

# Crafting the Service Environment at McDonald's Restaurant

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## ABSTRACT

One of the company's objectives is to gain profit. The profits are derived from the production or services offered to the public. The profits obtained will be reduced if there are competitors who have the same goals as the company. Each company has different advantages in achieving what is planned from the existing competition. The advantages of each company are highlighted to attract the public's interest. One of the advantages that the company can provide to the community is to provide the best service for the people who will or have used their products. This will create consumer perceptions of what the company has provided. Global economic developments have now increased competition between companies and industries globally. The winner in business competition is not the strongest or the biggest, but the one who wins the hearts of consumers. In addition to generating profit, the primary purpose of a business is to create customer satisfaction. Consumers' values, attitudes, and perceptions will influence satisfaction and even loyalty to a product or service. Providing satisfaction for customers is not an easy thing. Creating satisfaction for consumers is the beginning of creating profits in the future. In addition, customer satisfaction will increase customer retention and lead to customer loyalty for a product or service.

**Keywords:** Service Environment, Purchase Intention, Customer Satisfaction.

## 1. INTRODUCTION

Creating a memorable experience for customers who come is a challenge in a service company. Seeing the nature of most of the service products that are abstract and intangible, makes every aspect around the company's core services a consideration for consumers. One of these aspects is the environment in which the service delivery is located (service escape). The intense competition and increasing consumer expectations for a product, especially service products, have forced companies to have ways to improve their value propositions. This article will discuss theory and practice related to how to package the service environment into added value for the service product itself [1].

For decades, the traditional marketing concept, which focuses on features and benefits, has been being developed by most business practitioners to gain a broad

market share [2], [3]. This marketing strategy emphasizes more on products, not consumers. Therefore marketers consider consumers to think through a decision-making process, in which each character of a product, whether goods or services, will provide clear benefits, and these characteristics are evaluated by potential customers, both those who are familiar with the product and those who are not [4]. Therefore, the consumer decision-making process is carried out in several steps: identifying, seeking information, evaluating alternatives, making purchases, and the results of post-purchase behavior [3].

### 1.1. Physical Proof

Physical evidence is the company's physical environment in which services are created and where service providers and consumers interact, plus any tangible elements used to communicate or support the

role of the service. In the service business, marketers need to provide physical signals/guidance for the intangible dimensions of the company's services to support positioning and image and increase product scope.

Physical evidence in the service business can be divided into two types, as follows.

1. Essential evidence  
Present critical decisions made by service providers are regarding the design and layout of a building, the type of aircraft used by an airline, the atmosphere in the doctor's waiting room (completed with various achievement certificates or educational certificates achieved), etc. This will be able to increase the scope of the product significantly.
2. Additional evidence (peripheral evidence).  
Has little independent value but adds tangibility to the value provided by the service product. Example: a train ticket that is a sign of the right to take advantage of the services of a train ride on a particular schedule/time.

### ***1.2. Functions of the Service Environment***

The service delivery environment has many essential functions:

1. The service environment can play an important role in shaping consumer experience and behavior.
2. Service environment as an image-forming tool, positioning, and differentiation of service products. There are no tangible service products (intangible). This makes it difficult for consumers to judge the services' quality.
3. The service environment also acts as a value adder or value proposition for a service. Consumers have wants that need to be fulfilled from a service or a product.
4. The service environment serves as a tool to facilitate service processes and increase productivity.

### ***1.3. Consumer Response Model to Service Environment***

This Mehrabian-Russell stimulus-response model explains that the environment influences one's feelings, both consciously and subconsciously. It is the feeling that will move consumers to behave, whether it is an approach or avoidance. The approach is a term for consumer behavior that likes the service place, while avoidance means consumer rejection of the environment.

The consumer's emotional response to the environment can be divided into two dimensions, namely satisfaction and stimulation. Satisfaction is a subjective response to the environment based on whether or not a person likes the environment. Meanwhile, stimulation refers to how a person feels stimulated. It is also seen that

the model developed by Russell focuses on the affective side as the main driver of consumer behavior. Because of the significant influence on consumer behavior, it is necessary to explain further what influences this affective side.

1. Things that affect.  
Affection can be influenced by perception or cognition processes. The more complex the cognitive process, the stronger the affective side is. However, what is interesting is the simple cognitive processes that often affect a person's affective side, which includes perceptions of space, color, smell, etc. It is experienced both consciously and subconsciously.
2. Consequences of its effect on behavior.  
It has been mentioned earlier that satisfaction and arousal are two dimensions that (according to Russell's model) influence consumer behavior. Thus, service providers need to provide an environmental atmosphere following the nature of the product and consumer expectations of the service product itself. If the service offered is aromatherapy massage, the atmosphere must be made in a calming environment. However, if the service being sold is a rollercoaster ride experience, the atmosphere is built towards high stimulation.

