

# Improving The Restaurant Product Sale: A Case Study at a Hotel in Surabaya

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## ABSTRACT

Increasing a product sale is very important especially for the hotel with its products and services. The objective of this study is to examine the effect of *Nasi Goreng Jancuk (Nasgorcuk)* marketing mix on its selling improvement. The increasing of Surabaya Plaza Hotel's *Nasgorcuk* lovers is based on strategic product marketing efforts conforming very fast communication development in which youths involvement very dominantly affects the success of a brand image. The fundamental marketing strategies consist of promotion, price, location; persons, physical evidence and process are inherent attributes of the success of Surabaya Plaza Hotel's *Nasgorcuk*. The findings show that price, location, and physical evidence are the most influential attributes of the increased sale of *Nasgorcuk*.

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**B**asically, almost all hotels have the same facilities although in different forms. Hotel A has swimming pools, so does hotel B. Hotel C has a restaurant, so does Hotel D. The element of one hotel which differs from another is the service quality (Anshori, 2005). In its development, there is an intense competition which leads to the condition in which the hotels with the same class have almost the same service standards. Therefore, a hotel management needs to keep achieving the quality of products and service better than its competitors. A hotel should pay attention not only to product orientation but also to market orientation,

intellectual capital, and learning orientation so that it can create an innovation (Anshori, 2010).

In general, most of the hotel's revenues come from Room Revenue and Food and Beverages Revenue. Surabaya Plaza Hotel (SPH), for instance, is a four-star hotel which has strategic location near the shopping centers. This location benefits the hotel, because by having a good location it can attract many guests to come and stay. On the other hand, it appears that having location near the shopping centers, it can be less profitable, especially in food and beverage selling.

In such a situation, SPH is being encountered with a problem. In fact, there are many guests staying at the hotel but they prefer eating at the shopping centers because of their cheaper prices and more variations of foods. Besides that, they can go out for sightseeing or plan to purchase something at the shopping centers. This encourages SPH management to innovate by creating a food product in which most of the consumers either those who stay at the hotel or those who do not are fond of the food product so that it can also popularize the hotel's restaurant.

To solve the problem, SPH innovates by selling *Nasi Goreng Jancuk (Nasgorcuk)*, in order that the staying guests will eat at the hotel. Even there are more people who do not stay at the hotel who come and enjoy *Nasgorcuk*. It is to the attractive and unique name of this food. It can be proved by the fact that more and more people come to enjoy *Nasgorcuk* day by day and there are some hotels and restaurants in Surabaya attempt to copycat *Nasgorcuk* but it is served in different names. As stated by Morrish (2011) being pro active in both market driving and being market driven based on market sensing enable entrepreneurial marketing firms to achieve higher performance.

## **Empirical Studies**

### **Marketing**

Marketing is commonly defined as a way done by a company in influencing consumers to purchase the company's products. However, the real meaning of marketing is much wider than just the activities of selling goods and services. As stated by Kotler and Armstrong (2006) marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customer in return. In this case, Kotler and Armstrong emphasize on creating the value and building a strong relationship with the customers. American Marketing Association in Gundlach and Wilkie (2009) defines marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and

exchanging offerings that have value for customers, clients, partners, and society at large. Meanwhile, Jobber (2010) stated that the modern marketing concept can be expressed as the achievement of corporate goals through meeting and exceeding customer needs better than the competition.

Based on the above definitions, marketing can be described as a series of business activities which aims to plan, distribute, and promote a product or service. Goods or service which is traded should be beneficial for both the seller and the purchaser. Therefore, the sale of goods and service should be well managed. This is in line with what is stated by Anshori (2010), that a market-oriented company should be able to see the needs of their market (i.e. the customers) in the future.

The decision made by the consumer in purchasing a product always becomes a reference for marketing managers in deciding the strategies for attracting the consumers to purchase. It is evident that consumers' behavior in purchasing a certain product must be based on certain aspects related to the consumers' satisfaction. In this case, Anshori and Langner (2007) stated that customer satisfaction is critical component of profitability. Exceptional customer service results in greater customer retention which, in turn, results in higher profitability. The higher the satisfactions level of a consumer, the greater his/her to repurchase and inform other people about the positive side of the product (Wahyuningsih and Nurdi: 2010).

