The Influence of Servicescape and Service Encounter on Consumer Emotion, Perceived Service Quality, and Consumer Satisfaction

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Abstract

The emergence of the restaurant allows people to not have to cook for themselves. In restaurant, consumer enable to get some food and beverage to full fill their needs. Recently, many kind of restaurant that offer pleasant service include the interior decoration as well as the exterior are attractive and also put forward the good service by relying on a quality waiter. This kind of service is called as service environment (servicescape and service encounter) where the restaurant offer pleasant servicescape and service encounter to influence positive consumer emotion for satisfying consumer because of the consumer perceived service quality will increase. This new way of pleasant service environment has the potential for greater impact on consumer. Therefore, the aim of this research is to know the effect that servicescape and service encounter in restaurant on consumers’ emotion (pleasure and arousal), perceived service quality, and consumer satisfaction. The research methodology used for this study is a case study with survey research method. Convenience sampling technique derived from non-probability sampling techniques are used for sample selection. The sample of this research is 257, from people who have visited Warunk Upnormal Purwokerto. Statistical software SPSS and AMOS is used to analyze the data. The findings in this area will help Warunk Upnormal Purwokerto and other marketers to reach out its potential customers and align their marketing effort in efficient way by pay attention on the marketing policies about Servicescape and service encounter. The limitations of the research is some respondents not read and answer the question clearly and made it not represent their exact perception.

Keywords

Servicescape, Service Encounter, Pleasure, Arousal, Perceived Service Quality, and Consumer Satisfaction

INTRODUCTION

In Indonesia, the restaurant has an important role in Gross Domestic Profit (GDP). Since 2014, the Indonesian restaurant and food franchise sector has consistently recorded tremendous growth supported by the country’s increased per capita income and the advancement of technology which has underpinned changes in lifestyles, for additional also a study by Nielsen showed that 11% of Indonesian citizens eat out at least once a day; this is higher than the global average of 9% (Global Business Guide Indonesia, 2017). Nowadays, in Banyumas many millennial restaurants with a unique concept has emerged by emphasizing servicescape and service encounter because that type of restaurant plays an important role to drive consumer satisfaction. Results indicate that both the servicescape and the service encounter influence pleasure and satisfaction (Lin and Matilla, 2010). Author suggests that servicescape and service encounter will influence consumers emotion first, and then they will perceive the quality of the restaurant before they feel satisfied.

The topics of servicescape and service encounter have been widely studied in the services literature (Mattilla and Enz, 2002; Jang & Namkung, 2009). According to the notion of Gestalt, both of these components (servicescape and service encounter) should be viewed holistically. In order to be successful, restaurant operators need to create a pleasant servicescape and provide excellent service to their customers (e.g., Morin, Dube, & Chebat, 2007 in Lin and Mattila, 2010). The servicescape is the physical environment of a service organization where the service transaction
occurs; it is composed of numerous elements such as the color, music, scent, and layout and design in a physical environment (Bitner, 1992). Similarly, most services are characterized by service encounters; that is, the interaction between service staff and customers throughout the entire service process.

Customer satisfaction or dissatisfaction results from experiencing a service quality encounter and comparing that encounter with what was expected (Oliver, 1980 in Caruana; Money; and Berthon, 2000). Many studies have addressed the affect, such as emotions, moods, and feeling, has a great influence on post-purchase behavior. It is widely understood that consumers’ purchases are strongly influenced by their emotions. Consumption emotions are important components of customer response and influence customer satisfaction and repeat patronage (Allen; Machleit; and Kleine, 1992; Laverie, Kleine, and Kleine, 1993 in Han, 2005).

Findings indicate that consumers evaluations of service quality in a shopping environment mediate their pleasure and purchase intention (Laroche, Teng, Michon, and Chebat, 2005). Chebat, Filiatrault, and Gdlinas-Cheba (1995) in Lin and Matilla (2010) shows that Mood affects some dimensions of service quality, those related to the personnel in contact; attribution affects the relational dimensions of service quality (personnel's empathy and assurance); mood does not affect the attribution process. Recent research suggests that perceived service quality and satisfaction can be seen as distinct concepts and that perceived service quality precedes satisfaction, which is closely related to the customers’ behavioural responses (Cronin and Taylor, 1992; Liljander and Strandvik, 1995; Oliver, 1993; Parasuraman et al., 1994 in Liljander and Strandvik, 1997).

Perceived service quality is defined as consumers judgment about an entity’s overall excellence or superiority (Parasuraman et al., 1988 in Wang and Jiang, 2006). Authors suggest that perceived service quality has strong impact to satisfaction and influenced by emotion, this statement strengthened by Segoro (2013) that found the perception on service quality has positive direct influence customer satisfaction.

