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1.1. Introduction

Customer satisfaction and long-lasting association with the customers is the principal goal of the hospitality industry. The same goal is followed by almost all other industries as well. A long lasting relationship mainly focuses on how loyal and satisfied customers are. Hence, it is clear that the satisfaction and loyalty of customers is largely dependent on various service initiatives and their quality. Establishments including hotels are focused on paying attention to their customers for a longer time and creating a brand value. In establishments, particularly the ones in hospitality, vital requirements for success include enhancement in customer satisfaction and improvement in meeting with the demands of the customers (Kim et al., 2009).

Over time, service quality has become an indispensable component in the restaurant business. It gives an organization competitive advantage to stand ahead from the rest of its competitors. Nalini and Samuel (2011) suggested that one of the most vital features that seize a business in aiding its customers get complete satisfaction in the service provided is quality. To be able to achieve this, every business should be able to distinguish the true expectations and requirements of their consumers. Experts in this field argue that if an organization wants to develop a sustainable future, they should make it their prime responsibility to know the requirements of their customers (Ryu and Jang, 2008).

The underlying principles relating to CRM (customer relationship management) suggest that carrying out a business is endorsed by the way of taking into consideration and giving importance to customer loyalty and hence the development of the growth customer satisfaction rate. He et al., (2011) developed the satisfaction-profit chain which is regarded as a compelling model of customer satisfaction. Oliver (1997) further putsforth that numerous research studies are being conducted to measure customer satisfaction and the characteristics are observed in various ways. Barber et al., (2011) observed that customer satisfaction can be explained in terms of the gratification of consumers in reaction to the consumers' purchase and experience. It has been observed that customer satisfaction is pleasurable contentment and the factor, customer dissatisfaction, is argued as non-pleasurable contentment.

From this introduction, it is clear that it is important to analyse the customer satisfaction of a restaurant. This study will adopt a quantitative approach analysing the customer satisfaction of Corsica and comparing the same with that of their competitor. Vino's. The collected data using customer satisfaction survey's are analysed using SPSS version 20.0.

1.2. Market Segmentation

Table 1: Comparison of Customer patronage of restaurants - Gender

Crosstab

| | | | X25 Co | mpetitor | |
|------------|--------|----------------------------|-----------|----------|--------|
| | | | Corsica's | Vino's | Total |
| X22 Gender | Male | Count | 54 | 52 | 106 |
| | | % within X25 Competitor | 54.0% | 52.0% | 53.0% |
| | Female | Count | 46 | 48 | 94 |
| | | % within X25 Competitor | 46.0% | 48.0% | 47.0% |
| Total | | Count | 100 | 100 | 200 |
| | | % within X25 Competitor | 100.0% | 100.0% | 100.0% |

Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2- sided) | Exact Sig. (1- sided) |
|---------------------------------|-------|----|--------------------------|--------------------------|--------------------------|
| Pearson Chi-Square | а | 1 | .777 | | |
| b | .020 | 1 | .887 | | |
| Likelihood Ratio | .080 | 1 | .777 | | |
| Fisher's Exact Test | | | | .887 | .444 |
| Linear-by-Linear Association | .080 | 1 | .777 | | |
| N of Valid Cases | 200 | | | | |

0 cells (.0%) have expected count less than 5. The minimum expected count is 47.00.

Computed only for a 2x2 table

The above table presents a cross tab analysis of the gender of the respondents who visit Corsica and Vino's. It is observed that there is minimum variation among respondents with respect to their gender.

