

# The Effect of Market Segmentation Strategy and Positioning on Customer and Its Impact on Customer Satisfaction on Sundanese Restaurant in Bandung City

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## Abstract

The condition of Sundanese restaurant currently that the development has not been so encouraging, however the competition among restaurant especially Sundanese restaurant with other restaurant is getting tight. Dealing with this competition, the restaurant charged with market segmentation and positioning and expected this restaurant gain a competitive advantage. This study aims to: 1) Determine the perception of respondents regarding the implementation of the market segmentation strategy and positioning in the Sundanese restaurant; 2) The effect of market segmentation implementation for positioning; 3) The effect of market segmentation implementation and positioning on the value of the customer; 4) The effect of the market segmentation strategy implementation, positioning against customer value and customer satisfaction. This study uses a scientific study concerning the management of marketing management particularly marketing strategy. This research is descriptive and verification conducted using survey and explanatory survey method and technique of random sample withdrawal. Data collection techniques were used observation and interviews and distributing questionnaires. The samples are 750 consumers in 100 Sundanese restaurants in Bandung City. Analysis of the data used is the Weighted Mean Score and Structural Equation Model (SEM) that uses the help of LISREL 8.7. The results show that: 1) The implementation of market segmentation strategy affect the positioning; 2) The implementation of the strategy of market segmentation and positioning affect to the value of customers; 3) The implementation of the strategy of market segmentation, positioning and customer value significantly affect to customer satisfaction supported partially between these variables significantly influence.

**Keywords:** Market segmentation, Positioning, Customer value, Customer satisfaction

## 1. Introduction

Emerging industries today that play an increasingly important role in the global revolution in the future is the service industry sector (Tjiptono, 1996:4). The industry is experiencing a fairly rapid development of such services is the restaurant. In Bandung city which there are 348 restaurants are listed, which consists of: (1) Home typical Indonesian meal as much as 58 restaurants; (2) Local typical restaurant as many as 176 restaurants; (3) International, Oriental, Continental and American typical restaurant as many as 114 restaurants. Based on 176 restaurants, there are 69 Sundanese restaurants which are divided into two kinds of serving are: first, there are 39 restaurants serving a buffet menu and second, there are 30 restaurants by request. The numbers of restaurants emerging industries pose a tough competition, weather competition between Sundanese restaurants and other restaurants like Kentucky Fried Chicken (KFC), California Fried Chicken (CFC), Mc. Donald, Padang Restaurant, Sea Food Restaurant and others.

As a result of the intense competition between the Sundanese restaurants with other restaurants coupled with the economic crisis has caused unfavorable impact, which led to a decrease in the number of visitors. Based on this fact, the Sundanese restaurants need to anticipate the prolonged affect by trying to improve the quality of restaurant services and improve service marketing mix. To improve or build the image of the company with the marketing mix consisting of product, price, promotion and location.

The problems in this study can be identified as follows: (1) How does the response of consumers to the implementation of the marketing mix; (2) How is the implementation of the marketing mix Sundanese restaurants can meet the expectations of consumers and therefore contributes to the consumers satisfaction. The objective of the study: (1) To determine the response of Sundanese food consumers towards the implementation of the marketing mix; (2) To assess the implementation of the marketing mix Sundanese restaurant can meet the expectations of consumers and therefore contributes to the consumers satisfaction.

## 2. Framework and Hypotheses

Marketing is a business activity of a company in an effort to gain maximum profit. As noted by Kotler (1995:8) that marketing is a social and managerial process in which individuals and groups obtain their needs and desires to create the offer and to exchange something of value to one another; Stanton (Swasta and Irawan, 1990: 5) stated that marketing is a whole system of business activities aimed at planning, pricing, promoting and distributing goods or services that satisfy the needs of both the buyers existing and potential buyers. Service marketing mix is

a mixture of variable - marketing variables that can be controlled are used by companies to pursue the desired level of sales in the target market. Kotler (1997: 82) stated that the marketing mix is a set of marketing tools that companies use to achieve its marketing objectives in the target market. Service marketing mix applied by Sundanese restaurant is a benchmark in improving customer satisfaction that are in the market segment of the target market.

Implementation of the service marketing mix applied in Sundanese restaurant is inseparable from the fulfillment and satisfaction of needs unmet by any consumer; understand the needs and desires are important things that affect their satisfaction. According to Cravens (1996: 10) that consumers are satisfied is a valuable asset, they create competitive advantage for the company. Service marketing mix proposed by Booms and Jo Bitner consists of: Product, Price, Place, Promotion, People, Physical Evidence and Process (Rust, Zahorik and Keiningham, 1996: 10). Product is a combination of goods and services offered on the part of consumers in the target market. Price is an acquisition value of an item or amount of money to be paid by consumers to obtain goods and services. Place is the distribution of products and services offered, where the product will be obtained with the amount and place in accordance with the wishes of consumers. Promotion is an effort to introduce and communicate the products offered to consumers through advertising, sales promotion. People are the employees who are directly involved in the activities of the delivery of goods and services offered on the target consumer. Physical Evidence is the physical environment in which the service is delivered and where companies and customers interact, physical evidence is greatly influence the consumer's decision to carry out a transaction process, is an activity in which companies operate and carry out activities aimed at meeting the needs and desires of consumers. Process is an activity in which companies operate and carry out activities aimed at meeting the needs and desires of consumers. Excel companies is a company that is always attentive to the needs and desires of consumers that can give satisfaction to the consumer. Kotler (1997:40) stated satisfaction is person feelings of pleasure or disappointment resulting from comparing a product perceived performance (or S outcome) in relation to his or her expectation. The satisfaction can be formulated as follows:

$$S : f(E,P)$$

**E** : Expectation  
**P** : Perceive  
**S** : Satisfaction

The satisfaction will be felt by the consumer when the consumer receives a product or service in accordance with what is expected and if the products or services received are under consumer expectations it will cause discontent, as well as if the product or service received exceeded what was expected it will feel very satisfied, in this case can be formulated as follows:  $E = P =$  Satisfaction,  $E > P =$  Dissatisfaction,  $E < P =$  Highly Satisfaction. Below is the writer suggested marketing mix paradigm to consumer satisfaction is as follows:

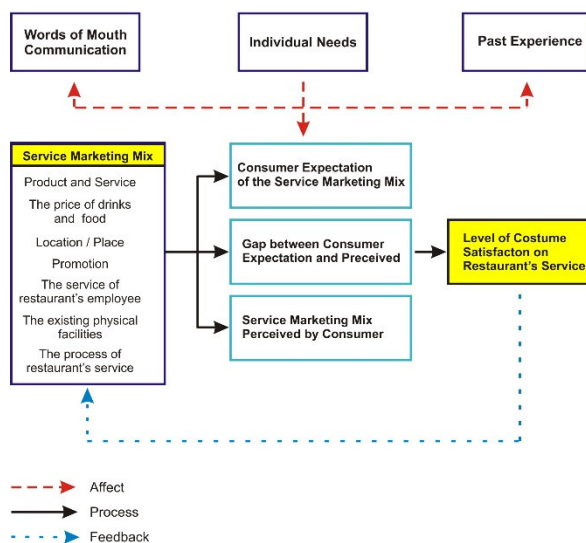


Fig 1. Paradigm Service Marketing Mix to Customer Satisfaction (Determinant of Perceived Service Quality).

Source: John E.G. Bateson (1995: 577) is modified.

The research hypothesis that service marketing mix has a significant influence on consumer satisfaction Sundanese restaurants in Bandung City. Sub hypothesis is as follows:

- (1) The marketing mix eating services in the aspect of product has a significant impact on consumer satisfaction

- Sundanese restaurants in Bandung City.
- (2) The service marketing mix in the aspect of the price has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City.
  - (3) The service marketing mix in the aspect of the location has a significant effect on consumer satisfaction Sundanese restaurants in Bandung City.
  - (4) The service marketing mix in the promotional aspects has a significant impact on consumer satisfaction Sundanese restaurant in Bandung City.
  - (5) The service marketing mix in those aspects has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City.
  - (6) The service marketing mix in the aspect of physical infrastructure has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City.
  - (7) The service marketing mix in the aspect of the process has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City.

### 3. Literature Review

Goods and services are expressly somewhat difficult to distinguish because usually the purchase of a service is often accompanied by items that make it up as a phone in telecommunications services and food in restaurants; on the contrary the purchase of an item is sometimes accompanied with specific services such as the provision of warranty, maintenance and training. According to Kotler (1997:47) service is any act or performance offered by one party to another party in principle intangible and does not cause any transfer of ownership. Production could and also could not tied to a physical product; Mudrich (1990: 4) stated the service is intangible (such as comfort, entertainment, speed, pleasure and health) and perishable (services may not be stored as inventory ready for sale or consumed when required). Services are created and consumed simultaneously; Leonard L. Berry as quoted in Zeithaml and Bitner (1996: 5) argues that services as deeds (actions, procedures, activities), the processes and performance of the intangible; Adrian Payne (1993: 6) argues services is economic activity that has a number of elements (the value or benefit) intangible related thereto, which involve a number of interactions with customers or with belongings and do not produce the transfer of ownership. Changes in conditions could arise and the production of a service may or may not have connection with the physical product.

#### 3.1 Characteristics Services

Basically the service has four main characteristics which influence the design of the marketing program. Kotler (1997: 468) argues about the four main characteristics owned services that affect the design of the marketing program, namely (1) **Intangibility**. The service is something that does not has a form, unlike physical products, cannot see, smell, heard, felt or touched before consumer purchase; (2) **Inseparability**. Services unlike physical goods are manufactured, stored, distributed and then consumed. Services cannot be separated from its source, a company that produces these services. This means that services produced and consumed simultaneously; (3) **Variability**. The difficulty of achieving the quality of services provided to consumers in accordance with the standards because of services rendered often varies depending on who its service providers, when and where the presentation can; (4) **Perishability**. Service is a commodity that cannot be stored and are not durable. Thus if a service is not used then the service will go away. According to Bateson (1995: 12) the characteristics of services are as follows: (1) Services cannot be stored and is usually consumed and produced simultaneously; (2) Service depending on the time, often customers to use services at any given time; (3) Service depending on the place, that seek a place of service to serve the customer services; (4) The customer is involved in the production process, the service will make the changes in customer behavior; (5) The customer is an integral part of the services is therefore the customer is always involved in it; (6) Changes in the concept of expediency mean changes in production processes visible and invisible; (7) Any person who deal with customers have contributed in giving roles; (8) Employee liaison as well as customers who are part of the services included as part of the experience of the process of communication services; (9) The quality of services cannot start on the production process. Production-related services in real time where the consumer is involved in the production process services. Therefore, an error occurred has been involved for the quality control section to supervise before services are received by consumer. The conclusion that the service has the following characteristics: (1) Intangible; (2) Does not cause ownership; (3) The interaction between consumers and service providers; (4) Employee affect the quality of services; (5) may provide satisfaction in meeting the needs of consumers; (6) the production process may or may not be involved with the physical production; (7) Services cannot be stored.

#### 3.2 Services Marketing Mix

According to Grönroos in Kotler (1997: 473) there are three essential elements important in the marketing of services as follows: (1) Internal marketing concerning efforts by the company to train and motivate employees to serve customers with the best, to provide motivation to employees in order to excel in his work. In this case the

management company's reward and recognition to employees who excel that will ultimately provide a valuable contribution to the advancement of the company; (2) External marketing is concerning efforts by the company to set up, set the price, distribute and promote the services to consumers. In this event note about wants, needs and purchasing power of the consumer itself so that the services offered will be able to give satisfaction to the consumer, which in turn will contribute to the continuous profits to the company; (3) Interactive marketing involves the expertise of employees in serving customers. Consumers usually judge the quality of the services not only of technical quality but also the quality of the functional. Therefore, professionals and service providers need to deliver high-touch and high - tech in the provision of services to consumers. As depicted in this diagram.