In marketing literature the concept of customer satisfaction is the main outcome of marketing practices and occupies an important position in both theory and practice (Churchill and Surprenant, 1982 in Malik, 2012). Satisfaction is the consumer’s good judgment about pleasure versus displeasure (Moliner; Sanchez; Rodriguez; and Callarisa, 2007 in Malik, 2012).

As a millenial restaurant that put forward pleasant servicescape and service encounter. Depand on interview result from Warunk Upnormal Manager, Warunk upnormal income is around Rp 230.000.000 each month. But this is not big as the first Warunk Upnormal established in banyumas in June 2016. It means the income is decreasing. Based on the concept of Gestalt in Lin and matilla (2010), this study examined the following stimuli: the combined components of a restaurant’s servicescape cues that are already established (e.g., black-colored walls, indonesian background music, etc.) and that customers encounter with the service staff during the service delivery process. At the organism level, the interactive effects of customers pleasure and arousal, and finally, customers response of perceived service quality are investigated before consumers feel satisfy.

To develop previous researches, this research will analyze the influence of servicescape and service encounter on consumer emotion, consumer perceived service quality, and consumer satisfaction.

LITERATURE REVIEW AND HYPOTHESES

Consumer Satisfaction

Kotler (2000) defined satisfaction is a person’s feeling of pleasure or disappointment resulting from comparing a product’s perceived performance in relation to customer expectation. Customer satisfaction also defined here in Oliver’s (1997) terms: that it is the consumer’s fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption-related fulfillment. In other words, it is the overall level of contentment with a service/product experience.

Perceived Service Quality

Parasuraman et al (1985, 1988) in Miigi and Julander (1996) defined perceived service quality as frequently referred to as the comparison between the customer’s expectations and his/her perceptions of the service provider’s performance. Perceived service quality is defined as consumers’
judgment about a business’s overall distinction or dominance (Parasuraman, Zeithaml & Berry, 1988). In simple words, Jiang and Wang (2006) defined it as the consumer’s evaluation of the service performance received and how it compared with their expectation.

Emotion
Emotion is inherent in each individual. Emotions produce an individual’s physiological, subjective, and behavioral response (Weiss, 2002). Cognitive and affective processing constitutes an individual’s emotional notions. The conceptualization of pleasure is known as the preferences of preference, passion, positive action. Pleasure is measured by the assessment of an oral reaction to the environment (happy as opposed to sad, pleasant as opposed to unpleasant, satisfied as opposed to dissatisfied, hopeful as opposed to despairing, and relaxed as opposed to bored).

Arousal, refers to the degree to which a person feels alert, excited, or in an active situation. Arousal is spoken verbally as a report of the respondent, as when stimulated, opposed, or loosened (passionate as opposed to calm, frenzied as opposed to lonely, restless / nervous as opposed to self-confidence). The measurement uses the semantic differential method, and limits the arousal as a state of feeling directly assessed by the verbal report. Several nonverbal measures have been identified that can be linked and actually limit a measure of the arousal in social situations.

Service Encounter
Surprenant and Solomon (1987) define the service encounter as a dyadic interaction between the customer and service provider. Shostack’s (1985) on the other hand takes a much broader view, and encompasses elements beyond the interpersonal (i.e. the service provider employee(s) and the service recipient(s)) element of a service encounter, including physical surroundings and self-service technology.

Servicescape
Servicescape is a model developed by Booms and Bitner to emphasize the impact of the physical environment in which a service process takes place. Servicescape refers to the non-human elements of the environment in which service encounters occur. The servicescape includes the facility’s exterior (landscape, exterior design, signage, parking, surrounding environment) and interior (interior design and decor, equipment, signage, layout) and ambient conditions (air quality, temperature and lighting). In this research, servicescape and service encounter are independent variable pleasure, arousal, perceived service quality, and consumer satisfaction are dependent variable.

As explanation above, therefore researcher create hypothesis as follow:

H1: Servicescape has a positive effect on pleasure.
H2: Servicescape has a positive effect on arousal.
H3: Service encounter has a positive effect on pleasure.
H4: Service encounter has a positive effect on arousal.
H5: Pleasure has a positive effect on perceived service quality.
H6: Arousal has a positive effect on perceived service quality.
H7: Perceived service quality has a positive effect on consumer.