For that reason, marketers are always trying to fulfill consumer's demands in order to fits the product to consumer's taste and desire. Through marketing mixture, the marketers always try to find new strategies in gaining consumers as many as possible and satisfying them. Principally, customer satisfaction is as important as blood flowing in the vein which maintains the existence and development of the company. Peter and Olson (2008) stated that consumer behavior is dynamic because the thinking, feeling, and action

of individual consumers, targeted consumer groups, and society at large are consistently changing. Specifically, most of Indonesian consumers' behaviors in purchasing a product are still influenced by price, as stated by Wangso (2009). This phenomenon of price cutting within the context of market in Indonesia has been very relevant to the macro problems such as purchasing power and prestige seeking customer.

### **Selling Attributes Affecting Consumer**

Purchasing transaction commonly involves two or more sides in purchasing process of goods and service. According to Kotler, there are five roles of consumer in making trade decision such as initiator, influencer, decider, buyer, and user.

To explain the connection among these roles, it is important to see the role of marketing mix which influences the consumer's desire to purchase a product. *Nasi goreng* (fried rice) is a common product which is also sold by many food stalls and restaurants in every corner of Surabaya. If the management does not comprehend the role of marketing mixture, it will be the same as selling a product without certain targets which results in financial loss for the company. To win the competition, a consumer-oriented marketing concept is needed. The concept is based on the marketing activities done by a company that should start from an attempt to recognize and comprehend what consumers need and desire. After that, it is followed by formulating combination of marketing mix as the following.

#### **1. Product**

*Nasi Goreng Jancuk* (*Nasgorcuk*) is a product made by chefs of Surabaya Plaza Hotel (SPH) which has certain criteria such as: having very hot taste served in large portion (about five times larger than standard portion), and made with four-star hotel standard ingredients in hygienic process. The structure of the product distinguishes *Nasgorcuk* from the other same *nasi goreng* (fried rice) in Indonesia. This is in relation to the statement by

Holey *et al.* (2004) that a new product should have significant and special qualities compared to other products.

The guests of SPH restaurant prefer *nasi goreng* for lunch and dinner with much larger portion compared to the other *nasi goreng* sold in food stalls and shopping centers around the hotel with their timeless customers. This motivates the researcher to investigate how far consideration is made by the consumers in purchasing their favorite food if the location has different ambience from places they usually visit so far. The target consumers of *Nasgorcuk* are youths and young executives, either that who usually or rarely eat in hotel restaurant. According to Tsai (2009) consumers perceive their positive relationships with the service brand not merely on the basis of economic transactions. Social exchanges, interpersonal contacts and symbolic meaning to a considerable extent account for building the kind of consumer-brand relationships that foster strong and durable brand loyalty.

#### **2. Price**

According to Kotler and Armstrong (2006) price is the amount of money paid for a product or service. In this case, price is one of the factors which make a consumer reluctant to have a lunch or dinner at a hotel restaurant. Generally, price consideration is the main reason preventing someone to come to a hotel restaurant, especially those who come from lower middle class people. In addition, price is the primary consideration of someone from lower middle class in deciding to purchase a product, especially fast food products. A plate of *nasi goreng* sold in food stalls must be much cheaper than in a restaurant of four stars hotel. Price is probably not a problem for a group of people who are financially established. However a vast market segmentation of food product is a great opportunity for hotel restaurant which can be optimized by adjusting to the price of food they sell. The price of *Nasgorcuk* is Rp. 99.500,- per portion, and it can be enjoyed by five persons

because of its jumbo size. If we divide the price by five, each person will pay Rp. 20.000,-. It is a cheap price for eating at a four stars hotel restaurant.

