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Assessing on Accessibility and Restaurant Attributes towards Customer Retention

Ku Intan Safinas Ku Muhamad¹, Nadiah Abu Zaireen², Haslina Che Ngah³

¹Faculty of Hotel and Tourism Management Universiti Teknologi MARA, Kuala Selangor, Selangor, Malaysia ²Faculty of Social Science, Arts and Humanities Tunku Abdul Rahman University College, Segamat, Johor, Malaysia ³Faculty of Hotel and Tourism Management Universiti Teknologi MARA, Dungun, Terengganu, Malaysia

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ABSTRACT

Restaurant attributes dimensions namely ambience, menu, food quality and service quality are applied to My Rice Restaurant in Bangi, Selangor. It is the aim of this study to apply the same dimensions on any restaurants especially in Malaysia. It is to test whether the dimensions would reflect the characteristics of the restaurant, and eventually impacted on the restaurants' customers' retention. Using a quantitative approach, the data was gathered through questionnaires which were distributed to My Rice Restaurant's customers for a month. Descriptive statistics and multiple regression analysis were used to analyse the data gather from the distribution. Based on the 4 dimensions, service quality had higher effect towards customers' retention. It is believed that restaurant attributes is adaptable to any restaurant in Malaysia. In addition, the result of the study shows that satisfaction does not influence the relationship between restaurant attributes and retention. From the study, the foodservice operator will have a better understanding of the restaurant attributes and its relationship towards customers' retention. For future research, it is hope to test the dimensions on other themes and types of restaurants in different states in Malaysia, and also restaurants in other developing countries.

KEYWORDS: Restaurant Attributes, Customer Satisfaction, Customers' Retention.

INTRODUCTION

In today's changing world, every business is trying to achieve competitive advantage, increase customer retention and improve efficiency. With more choices for the ever more demanding customers, restaurant businesses face the same intense competition. To survive in this environment, restaurant management team need to practice a strong customer-driven orientation and satisfy customers' needs more effectively than the competition. The customers value the businesses that treat them the way they like to be treated. Once they have made a decision about a restaurant they are often loyal to that particular restaurant, they will continue to dine with it in the future, recommend it to friends and will even pay more for the services [2]. My Rice Restaurant in Bangi, Selangor was chosen for the study where it is one of the family restaurants in Bangi area which served variety of menus such as eastern, western and Middle East. The restaurant also has its own distinctive attributes as compared to the other restaurants, and it is recognizable by societies in that area. However, according to the management, they were facing problems in retaining their customers due to certain unexpected reasons.

LITERATURE REVIEW

Accessibility

According to [4], accessibility is one of the elements for the industry planning their strategy to penetrate the market. A restaurant's location is as crucial to its success as great food and service offered by them. It will influence many parts of the restaurant including the menu. According to [7], the dimensions of accessibility are authorization, opportunity or right to access the services. In the study, accessibility includes ample parking space, location easy to access, convenience to handicapped person, accessible to washrooms, the restaurant entrance and reachable Wireless Fidelity (Wi-Fi). With this comfortable accessibility which provided by the restaurant operator, it will attract the customers to choose their restaurant for them to dine in as well as to enjoy eating the varieties of the menu being offered.

Restaurant Attributes

Restaurant attributes are defined as the set of features (product and service). By aggregated both together, it will describe the restaurant [2]. In [3] mentioned that, it was not surprisingly if good food has consistently been shown as a basic criterion for choosing a restaurant. In addition, good service and a pleasant setting are also important attributes in a full-service restaurant. While food quality is commonly depicted as the most important factor influencing repeat purchase intentions in full-service

restaurants, waiting-time has been shown as a critical attribute in quick service restaurants [1]. For the study, there were 4 dimensions under restaurant attributes which are ambience, menu, food quality and service quality.

Ambience

The ambience of the restaurant is made up of everything that makes an impression on the people such as design of the building, décor or decoration, interior colour scheme and texture of the walls. The concept in family restaurant is to create an ambience that will make the customers to relax and enjoy themselves. The concept partly aims at pleasing guests enough to make them want to return to the establishment again. The importance of attaining distinctive atmosphere has gained growing attention among hospitality and managers, since it is considered one of key factors in attracting and satisfying customers in the hospitality industry [2].

In [16] identify 3 primary dimensions of quality of ambience in restaurants which influence customer satisfaction. The study will focus on it in order to measure the customer satisfaction. These dimensions are ambient conditions, spatial layout and functionality, signs, symbols and artifacts.

Menu

Based on [17], a menu is defined as a list of food and beverage ready for purchase. Menu is also a way of positioning and a marketing plan of the restaurant operation. In [2] indicated that sometimes, the first way to evaluate quality of food for a customer is the design of the menu. The effectiveness of the menu is a selling tool for the restaurant sector. In addition, in [5] stated that an analysis of menu item sales and contribution margins can be helpful to continuous and successful restaurant operations. While menu engineering deals with menu content decisions, data mining can produce reports to indicate menu item selections by customer segment as a basis for operational refinement.