Table 2: Comparison of Customer patronage of restaurants - Age

Crosstab

| | | | X25 Co | mpetitor | |
|---------|-------------|----------------------------|-----------|----------|--------|
| | | | Corsica's | Vino's | Total |
| X23 Age | 18 - 25 | Count | 4 | 25 | 29 |
| | | % within X25 Competitor | 4.0% | 25.0% | 14.5% |
| | 26 - 34 | Count | 16 | 42 | 58 |
| | | % within X25 Competitor | 16.0% | 42.0% | 29.0% |
| | 35 - 49 | Count | 25 | 17 | 42 |
| | | % within X25 Competitor | 25.0% | 17.0% | 21.0% |
| | 50 - 59 | Count | 46 | 14 | 60 |
| | | % within X25 Competitor | 46.0% | 14.0% | 30.0% |
| | 60 and Over | Count | 9 | 2 | 11 |
| | | % within X25 Competitor | 9.0% | 2.0% | 5.5% |
| Total | | Count | 100 | 100 | 200 |
| | | % within X25 Competitor | 100.0% | 100.0% | 100.0% |

Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|---------------------------------|--------|----|--------------------------|
| Pearson Chi-Square | а | 4 | .000 |
| Likelihood Ratio | 53.351 | 4 | .000 |
| Linear-by-Linear Association | 47.502 | 1 | .000 |
| N of Valid Cases | 200 | | |

0 cells (.0%) have expected count less than 5. The minimum expected count is 5.50.

From the above table it is evident that the number of customers who visit Corsica's who are less than 25 is only 4%, while 25% of the customers who visit Vino's are less than 25. Similar pattern is observed among those who are between 26-34 (only 16% of customers of Corcisca's are between 26-34. From this analysis, one can conclude that the patron's who visit Corsica's belong to the older crowd and are

often over 35. Furthermore, with a p value of 0.002, it is concluded that there is a significant difference between the customer patronage of the two restaurants based on age.

Table 3: Comparison of Customer patronage of restaurants - Income

Crosstab

| | | | X25 Co | mpetitor | |
|------------|----------------------------|----------------------------|-----------|----------|--------|
| | | | Corsica's | Vino's | Total |
| X24 Income | \$20 - \$35,000 annually | Count | 2 | 12 | 14 |
| | | % within X25 Competitor | 2.0% | 12.0% | 7.0% |
| | \$35 - \$50,000 annually | Count | 14 | 19 | 33 |
| | | % within X25 Competitor | 14.0% | 19.0% | 16.5% |
| | \$50 - \$75,000 annually C | Count | 25 | 22 | 47 |
| | | % within X25 Competitor | 25.0% | 22.0% | 23.5% |
| | \$75 - \$100,000 annually | Count | 29 | 26 | 55 |
| | | % within X25 Competitor | 29.0% | 26.0% | 27.5% |
| | > \$100,000 annually | Count | 30 | 21 | 51 |
| | | % within X25 Competitor | 30.0% | 21.0% | 25.5% |
| Total | | Count | 100 | 100 | 200 |
| | | % within X25 Competitor | 100.0% | 100.0% | 100.0% |

Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|---------------------------------|--------|----|--------------------------|
| Pearson Chi-Square | а | 4 | .043 |
| Likelihood Ratio | 10.637 | 4 | .031 |
| Linear-by-Linear Association | 6.973 | 1 | .008 |
| N of Valid Cases | 200 | | |

0 cells (.0%) have expected count less than 5. The minimum expected count is 7.00.

From the above table it is observed that Corsica customers are mostly those who earn \$50,000 and more annually. It is observed that comparatively, Vino's is able to draw in some customers who earn between \$20-\$ 35,000 annually (12% of its customers) and \$35=\$ 50,000 (19% of its customers). From this analysis, one can conclude that the patron's who visit Corsica's earn a relatively higher annual

income. Furthermore, with a p value of 0.008, it is concluded that there is a significant difference between the customer patronage of the two restaurants based on income.

