

ENHANCING SERVICE QUALITY IN INDONESIAN FOOD CART FRANCHISE: ASSURANCE AND EMPATHY FOR FRANCHISEE SATISFACTION

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Abstract: The franchise business not only provides good products but also provides services that satisfy the franchisee. One of Indonesian company franchise, Arofah Kebab, is facing issues with franchises who inconsistently purchase raw materials and inactive franchisees. The problems may be caused by Arofah Kebab's inability to maintain the quality of services to its franchisees. Arofah Kebab has no information about the quality of its service. This study aims to analyze the level of importance and performance of Arofah Kebab services, and franchisee satisfaction. Respondents were 40 active franchisees (33% of total accessible population) using the convenience sampling method. Service attributes are determined by the servqual model and analyzed using descriptive analysis, customer satisfaction index (CSI), and importance-performance analysis (IPA). The results indicate that assurance and empathy dimensions are service quality dimensions that need to be further emphasized by individual franchise businesses in providing services to franchisees. These dimensions encompass various service attributes that relate to assurance and the personal relationship between the franchise and franchisor. In the case of Arofah Kebab, four service attributes need to be improved including carrying out every obligation in the agreement, strengthening two-way communication, creating SOP for employees who deal directly with franchisees, and providing extensions for customer service hour and ensuring service operating hours run on time.

Keywords: CSI, franchise, franchisee satisfaction, IPA, service quality

Abstrak: Bisnis waralaba (franchise) tidak hanya menyediakan produk yang baik melainkan juga menyediakan layanan yang memuaskan penerima waralaba (franchisees). Salah satu waralaba Indonesia, Arofah Kebab, menghadapi masalah franchisees yang tidak membeli bahan baku secara kontinu dan franchisee yang pasif. Masalah ini kemungkinan disebabkan oleh ketidakmampuan Arofah Kebab dalam menjaga kualitas pelayanannya. Tujuan dari penelitian ini adalah untuk menganalisis tingkat kepentingan dan kinerja layanan Arofah Kebab dan tingkat kepuasan franchisee. Responden berjumlah 40 franchisee aktif (33% dari populasi yang dapat diakses) yang dipilih menggunakan metode convenience sampling. Atribut layanan diidentifikasi menggunakan servqual model dan dianalisis menggunakan analisis deskriptif, customer satisfaction index (CSI), dan importance-performance analysis (IPA). Hasil penelitian menunjukkan bahwa dimensi jaminan dan empati merupakan dimensi kualitas layanan yang perlu lebih diperhatikan oleh masing-masing perusahaan waralaba yang bersifat perseorangan dalam memberikan pelayanan kepada para franchisee. Dimensi ini mencakup berbagai atribut layanan yang mengarah pada jaminan dan hubungan pribadi antara franchisee dan franchisor. Dalam kasus Arofah Kebab, terdapat empat atribut pelayanan yang menjadi peningkatan utama yaitu memenuhi seluruh kewajiban dalam kontraktual, penguatan komunikasi dua arah yang terbuka, pembuatan SOP bagi karyawan yang berhubungan langsung dengan franchisee, dan perpanjangan layanan pelanggan dan pemastian jam operasional pelayanan tepat waktu.

Kata kunci: CSI, franchise, kepuasan franchisee, IPA, kualitas pelayanan

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INTRODUCTION

Franchise is a business model where the franchisor designs a system that allows franchisees to achieve profits more easily with limited resource and minimal risk by operating the provided management system (Alon et al. 2021; Negara, 2023; Subong-Espina, 2021). Franchising enables rapid business expansion and increased profitability for the franchisor through investments from franchisees (Astuti, 2005). Franchising facilitates business expansion for the franchisor and simplifies business ownership for franchisees, eliminating the need to start from scratch or establish a strong brand presence (Indriani and Widyanti, 2012). Franchises have established strong brands recognized by many, saving time, effort, and cost compared to trial and error (Arif et al. 2021). Franchisors transfer intellectual rights, business know-how, and brand operating rights to franchisees in exchange for fees and royalties (Alon, 2004; Alon et al. 2021; Gillis et al. 2020). Franchising is prevalent across multiple sectors, including manufacturing, retail, and service (Wingrove et al. 2017).