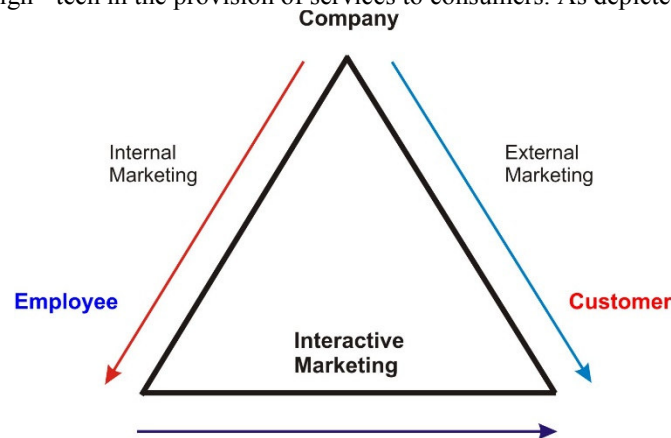


Fig. 2 Three Types of Marketing in Service Industries. Source: Philip Kotler (1997:473)

In responding the increasingly fierce competition in reaching the desired target market, companies need to develop and use the marketing mix because it is the marketing variables that can be controlled. Definition of marketing mix is the set of marketing tools that the firm uses to.... its marketing objectives in the target market (Kotler, 1997: 92); Kotler and Armstrong (1997: 48) stated that the marketing mix is the set of controllable tactical marketing tools that the firm blends to produce the response it want in the target market. For the marketing mix (service marketing mix) in addition to the 4Ps, namely: Product, Price, Place, and Promotion. Booms and Bitner (Kotler, 1997: 47) suggest additional 3P namely, People, Physical Evidence and Process. The seventh element is described as follows:



Fig. 3 Marketing Mix for Service. Source:Roland T. Rust., A.J. Zahorik., T.L. Keningham (1996)

Marketing that can be controlled are intertwined with each other to achieve the desired target market in order to meet the desires and needs of consumers. Seventh marketing tools are defined as follows:

**1). Service Product**

An activity that is not real is offered to meet the desires and needs of consumers. Kotler (1995:548) describes the service is any action or activity that can be offered by one party to another. There is essentially intangible and does not result in any ownership, may or may not be related to the physical product; Faisal Afiff (1994:96) defines the product as a symbolic physical attributes and services that benefit or satisfaction to the user or purchaser. Service product is any action that can be offered to meet the desires and needs of consumers who basically does not result in ownership but only the perceived benefits. To plan offers consumer product marketers need to think about the levels in the product. Kotler (1995:508) suggests there are five levels of products offered on the market, namely:

(1) The level of the most basic is a major benefit, namely basic services or benefits actually bought by consumers;

(2) The second level the marketer must add major benefits become generic product is the basic version of the product; (3) The third level, namely marketers prepare for the expected product and approved by the buyer when purchasing the product; (4) the fourth level, the marketer prepares additional products, which includes additional services and benefits that will set it apart from the competition; (5) The fifth level, all the additions and changes that may be a product in the future. The five levels are described as follows:

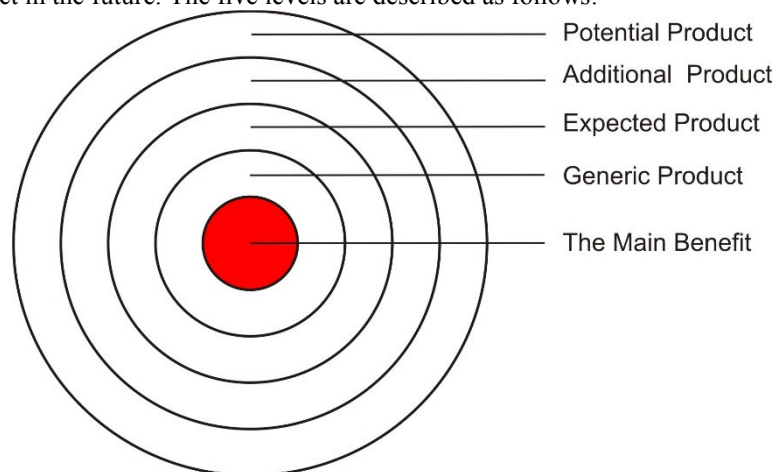


Figure 4. Five Product Levels. Source: Philip Kotler (1995: 509)

Price is intended as the value of a particular good or service that is expressed in units of money. Usually high and low price of a good or service is crucial to consumer purchasing decision. In a market there are three basic factors limiting the pricing decisions that floor price or a minimum price that is limited by the cost of the product. Ceiling price or maximum price is limited by the price of a competitor of comparable products and the customer's ability to pay. Between the floor price and ceiling price for each product there is optimum price which function of demand and the cost of products to offer such products (Afiff, 1994:131); Kotler (1995:618) argues that there are five ways the company in implementing the price corresponding to the various conditions in the market: (a) The first is geographical pricing, where companies decide how to set prices for the customers are away; (b) The second is the discounts and rebates, where companies give cash discounts, quantity discounts, functional discounts, seasonal discounts and rebates; (c) The third is the fixing of promotion price, which the company decided to give the price of the leader of the defeated, the price of a special event, cash rebates, low-interest financing, and psychological discounts; (d) Fourth is pricing discrimination, where firms set different prices for all markets, product shape, brand image, a different place and time; (e) Fifth is the pricing of the product mix, which the company decided on a price range for some products in its product line and the introduction of the price for the optional display, complementary products, by products and joint products.