### 3. Place

Besides price, place is also a reference for consumer in deciding place where they eat. Places like a hotel have elegant and formal impression because of the image of hotel itself. So far, hotel has an impression as if it is designated for upper middle class because of their financial ability and those who come from lower middle class have “no right” to come to the hotel. On the contrary, they are also able to purchase a portion of *nasi goreng*. The place can also improve someone’s prestige. Eating on a sidewalk food stalls seems to be less prestigious than eating the same menu at a hotel restaurant.

Eating *Nasgorcuk* at a four stars hotel restaurant attracts youths seeking for true-self. Life of teenagers recently is inseparable from gadgets related to social networks; therefore SPH provides a prestigious place to hang out, besides room with AC and Wi-Fi for the consumers. Recently, finding an exclusive place to hang out with internet connection is inexpensive. Teenagers and young executives do not feel comfortable without internet connection through wireless network. For that reason, restaurant managers have to respond these demands quickly in order not to be left by this mushrooming community. Market segmentation is commonly accepted as the strategic tool linking the company to the market and driving market choices and value creating strategies (Juttner, Christopher, and Godsell: 2010).

### 4. Promotion

Consumption experience stops right after and exchange between marketer and consumer. Therefore, marketer needs to manage customer comprehension continually. A customer positive comprehension about a brand or company after consumption is strengthened by the marketer by managing it (Bhaskara and Hendra: 2006). The

creation of perception about a product is not merely a result of consumer’s direct experience. A good and interesting way of communication is also needed in creating perception about a product in consumer mind. The perception can be both positive and negative based on the consumer’s point of view. There are many communication media which can be used to inform consumer about a product. They are conventional media such as brochure, banner, audiovisual in television, and many more.

In this information era, besides these conventional media, internet based media such as social networks: face book, twitter, Blackberry Messenger, blog, and YouTube can also be used. The spread of information using these media is even faster than conventional media. Ismail and Spinelli (2012) stated that building an emotional relationship with their customers, companies will make their customers positively talk about their brands. If this is attained, the number of customers using the brand could probably be increased and in turn the company may report a jump in profits.

The information about SPH’s *Nasgorcuk* is widespread using both conventional media and social networks. To consume a portion of *Nasgorcuk* involves at least four people. Therefore, if each person updates their location or upload their location, the information will spread to other consumers. Here, the positive role of Word of Finger (WoF) is very important. WoF is a method to spread information using social networks. It has the same principle as word of mouth, yet it uses social networks as main technology. Once a consumer has a negative (bad) impression about a product, a large amount of promotion cost will be useless because the negative perception will be widespread through the network which is untouchable by conventional method.

### 5. People

The concept of service selling is inseparable from the role of people giving service. Service is invisible

product; however its benefit can be felt directly by the consumers. In serving SPH's *Nasgorcuk*, waiters/waitresses play significant role, because they communicate with the consumers directly. Their ability in explaining, serving, and giving solution to a problem is related to what consumer needs. It is an important factor and can influence consumer's decision to come again or not. Being friendly is important in which, the hotel waiters know well about the product, adept and responsive to what a consumer needs gives positive value to the company. Therefore, complete product knowledge and good service procedure must be given to waiters/waitresses. According to Han (2008) there is a strong possibility that if the company fails to recognize the new competitions, shifting of the consumer interests, and the social trends or innovative technologies, it will lose its market share.

## 6. Physical Evidence

*Nasgorcuk* with its jumbo size which can be consumed by four or more persons each portion becomes a special appeal. A very large portion and high level of heat are two of special qualities of *Nasgorcuk*. *Nasgorcuk* which is served on a *Wajan* (frying pan) becomes a unique serving. In normal situation, when a consumer orders a portion of *nasi goreng*, it will be served on a plate. The large portion of *Nasgorcuk* indirectly educates the consumers to bring their friends (minimum four persons) each time they come to eat *Nasgorcuk*. The more small groups enjoy *Nasgorcuk* means the more people come and see directly its serving presentation. The unique presentation often becomes object of photograph which is later on uploaded and shared on social networks.