Franchise business in Indonesia is promising with a large market potential (Kementerian Perdagangan, 2021b). The sector experiences a stable annual growth rate of 5%, operating over 93,000 outlets (Kementerian Perdagangan, 2021a). Food and beverage services dominate the franchise sector (58.37%), followed by retail (15.31%) and non-formal education services (13.40%) (Kementerian Perdagangan, 2021b). In franchise business, providing products is not enough; satisfying services for franchisees are crucial. Customer satisfaction is essential for maintaining long-lasting franchisee-franchisor relationships (Uripi and Wijayanto, 2013) such as trust Calderon-Monge and Pastor-Sanz (2017). The success of a franchise business depends on the success of its franchisees. Franchisors should actively listen to franchisee opinions and understand their key factors for success, contributing to overall franchise success (Kalargyrou et al. 2018).

Franchisee satisfaction is influenced by franchisor support, which in turn impacts their intention to continue the partnership (Nijmeijer et al. 2014). Service support is a key form of assistance provided by franchisors, including location selection, planning, equipment procurement, workflow patterns, employee recruitment, advertising, and opening event support (Negara, 2013). Continued support involves the supply

of raw materials, promotions, HR training, quality audits, and management consultations (Saputro, 2016). Franchisees' satisfaction hinges on the franchisor's service performance; if expectations are not met, franchisees may reconsider the partnership. Service quality is assessed by comparing service performance to franchisee expectations, and the gap between expectations and perceptions determines the perceived service quality (Parasuraman et al. 1985; Fatihudin dan Firmansyah, 2019).

Franchisee dissatisfaction can arise from factors such as unmet expectations, poor service, unsatisfactory employee behavior, inadequate atmosphere, and high cost (Manap, 2016). Dissatisfaction can result in negative attitudes, reduced repeat purchases, brand switching, and complaints (Tijpono, 2000). To improve franchisee satisfaction, minimizing the gap between franchisor service performance and franchisees' service expectations is required. Addressing franchisee demands and complaints is crucial for enhancing satisfaction (Kim, 2007). Franchisors should identify key service quality attributes that can enhance franchisee satisfaction.

This study focused on Arofah Kebab, a food cart franchise business in Indonesia. However, the findings have broader implications for other food cart franchises in Indonesia. Arofah kebab operates outlets in various cities, offering products like kebabs, burgers, and hot beef, along with managerial support to franchisees. Franchisees of Arofah kebab are obligated to purchase raw materials from the franchisor. Arofah Kebab's monthly revenue depends on the sale of raw materials to franchisees. An anomaly exists where the number of franchisees increases each month, but only around 30% of them purchase raw materials (Table 1). As a result, some franchisees do not make continuous purchases, and others have become inactive.

Franchisees are willing to continue their current franchise business if they are satisfied with the franchisor's support (Jang and Park, 2019). However, Arofah Kebab, as a franchisor, has not conducted any evaluation of franchisee satisfaction regarding its services, preventing them from improving service attributes that could enhance franchisee satisfaction. Moreover, there is lack of empirical research on franchisee satisfaction with the service quality of food cart franchises. Therefore, measuring franchisee satisfaction with its service performance of Kebab

Arofah is required. This study aims to analyze the level of importance and performance of Arofah Kebab's services for franchisees and analyze franchisee satisfaction with the service quality of Arofah Kebab. Therefore, the central hypothesis of this study posits that elevating service quality will significantly enhance the satisfaction of individual franchisees. This study is expected to contribute to the limited literature on franchisee satisfaction with the service quality of food cart franchises.

METHODS

The study used primary data on services attributes, determined through the serqual method (Parasuraman et al. 1985). This method allows for a specific exploration of service attributes based on dimensions and is applicable to various company types (Ingaldi, 2018). Using the serqual method, the importance and performance of service perceptions can be separated measured, both of which influence satisfaction. The serqual method provides understandable and in-depth research results. Services were identified through literature review and interviews with Arofah Kebab owners, resulting in 23 attributes (Table 2). These attributes were included in a questionnaire, divided into sections on service importance and perceived performance by franchisees.