Food Quality

In [2] stated that food quality consists of menu variety, innovative food, presentation of food, fresh ingredients and food consistency. Moreover, it has been rated that quality of food and fresh ingredients are the most important reason for customers to return to a restaurant. Food quality was divided into 3 parts which are presentation of the food and beverage, sensory characteristics of food and beverage, and value for money.

Service Quality

Based on [2], quality of services includes equipment, appearance of employees, courtesy of employees, waiting-time before being seated, waiting-time before food arriving and waiting time before paying the bill. Individuals' dining expectations have evolved over the years due to changing social environment, better education, development of culinary culture, healthy dieting awareness and cultural influences. In the future, customers will be more sophisticated in their dining decisions mainly due to willingness to expand their dining horizons and try new things. Customers will seek new dining experiences that will satisfy their ever-changing expectations. Expectations are defined as beliefs about service process and form the standards against which actual performance will be assessed [8]. Thus, it is important to know, understand and finally meet customers' expectations.

Customer Retention

In the study of [9], it defined customer retention as the marketing goal of preventing customers from going to the competitor. It can be seen as the mirror image of customer defection, where a high retention rate has the same significance as a low defection rate. It also mentioned that customer retention has a direct impact on long term customer lifetime value. It is more profitable avenue for firms that seek to pursue growth and sustainability, or those that seek to protect themselves from market shrinkage resulting from a contracting economy.

Customer Satisfaction

According to [15], satisfaction is defined as an overall evaluation of performance based on all prior experiences with a firm. While customer satisfaction is defined as the customers' evaluation of the service encounter based on their expectation and actual performance [13]. In addition, in [10] conducted a research study to find out the relationship between restaurant attribute satisfactions and return intention in U.S theme restaurants. The study concluded that customer satisfaction with restaurant attributes is influential in predicting repeat purchase behaviour (intent to return). Therefore, it is important for restaurant operator to identify the accessibility and the attributes of restaurant that customers deem most important in order to maximize customer satisfaction as well as to retain them in the restaurant business. Due to this, restaurant operator not only will gain higher profit but also remain in the service industry for a long time among their competitors.

METHODOLOGY

Research Instrument

A self-administrated questionnaire is utilized to achieve the objectives of the study. The study used 5-point Likert scale to measure the restaurant attributes, customer satisfaction and customer retention. Customer satisfaction was described by using 5-point Likert scale ranging from 1 to 5 which denoting very dissatisfied to very satisfy. Similar with most rating scales, the Likert-type scale often measures attitude and opinion on a 5 or 7 categories [12], thus indicating that a 5-point scale is widely accepted.

Data Collection

The population in Hulu Langat which Bangi is situated are estimated around 51,789 people [11]. Meanwhile, according to My Rice Restaurant Manager, he estimated about 1,150 customers came to dine monthly at the restaurant. Due to this, based on [6], the sample size should be 381 respondents. Thus, the target population of the study are the customers who dined at the restaurant during breakfast, lunch and dinner during weekdays and weekends. A non-probability convenience sampling was used to distribute questionnaires to the target population.

RESULTS AND DISCUSSION

Reliability Test

Table 1: Results of reliability test (N = 30)

Items	Cronbach's Alpha	No of Items				
Restaurant Attributes						
Ambience	0.874	5				
Menu	0.768	4				
Food Quality	0.838	5				
Service Quality	0.792	5				
Customer Satisfaction	0.703	10				
Customer Retention	0.629	9				

Based on the Table1, the result showed the alphas values were all above 0.60 which considered as acceptable [14]. Overall dimensions for restaurant attributes (ambience, menu, food quality and service quality) produced high value 0.874 for ambience and lowest value 0.768 for menu. The values were considered acceptable and more than appropriate to proceed with any further testing.

Analysis on Accessibility of Yes or No Questions

Table 2: Yes or no analysis on accessibility

Variable	Indicator	Frequency	Percentage (%)
Accessibility Ample parking space	Yes	315	82.7
	No	66	17.3
Location is easy to find	Yes	237	62.2
	No	144	37.8
Convenience to handicapped	Yes	316	82.9
	No	65	17.1
Accessible washroom	Yes	305	80.1
	No	76	19.9
Entrance door is acceptable	Yes	279	73.2
	No	102	26.8
Restaurant have reachable Wi-Fi	Yes	291	76.4
	No	90	23.6

The highest mean score the item for convenience to the handicapped with 316 respondents answered yes, followed by ample parking space with 315 responded yes and the least is 237 responded they agree that the location is easy to find. As for no answer, most respondents answered location is easy to find with 144 person, followed by entrance door is acceptable with 102 respondents and the least respondents answered no is accessible to handicapped with 65 respondents.