The level of prices is influenced by several factors such as: (1) Economic conditions; (2) Supply and demand; (3) Elasticity of demand; (4) Competition; (5) Costs; (6) Purpose of the managers; (7) Government oversight. (Swastha, 1995: 211).

### 3.4 Place / Service / Location

In the service industry, place has a meaning as a place of service or services location used in marketing services to its target customers. In this case there are three kinds of interaction between service providers and consumers, namely: (a) Service provider comes to consumers; (b) Consumers come to the service provider; (c) Service providers and consumers interact through intermediaries. For service providers come to the consumer, although the location is not important to consider factors such proximity. For consumers come to the service provider, the location is very important. As for the service providers and consumers interact through intermediaries, the location of the location is not too important.

### 3.5 Promotion

A company in marketing their products needs to introduce the products that it offers to consumers with the aim to attract consumers to buy the product. Promotion is a communication tool used by companies to inform their products to consumers that contains notification and referral to consumers in order to buy which is expected to increase sales volume. According to Afiff (1994:12) promotion is all forms of communication that seeks to influence behavior, purchase to potential customers. To be able to communicate their products effectively, companies need to determine in advance the target market and then using promotional mix. Payne (1993:150) argues about the promotional mix for services, namely (a) Advertising; (b) Personal selling; (c) Sales promotion; (d) Public relations; (e) Word of mouth; (f) Direct marketing.

(a) **Advertising.** Basu Swastha (1990:245) argues advertising campaign is non-individual communication



with a number of costs through the media made by the company. The media used in the company and the advertising message is through TV, radio, magazines, billboards, newspapers, pamphlets, banners and others. West (1992:193) suggests a menu that can be communicated role in the ad is the price, quality, quality, service, and location. Therefore, advertising is an efficient way to support a wide range of geographically dispersed buyers at low cost (Kotler, 1995:725).

**(b) Personal Selling.** Salespeople have a very important role in the service industry for salespeople are different from advertising and other promotional activities that communications are time and impersonal. This is due to the salesperson can directly desires of consumers and at the same time will be able to know the reaction of consumers so that the salesperson can immediately make adjustments with the reaction. Basu Swastha (1990:260) states that the salesperson is the interaction between individuals meet each other face which is intended to create, improve, control or maintain mutually beneficial exchange relationships with other parties. According to Faisal Afiff (1993:48) in order to have a successful business process, it must go through several stages consisting of: (1) Draw attention; (2) The growth of interest; (3) The desire to buy; (4) The decision to purchase.

**(c) Sales Promotion.** Sales promotion is an activity undertaken for the purpose of providing incentives to increase the volume of sales of goods or services. Sales promotion consists of short-term incentives to encourage the purchase or sale of products or services (Kotler and Armstrong, 1997: 126). Basu Swastha (1990:279) stated that the sales promotion is a marketing activity other than personal selling, advertising and publicity that promote the effectiveness of consumer purchases and merchants by using tools such as demonstrations, exhibitions, demonstrations and others. The targets of sales promotion can be addressed to: (a) Consumers in the form of free offers, demonstrations, samples, discount, price, prize, guarantees and coupons; (b) Intermediary in the form of cooperative advertising, rewards and discounts. (c) Sales force in the form of awards, bonuses, prizes for the best dressed. In using a sales promotion company must set goals, choose tricks, developing a program, test the program first, implement and control and evaluate the results (Kotler 1995:789).

**(d) Public Relations.** Public relations is an important marketing tips which other companies do not have to deal with customers, distributors and suppliers alone but must also be associated with the collection of public interest. Kotler and Armstrong (1997: 134) suggested the public relations fostered good relationships with various communities around the company by obtaining favorable publicity, foster the good and the way the company handles or dampen the rumors, stories and adverse events. Public relations will have a positive impact on the public consciousness at a cost much cheaper than using advertising.

**(e) Word of Mouth Communication.** It is the most effective way of promotion in the service business and helps the company in its promotional activities. Communication is usually done by consumers who never felt the satisfaction or dissatisfaction with the services provided by the service provider to the consumer. Therefore, for consumers who feel satisfaction will inform and later described the experience to friends or other potential consumers. Communication from mouth to mouth that is positive will reduce the cost of the company's marketing campaign. This helps companies in the promotion due to word of mouth communication is relatively inexpensive when compared to the use of advertising.

**(f) Direct Marketing.** Direct marketing is a promotional activity where the cost is relatively inexpensive and is an effective way of communicating with the consumer companies consisting of: (a) Direct mail; (b) Mail order ;(c) Direct response; (d) Direct selling; (e) Digital marketing; (f) Telemarketing. Usually many service industries in building a profitable business by creating a network of data customers and use direct marketing.

### 3.6 People/Participation

People in the service industry is defined as people who are directly involved in running the company. All the attitudes and actions of employees, including how to dress and appearance have an influence on the perception of consumers or the success of a real time service (service encounter). Therefore, it is important that all employees' behavior oriented towards optimum service to consumers. In the service industry element of people not only play an important role in the field of production or operations only but also in direct contact with the consumer. In this case necessary to service excellence or superior service that is an attitude or way of employees in serving customers satisfactorily. Elhaitammy (Fandy 1996:58) stated that the behavior of the people involved will directly affect the quality of services provided to consumers as it also will determine the image of the service industry itself.

### 3.7 Physical Evidence

Physical Evidence is the physical infrastructure where service is delivered, where companies and consumers interact, and any tangible component facilitates the appearance or communication services. Therefore, the services and performance cannot be perceived as goods, consumers tend to pay attention to the facts tangible proof of quality. Evidence of quality seen from a service industry that includes everything what consumer seen as an

indicator as to what services will be provided (pre-service expectation) and what kind of services received (post service evaluation). Elements including physical evidence, among others, physical buildings, equipment, tools, colors and logos as well as other items that were engaged in the service that is given as a label, cover and others. In addition, the atmosphere and the companies that support such as spatial, visual, aroma, sound and others.

