which 23 male respondents are and 110 female respondents. In terms of age, there is a percentage of 65.1% age range 18 years to 24 years, 19,3% age range 25 years to 29 years, 3.6% age range 30 years to 34 years, 6% age range 35 years up to 40 years. and 6% age range >40 years.

**Table 3.2 Service Quality Descriptive Statistical Test Results (X1)**

| Variable | N | Minimum | Maximum | Mean | Standard Deviation |
|---|---|---|---|---|---|
| X1.1 | 170 | 1 | 4 | 2.9941 | 0.9999 |
| X1.2 | 170 | 1 | 4 | 2.9765 | 0.9848 |
| X1.3 | 170 | 1 | 4 | 2.8176 | 1.0415 |
| X1.4 | 170 | 1 | 4 | 2.9706 | 1.0514 |
| X1.5 | 170 | 1 | 4 | 2.8294 | 1.4035 |

Source: Processed Data (2022)

There are five items above. X1.1 value has an average value of 2,994 ≈ 3, and then to X1.2 has an average value of 2.9765 ≈ 3, and then to X1.3 has an average value of 2.8176 ≈ 3 and then to X1.4 has an average value of 2.9706 ≈ 3 and then the last item that is X1.5 has

an average value of 2.8294 ≈ 3. This means that the average value obtained on each item variable the price has an average value of 3, so this shows that each item of the service quality variable on average will have respondents who say they agree.

**Table 3.3 Product Quality Descriptive Statistical Test Results (X2)**

| Variable | N | Minimum | Maximum | Mean | Standard Deviation |
|---|---|---|---|---|---|
| X2.1 | 170 | 1 | 4 | 2.8059 | 0.9626 |
| X2.2 | 170 | 1 | 4 | 2.8235 | 1.0050 |
| X2.3 | 170 | 1 | 4 | 2.8588 | 0.9377 |
| X2.4 | 170 | 1 | 4 | 2.6941 | 1.0207 |
| X2.5 | 170 | 1 | 4 | 2.7882 | 1.015 |

Source: Processed Data (2022)

Based on Table 3.3 above, we can see that the product quality variable is measured by 5 items. Value X1.1 has an average value of 2.8059 ≈ 3, and then to X2.2 has an average value of 2.8235 ≈ 3, and then to X2.3 has an average value of 2.8588 ≈ 3, and then to X2.4 has an average value of 2,6941 ≈ 3 then for the last item that is X2.5 has an average value of 2.7882 ≈ 3. this means that the average value obtained on each item product quality variables has an average value of which is 3, so this shows that every item if the price variable on average will have the respondents said they agree.

**Table 3.4 Promotion Descriptive Statistical Test Results (X3)**

| Variable | N | Minimum | Maximum | Mean | Standard Deviation |
|---|---|---|---|---|---|
| X3.1 | 170 | 1 | 4 | 3.0824 | 1.1327 |
| X3.2 | 170 | 1 | 4 | 2.9117 | 1.1809 |
| X3.3 | 170 | 1 | 4 | 2.9647 | 1.1761 |

Source: Processed Data (2022)

Based on Table 3.4 above, we can see that the lifestyle variable is measured by 3 items. Value X3.1 has an average value of 3.0824 ≈ 3, and then to X3.2 has an average value of 2.9117 ≈ 3, then for the last item that is X3.3 has an average value of 2.9647 ≈ 4. this means that the average value obtained on each item promotion variables has an average value of which is 3, so this shows that every item if the price variable on average will have the respondents said they agree.

**Table 3.5 Consumer Loyalty Descriptive Statistical Test Results (Y)**

| Variable | N | Minimum | Maximum | Mean | Standard Deviation |
|---|---|---|---|---|---|
| Y.1 | 170 | 1 | 4 | 3.1882 | 0.8355 |
| Y.2 | 170 | 1 | 4 | 3.2294 | 0.9359 |
| Y.3 | 170 | 1 | 4 | 3.4117 | 1.0746 |
| Y.4 | 170 | 1 | 4 | 3.3235 | 1.0580 |

Source: Processed Data (2022)

Based on Table 4.5 above, we can see that the consumer loyalty variable is measured by 4 items. The first is the value of Y1 has an average value of 3.1882 ≈ 3, and the second is Y2 has an average value of 3.2294 ≈ 2, and the third is Y3 has an average value of 3.4117 ≈ 3 , and the latter is Y4 have an average value of 3.3235 ≈ 3. this means that the average value of which was taken on any item above variables have an average value is 3, so this shows that consumer loyalty if on average there will be respondents who say they agree.

### 3.2 Discussion
### 3.2.1 The Influence of Service Quality Towards Consumer Loyalty
Based on the research above, service quality has a significant influence on Miss Poe Vietnam Eatery's consumer loyalty. So the statement that service quality is determined by the consumer loyalty is acceptable and the answer can be found in this study. The better quality of the service increases the possibility that consumer will be loyal. This decision is supported by Dyatmika (2021) that a good service quality increases consumer's loyalty and by Sari Atul dkk (2017) that there is a positive relation between good service and consumer loyalty. So the results obtained are that Miss Poe Vietnam Eatery has provided an appropriate service and can compete with other food products so that it can attract consumer's loyalty.

### 3.2.2 The Influence of Product Quality Towards Consumer Loyalty
Based on the research above, product quality has a significant influence on Miss Poe Vietnam Eatery's consumer loyalty. So the statement that product quality is determined by the consumer loyalty is acceptable and the answer can be found in this study. The better quality of the food increases the posibility that consumer will be loyal. This decision is supported by Hudaya *dkk* (2021) that a good product quality increases consumer's loyalty and also supported by Sari Atul dkk (2017) that there is a positive relation between good product and consumer loyalty. So the results obtained are that Miss Poe Vietnam Eatery has provided an appropriate food and can compete with other food products so that it can attract consumer's loyalty.

### 3.2.3 The Influence of Promotion Towards Consumer Loyalty
Based on the research above, promotion has a significant influence on Miss Poe Vietnam Eatery's consumer loyalty. So the statement that promotion is determined by the consumer loyalty is acceptable and the answer can be found in this study. The better promotion provided by the company increases the posibility that consumer will be loyal. This decision is supported by Woen *dkk* (2021) that a good product quality increases consumer's loyalty and also supported by Muslimin *dkk* (2021) that there is a positive relation between good promotion and consumer loyalty. So the results obtained are that Miss Poe Vietnam Eatery has provided an appropriate promotion and can compete with other food products so that it can attract consumer's loyalty.

### 4. Conclusion
Based on the results of research that has been done, the conclusions obtained are:
1. Variable X1 that is Service Quality has an influence on consumer loyalty so that the first hypothesis can be accepted.
2. Variable X2, namely Product Quality has an influence on consumer, the second hypothesis is accepted.
3. The X3 variable, namely Promotion, has an influence on consumer so that the third hypothesis can be accepted.

Suggestions for further research with the limitations of the existing Covid-19, I suggest that further researchers can maximize theses by interacting with supervisors more, and distributing questionnaires properly so as to obtain maximum results

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