## 7. Process

The process here refers to production process. The length of production process determines consumer's satisfaction on a product, especially fast food product. Chefs' adaptation to processing the orders of *Nasgorcuk* is one of the keys to maintain consumers' loyalty. Estimated time needed in

processing *Nasgorcuk* starts from ordering until served to consumers is 15 minutes. *Nasgorcuk* must be served in fresh condition; therefore, either a portion order or ten portions order the procedure must obey this principle. It means that each order uses fresh ingredients before being processed by the chefs, so that *Nasgorcuk* is not a ready *nasi goreng* e.g., it is warmed when order comes. A fast process without lowering taste and quantity standards is a factor which takes part in preserving the existence of *Nasgorcuk* as favorite food of loyal consumers and potential consumers.

## METHODS

This research was conducted based on explanatory research design to test the hypothesis. The main objective of this study is to determine the extent of the influence of marketing mix towards sales volume of *Nasgorcuk*. In the first stages of this research describes the character of the respondent as well as their responses about attributes of marketing mix of *Nasgorcuk*. This is meant to understand the respondent's standard of acceptance to the marketing mix attributes that has been done by Surabaya Plaza Hotel to boost the sales of *Nasgorcuk* both positively and negatively.

This research used sample survey method as research method and simple random sampling as sampling technique with a small part of population to get general conclusion. Therefore, the data were primary data taken from 140 consumers of *Nasgorcuk*. The data collection was done by distributing the questionnaires directly to the consumers by requesting them to answer. Beside, a direct interview with each respondent was also done. Most of the respondents are from the high school until university students. Primary data were obtained through questionnaire and data collected direct by author during the field research. The period of data collection was determined by time series method, which was done on January 2012 until June 2012.

The dependent variable was *Nasi Goreng Jancuk* (Y) while the independent variables were the policy of price (X1), place (X2), promotion (X3), human resources (X4), and process (X5), and physical evidence (X6). For analysis, a statistical model was used to investigate causal relationship among variables. The multiple-linear regression model is as follows:  $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \epsilon$ .

## RESULTS AND DISCUSSION

### Characteristics of Respondents

The respondents are from various circles, especially those who like *Nasgorcuk*. Here's an overview of the respondents who contributed to this research.

Table 1. Respondent by Gender

| Gender | Sum | Percentage |
|--------|-----|------------|
| Male   | 63  | 45%        |
| Female | 77  | 55 %       |

As in Table 1, by gender, *Nasgorcuk* lovers are dominated by women that is about 55% while male respondents also by 45%. This means that gender composition has an almost equal portion.

Table 2. Age Group of Respondents

| Age Group   | Sum | Percentage |
|-------------|-----|------------|
| Youth       | 85  | 60.71 %    |
| Adolescence | 36  | 25.71 %    |
| Elderly     | 19  | 13.58 %    |

Again, as in Table 2, the youth dominated *Nasgorcuk* lovers. Young age is a time to start developing social relationships. Most of today's youth are connected with social networking through the internet; this condition speeds up the process of communication and spreading of news when a youth gets some information. When a group of youths feel that eating *Nasgorcuk* in SPH is very satisfying and it is an exciting place to hang out, then the sooner the other youth groups are connected in sequence to try and feel the same way, too.

Table 3. The Education level of Respondents

| Educational Level | Sum | Percentage |
|-------------------|-----|------------|
| Student           | 51  | 36.43 %    |
| College           | 70  | 50 %       |
| Others            | 19  | 13.57 %    |

The school term and high school turned out to be the most widely time for gathering friends and best friends to do activities together, including hanging out while enjoying the food. More than 86% of most lovers of *Nasgorcuk* is group of those students. It is also influenced by the place where they can chat while enjoying the trendy meals so they can proudly proclaim their presence to other peers.