### 3.8 Process

A process that all of the procedures and mechanisms of the flow of activity in which the services delivered which is the presentation or operating system services. Process in services is a major factor in the marketing mix of services which the consumer will feel the service delivery system of services as part of the service itself. Therefore, the importance of good coordination is between marketing and service operations for business success services. In this process involves the procedures, tasks, schedules, mechanisms, activities and routines of distribution services to consumers.

### 3.9 Purchase Decision Process

The company usually will investigate the purchase decision process that involves a category of products that are sold, how consumers make products choices, and how satisfied consumers perceived. In examining the consumer buying decision process used model of the stages of the buying process. Kotler (1997:194) suggests five stages in the purchase decision process, namely:

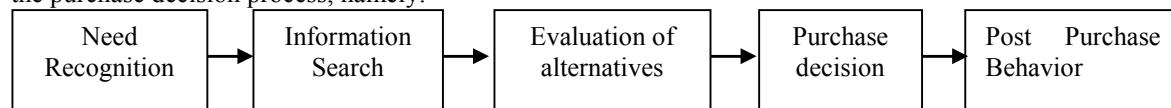


Figure 5. The Purchase of Five-Phase Process Model. Source: Kotler (1997:194)

#### (a) Need Recognition

Generally, the purchases process starts when a buyer recognizes a problem or a need, buyers feel the difference between desires with reality, usually needs can be triggered by an impulse that comes from within and from outside. From previous experience the person has to learn how to deal with this encouragement and being motivated towards an objects class that will satisfy the urge.

#### (b) Information Search

Usually a consumer who moved by an impulse will attempt to seek more information. In this case there are two levels in the process of finding information, namely: (1) Attention culminating is state information retrieval lighter; (2) Active information seeking, where a consumer is looking for reading material, call a friend and participate in other activities to learn the product.

#### (c) Evaluation of Alternatives

How consumers process information about brands that compete and make a consideration. In fact, there is no simple single evaluation process used by all consumers, or even by a consumer purchases in all situations. There are some decisions evaluation process, most of the current models of the evaluation process cognitively oriented consumers are seeing consumers in making the most of the products considerations consciously and rationally. Consumers are assumed to have a utility function for each attribute. Utility function describes how the satisfaction of consumer products varies at different levels of each attribute, which in the end consumers through the establishment (consideration, preference) against alternative brand through an evaluation procedure, and in fact consumers using evaluation procedures different to make a the choice between objects with many attributes.

#### (d) Purchase Decision

In the evaluation phase, consumer forms preferences among brands within a group of options. There are two factors that affect the purchase and the purchase decision: (a) The first factor is the attitude or the stance of others, until others stance can reduce a person's preferred alternative depends on two things: (1) the interaction of other people's negative stance towards alternative preferred by consumers and (2) the motivation of consumers to obey the wishes of others; (b) The second factor is the factor of the situation that was not anticipated. In this case the consumer form purchase intention the basis of factors such as the expected family income, price and benefit of the product.

#### (e) Post Purchase Behavior

After the purchase of consumer products will experience a certain level of satisfaction or dissatisfaction. Consumers also will take action after the purchase and use these products which got the attention of marketers. Therefore, the marketer's task does not end when the product is purchased but continued until the period after purchase.

Satisfaction after the purchase is the main goal of marketers because customer satisfaction is a function of how close between the expectations of buyers for these products with the products benefit. If the usability of these products is under the expectations of consumers, the consumer will feel disappointed. If it meets expectations, the consumer will be satisfied; if it exceeds the expectation and the consumer will feel very satisfied.

Satisfaction or dissatisfaction consumers with a product will affect the consumer's behavior. If they are satisfied they would show a higher probability to purchase the product again. Consumers who are satisfied also

tend to express things that are good about a brand to others. A consumer who feels dissatisfied acts otherwise. As noted by Kotler (1997: 236) consumers who are not satisfied will take one of the following two actions, they may seek to mitigate this dissatisfaction to discard or return the product; or they may seek to reduce the dissatisfaction by searching for information that might strengthen the value of the product.

### 3.10 Consumers Satisfaction

Consumer satisfaction is the main goal of every marketer because consumer satisfaction is a function and how closes between the expectations of buyers with the product benefit. If the usability of the product is below the expectations of consumers, the consumer will feel disappointed. Related to Engel (1995:545) suggests that consumer satisfaction is an evaluation after purchase where alternatives; chosen at least equal or exceed consumer expectations, while dissatisfaction arises when the value is not fulfilled; According to Wilton (Fandy, 1995:27) satisfaction or dissatisfaction of the consumer is the consumer response to the evaluation of the suitability or unsuitability perceived between prior expectations and actual performance resulting product after usage; Fandy (1996: 143) describes to be able to determine the level of customer satisfaction is better. It is necessary to understand the causes of satisfaction.

The creation of satisfaction can provide several advantages. The advantages include the relationship between the company and consumers to be more harmonious, thus the occurrence of repeat purchases; Kotler (1997: 46) stated that satisfaction is the level of one's feelings after comparing the performance (results) are perceived compared to expectations. As in the figure below:

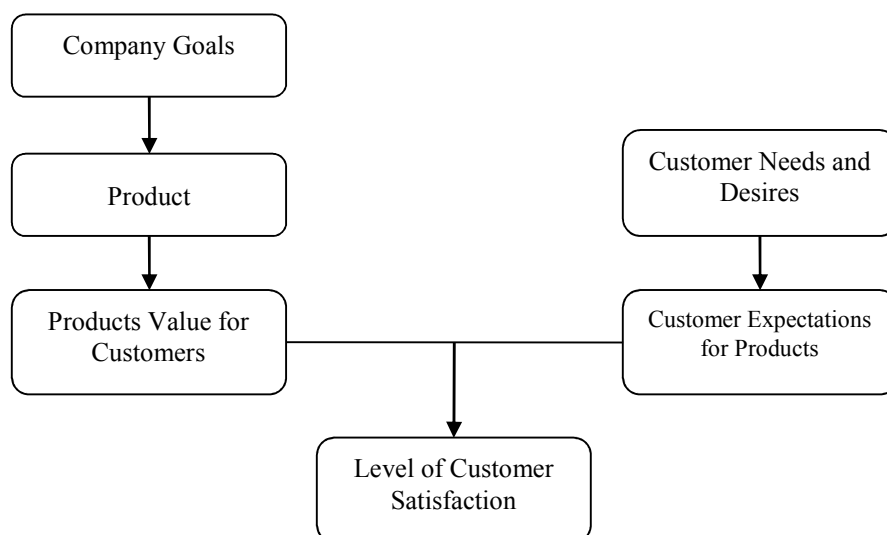


Figure 6. The Concept of Customer Satisfaction. Source: Fandy Tjiptono (1996: 147)

The purpose of a company is essentially giving satisfaction to the consumer that is the way to meet the desires and needs in accordance with expectations. There are several main causes of non-fulfillment of consumer expectations. According to Mudie, Peter and Angela Cottam (Fandy, 1996: 151) said that those causes because consumers mistakenly communicate the desired services. Consumers mistakenly interpret servqual (price, etc.), the company's performance poor, and a communication error from mouth to mouth from the provision of services by competitors. It is concluded that consumer's satisfaction is a service which accordance with what is expected.

### 4. Research Methods

The object of this study is the marketing mix to satisfaction of Consumers at Sundanese restaurant in Bandung municipality, Indonesia. Marketing mix of restaurants is as independent variables (variables, X) which is composed of seven sub-variables, namely: product (X1) which includes the level of diversity and ease of ordering food and drink menu, the quality of the flavor and appeal of food and beverages; price (X2) food and beverages which include attractiveness of prices, affordability and rebate (discount); location (X3) where services include a service available and existing facilities; promotion (X4) covering the appeal of the message and program sales promotion of media diversity, the appeal of the message in direct sales, sales clerk's ability to perceive the message and the way home to eat in building its image; waiter (X5), which includes the speed of service, friendliness of service, and the attractiveness of the appearance of the waiter; physical facilities (X6) which consists of the availability of parking, the appearance of the building, maintaining the cleanliness of the home page and dining room, beauty maintenance, regular layout, comfort and cleanliness of food and beverage equipment; process (X7) which include simplicity and speed the process of ordering food menu, ease of ordering, ease of payment processing.



As for the dependent variable (Y) is a consumer satisfaction covering consumer response to the performance of the restaurant. This study is verification and descriptive, which is a descriptive study aims to make a systematic description or picture of the factual and accurate. In this study will be tested whether the marketing mix affects customer satisfaction, because this study is verification and descriptive, then the method used in this research is explanatory survey method and descriptive method survey.

Variables that will be observed in this study include marketing mix coat as independent variables and customer satisfaction as the dependent variable. Marketing mix has several sub-variables are used, namely: product, price, place, promotion, people, physical facilities, processes, and customer satisfaction as the dependent variable that is used to measure and analyze the effectiveness of the marketing mix, which become the consumers satisfaction parameter is about what they expect and felt after purchase.

In this study, the target population is the entire Sundanese restaurant located in the municipality of Bandung, which the serving is upon request. Based on the results of preliminary observations on the Regional Tourism Office (Dinas Pariwisata Daerah/Diparda) Bandung municipality as many as 30 Sundanese restaurants registered or have business licenses (Surat Ijin Usaha Perusahaan/SIUP).

Based on the population there are as many as 30 houses ( $N = 30$ ), this study conducted by census (population studies) because in this study was not conducted sampling. The unit of analysis is typical Sundanese restaurant owner as respondents using a model questionnaire A. The sample size ( $n$ ) in this study is determined by the shape of a statistical test to be used. Statistical test used is Path Analysis. The path coefficient is basically correlation coefficient. Therefore, the size of the sample in the analysis of this pathway can be determined with a minimum sample size formula for the correlation coefficient is done iteratively based on the following steps:

1. The first iteration uses the formula:

$$n = \frac{(Z_{1-\alpha} + Z_{1-\beta})^2}{(U_p)^2} + 3 \qquad U_p = \frac{1}{2} \text{Ln} \left\{ \frac{(1+p)}{(1-p)} \right\}$$

2. The second iteration uses the formula:

$$n = \frac{(Z_{1-\alpha} + Z_{1-\beta})^2}{(U_p)^2} + 3 \qquad U_p = \frac{1}{2} \text{Ln} \left\{ \frac{(1+\rho)}{(1-\rho)} \right\} + \frac{p}{2(n-1)}$$

Description:

- $p$  = the smallest correlation coefficient expected
- $Z_{1-\alpha}$  = constants obtained from the normal distribution table
- $Z_{1-\beta}$  = constants obtained from the normal distribution table
- $\alpha$  = type error
- $\beta$  = type error II (Nirvana SK. Sitepu, 1994: 109)

To obtain a minimum sample size used tables Cohen (1969: 98) and tables Campbell (1987: 97). With a magnitude = 0.05 (one-way test) and test power  $\beta = 0.95$  and the smallest degree of correlation  $\rho = 0.30$ , then obtained a minimum sample size of as much as 116, so that the representative lebih  $n$  set 120.