Mean Score Analysis on Ambience

Table 3: Mean score analysis on ambience

	N	Minimum	Maximum	Mean	Std. Deviation
Ambience	381	1	5	3.72	0.769
Valid N (listwise)	381				

Based on the result which has been computed, the overall mean score for ambience which is one of the attributes of restaurant is (M = 3.72, SD = 0.769).

Table 4: Mean score analysis on menu

	N	Minimum	Maximum	Mean	Std. Deviation
Menu	381	2	5	4.07	0.635
Valid N (listwise)	381				

As for the overall mean score for menu is (M = 4.07, SD = 0.635).

Table 5: Mean score analysis on food quality

					*
	N	Minimum	Maximum	Mean	Std. Deviation
Food Quality	381	2	5	4.14	0.664
Valid N (listwise)	381				

Next, for the food quality mean score which is (M = 4.14, SD = 0.664).

Table 6: Mean score analysis on service quality

	N	Minimum	Maximum	Mean	Std. Deviation
Service Quality	381	1	14	4.14	0.880
Valid N (listwise)	381				

Moreover, for the service quality mean score which is (M = 4.14, SD = 0.880).

Table 7: Mean Score Analysis on Customer satisfaction

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Satisfaction	381	1	5	4.23	0.558
Valid N (listwise)	381				

As for the moderating variable which is customer satisfaction, the mean score is (M = 4.23, SD = 0.558).

Table 8: Mean score analysis on retention

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	N	Minimum	Maximum	Mean	Std. Deviation		
Retention	381	2	5	4.19	0.537		
Valid N (listwise)	381						

The last dependent variable which is retention, the mean score is (M = 4.19, SD = 0.537).

Regression Analysis on Restaurant Attributes and Retention

Table 9: Results of regression analysis

Predictors	Model 1/Std. β
Step 1: Model Variables	
Restaurant Attributes	
Dimensions:	
Ambience	0.31***
Menu	0.31***
Food Quality	0.32***
Service Quality	0.35***
R²	0.18
F-Change	84.279***

Based on the Table 9, all 4 dimensions of the second independent variable that is restaurant attributes has explained that $R^2 = 0.18$, F-change = 84.279, p < 0.001*** of the variance in explaining the dependent variable of customer's retention. The result of the analysis shows that ambience, menu, food quality and service quality significant positively contributed to the prediction of overall retention. It indicates that out of the 4 dimensions, service quality had the most significant effect towards the retention of customers coming to My Rice Restaurant with the score of ($\beta = 0.35$, p < 0.001), followed by food quality ($\beta = 0.32$, p < 0.001), menu with the score of ($\beta = 0.31$, p < 0.001) and also ambience ($\beta = 0.31$, p < 0.001).

Regression Analysis on Satisfaction as a Moderator between Restaurant Attributes and Retention

Table 10: Results of regression analysis

		0	-		
Step and Variable	В	SE B	95% CI	β	R ²
Step 1					
Satisfaction	0.21	0.05	0.11, 0.31	0.21***	0.22
Restaurant Attributes	0.17	0.03	0.11, 0.23	0.32***	
Step 2					
Satisfaction x Restaurant Attributes	0.003	0.03	0.05, 0.05	0.02	0.22

Based on the Table 10, the result explained that the unstandardized regression coefficient for satisfaction was 0.21 (p < 0.001) and restaurant attributes was 0.17 (p < 0.001). The unstandardized coefficient for the interaction term was 0.003 (p = 0.917). The variation in retention of customers in the restaurant was F (1, 377) = 0.011, p = 0.917. Therefore, it shows that satisfaction does not moderate the relationship between restaurant attributes and retention. Thus, the result indicates that whether the customer satisfaction is high or low, satisfaction still does not effects or moderates the relationship between restaurant attributes and customer's retention.

CONCLUSION

Supporting by the results gained, it is strongly agree that accessibility and restaurant attributes plays an important roles to enhance the retention factors of My Rice Restaurant's customers. Besides that, the results explained that satisfaction did not moderate the interaction between the independent variables and dependent variable. My Rice Restaurant's customers do not have to be satisfied with the accessibility and restaurant attributes' dimensions to come back to the restaurant. The study also explained that all 5 dimensions are accessibility, ambience, menu, food quality and service quality do contribute to retention. However, the result for satisfaction variable shows an unfavourable result. Satisfaction surely have relationship towards 2 independent variables, but it is insignificantly moderates the relationship towards retention. It means that satisfaction does not influence the action of customers to keep coming to My Rice Restaurant. The variable did not have any positive or negative influence towards the feeling of retention of the customers. Thus, it is recommended that future research run an investigation which satisfaction as a moderating variable between restaurant attributes and retention. In addition, retention can be replaced with the post-purchase behaviour such as intention to recommend to others.

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