Table 4. Influential promotion media

| Promotion Media          | Sum | Percentage |
|--------------------------|-----|------------|
| Internet connected based | 138 | 98.57 %    |
| Conventional media       | 2   | 1.43 %     |

It was proven that social media marketing is a very effective and inexpensive media. It was effective because the information quickly spread to a vast network. It was also inexpensive as restaurant manager did not need to pay at all for the promotion. This can be seen from the statistics of *Nasgorcuk* lovers who responded, nearly 99% of them expressed they come to enjoy *Nasgorcuk* based on information from friends connected through social networking. Yet, keeping in mind that when it occurs negative words of fingers or negative information on these products via SMS and social networking or blackberry, then in a very short time the credibility of the product will be affected for its sale.

From the results of this research, most lovers of *Nasgorcuk* are young women who are largely still student S1 (undergraduate student). This can happen because of the recent trend of young people now spend their spare time to gather with

friends, to hang out somewhere while surfing the internet or to update the status in social media.

Things that must be met in addition to a convenient place and having air conditioning is that privacy must be protected as well, the continuous Internet connection, not to mention the affordable price for students' pocket money. SPH has had its own calculations so that the price of a portion of Nasgorcuk will not reduce all facilities demanded by customers.

**Product Description of Nasgorcuk (In accordance with the Promotion)**

Research on product of *Nasgorcuk* referring to its lovers' taste was described by several variables that represent the taste of products, such as taste, appearance, and hygiene. Table 5 clearly describes the perception of the lovers of *Nasgorcuk* through the assessment of attributes that they see and feel.

Table 5. Description of variable product *Nasgorcuk*

| Attribute       | N   | Scale | Mean | Std.dev |
|-----------------|-----|-------|------|---------|
| Good look       | 140 | 1 – 5 | 3.67 | 0.83    |
| Delicious taste | 140 | 1 – 5 | 3.80 | 0.91    |
| Enough garnish  | 140 | 1 – 5 | 3.45 | 0.97    |
| Good hygiene    | 140 | 1 – 5 | 3.88 | 0.74    |

Table 5 describes that on average the respondents are very satisfied with the product of *Nasgorcuk*, either in terms of appearance, good taste or hygiene of the product of *Nasgorcuk*, they agreed that it is appropriate for consuming for and fit with existing promotions.

As in Table 6, the price of *Nasgorcuk*, both package and non package, (meaning that the package is *Nasgorcuk* price plus a pitcher of iced tea) is considered to correspon to the ability of students. Similarly, the price of drinks is also considered reasonable when compared with the price of drinks in other places in general. Their costs for enjoying *Nasgorcuk*, coupled with the facilities of free wifi and a cool and comfortable place, make

Table 6. Description of price variable

| Attribute               | N   | Scale | Mean | Std.dev |
|-------------------------|-----|-------|------|---------|
| Low price               | 140 | 1 – 5 | 3.39 | 1.04    |
| Cheap nasgorcuk package | 140 | 1 – 5 | 3.43 | 0.98    |
| Cheap drinks            | 140 | 1 – 5 | 3.07 | 1.18    |
| Value for money         | 140 | 1 - 5 | 3.53 | 0.99    |

the very good value for money, in other words the cost is commensurate with the pleasure obtained.

Table 7. Description of place variable

| Attribute         | N   | Scale | Mean | Std.dev |
|-------------------|-----|-------|------|---------|
| Nice place        | 140 | 1 – 5 | 3.95 | 0.83    |
| Comfortable place | 140 | 1 – 5 | 4.09 | 0.71    |
| Cheap drinks      | 140 | 1 – 5 | 3.94 | 0.79    |
| Value for money   | 140 | 1 - 5 | 3.87 | 0.81    |

Place variable, as in Table 7, also gets very good score by the respondents, even the comfort and cleanliness as well as a great place are more appreciated, although other variables also have very good values. Of course, this can be done because the restaurant for eating *Nasgorcuk* is in Surabaya Plaza Hotel, a four-star hotel, which has set the standard for the restaurant as a place worthy of an international place for meal.