Based on the sampling method has been stated above, the sample size in this study is at least 120 customers as a responder using a questionnaire distributed model B at 30 restaurants, sampling stratified random sampling technique was used. On the basis of these techniques can be used proportional allocation size. The sample size of the allocation formula (Alrasyid, 1993: 80) is as follows:

$$n_i = \frac{N_i}{N} \times n$$

Description:

- $n_i$  = the sample size of each stratum
- $N_i$  = the population size of each stratum
- $N$  = population size
- $n$  = sample size

#### 4.1 The Procedures of Data Collection

This study used a survey method. The two types of data collected through the techniques and tools as follows: (1) questionnaire, (2) observation, and (3) interviews. As for the closed nature of this questionnaire using ordinal scale 5 and the value obtained is an indicator of independent variables, mix marketing services (X), which is broken down into seven sub-variables; (1) product (X1), (2) the location (X2), (3) price (X3), (4) the promotion (X4), (5) people (X5), (6) the physical means (X6), and process (X7). The dependent variable is customer satisfaction (Y).

#### 4.2 Instrument Testing

Instrument testing is tested the validity and reliability test so that the instrument can measure what is to be measured, while the reliability test is that the data generated can actually be reliable (Sugiono, 1998: 97). To test the validity

and reliability, it has conducted trials against 24 respondent's instruments randomly, which made a month before the actual distribution of questionnaires. Test the validity of the instrument was done by using item analysis, ie by correlating the score of each item with the total score.

66 Correlation formula which used is the formula of Spearman with the following formula:

$$r_s = \frac{\sum R(X_i)R(Y_i) - n \left[ \frac{n+1}{2} \right]^2}{\sqrt{\left[ \sum R^2(X_i) - n \left[ \frac{n+1}{2} \right]^2 \right] \left[ \sum R^2(Y_i) - n \left[ \frac{(\sum Y)}{2} \right]^2 \right]}}$$

(Conover, 1981 in Harun Al Rasyid, 1994)

Description:

- $r_s$  = Spearman Rank correlation coefficient between X and Y
- $R(X_i)RX_i$  = Rank on the X-i
- $R(Y_i)RY_i$  = Rank on the Y-i
- $n$  = The amount of the -n

Significance testing is done by using the coefficient  $r_s$  test is based on 95% significance level or at  $\alpha = 0.05$ . Testing decisions are taken by using the following conditions: (a) Item question declared invalid if the research instruments  $r_{shitung} > r_{stabel}(\alpha = 0.05; df = n - 2)$  (b) Item question research instrument is declared invalid if  $r_{shitung} \leq r_{stabel}(\alpha = 0.05; df = n - 2)$ . 67

Validity test results item instrument with the help of computer application program SPSS for Windows obtained  $r_{shitung}$  between 0.38487 to 0.93424. Thus the decision of the testing showed that all the items in the questionnaire is a valid question, because  $r_{shitung}$  greater than  $r_{stabel}$ . Reliability test was done by using *Split Half* of Spearman. Items instruments split into two groups (odd and even), for the subsequent calculation of the amount of the total score of each group each respondent. Furthermore, the total score group odd and even sought coefficients and the level of reliability by using the following formula:

$$ri = \frac{2r_s}{1 + r_s}$$

Description:

- $ri$  = Internal reliability of all items
- $r_s$  = Spearman correlation between the first and second hemisphere.

72 For the purposes of analysis in this study can be done the following steps:

1) Formulate the statistics hypothesis (Ho) and Working hypothesis (Hi) Hypothesis 1, 2, 3, 4, 5, 6 and 7 conceptually used as follows:

- H<sub>0</sub> : Marketing mix does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City.
- H<sub>A</sub> : Marketing mix has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City.

To support the above hypothesis can be formulated supporting each of these hypotheses, as follows:

- H<sub>01</sub> : Marketing mix in product aspect does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A1</sub> : Marketing mix in product aspect has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>02</sub> : Marketing mix in price aspect does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A2</sub> : Marketing mix in price aspect to have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>03</sub> : The marketing mix in the aspect of location does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A3</sub> : Marketing mix in location aspects has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>04</sub> : In the promotional aspects of the marketing mix does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A4</sub> : The marketing mix in the promotional aspects has a significant impact on consumer satisfaction Sundanese restaurant in Bandung City

- H<sub>05</sub> : In the aspect of the marketing mix does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A5</sub> : In the aspect of the marketing mix has a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>06</sub> : The marketing mix in the physical aspect does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A6</sub> : The marketing mix in the physical aspects have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>07</sub> : Marketing mix in aspects of the process does not have a significant impact on consumer satisfaction Sundanese restaurants in Bandung City
- H<sub>A7</sub> : Marketing mix in aspects of the process have a significant impact on food consumers kepusan Sundanese in Bandung City

## 5. Result and Discussion

Sundanese restaurant is a West Java community, especially people in Bandung. Sundanese restaurant providing for the food menu is typical, in the form of white rice, rice lead, spiced fish, salted fish, fried fish, fried chicken, obese, tripe, *tamusu*, fried *tempe* and taboo, chili, *lalab*, sour vegetables, *lodeh* vegetables, *karedok* and spiced chicken while the drink is sweet tea, iced orange, ice *cendol*, mineral water and others.

In order to meet the desires and needs of consumers, Sundanese restaurant works to improve services in order to give satisfaction to the consumer, because customer satisfaction is the ultimate goal of the Sundanese restaurant.

Increasing number of restaurants that have sprung up in Bandung municipality raises competition among the restaurant itself, especially with Sundanese restaurant. Sundanese restaurant implements marketing mix strategy which is a combination and a variety of marketing elements. Eighty Sundanese restaurant in the operations to increase sales volume, as for the marketing mix implemented by Sundanese restaurant include: (1) Products, (2) Price, (3) Location / Place, (4) Promotion, (5) employees, (6) physical facilities, and (7) process.

(1) **Product**. As for food and beverage products offered Home Food Sundanese include: 1) white rice, 2) rice lead, 3) sour vegetable, 4) *lodeh*, 5) Soup, 6) Vegetable beans, 7) fried carp, 8) fried chicken, 9) fried anchovies, 10) fried *tempe*, 11) fry the meat obese, 12) fried tripe, 13) fry the meat *tamusu*, 14) *Pepes* fish, 15) *Pepes* chicken, 16) *Pindang* fish, 17) Tofu, 18) Crackers fish, 19) Fried catfish, 20) Frying chips *melinjo*, 21) *Sambal* and *lalab*, 22) sweet tea, 23) regular tea, 24) Water, 25) coffee, 26) *Teh Botol*, 27) Coca Cola, 28) Sprite, 29) Ice Cendol, 30) oranges Juice, 31) Ice milk soda and other beverages. For dessert supplied bananas, and orange fruits.

