How Family Business Can be Sustainable in Digital Era

Zenda Novita
Sekolah Tinggi Manajemen IPMI, Jakarta, Indonesia
zenda.novita@ipmi.co.id
Orcid: 0009-0004-4529-4564

Dr. Ir. Amelia Naim INDRAJAYA, MBA.
Sekolah Tinggi Manajemen IPMI
amelia.naim@ipmi.ac.id
Orcid: 0000-0001-9021-902X

ABSTRACT

In Indonesia, noodles are a favorite food easily found everywhere. Both traditional and modern businesses use noodles as the main ingredients for their food. This study aims to show the evidence from a legendary noodle business of Bakmi Gajah Mada which shows that the management performance of Bakmi Gajah Mada company can survive since 1959 despite the threat of food competition and it has survived many challenges. Tangibility, Reliability, Assurance, Responsiveness, and Empathy are the servqual dimensions impacting customer satisfaction. However, there is still limited research looking at how Bakmi Gajah Mada has to prioritize on its service quality dimensions from the customer's point of view compared to Bakmi Gajah Mada's point of view. We will use a quantitative research approach with a nonprobability purposive sampling technique with the criteria of samplings are loyal customer who lives in the greater area of Jakarta. The findings will show what steps should be taken by the management of Bakmi GM to survive the competition and show the managerial implications of how to improve customer satisfaction.

Keywords: Customer Satisfaction, Generational Gap, Service Quality

INTRODUCTION

Bakmi GM (formerly known as Bakmi Gajah Mada) is a restaurant that produces noodles as its main menu, and there are also rice dishes and other side dishes. Bakmi GM started as a humble street food stall and has managed to build its reputation as the most iconic noodle in Jakarta over the last 60 years. In 2018, Bakmi GM grew to serve 30,000 customers per day in more than 50 restaurants located in Jabodetabek, Bandung, and Surabaya. But along the way, many competitors have emerged, generations of customers have changed, the fast-moving trend-based market in Indonesia and the changing landscape of the food market in Jakarta with more and more restaurants assisted online.

The biggest challenge for Bakmi GM at the moment is a disruption in the restaurant industry. With many new restaurants popping up that don't need a physical form. Today, restaurants can exist with just one name. This form is Bakmi GM's competitor. Previously, competitors were visible (tangible), such as HokBen, KFC, McD, and others. Now many restaurants are not visible (intangible). As well as a more attractive menu arrangement and services than competitors. The research question is how does Bakmi GM prioritized its service quality to increase customer loyalty and satisfaction to face competition in the digital era.

LITERATURE REVIEW

Consumer Behavior

Understanding consumer behavior can be interpreted as consumer behavior shown by consumers in searching for, buying, using, and disposing of products and services that they expect will satisfy their needs. Consumer behavior refers to individuals and households purchasing goods or services for personal consumption (Khodijah and Saino, 2012). So, it can be concluded that the meaning of consumer behavior is a process of how consumers choose, buy, use, then evaluate, and spend the product to meet their needs and wants.

Customer Satisfaction

Customer satisfaction is an assessment of the performance of a product or service in relation to consumer expectations. The customer is dissatisfied if the product does not match or the service does not meet expectations. And conversely, if the products and services meet expectations, then the customer is satisfied and can provide positive benefits and impacts on the company (Kotler & Armstrong, 2018).

Several measurements of satisfaction determinants consist of 3 parts, namely product performance, consumption feelings, and product expectations (Blackwell et al., 2012). Measuring customer satisfaction consists of four ways, namely the complaint and suggestion system, the ministry shopper, and the analysis.

Food Quality

Quality does not only exist in goods or services but also exists in food products. Food quality is a level of consistency in menu quality achieved by setting a product standard and then checking the points that must be controlled to see the quality to be achieved (Hanisah, 2017).

Behavioral Intention

One result of a choice by planning one or more behaviors is behavioral intention (Peter & Olson, 2017. The indicators are divided into three, namely recommendations to others, purchase intentions, and positive word of mouth (Fakih, Assaker, Assaf, & Hallak, 2016). Behavioral intention is the development of the Theory of Planned Behavior (TPB) and the Theory of Reason Action (TRA). TPB is a theory that can predict one's behavioral intentions (Ajzen, 1991).

Value Perception

Perception is a process individuals use to select, organize, and interpret information input to create a meaningful picture of the world (Kotler & Keller, 2016). Customer value is a combination of quality, service, and price of a product offering.

METHODOLOGY RESEARCH

Type of Research

This study can use a quantitative research approach with a non-probability purposive sampling technique using the sampling criteria. Quantitative research is more based on data that can be calculated to get interpretation (Sugiyono 2014). This sample is a non-probability type that is referred to as a judgmental or expert sample. Samples were selected not at random. This can be done by understanding the background of the population by selecting a sample that describes the variation.

The sample criteria that will use in this study are:
1. Consumers, who have visited at least 1 time to a noodle restaurant
2. Minimum age 17 years
3. At this age, a person can give an assessment and decision on an object
4. Visiting time
5. Minimum visit time in the last 6 months at one of the noodle restaurants

