

CUSTOMER SATISFACTION SURVEY OF THE FACILITIES PROVIDED BY OFFICE BUILDING “X” IN SURABAYA

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ABSTRACT

Many high-rise office buildings have been built in Surabaya. The investors have provided complimentary facilities to satisfy their tenants. However, not all given facilities has satisfied the tenants. The purpose of this study is to find out the level of tenant satisfaction in office “X” to the existing facilities and to suggest additional required facilities.

Although office “X” is offered the highest rental rate and has known as a prestigious place in Surabaya, only location and public transport have satisfied the Indonesian tenants. Meanwhile, the multi National companies have not satisfied for any existing facilities. Additional ATM facilities and presentable cafeteria, improvement of service and the security system are required by tenants.

Keywords: Customer satisfaction, office building, Surabaya, facilities

BACKGROUND

Office building in Surabaya is still oversupply. Not many company especially local/ small company like to rent a space in the office building. They prefer to have their own office in landed house building. High competitiveness level in the office building has forced property manager to provide complimentary facilities or special characteristics to attract the potential tenant to rent in their building. Tenant mix has quite important role in the management office building.

The purpose of this study is to find out the level of tenant satisfaction in office “X” to the existing facilities and to suggest additional required facilities. Due to the variety of tenant mixture in the office building, the level of customer satisfaction might not the same for all tenants. Moreover, the uniqueness of office building have more important role in the high competitiveness, due to oversupply condition.

CUSTOMER SATISFACTION

Management system which brings quality as strategic plan and customer satisfaction as orientation in organization is Total Quality Management (Santosa in Tjiptono and Diana 1995, p.4). Customer satisfaction is played a very important role in Total Quality Management (TQM). Customer satisfaction is “the level of a person’s felt state resulting from comparing a product’s perceived performance (or outcome) in relation to the person’s expectations” (Kotler 1994, p.40). Loudon and Bitta (1993, p.579) stated that satisfaction is “a kind of stepping away from an experience and evaluating it ... one could have a pleasurable. It was not as pleasurable as it was supposed or expected to be. So satisfaction and dissatisfaction is not an emotion, it is the evolution of emotion”.

In meeting our customer expectations, it is not one cycle process only but a continuous improvement cycle (Haryanto and Sanusi, 2001). Therefore, it is important to measure our customer satisfaction periodically/ regularly. Service management put the customer as main focus, therefore, their need and expectations have very significant role. Although the customer may not always be right, but the customer always come first (Alberth and Bradford, 1990).

Dean and Lee (2000) stated that a survey of tenant satisfaction should include:

1. Willingness to receive suggestions and implement them
2. Appearance and property condition
3. The quality of service management
4. Contract agreement
5. Tenant relationship
6. Renew objectives
7. Property characteristics
8. Readiness to solve a problem

In the next section the physical facilities in the office building will be discussed in connection with tenant needs and expectations.

OFFICE BUILDING FACILITIES

Alexander and Muhlebach (1990, p. 211) stated that tenants require supporting system to manage their business and also to be their second home for them. Moreover, Kotler (1997, p.318) mentioned the main factors to be considered in facility selection process, such as: rental fee, access to public transportation, and environment of the property.

Baum (1994 in Haryanto and Sanusi 2000, p.17) stated that quality of building consists of plan layout and height of room, internal specification, external specification and durability of material. The internal specification comprises services and finishes. The external specification is included public area and elevator. More simple quality evaluation method has been introduced by Staveley (1995). There are only five categories in the evaluation, such as: location, function, control and management, environment, and service.

Kotler (1997), Kyle and Baird (1995) and Alexander and Muhlebach (1990) have defined the facilities provided by office buildings. The summary of the standard facilities in office buildings is shown in Table 1.

Table 1. Standard Facilities in Office Building

Sources	Standard Facilities
Kotler (1997)	Elevator, daily cleaning, new construction, painting, phone and electricity systems, vertical blind, carpet, asphalt road, air conditioning room.
Kyle and Baird (1995)	Elevator, daily cleaning, new construction, security and safety system.
Alexander and Muhlebach (1990)	Electricity systems, plumbing, Heating Ventilating and Air Conditioner (HVAC), carpet, window cover, security system, parking space, conference room, medical clinic, courier service, hair salon, health club, bank, insurance company, real estate office and other retail shops.