The franchisee population was determined following Grove et al. (2015). The target population included all Arofah Kebab franchisees registered from November 2014 to June 2022, totaling 356 members, while accessible population consisted of 121 active franchisees purchasing raw materials in June. Data

collection occurred over two months, from July to August 2022, using convenience sampling method. The questionnaire was administered through online (WhatsApp) and offline (Arofah Kebab Headquarters) methods. Out of the 116 franchisees contacted via WhatsApp, 46 responded, resulting in a 39% response rate. Among the respondents, 34 agreed to participate. Moreover, 6 respondents were interviewed in person at the Arofah Kebab Headquarters. In total, 40 franchisees (33% of total accessible population) participated in the study, completing the questionnaire through Google Form. The sample size met the minimum requirements for descriptive research, with at least of the population or 1 20% for relatively small populations (Gat et al. 2011).

The data analysis methods included descriptive analysis to describe service importance and performance, validity and reliability tests using SPSS version 26.0, service quality measurement using average values in Microsoft Excel 2016, customer satisfaction index (SCI), and importance-performance analysis (IPA). This method measures service satisfaction levels and uses gap analysis to identify performance gaps by subtracting performance from importance (Shaw, 2002; O'Neill, 2001).

Several studies have utilized the IPA method for performance analysis, including food service at a restaurant (Obonyo et al. 2012), product attributes (Dzulfikar et al. 2021); hospital services (Utami et al. 2022), cargo industry (Viali et al. 2018) and express logistic (Shaumi and Cahyadi, 2022), and Online Passport Queue Registration Application (APAPO) at the Immigration Office (Ramos et al. 2022).

Table 1. Percentage of franchisees purchasing raw materials

Period	Total number of franchisees (A)	number of franchisees making purchase (B)	Percentage of franchisees purchasing raw materials (B/A)
Year 2020			
Quarter 3	280	80	28.7%
Quarter 4	292	83	28.5%
Year 2021			
Quarter 1	307	94	30.7%
Quarter 2	321	110	34.2%
Quarter 3	335	105	31.3%
Quarter 4	339	106	31.2%

Source: Arofah Kebab (2022)

Table 2. Service attributes

Attribute	Source
Serqual dimension: Tangible	
Variety of booth types of options	Interview with owner
Visual attractiveness of booth design	Tjiptono and Chandra (2016)
Completeness of booth facilities	Interview with owner
Location of franchisor's headquarters a	Interview with owner
Operational staff uniforms	Interview with owner
Appearance of franchisor's employees	Tjiptono and Chandra (2016)
Serqual dimension: Reliability	
Suitability of franchise package price with provided facilities	Ramirez-Hurtado (2017)
Provision of standard operating procedure	Su and Tsai (2017)
Skills or competensi of operational staff	Interview with owner
Regular viists from the franchisor	Su dan Tsai (2017)
Provision of services for online marketing needs of franchisees	Interview with owner
Availability of raw material stock	Muttaqien (2020)
Serqual dimension: Responsiveness	
Ease of becoming a franchisee	Muttaqien (2020)
Ease of ordering raw materials	Su dan Tsai (2017)
Accuracy and speed of raw material delivery	Ramirez-Hurtado (2017), Su and Tsai (2017)
Speed and responsiveness of customer service in addressing requests	Tjiptono and Chandra (2016)
Serqual dimension: Assurance	
Provision of training for franchisees	Ramirez-Hurtado (2017), Su and Tsai (2017)
Provision of training for operational staff	Ramirez-Hurtado (2017), Su and Tsai (2017)
Aligment between the cooperation agreement and its implementation	Interview with owner
Serqual dimension: Empathy	
Provision of business consultations	Muttaqien (2020)
Understanding of franchisee needs	Tjiptono and Chandra (2016)
Patience in dealing with complains	Muttaqien (2020)
Alignment of service operating hours with franchisee needs	Tjiptono and Chandra (2016)

The validity and reliability tests confirmed the validity and reliability of 23 services attributes ($r > 0.312$, Cornbach's Alpha: 0.923 for importance, and 0.955 for performance) (Martilla and James, 1977; Sever, 2015; Ramirez-Hurtado, 2017; Muttaqien, 2020). The scale range and interpretation of CSI percentages were based on Ingaldi (2018) (Table 3 and Table 4).