Proposition
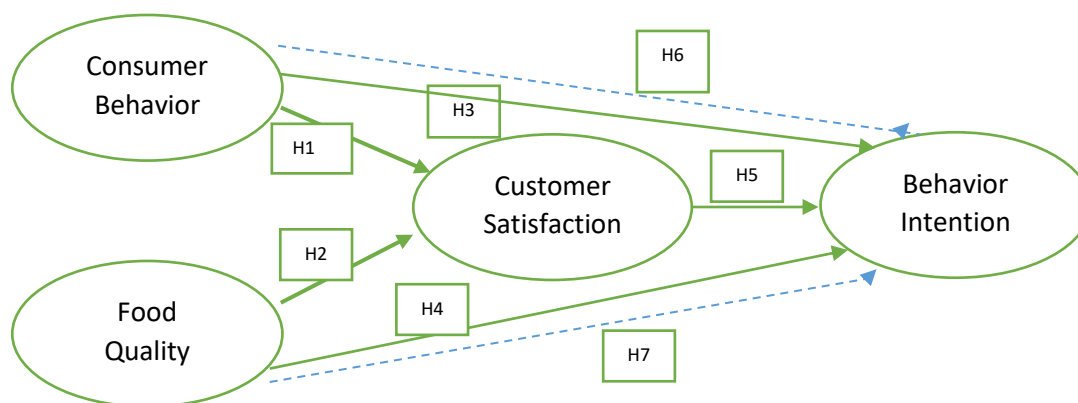
This Research study, on consumer behavior, uses three indicators of the relationship between service quality satisfaction and switching intention Namkung, Y., & Jang, S. (2007). Does food quality really matter in restaurants? Its impact on customer satisfaction and behavioral intentions. Journal of Hospitality & Tourism Research. Bansal, H. S., & Taylor, S. (1997). (2014). Investigating the Relationship Between Service Quality, Satisfaction and Switching Intentions. Food Quality, Hanaysha, J. . (2016). Testing the Effects of Food Quality, Price Fairness, and Physical Environment on Customer Satisfaction in Fast Food Restaurant Industry. *Journal of Asian Business Strategy*. Soraya, N. C. T., Sudarmiatin, S., & Dhewi, T. S. (2023). The Effect of Food Quality and Perceived Value on Behavioral Intention Using Customer Satisfaction as A Mediation Variable (Study On Gacoan Noodle Restaurant in Surabaya). *International Journal Of Humanities Education and Social Sciences (IJHESS)*.

Population and Research Sample

The population is a generalized area of objects and subjects with certain qualities and characteristics set for researchers to study and then draw conclusions (Sugiyono, 2014). The sample population comes from 100 loyal customers who are around the Jakarta area.

Table 1. Definition of Operational Variables

Variabel	Definisi	Indikator
Consumer Behaviour	Consumer behavior directed by consumers in finding, buying, using products and services. The conclusion is how consumers choose, buy, use, evaluate and spend the product as they wish.	a. Menu Option b. Price c. Taste d. Service
Customer Satisfaction	Customer satisfaction is the level of consumer feelings after trying and comparing products that are in accordance with expectations.	a. The quality of the food is as expected b. Service quality is as expected c. Price/value of Money
Food Quality	Food quality is a level in the consistency of menu quality achieved by setting product standards and controlling the quality achieved. The main factor that makes customers come/visit is the product being offered	1. Variation of menu options 2. Taste 3. The way of presentation
Behaviour Intention	One of the behavior of the customer is the intention to visit, buy and enjoy.	1. Promotions 2. Chat by word of mouth 3. Recommendations
Value Perception	The process used by individuals to select,	1. Quality 2. Price

	organize, and interpret information input to create an image	3. Service

Data Collection Techniques

The data collection technique was using a questionnaire which was carried out by distributing a list of questions to the Bakmi GM customers who were sampled. The answers to each question item use a Likert scale, where there are four choices on a Likert scale as follows:

Table 2. Skala Like

Information	Score
Strongly Agree (SA)	4
Agree (A)	3
Not Agree (NA)	2
Strongly Not Agree (SNA)	1

Data Analysis Techniques

The research instrument was first tested before the questionnaires were distributed to respondents. The research instrument test consists of a validity test, used to test the contents of a research instrument, with the aim of measuring whether or not a questionnaire is valid, and a reliability test. Which is used to measure the accuracy of the instrument so as to produce data that is reliable in research. The data analysis method used in this research includes the classical assumption test, multiple linear regression analysis, and hypothesis testing, using the statistical package for social science (SPSS) application.

Limitations and Future Research

Limitation:
- The research is currently still ongoing
- There is no comparative research of servqual from the eyes of the customer versus the "Bakmi GM Management"

Future Research
- Further quantitative research is needed
- Future comparison between the perspective of customers and the perspective of management

Reference

Chirapanda, S. (2020). Identification of success factors for sustainability in family businesses: Case study method and exploratory research in Japan. *Journal of Family Business Management*, *10*(1), 58-75.

Davis, B., Lockwood, A., Pantelidis, I., & Alcott, P. (2013). *Food and beverage management*. Routledge.

Ferreira, J. J., Fernandes, C. I., Schiavone, F., & Mahto, R. V. (2021). Sustainability in family business–A bibliometric study and a research agenda. *Technological Forecasting and Social Change*, *173*, 121077.

https://id.wikipedia.org/wiki/Bakmi_GM

https://swa.co.id/business-champions/brands/ekspansi-bakmi-gm-jelang-usia-60-tahun

Luning, P. A., Marcelis, W. J., & Jongen, W. M. (2002). *Food quality management: a techno-managerial approach*. Wageningen Pers.

Prindezis, N., Kiranoudis, C. T., & Marinos-Kouris, D. (2003). A business-to-business fleet management service provider for central food market enterprises. *Journal of Food Engineering*, *60*(2), 203-210.

Servqual

Parasuraman, A., Berry, L., & Zeithaml, V. (2002). Refinement and reassessment of the SERVQUAL scale. *Journal of Retailing*, *67*(4), 114.

Yuningsih, R., & Andriani, E. (2020). GAMBARAN DESKRIPTIF USAHA MODERN "BAKMI GM" DAN USAHA TRADISIONAL "BAKMI VETERAN". Jurnal Gizi dan Kuliner, 1(2), 14-22.