RESEARCH METHODOLOGY

A survey to 30 tenants has responded 24 (80%). There is four parts of questionnaire, brief company profile, expectations, performances and suggestion of additional facilities. The first and the last part are open questions while the expectations and performances are used likert scale from one to seven (see Table 2).

Table 2. The Scale for Expectations and Performances

Scale	Expectations	Performances
1	Very much unimportant	Very much unsatisfactory
2	Very unimportant	Very unsatisfactory
3	Unimportant	Unsatisfactory
4	Enough important	Enough satisfactory
5	Important	Satisfactory
6	Very important	Very satisfactory
7	Very much important	Very much satisfactory

The satisfaction has been measured by comparing mean of the expectations and performances, and also cross tabulation.

RESULT

Table 3 listed the mean of expectation and performance of each factors. In the last column, the difference between expectation and performance is calculated. The positive result means that expectation still higher than the reality, thus, the tenants are not satisfied with those factors.

Table 3. Gap and mean of Expectation and Performance

No	Factors	Expectation	Performance	Gap
1.	Location	5.71	5.63	0.08
2.	Entrance	5.46	4.92	0.54
3.	Car park	5.67	4.33	1.33
4.	Access road	5.33	3.96	1.37
5.	Interior design of the building	5.25	5.04	0.21
6.	Security	6.42	4.67	1.75
7.	Interior design of the office room	5.96	4.83	1.13
8.	Power supply	6.54	4.88	1.67
9.	Water supply	6.13	4.83	1.29
10.	Elevator maintenance	6.04	4.42	1.63
11.	Supporting facilities	4.58	3.13	1.46
12.	Fire protection	5.96	4.08	1.88
13.	Public transport	5.92	5.17	0.75
14.	Communication between developer and tenant	5.29	4.79	0.50
15.	Claim resolution	5.88	4.58	1.30
	Total	86.14	69.26	16.88
	Average	5.74	4.62	1.13

Source: (Haryanto and Sanusi 2000, p. 27)

In general, the Multi National companies required higher standard (expectations) than the National companies. Table 4 shows the Cross Tabulation of location factor. Most of the Multi National Companies said that location is very important, however, they are only enough satisfactory. Furthermore, each factor was analysed by this tool.

The calculation of cumulative percentage of score which higher than 4 is listed in Table 5. The cumulative percentage for expectation is calculated by adding the frequencies of important, very important and very much important. Then, the cumulative percentage for performance is calculated by adding the frequencies of satisfactory, very satisfactory and very much satisfactory.

Table 4 Cross Tabulation of Location

Type			Performance (%)					
			Enough satisfactory	Satisfactory	Very satisfactory	Very much satisfactory	Total	Cumulative
Multinasional	Expectation (%)	Unimportant	5.88	0.00	0.00	0.00	5.88	5.88
		Enough important	0.00	5.88	0.00	0.00	5.88	11.76
		Important	17.65	5.88	0.00	0.00	23.53	35.29
		Very important	5.88	11.76	23.53	5.88	47.06	82.65
		Very much important	0.00	0.00	5.88	11.76	17.65	100.00
		TOTAL	29.41	23.53	29.41	17.65	100.00	
		Cumulative	29.41	52.94	82.35	100.00		
Nasional	Expectation (%)	Important	0.00	14.29	14.29	0.00	28.57	28.57
		Very important	0.00	0.00	28.57	14.29	42.86	71.43
		Very much important	0.00	0.00	0.00	28.57	28.57	100.00
		TOTAL	0.00	14.29	42.86	42.86	100.00	
		Cumulative	0.00	14.29	57.15	100.00		

Table 5. Comparison of Customer Satisfaction between Multi National and National companies