RESULTS

Arafah Kebab Profile

Arafah Kebab, founded by Mutoharoh on November 25, 2014, is a kebab franchise business operated by CV. Indo Berkah Mandiri. With approximately 500 outlets

and 300 franchisees across various cities in Indonesia. One of the key advantages of the Arafah Kebab franchise is its commitment to using premium quality ingredients while maintaining the taste and quality of its offerings. Furthermore, franchisees benefit from a business model that requires no royalty or marketing fees. Arafah Kebab provides site selection, operational staff support, promotion and marketing support for franchise outlets. However, franchisees must source raw materials from Arafah Kebab.

Looking at the franchise profile, it is worth noting that the majority of the franchisees (37.5%) are in the 30–39 age group. Furthermore, a male franchisees dominates the business, making up his 75% of the franchisee population. Geographically, Jakarta has the

highest concentration of franchises (25%), followed by Lampung (22.5%) and Bekasi (20%). However, the majority of franchisees are from the Jabodetabek region, which accounts for 70% of the total franchisees. When it comes to education, nearly half (47.5%) of franchisees have a bachelor's degree as their highest educational attainment. Notably, 72.5% of the franchisees had a non-franchisor job, suggesting that running a franchise is not their primary occupation. Private employment is the most common of these occupation, accounting for 40% of franchisees.

The majority of franchisees (62.5%) operate a single franchise outlet, suggesting their focus on developing and managing a single location. This is particularly true for those who consider their franchise role as a part-time endeavor. In terms of tenure, 42.5% of franchisees have been affiliated with Arofah Kebab for 0-2 years, indicating relatively recent participation. Additionally, 35% of franchisees generate monthly revenues between IDR 6,000,000 and IDR 10,999,999, positioning them close to or above the average revenue of franchisees overall. This demonstrates the potential for success and profitability within the Arofah Kebab franchise system.

Service Importance and Service Performance Levels

Franchisees have specific expectations and desires that they hope to be fulfilled through the performance provided by the franchisor. Measuring the level of importance helps identify the service attributes that franchisees deem crucial, while measuring the performance level helps assess franchisees' perceptions of the service performance they receive. This information is crucial for understanding the overall service quality of Arofah Kebab franchise and forms the basis for conducting CSI and IPA. The average values of each attribute in terms of service importance and service performance levels can provide insights into the franchisees' perspectives (Table 5).

The overall average level of importance obtained was 4.46, indicating high importance given by franchisees to the service provided by Arofah Kebab. The most important attribute, according to franchisees, is the accuracy and speed of raw material delivery, while routine visits by the franchisor are considered the least important. The overall average level of performance was 4.08, indicating that the service performance is considered good by franchisees. However, it is lower than the average level of importance, suggesting that Arofah Kebab's service performance has yet to fully meet franchisees' expectations. The attribute with the highest perceived performance is the ease of ordering raw materials, while routine visits by the franchisor have the lowest performance.

Table 3. The scale range for service importance and service performance

Score	Average Score	Level of Importance	Level of Performacne
40 – 72	1.00 – 1.80	Very unimportant	Very Poor
73 – 104	1.81 – 2.60	Not important	Not Good
105 – 136	2.61 – 3.40	Moderately Important	Moderately Good
137 – 168	3.41 – 4.20	Important	Good
167 – 200	4.21 – 5.00	Very Important	Very Good

Table 4. Interpretation of customer satisfaction index (SCI) percentages

Index Numbers	Interpretasi
0% < customer satisfaction index (SCI) < 20%	Verry dissatisfied
20% < customer satisfaction index (SCI) < 40%	Dissatisfied
40% < customer satisfaction index (SCI) < 60%	Moderately satisfied
60% < customer satisfaction index (SCI) < 80%	Satisfied
80% < customer satisfaction index (SCI) < 100%	Very satisfied