### ***1.4. Service Environment Dimensions***

What is meant by the environment here is everything that can affect our senses. The concern is how to create an environment that can affect consumers' feelings so that they feel comfortable when they are at the outlets of a company. There are various kinds of elements that make up an environmental condition (ambient) that supports to attract consumers, namely:

1. Voice
2. Aroma
3. Color
4. Place layout and functionality.

Layout refers to how the company arranges everything in its service outlets, from floors, doors, furniture shapes, and other machines or equipment that need to be in the outlets. Functionality refers to the ability of existing machines and equipment to perform service processes. Layout and functionality determine the ease and ability of service facilities in serving consumers.

### ***1.5. Signals and Symbols***

Many things in the service environment act as signals or symbols representing the company's image. Companies must try to direct consumers in the service process very subtly, intuitively, through symbols and signals that exist at the service delivery location. Why is this important? Simply put, the consumer is king. They

want everything to be in order when entering/visiting service outlets. They do not want to look confused and do not know anything.

Consumers want to know what to do when visiting a service outlet (service process) so that they can do everything well without appearing to need help. Consumers will be "lost" when they do not get a clear message from where their services are located. This will lead to anxiety and uncertainty about how the service process should work.

### ***1.6. Optimization of the Service Environment Towards Experiential Marketing***

If we pay close attention to service business practices in various shopping centers such as J.CO Donuts & Coffee, they exploit their service environment to attract and satisfy customers. The customers are satisfied with the beautiful appearance of the donuts and the employees who are committed to serving and making donuts in the kitchen. The customer's smell from a distance can already catch the delicious aroma of bread [5]. That is why Bernd H. Schmitt explains that there has been a shift from traditional marketing to experiential marketing. In traditional marketing itself, there are four main principles:

1. Focus on features and benefits. Features are the basic functions of a product, while benefits are contained in a product.
2. Product categories are viewed narrowly, whereas, for traditional marketers, competition is seen as a product battle.
3. Consumers are seen as rational decision-makers.
4. Analytical, quantitative, and oral methods and tools

The first characteristic of experiential marketing is the focus on the customer experience, where a marketer must be able to stimulate consumers through the five senses, heart, and mind to form an experience.

Experiential marketing is the ability of product/service providers to offer emotional experiences to touch the hearts of consumers' feelings. To create a unique experience for consumers, there are two aspects constitute the framework of experiential marketing:

1. Strategic experiential modules, which support experiential marketing.
2. Experience providers, which become tactical tools in experiential marketing.

Through these two things, an unforgettable customer experience can be created. The experience must be successful in stimulating the senses (sense marketing), the emotions expected by consumers (feel marketing), the stages of expression (act marketing), and continuously trying to repeat the experience in various forms (relate marketing).

### ***1.7. Sense***

The following describes the objective strategy of sense marketing.

1. Sense as a differentiator. Sense can be used as a differentiating value for products where the product stimulates consumers through different things than usual. These stimuli can be formed through product design, communications, or sales locations.
2. Sense as a motivator. Marketing that can touch the senses can motivate consumers to try a product and buy it.
3. Sense as a form of value. Sense marketing can also be a unique value giver to consumers, which requires us to know the type of sense consumers desire and the impact of these sensory stimuli.

### ***1.8. Feel***

Feel Marketing is the strategy and implementation of engaging consumers to love the company and the brand through the service provider experience to succeed. Feel marketing creates feelings through the consumption experience.

### ***1.9. Think***

Think marketing is a marketing method model that encourages customers to think creatively about the company and its brands. Customers are encouraged to think about the brand or slogan used by the company. Companies no longer explain the features and benefits of their brands directly but encourage customers to think for themselves. There are three steps to create think marketing, namely:

1. Surprise creation  
Surprises are needed to attract attention and invite customers to think creatively.
2. Dozens of intrigue  
Intrigue is a continuation of the element of surprise; intrigue raises customers' curiosity, such as leaving questions, generating admiration, giving challenges to customers, etc.
3. Provocation blow  
Provocation was also needed in think marketing. Provocation can stimulate discussion and controversy. A provocation that must have garnered tremendous attention

### ***1.10. Act***

The strategy of act marketing is implemented to create customer experiences linked to individual behavior, social behavior, lifestyle, and experiences that arise through social interaction. In this strategy, the product is not an aspect offered as something that has a

function or benefit. In experiential marketing, the product must be able to create an experience for the customer.

### 1.11. Relate

Relate marketing is the development of feelings felt by the individual, which is an experience associated with the individual's ideal figure, another person, or a culture. In experiential marketing, a product must have a relationship with social elements, where these elements can be in the form of habits, behavior, culture, and even lifestyle [6]. Through a product, consumers expect more value where the product is [1].

## 2. METHODS

The research method used was a qualitative research method in the form of literature [7]. The research data sources were literature sourced from books, journals, and other sources about crafting the service environment. The data collection technique is done by looking for related references digitally. After searching various sources, the conclusion was drawn from all the references that have been sought by developing them in the form of knowledge and citing expert information from various sources such as books and other journals.

This research is a type of literature review research by looking for theoretical references relevant to the cases or problems found. According to [7], a literature review is a written summary of articles from journals, books, and other documents that describe theories and information both past and present, organizing literature into topics and documents needed.