NO	FACTORS	NATIONAL			MULTI NATIONAL		
		Cumulative expectation	Cumulative performance	Conclusion	Cumulative expectation	Cumulative performance	Conclusion
1.	Location	100	100	S	88.24	70.59	NS
2.	Entrance	100	71.43	NS	88.24	58.82	NS
3.	Car park	100	57.14	NS	94.12	29.42	NS
4.	Access road	85.71	28.57	NS	88.24	35.31	NS
5.	Interior design of the building	85.71	71.43	NS	76.47	70.59	NS
6.	Security	100	71.43	NS	94.12	47.06	NS
7.	Interior design of the office room	85.71	85.71	NS	100	52.94	NS
8.	Power supply	100	85.71	NS	100	47.06	NS
9.	Water supply	100	57.14	NS	88.24	52.94	NS
10.	Elevator maintenance	85.71	57.14	NS	88.24	52.94	NS
11.	Supporting facilities	85.71	14.28	NS	52.83	5.88	NS
12.	Fire protection	100	71.42	NS	94.12	5.88	NS
13.	Public transport	100	100	S	94.12	58.82	NS
14.	Communication between developer and tenant	85.71	42.86	NS	64.71	52.94	NS
15.	Claim resolution	85.71	57.14	NS	82.35	41.18	NS

Note: S = satisfaction, NS = not satisfaction

The difference between cumulative expectation and cumulative performance shows the satisfactory level of tenants. If its expectation has already equal or less than its performance, the tenant has satisfied with the specific factor. Only location and public transport have satisfied the National tenants. Meanwhile, the Multi National companies have not satisfied for any existing facilities.

From the survey, the tenants have some suggestion for the developer to add some facilities which are important but not available. Some of the facilities are available, but need to be improved. The additional facilities are shown in the Figure 1.

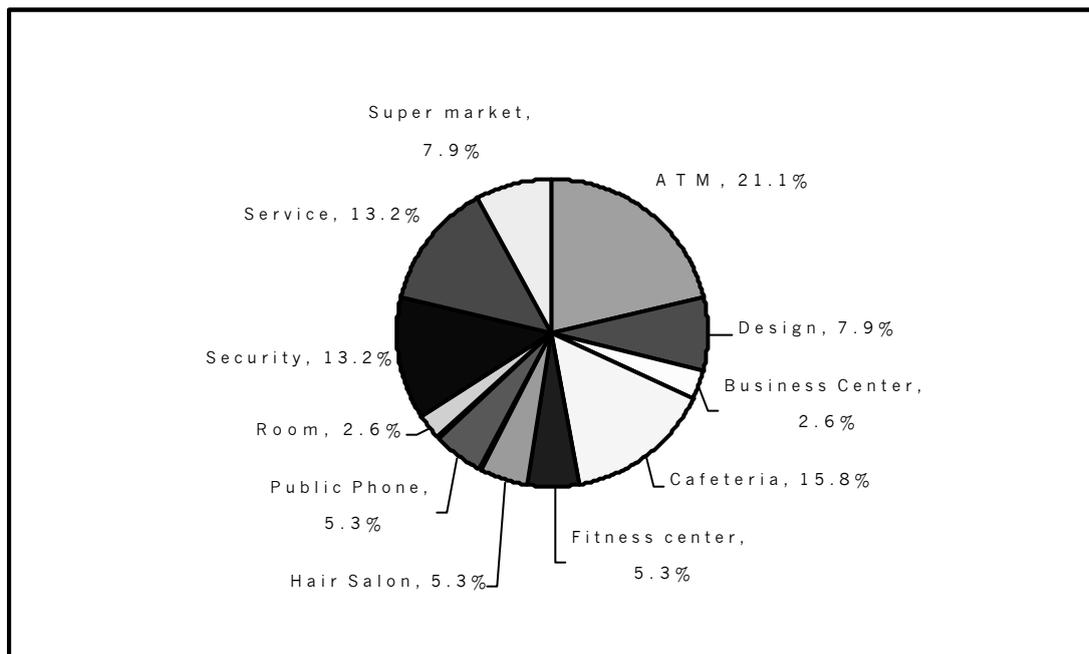


Figure 1. Additional facility suggested by tenants

Figure 1 shows eleven additional facilities suggested by tenants. Majority tenants required additional Automatic Teller Machine (ATM) facilities and presentable cafeteria, improvement of service and the security system.

CONCLUSION

Although office "X" is offered the highest rental rate and has known as a prestigious place in Surabaya, there is no facility has satisfied tenants using mean analysis. Further analysis using cross tabulation has resulted that the satisfaction levels differ between National and Multi National companies. Only location and public transport have satisfied the Indonesian tenants. Meanwhile, the multi National companies have not satisfied for any existing facilities. Finally, some additional facilities are required by tenants, such as: additional ATM facilities and presentable cafeteria, improvement of service and the security system. Moreover, developer could improve the communication with tenants to solve problems more promptly.

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