(2) **Price**. In setting the price of any home eating take into account the quality of the food, consumer purchasing power and compliance with the price of food and beverages market. The diner in determining the price is set equal to the restaurant competitor's even relatively cheaper price, with the aim that consumers do not switch to competitors

(3) **Promotion**. In publicize or promote products, the restaurant held a promotion through the mass media, both electronic media such as radio, and print media such as newspapers, magazines, banners, billboards, brochures and so on. The tight level of competition in the restaurant industry is demanding Sundanese restaurant to conduct a vigorous campaign.

(4) **Location / Place**. Sundanese restaurant Typical has locations / places to eat scattered houses, especially in the area of Bandung City, independent character, means that it does not have network or branch. Generally, the location or place Sundanese restaurant close to the consumer society, such as the offices, factories and business center but there are also locations / places Home Masan Sundanese restaurant away from the above-mentioned locations.

(5) **The person / participants**. In terms of providing the best services for consumers, Sundanese restaurant seeks to develop and provide a wide range of guidance and skills to employees, because of the attitude and actions of employees as well as the appearance has an influence on consumers' perceptions of service time or success. (1) Providing training to deal with and serve consumers as well as possible with a clean and neatly dressed. (2) The provision of bonuses to employees who get achievement.

(6) **Physical Infrastructure (Physical Evidence)**. Efforts to improve the physical infrastructure is basically done as a way to establish and build a certain image of the restaurant. The efforts are being made to build the image of the restaurant, among others: (a) Improve the appearance of brochures, catalogs, signage, (b) Renovating the physical building, interior restaurants, chairs and dining table, increasing and structuring the layout of the house eat better, this convenience is very important, because it affects the image of the houses (c) Provide employee uniforms complete with color variations inconspicuous that aim to add to the beauty and convenience for consumers in identifying the employee restaurant.

To give satisfaction to the needs of consumers will eat home services; the Sundanese restaurant seeks attention to all aspects of the process to implement the service to the consumer. Quality of services provided to

consumers will decide to customer satisfaction, to make efforts in the form of: (-) the process of ordering food menu is simplified and easy to implement by consumers. So, consumers just write the order of food and beverages in paper, provided, (-) the process of presentation of food in an effort not too long so that the consumer does not wait long. (-)In the process of waiting for the consumers entertained with folk songs so that the consumer, happy entertained, and does not feel old (-) the process of ordering additional menu is not too long pursued.

## Conclusion

Perceptions of respondents on the implementation of market segmentation strategy undertaken by Sundanese restaurant which includes: demographics, psychographics, geography, and the behavior get a positive assessment. Especially for geography aspects were not predictors for market segmentation variables. This is understandable because the characteristics of the restaurant as respondents most of his consumers, coming from outside the city and the location was relatively homogeneous.

Positioning is done by Sundanese restaurant includes: factors product, price, promotion, location / place, building, personal, and process received a positive assessment. Especially for aspects of a discount on the price factor is not a predictor for the promotion of variable positioning. This is understandable because the Sundanese restaurant less consider giving discounts to its customers.

Market Segmentation strategy implementation (SP) have a significant effect on the variable Positioning (PEP), with a correlation coefficient of  $(0.47)^2$  or 0.2209, or 22.09 percent. That is the strategy of positioning co-determined by the market segmentation strategy. This means that if the segmentation of the market has increased, it will affect the improvement of positioning which is reflected in aspects considered in the determination of position. Conversely, if a consideration in the determination of the position increases, then there is a close connection with the increase in market segmentation performed by Sundanese restaurant.

Market segmentation comprising demographics, psychographics, geography, and behaviors have a positive influence on the positioning. In general the results of this study indicate that the aspects formed the basis of market segmentation is a consideration in the determination of position. For restaurants of Sundanese basics of making consumer market segments such as segmentation demographic, psychographic, and behavioral aspects are considered in the determination of market segmentation. Especially for geography aspects were not predictors for market segmentation variables. This is understandable because the characteristics of the relevant consumers that most customers are consumers, who are satisfied, come from outside the city and the location is relatively homogeneous.

That market segmentation is a very important concept that can be used for business purposes of goods and services, including products (goods and services) Sundanese restaurant. Market segmentation and positioning significantly affect customer value, which amounted to 52.25 percent and 47.75 percent are epsilon influence. The overall effect of market segmentation and positioning on the value of customers is 52.25 percent and 47.75 percent are epsilon influence. Thus the overall effect of market segmentation and positioning on the value of the customers is 52.25 percent.

In this study the entire predictor (costs and benefits) of variable customer value can be used. It shows that the price and benefits are still relevant for use as the analysis in determining the value of the customer. Market segmentation and positioning have an impact on customer value is achieved. Implementation of market segmentation and positioning and customer value has a significant influence on customer satisfaction which amounted to 60.59 percent. The overall effect of market segmentation, positioning against customer value and customer satisfaction was 60.09 percent.

Respondents in this study are the food consumers who feel satisfied like in terms of frequency of visits and money spent to obtain services. It also shows that aspect of price, product, location as well as the promotion has not predictors for positioning. Thus the level of satisfaction achieved becomes unpredictability of the relationship between market segmentation and positioning and customer value. In this study there were indications that aspects of value can be shifted from the price and the benefits of being the observation of consumers to the house to eat or not there are changes that occur, whether or not the service improvements from time to time, the relationship (relationship) between customers and programs restaurants and so on. Shaping customer value customer satisfaction is not just the price and benefits alone.

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