Table 5. The level of attribute alignment in Aforah Kebab's services

Attributes	Average level of importance	Average level of performance	Level of alignment
Tangible			
Variety of booth types of options	4.33	4.10	94.8%
Visual attractiveness of booth design	4.65	4.30	92.5%
Completeness of booth facilities	4.63	4.35	94.1%
Location of franchisor's headquarters a	4.20	4.13	98.2%
Operational staff uniforms	4.15	4.20	101.2%
Appearance of franchisor's employees	4.38	4.13	94.3%
Reliability			
Suitability of franchise package price with provided facilities	4.38	4.08	93.1%
Provision of standard operating procedure	4.35	4.10	94.3%
Skills or competensi of operational staff	4.58	4.20	91.8%
Regular viists from the franchisor	3.90	3.50	89.7%
Provision of services for online marketing needs of franchisees	4.25	3.68	86.5%
Availability of raw material stock	4.63	4.30	93.0%
Responsiveness			
Ease of becoming a franchisee	4.28	4.30	100.6%
Ease of ordering raw materials	4.68	4.45	95.2%
Accuracy and speed of raw material delivery	4.75	4.30	90.5%
Speed and responsiveness of customer service in addressing requests	4.63	4.13	89.2%
Assurance			
Provision of training for franchisees	4.65	4.10	88.2%
Provision of training for operational staff	4.65	4.13	88.7%
Aligment between the cooperation agreement and its implementation	4.48	4.00	89.4%
Empathy			
Provision of business concultations	4.33	3.70	85.5%
Understanding of franchisee needs	4.58	3.70	80.9%
Patience in dealing with complains	4.60	4.05	88.0%
Alignment of service operating hours with franchisee needs	4.50	4.05	90.0%
Average	4.46	4.08	91.7%

The overall alignment level, comparing perceived performance with importance ratings, is 91.7%, indicating a good level. However, it shows that the service provided by Arofah Kebab has yet to fully meet franchisees' expectations. Only two out of 23 attributes have service quality values above 100%, namely the operational staff uniform and the ease of becoming a franchisee. This means that the performance of the remaining 21 service attributes still needs to meet franchisees' expectations. Therefore, there is a need for service performance improvement to enhance the overall service quality of Arofah Kebab and strive for a value of 100% or higher.

Among the five dimensions of servqual, the tangibles dimension has the highest alignment level at 95.8%, while the empathy dimension has the lowest alignment

level at 86.1% (Table 6). However, none of the service quality dimensions in Arofah Kebab have reached 100%, indicating a lack of alignment between service performance and franchisees' expectations.

Franchisee Satisfaction

Calculating franchisee satisfaction involves averaging the importance and performance levels of service attributes to determine the weighted factor and score. The franchisee satisfaction index is obtained by dividing the total weighted score by five and multiplying it by 100%. Arofah Kebab's service quality has a franchisee satisfaction index of 81.82%, indicating a high level of satisfaction (Table 7). Although franchisee satisfaction with Arofah Kebab's service quality is at a high level with an index of 81.82% (Table 7), there is still an

18.18% gap to reach maximum satisfaction. To address this, it is crucial to improve the performance of service attributes that have not met franchisees' expectations while also maintaining those that have, as this will contribute to overall improvement.