1.3. Comparison of Customer Rating of Restaurant Selection Factors

Table 4: Customer Rating of Restaurant Selection Factors- Independent Sample T test

Group Statistics

| | X25 Competitor | N | Mean | Std. Deviation | Std. Error Mean |
|----------------------|----------------|-----|------|----------------|--------------------|
| X17 Satisfaction | Vino's | 100 | 5.96 | .974 | .097 |
| | Corsica's | 100 | 4.78 | 1.160 | .116 |
| X18 Return in Future | Vino's | 100 | 5.55 | .978 | .098 |
| | Corsica's | 100 | 4.37 | 1.041 | .104 |
| X19 Recommend to | Vino's | 100 | 5.36 | .948 | .095 |
| Friend | Corsica's | 100 | 4.17 | 1.035 | .104 |
| X20 Frequency of | Vino's | 100 | 2.53 | .658 | .066 |
| Patronage | Corsica's | 100 | 1.85 | .880 | .088 |
| X21 How Long a | Vino's | 100 | 2.70 | .644 | .064 |
| Customer | Corsica's | 100 | 1.58 | .713 | .071 |

Independent Samples Test

| | independent Jampies Test | | | | | | | | | | | | |
|-------------------------------|-----------------------------|------------------------|------|------------------------------|---------|-----------------|------------|------------|-------|-------|------------|--------------------------|--|
| | | Levene's Test Varia | | t-test for Equality of Means | | | | | | | | | |
| | | | | | | | | | | Mean | Std. Error | 95% Confidence Differ | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Difference | Difference | Lower | Upper | | | |
| X17 Satisfaction | Equal variances assumed | 6.679 | .010 | 7.793 | 198 | .000 | 1.180 | .151 | .881 | 1.479 | | | |
| | Equal variances not assumed | | | 7.793 | 192.232 | .000 | 1.180 | .151 | .881 | 1.479 | | | |
| X18 Return in Future | Equal variances assumed | .546 | .461 | 8.260 | 198 | .000 | 1.180 | .143 | .898 | 1.462 | | | |
| | Equal variances not assumed | | | 8.260 | 197.238 | .000 | 1.180 | .143 | .898 | 1.462 | | | |
| X19 Recommend to Friend | Equal variances assumed | .240 | .624 | 8.476 | 198 | .000 | 1.190 | .140 | .913 | 1.467 | | | |
| | Equal variances not assumed | | | 8.476 | 196.497 | .000 | 1.190 | .140 | .913 | 1.467 | | | |
| X20 Frequency of Patronage | Equal variances assumed | 21.174 | .000 | 6.185 | 198 | .000 | .680 | .110 | .463 | .897 | | | |
| | Equal variances not assumed | | | 6.185 | 183.337 | .000 | .680 | .110 | .463 | .897 | | | |
| X21 How Long a Customer | Equal variances assumed | 8.949 | .003 | 11.659 | 198 | .000 | 1.120 | .096 | .931 | 1.309 | | | |
| | Equal variances not assumed | | | 11.659 | 195.943 | .000 | 1.120 | .096 | .931 | 1.309 | | | |

The above table presents an independent sample t-test comparison of the customer rating of the most important factors which guide their choice of place to eat. It is observed that the patrons of both the

restaurants have a similar perception with regards to those which they consider most important. From the table, it can be concluded that the customers strongly identify that the quality of food (Corsica Mean= 3.6, Vino's Mean= 3.52) and atmosphere (Corsica Mean= 3.1, Vino=3.26). In comparison, it is observed that the customers gave relatively less importance to price ranking (Corsica Mean= 1.44, Vino's Mean= 1.44) and employee service (Corsica Mean= 1.86, Vino's Mean= 1.96). It is further observed that there is limited difference between the factors which are given the highest importance when the 2-tailed test is considered. Therefore, it can be concluded that the most important factors which are considered to drive customer choice of restaurants include food quality, atmosphere quality, price and employee services.

1.4. Customer Satisfaction

Some confusion has been observed in the interpretation of the concept of quality and satisfaction. The Expectancy-Disconfirmation theory has been the source for deriving the most commonly accepted structure for understanding both aspects. According to this theory the level of a consumer's disconfirmation defines quality and satisfaction (He et al., 2011). Both the aspects appear quiet similar when this definition is considered.

