

CHAPTER I

INTRODUCTION

1.1 Background

Currently, retail business competition in Indonesia is very tight, as evidenced by the proliferation of retailers that are widespread throughout Indonesia, both local, national and international. Almost in every region of Indonesia, we can easily find retailers that are around us either traditional retail and modern retail. In the beginning, retail was a local business. Stores were owned and operated by people who lived in the community and had customers who came from these limited environments. But along with the times, retail began to develop and show its existence in environment at large. According to Utami (2010) in Hati (2018) the word retail comes from French, *retailier*, which means cutting or breaking something. Related to the activities carried out, retail shows an effort to break down goods or products produced and distributed by manufacturing companies in large numbers, (period 1) to be consumed by final consumers in small amounts according to their needs.

Currently the type of modern retail that is currently in Indonesia is minimarkets. We can easily find minimarkets around us, usually minimarkets are established in strategic places, for example places that are crowded with people, especially on the outskirts of highways. In Indonesia, minimarkets are dominated by two big players, namely Indomaret and Alfamart, the existence of both of them is increasingly mushrooming and continues to dominate retail trade, especially modern retail. Indomaret is a franchise retail network in Indonesia. Indomaret is a subsidiary of the Salim Group. Domaret is a minimarket network that sells basic necessities and daily necessities with a sales area of less than 200 m². The first storefront was built in Ancol, North Jakarta, in 1988, managed by PT. Indomarco Prismaatama (www.kompasiana.com).

Service quality is the most important performance for customer or customer satisfaction. Companies must pay attention to important things for consumers, so

that they feel the satisfaction expected. Service problems are not a difficult or complicated thing to do, but if this is not paid attention to it can cause this problem. - things that are very sensitive because of its very sensitive nature. Service systems need to be supported by quality service, adequate facilities and ethics or karma. The purpose of providing services is to provide satisfaction to consumers or customers, so that the added value of the company increases.

Bengkalis is a city that has tough competition in the trade sector. Indomaret and Alfamart are examples of minimarkets that compete with others. Indomaret and Alfamart are located in the bengkalis area, one of the minimarkets that are known for tight competition. Indomaret and Alfamart locations are close together. So that it affects customer visits to the company. see the advantages and disadvantages of the company in the quality of its service.

Based on the above background, the writer will conduct research on "Comparison of Service Quality at Alfamart and Indomaret Bengkalis". The writer hopes that this research can find out what the quality of service in Bengkalis .

1.2 Formulation of the study

Based on the above background, the writer formulates a problem formulation that arises is "How to compare the quality of existing services at Alfamart and Indomaret Bengkalis."

1.3 Purposes of the study

Based on the formulation of the problem above, it can be seen that the objectives of this study are as follows:

1. To determine the factors of service quality provided by the minimarkets Indomaret and Alfamart in Bengkalis.
2. To find out the comparison of the service quality of the Indomaret and Alfamart minimarkers in Bengkalis.
3. To determine and analyze the comparison of service quality in shopping at Alfamart and Indomaret minimarkets in Bengkalis.

1.4 Significan of the study

1. For Indomaret and Alfamart Employees.
So that Indomaret and Alfamart employees can find out the service quality factors that can be practiced directly on consumers.
2. For The Community.
So that people can feel satisfaction from the service quality factors of Indomaret and Alfamart employees.
3. For Researchers.
So that researchers get a broader insight into the quality of service at Indomaret and Alfamart Bengkalis as a reference for further research.

1.5 Scope and Limitation of the Problem

Based on the background previously described, the authors define the problem so that the scope of this research has clear boundaries. The problem limits that are made are:

1. This study does not discuss Alfamart and Indomaret mini markets other than Alfamart and Indomaret mini markets in Bengkalis, which will be conducted research, namely, Alfamart and Indomaret mini markets.
2. This research was conducted to compare and determine tangibles, reliability, responsiveness, assurance, and empathy to Indomaret and Alfamart customers in Bengkalis.
3. This study does not discuss service quality other than knowing tangibles, reliability, responsiveness, assurance, and empathy to Indomaret and Alfamart customers in Bengkalis.

1.6 Writing Systematics

In order to provide a clear picture of the writing of this project, a writing system was compiled containing information on the material discussed in each chapter. The systematics of this writing are as follows:

CHAPTER 1: INTRODUCTION

In this chapter, it contains matters that are the background of the

problem, problem formulation, research objectives, research benefits, scope and limitations of the problem, and writing systematics.

CHAPTER II: LITERATURE REVIEW

This chapter contains previous research, theoretical basis, framework of thought that is used as a guide in the thesis

CHAPTER III: METHODOLOGY AND RESEARCH COMPLETION PROCESS

This chapter contains the location and time of research objects, subjects and objects of research, types and sources of data, data collection techniques, data analysis techniques, research models, types of research, and research schedules and budgets.

CHAPTER IV: RESULTS AND DISCUSSION

This chapter contains the results, discussion testing and limitations of Research

CHAPTER V: CONCLUSIONS AND SUGGESTIONS

In this chapter there are conclusions and suggestions as a final description of Report.

REFERENCE

ATTACHMENT

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