Table 8. Description of promotion variable

| Attribute          | N   | Scale | Mean | Std.dev |
|--------------------|-----|-------|------|---------|
| Newspaper          | 140 | 1 – 5 | 2.82 | 1.02    |
| Flyer/poster place | 140 | 1 – 5 | 2.76 | 0.94    |
| Social Network     | 140 | 1 – 5 | 4.08 | 0.89    |
| BBM                | 140 | 1 - 5 | 3.12 | 1.24    |

A great surprise is the promotion variable, the respondents are now less concerned with conventional promotional tools such as newspapers, radio, brochures and even posters with jumbo size (see Table 8). The score for this way of promotion is very low, even practically not seen at all by the respondents that mostly female youths.adolesce. But, if it is talked via BBM as well as chatting and the like, they are very responsive to new information. It proved that they received

information about the existence Nasgorcuk mostly from facebook, twitter, BBM and the like, and they feel this kind of information is quite effective and believeable because that information is not from the producer, but from his own close friends and relatives so that they have faith in it which is an absolute truth for them.

Table 9. Description of human resource variables (people)

| Attribute       | N   | Scale | Mean | Std.dev |
|-----------------|-----|-------|------|---------|
| Skillful Waiter | 140 | 1 – 5 | 3.64 | 0.91    |
| Good Waiter     | 140 | 1 – 5 | 3.77 | 0.81    |
| Smart Waiter    | 140 | 1 – 5 | 3.60 | 0.87    |
| Good Grooming   | 140 | 1 - 5 | 3.69 | 0.86    |

The waitress (waiter / ress) is a variable that gets pretty good score from the respondents (see Table 9). They are considered skillfull, adept and understand the needs of consumers, of course coupled with an excellent appearance. This is understandable because they are employees of the hotel. They're trained for it as a waiter / waitress of star hotel restaurant, where they are used to meeting guests of the middle class and above. Therefore, the interface and the serving already fulfill the qualification for star rated hotel. Moreover, SPH management also applies standard service for anyone who enjoys a meal in the restaurant, including the consumer of Nasgorcuk lovers.

Table 10. Description of process variable

| Attribute        | N   | Scale | Mean | Std.dev |
|------------------|-----|-------|------|---------|
| Easy reservation | 140 | 1 – 5 | 3.81 | 0.87    |
| Quick ordering   | 140 | 1 – 5 | 3.48 | 0.92    |
| Available place  | 140 | 1 – 5 | 3.75 | 0.78    |
| Easy             | 140 | 1 - 5 | 3.80 | 0.76    |

The variables of *Nasgorcuk* making process are considered pretty well by the respondents (see Table 10). This means that ordering is considered very easy, no long waiting times and places, or always available when they come. Payment

transactions are also considered to be very easy and efficient. The process becomes very important when time is too long to wait, but in this case it would be very different for *Nasgorcuk* concerning the description of the time. When consumers are on their own, ordering a particular food within 15 minutes will be so long. But, for the buyers of *Nasgorcuk* never comes alone, so 15 minutes is considered fast, because they enjoy themselves before the meal come and chat in a cozy space while still on-line at each gadget.

Table 11. Description of Physical Evidence variables

| Attribute         | N   | Scale | Mean | Std.dev |
|-------------------|-----|-------|------|---------|
| Very hot taste    | 140 | 1 – 5 | 4.31 | 0.95    |
| Large portion     | 140 | 1 – 5 | 4.33 | 0.87    |
| Fresh serving     | 140 | 1 – 5 | 4.12 | 0.80    |
| Good rice quality | 140 | 1 - 5 | 4.18 | 0.87    |

Variable of physical appearance of *Nasgorcuk* was responded so well by the respondents. As in Table 11, the high level of very hot taste is in accordance with the promotion, as well as a considerable portion, even it can be wrapped to take home. What is also very important is the quality of materials and ways of serving food, fresh from the kitchen. The quality of materials and how the serving is required to comply with the standard of star rated hotel. Although the products served are food products that can be found in any food stall, the production process until the serving is considered as the star hotel class. This really distinguishes physically *Nasgorcuk* with other fried rice.

### Analysis of the Effect of Marketing Mix on Nasgorcuk product

To see the effect of the marketing mix on increasing sales of *Nasgorcuk*, this study used multiple regression analysis. However, prior to analysis, prior assumptions must be tested, also both the validity and reliability of data, as well as normality and other tests that were essential in order to apply full regression analysis. The analysis can be seen in Table 12.