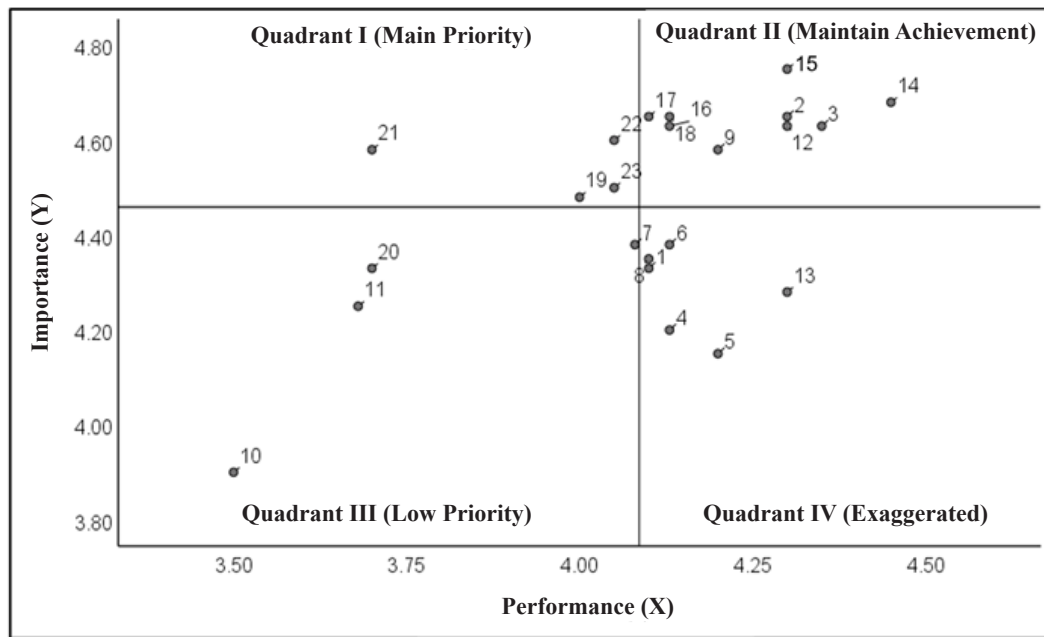
The average importance level is 4.46, and the average performance level is 4.08 for the service attributes. These values determine the midpoint on the IPA Cartesian diagram and divide it into four quadrants. The position of each service attribute is determined based on their average importance and performance levels (Figure 1).

Table 6. Level of alignment of service quality dimensions in Arofah Kebab

Dimension	Level of importance	Level of performance	Level of alignment
Tangible	4.39	4.20	95.8%
Reliability	4.35	3.98	91.4%
Responsiveness	4.58	4.29	93.9%
Assurance	4.59	4.08	88.8%
Empathy	4.50	3.88	86.1%

Table 7. Customer satisfaction index (SCI) for Arofah Kebab's Services

Attributes	Average level of importance	Average level of performance	Weight Factor	Weight Score
Variety of booth types of options	4.33	4.10	0.04	0.17
Visual attractiveness of booth design	4.65	4.30	0.05	0.20
Completeness of booth facilities	4.63	4.35	0.05	0.20
Location of franchisor's headquarters a	4.20	4.13	0.04	0.17
Operational staff uniforms	4.15	4.20	0.04	0.17
Appearance of franchisor's employees	4.38	4.13	0.04	0.18
Suitability of franchise package price with provided facilities	4.38	4.08	0.04	0.17
Provision of standard operationg procedure	4.35	4.10	0.04	0.17
Skills or competensi of operational staff	4.58	4.20	0.04	0.19
Regular viists from the franchisor	3.90	3.50	0.04	0.13
Provision of services for online marketing needs of franchisees	4.25	3.68	0.04	0.15
Availability of raw material stock	4.63	4.30	0.05	0.19
Ease of becoming a franchisee	4.28	4.30	0.04	0.18
Ease of ordering raw materials	4.68	4.45	0.05	0.20
Accuracy and speed of raw material delivery	4.75	4.30	0.05	0.20
Speed and responsiveness of customer service in addressing requests	4.63	4.13	0.05	0.19
Provision of training for franchisees	4.65	4.10	0.05	0.19
Provision of training for operational staff	4.65	4.13	0.05	0.19
Aligment between the cooperation agreement and its implementation	4.48	4.00	0.04	0.17
Provision of business consultations	4.33	3.70	0.04	0.16
Understanding of franchisee needs	4.58	3.70	0.04	0.17
Patience in dealing with complains	4.60	4.05	0.04	0.18
Alignment of service operating hours with franchisee needs	4.50	4.05	0.04	0.18
Total	102.50	93.95	1.00	4.09
Customer satisfaction index (SCI) (%)				81.82



Notes:

Quadrant I (Main Priority)

- (19) Alignment between the cooperation agreement and its implementation
- (21) Understanding of franchisee needs
- (22) Patience in dealing with complains
- (23) Alignment of service operating hours with franchisee needs

Quadrant II (Maintain Achievement)