## 3. RESULTS AND DISCUSSION

Restaurant businesses, such as McDonald need to design their service environment in such a way as to attract the attention of visitors, especially those who are outside to come and visit. Particularly when the restaurant is at a crossroads with a high density and is in the city center. This effort can be made by installing a large neon box with a mascot picture decorated with various colorful attributes. In addition, so that it can be seen clearly from the outside, the restaurant uses see-through glass so that visitors from outside can see the interior of the restaurant.

### 3.1. Restaurant Service Environment Dimensions

The dimensions of a service environment are divided into three major groups: exterior facilities, general interior, store layout [8].

### 3.2. Exterior Facilities

The McDonald Sarinah franchise is located in the Sarinah Building, one of the first malls in Jakarta. In this building, McDonald's takes a very strategic position. It is located on the ground floor and is close to the highway, one of the intersections with a high-density level, and in the city center.

The MCD restaurant will be straightforward to spot from the outside because their use of glass walls makes MCD stand out from the other shops in the building. Passers-by will also be aware of the restaurant's existence because the restaurant's size is quite large and uses striking colors. There is also a giant neon box in front of the Sarinah building with the M logo.

This restaurant does not have an outdoor dining area, so it can be said that the restaurant does not have a unique exterior design other than striking colors to attract attention. The restaurant area is close to the building's parking lot, which is quite spacious so that it is straightforward for customers to access the restaurant. The restaurant has two entrances; one is the main entrance on the side of the building facing Jalan MH Thamrin, while the second door is on the inside, which connects to the environment inside the Sarinah Building.

### 3.3. General Interior

In general, McDonald's interior is designed to be a restaurant with a family concept. The color of the room and furniture used uses the McD color theme, namely red and yellow.

#### 1. Lighting and color

McD's interior uses bright colors, with a mix of red and yellow. For lighting, McD uses lights that are bright enough but not dazzling. The position of these lights is arranged in such a way as to illuminate the room but does not reduce the customer's sense of comfort. Actually, the use of lights during the day does not have a significant effect because McDonald's outlets are surrounded by translucent glass so that during the day, the light coming in from outside is enough to brighten the room. In addition, the use of glass also has other benefits, namely to attract the attention of visitors from outside.

#### 2. Sounds

In running its business, McD also provides music services to pamper customers. The strains of the song are played by the music player from the operator's office. The selection of music is usually based on songs that are currently hit, both local and international. This song playback service is well regulated so that the sound of the music is not too loud so as not to disturb and reduce comfort.

### 3. Aroma

To further maximize customer satisfaction, McD also creates a fragrant room atmosphere. This fragrance comes from room deodorizers and floor cleaners that contain fragrances. McDonald's also pays attention to the intensity of the fragrance so it does not sting, which can interfere with customers' comfort in enjoying the services provided.

### 3.4. STORE Layout

The layout of McD's outlets is generally divided into five areas: dining area, children's play area, birthday room, Mc Café, and the kitchen section. Details regarding McD's interior will be discussed one by one as follows:

#### 1. Special layout and functionality

Like most fast-food restaurants that prioritize convenience, McDonald's places the ordering and payment counter right in front of the main entrance. This is to facilitate the ordering and payment process. The dining table is arranged with four chairs in such a way as to avoid the perception of a crowded room. In addition, the table setting is not carried out in a parallel longitudinal pattern to provide a relaxed and not boring effect.

As a family restaurant with a target market that includes children, McD provides a special area to play for children. This playground is not limited to proximity but is located slightly indented so that it does not interfere with the mobility of other visitors. The arena consists of a slide, a bookshelf, a shoe rack, and a shelf to place samples of McD's souvenirs.

Then in the left corner of the room, there is a special room limited by a glass wall. This room is used for birthday events or the living room if there are visits from students or other community organizations. On the right side of the restaurant, there is a McCafé, a cafe that provides coffee and cakes targeting executives for a meeting place.

The kitchen area is inside, so visitors cannot see it. The area that can be seen is only the food ordering area located together with the kitchen.

#### 2. Signals

The ordering counter area of this restaurant is shown through a menu signboard, and the presence of a cashier's desk is immediately visible as soon as you enter the restaurant because it is located near the restaurant entrance. The menu signboard also functions as a price signboard. This makes it easier for consumers to know the price from the menu offered before they place an order [9].

To show a room devoted to certain events, McD limits the room with a glass wall. In front of the glass, there is a bulletin board that will inform the event that is taking place at the venue. This makes it very easy for consumers who are invited to the event to find the place and can prevent other consumers from eating in the room. McD also provides directions for toilets and prayer rooms in front of the corridor to the area to make it easier for consumers to find the location.

## 4. CONCLUSIONS

The service environment plays a significant role in shaping the customer's perception of the company's image and positioning. Since the service quality is difficult to measure, customers often use the service environment as an important quality marker. A well-designed service environment makes customers feel comfortable, increases their satisfaction, and allows companies to influence customer behavior while increasing the productivity of service operations.

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