METHODS
This study is a quantitative research with survey method and questionnaires. This survey based on a survey accomplished among people who ever visited Warunk Upnormal. Therefore, this research conduct by using through non-probability sampling. Sample determination method used in this study was convenience sampling method. The primary data was obtained mainly through questionnaires, which disseminated online on the URL goo.gl/forms/QW2kTjMkmyessbe2. And with total of 257 responses were collected. The measurement scale used in this study is Likert scale type. The answer of each instrument using Likert scale with 7 scale have gradations from strongly positive to strongly negative. Furthermore, the questionnaires use multiple choices option to assess the basic information of respondents and respondents’ general behaviour. Furthermore, all of the data which have been collected was analyzed using SEM (Structural Equation Modelling) by using SPSS and AMOS software.

RESULTS AND DISCUSSION
The measurement of data’s research was conducted using AMOS. Table III explains...
the result of goodness-fit test, which indicates the extent to which the specified model reproduces the covariance matrix among the indicator items is well. CFA of Confirmatory Factor analysis is structural equation modeling that deals with the relationships between observed measures or indicators and factors.

| Indices | Cut of Value | Results | Category |
|---------|--------------|---------|----------|
| X²-Chi-Square Probability | <312.663 | 1.039.361 | Marginal |
| CMIN/DF | <2.00 | 1.346 | Good |
| GFI | >0.90 | 0.841 | Marginal |
| AGFI | >0.90 | 0.814 | Marginal |
| TLI | >0.95 | 0.957 | Good |
| CFI | >0.95 | 0.962 | Good |
| RMSEA | <0.08 | 0.037 | Good |

The result summary can be seen in Table 1 shows the result of goodness fitting indexes for the structure model and provides a reasonably good fit for the data 1.039.361 is greater than chi-square table value with degree of freedom n = 257 and alpha = 0.01 of 312.663. Hence, chi-square statistic value within study is accepted in a marginal category because of it produces a probability value of 0.000 is less than α (0.05).

| Indices | Cut of Value | Results | Category |
|---------|--------------|---------|----------|
| x16 <= Service_Encounter | .933 | .069 | 13.532 |
| x15 <= Service_Encounter | 1.130 | .076 | 14.910 |
| x14 <= Service_Encounter | 1.000 | | |
| x1 <= Servicescape | 1.000 | | |
| x2 <= Servicescape | 1.122 | .139 | 8.096 |
| x3 <= Servicescape | 1.055 | .127 | 8.315 |
| x4 <= Pleasure | 1.000 | | |
| x5 <= Arousal | 1.396 | .170 | 8.227 |
| x6 <= Arousal | 1.295 | .156 | 8.310 |

Based on Table 2, it can be seen that the critical ratio values of each indicator in Confirmatory Factor Analysis (CFA) model is greater than 2.0. It shows that each indicator is significant as dimension of the latent factors formed. Thus, it can be stated that each indicator or dimension forming the latent variables of research model have shown unidimensionality.
Table 3. Result Of Hypothesis Test

|                        | CR  | t-table | Result     |
|------------------------|-----|---------|------------|
| Pleasure <- Servicescape | 2.051 | 1.660  | Significant |
| Pleasure <- Service_Encounter | 6.259 | 1.660  | Significant |
| Arousal <- Servicescape  | 2.022 | 1.660  | Significant |
| Arousal <- Service_Encounter | 4.158 | 1.660  | No Significant |
| Perceived_Service _Quality <- Pleasure | 7.546 | 1.660  | No Significant |
| Perceived_Service _Quality <- Arousal | 3.234 | 1.660  | Significant |
| Consumer Satisfaction <- Perceived_Service _Quality | 10.174 | 1.660 | Significant |

CONCLUSION
As an effort to create and increase the consumers’ positive emotion, management needs to make priority on servicescape and service encounter. The organization have to consider about create the exciting design and atmosphere by always maintaining a clean, coloring the store and playing the music in accordance with the clientele targeted, offering and selling the foods & beverages with high quality based on the customers’ preference, improve the consumers’ experience, always increase the service encounter based on customers’ needs and wants, and follow up the consumer complaints quickly and accurately. As an effort to increase the consumers’ perceived service quality, management of Warunk Unormal needs to make priority on consumers’ emotion (pleasure and arousal). Furthermore, as an effort to increase the consumers’ consumer satisfaction, management needs to make priority on perceived service quality.

Refers to the limitations of this study, further research need to choose and add the other independent variables. If possible in theory and practice, further research may develop the research model by using the moderator variable. Further research also need to choose and add the number of respondents that in practically can be implemented the probability sampling method and using the other methods of data collection, such as interview and observation.

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