- (2) Visual attractiveness of booth design
- (3) Completeness of booth facilities
- (9) Skills or competensi of operational staff
- (12) Availability of raw material stock
- (14) Ease of ordering raw materials
- (15) Accuracy and speed of raw material delivery
- (16) Speed and responsiveness of customer service in addressing requests
- (17) Provision of training for franchisees
- (18) Provision of training for operational staff

Quadrant III (Low Priority)

- (7) Suitability of franchise package price with provided facilities
- (10) Regular visits from the franchisor
- (11) Provision of services for online marketing needs of franchisees
- (20) Provision of business consultations

Quadrant IV (Exaggerated)

- (1) Variety of booth types of options
- (4) Location of franchisor’s headquarters
- (5) Operational staff uniforms
- (6) Appearance of franchisor’s employees
- (8) Provision of standard operating procedure
- (13) Ease of becoming a franchisee

Figure 1. The IPA service matrix Cartesius of Arofah Kebab

Managerial Implications

Management implications for improving service performance in Quadrant I; However, the proposed recommendations for service performance improvement should be prioritized based on the capabilities and goals of the Arofah Kebab team. The managerial implications consist of:

Ensure franchise agreement obligations are implemented effectively. Franchisors should ensure that all obligations outlined in the franchise agreement are executed comprehensively. This includes ensuring operational staff are well-trained and proficient in their

duties. Conducting regular evaluations and training sessions for staff will enhance their capabilities in providing excellent service. Additionally, informing franchisees about business consultation schedules demonstrates openness and availability for guidance.

Strengthen open two-way communication. Establish frequent open discussions between franchisors and franchisees to understand franchisees’ needs. Effective communication is essential for a strong franchisor-franchisee relationship. Utilize channels like WhatsApp, phone calls, or face-to-face meetings to maintain open and responsive communication.

Develop Standard Operating Procedures (SOP) for direct communication with franchisees. Create SOPs for employees interacting directly with franchisees, such as customer service representatives and administrators. These individuals play a crucial role in communication and should exhibit professionalism, appropriate behavior, and language proficiency. SOPs can also outline the workflow for franchisee requests.

Maintain punctual operational service hours and consider extending customer service hours. Enforce strict adherence to operational hours and apply sanctions for any lateness. Ensure franchisees' service hours align with the established schedule. Consider extending customer service hours until 10:00 PM to better cater to franchisees' needs. This extension allows prompt reporting of issues or complaints regarding defective raw materials to the customer service team.

Similar franchise businesses can prioritize service quality in the assurance and empathy dimensions, particularly for individually owned franchisees. Implementation of service improvements should consider available resources. It is crucial for franchisors to maintain firmness and ensure all employees perform their duties effectively, aligning with Arofah Kebab's vision, mission, and responsibilities. Sustaining the achieved service improvements will further enhance franchisee satisfaction with service quality.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Assurance and empathy are two dimensions of the five service quality dimensions that require further attention in providing service to individual food cart franchisees. These dimensions encompass various service attributes related to assurance and personal relationships between franchisees and franchisors. In the case of Arofah Kebab, the research findings conclude that the service importance level is high for franchisees, but the service performance of Arofah Kebab falls below their expectations. Only two out of 23 service attributes exceed franchisees' expectations, The priority for improvement lies in the dimensions of assurance and empathy. Moreover, franchisee satisfaction with Arofah Kebab's service quality is very high, but 21 attributes that do not meet franchisees' expectations need to be improved. This study proposes four recommendations

to improve Arofah Kebab's service quality and enhance franchisee satisfaction including ensuring compliance with franchisor obligations in the franchise agreement, enhancing two-way communication, establishing Standard Operating Procedures (SOP) for direct communication with franchisees, and maintaining punctual operational hours and considering extending customer service hours.

Recommendations

Future research should prioritize studying the satisfaction of legally established franchisees and its alignment with existing franchise models. It is important to analyze factors beyond service quality that can influence franchisee satisfaction. In the case of Arofah Kebab, they should regularly conduct satisfaction surveys among franchisees as the number of franchisees increases, allowing for the identification of areas for improvement. This approach will contribute to maintaining franchisee satisfaction and addressing specific needs over time.

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