Table 12. Model Summary

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | 0.638 | 0.407    | 0.380             | 0.50849                    |

From Table 12, it can be noted that the research model of *Nasgorcuk* gives enough effect to the product which is seen from the  $R^2$  of 40.7%, while the remaining 59.3 percent are caused by other factors which are not included in the study variables, but can affect the existence *Nasgorcuk*.

Table 13. Analysis of Variance

| Model      | Sum of Squares | Df  | Mean Square | F      | Sig.  |
|------------|----------------|-----|-------------|--------|-------|
| Regression | 23.078         | 6   | 3.846       | 14.876 | 0.000 |
| Residual   | 33.614         | 134 | 0.259       |        |       |
| Total      | 56.692         | 140 |             |        |       |

From Table 13, it can be explained that regression model of relationship built can be explained very well; it is known from  $\alpha$  which is higher than significant figures. Therefore, dependent variables can explain the independent variable.

Table 14. Data Regression Model

| Model     | Unstandardized Coefficients B | Std. Error | Standardized Coefficient Beta | t     | Sig. |
|-----------|-------------------------------|------------|-------------------------------|-------|------|
| (Constan) | .831                          | .330       |                               | 2.521 | .013 |
| X1        | .188                          | .054       | .262                          | 3.499 | .001 |
| X2        | .267                          | .073       | .275                          | 3.643 | .000 |
| X6        | .279                          | 0.64       | .311                          | 4.335 | .000 |

In Table 14, it is found the regression equation,  $Y = 0.831 + 0.188X1 + 0.267X2 + 0.279X6$ . The regression equation indicates that the variables of price, place and Phisichal Evidence have positive significant effect on product enhancements of *Nasgorcuk*. While the other variables in this study such as promotion, human resource and process do not significantly influence the increase *Nasgorcuk* product, it is expressed with  $\alpha$  greater than significance figure.

## MANAGERIAL IMPLICATIONS

In order to sustain and keep *Nasgorcuk* lovers continue to grow then there are some factors that should be considered, including: First, the consistency of the look and taste, a standard look and taste that is a trademark of *Nasgorcuk* should always be maintained. It is very important because most respondents will immediately inform *Nasgorcuk* through on-line in a chain to a vast social network. If there is little change in consistency of product, it is feared that it will directly impact on product sales. Second, consumers feel the price is quite affordable for a given class of hotel, because to raise prices should need calculations that are the potential reduction in the number of diners.

Consumer confidence in the product *Nasgorcuk* is necessarily not in branding through conventional information media, both print and audio visual. Consumers today are very savvy and rely more on word of fingers (convey information via Blackberry or Mobile) obtained from colleagues, friends and relatives via the internet based on social networking. Third, *Nasgorcuk* lovers are the youths who love and desire for changing the trend such as a gathering place and dining. It's important to facilitate their activities so they feel comfortable. Such facilities include: not a low connection for free wifi, power plug (socket) to Mobile (HP) and Blackberry (BB) charger even if there needs to be mobile charger station from various brands of HP and BB, HP pulses sales, back ground music and others.

There needs to product development, especially to display the serving in order to avoid boredom for the consumer. Besides, it can also continue to develop *Nasgorcuk* related merchandise such as T-Shirt, key chain, etc., which can help the promotion of low cost. Moreover, product differentiation should also be made specifically to accommodate consumers who do not like spicy food.

## CONCLUSION

It can be concluded that to increase the product of

*Nasgorcuk* in Surabaya Plaza Hotel is caused by the physical appearance of a product that is satisfying customers, supported by affordable pricing policy, as well as a prestigious dining and comfortable place. Still there are some attributes that can give a major effect on product enhancements missing in

*Nasgorcuk* research variables. This is due to the focus the researchers has that is on the marketing mix, based on the theory that has been widely used in the science of marketing. The rapid advancement of information enables several new variables in line with current technological advances. ■

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