For example, Oliver (1999) proposed that quality is mainly a cognitive response to the service or product whereas satisfaction in not only cognitive response but also an affective response. Han et al., (2011) added that quality is a definite belief assessment whereas satisfaction is more of a general assessment facet. As it is evident from the narrative that satisfaction and quality are diverse from each other, researchers have put forth empirical and theoretical proof for the connection between satisfaction and quality (Kim et al., 2009). They suggest that satisfaction is succeeded by quality. Bagozzi's (1992) cited in He et al., (2011) appraisal-emotional response-coping framework is the base for this connection. In service marketing this framework, if applied, suggests that emotive satisfaction can be achieved by the cognitive quality evaluations of the customer. Therefore, complete customer satisfaction can be predicted by using quality as the key determinant.

When considering a service framework, service quality is found to have two dimensions which are technical service quality and functional service quality (Gro"nroos, 1984). Functional quality is linked with the relations of the customer with the service provider and the process of service delivery. On the other hand the quality of service output is referred to as technical service quality (Sharma and Patterson, 1999).

In a restaurant scenario, employee's performance can be related to functional service quality, whereas the food quality is related to the technical service. Earlier studies have acknowledged that the given facets of quality perception, food quality and service quality, have an affirmative association with customer satisfaction (Namkung and Jang, 2007).

Therefore it is established that the customer satisfaction can be analysed in response to service quality of food, employee services as well as restaurant atmosphere.

Table 5: Customer Rating of Restaurant Satisfaction-Independent Sample T test

Group Statistics

| | X25 Competitor | N | Mean | Std. Deviation | Std. Error Mean |
|--------------------|----------------|-----|------|----------------|--------------------|
| X13 Food Quality | Vino's | 100 | 3.52 | .643 | .064 |
| Ranking | Corsica's | 100 | 3.60 | .532 | .053 |
| X14 Atmosphere | Vino's | 100 | 3.26 | .691 | .069 |
| Ranking | Corsica's | 100 | 3.10 | .732 | .073 |
| X15 Prices Ranking | Vino's | 100 | 1.26 | .441 | .044 |
| | Corsica's | 100 | 1.44 | .574 | .057 |
| X16 Employees | Vino's | 100 | 1.96 | .695 | .070 |
| Ranking | Corsica's | 100 | 1.86 | .876 | .088 |

Independent Samples Test

| | | Levene's Test Varia | | t-test for Equality of Means | | | | | | | | |
|-----------------------------|-----------------------------|------------------------|------|------------------------------|---------|-----------------|------------|------------|-------|------------|-------------------------|--|
| | | | | | | | | Mean | | Std. Error | 95% Confidenc Differ | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Difference | Difference | Lower | Upper | | |
| X13 Food Quality Ranking | Equal variances assumed | 5.667 | .018 | 959 | 198 | .339 | 080 | .083 | 245 | .085 | | |
| | Equal variances not assumed | | | 959 | 191.245 | .339 | 080 | .083 | 245 | .085 | | |
| X14 Atmosphere Ranking | Equal variances assumed | .079 | .779 | 1.590 | 198 | .113 | .160 | .101 | 038 | .358 | | |
| | Equal variances not assumed | | | 1.590 | 197.348 | .113 | .160 | .101 | 038 | .358 | | |
| X15 Prices Ranking | Equal variances assumed | 22.080 | .000 | -2.487 | 198 | .014 | 180 | .072 | 323 | 037 | | |
| | Equal variances not assumed | | | -2.487 | 185.617 | .014 | 180 | .072 | 323 | 037 | | |
| X16 Employees Ranking | Equal variances assumed | 6.836 | .010 | .894 | 198 | .372 | .100 | .112 | 121 | .321 | | |
| | Equal variances not assumed | | | .894 | 188.245 | .372 | .100 | .112 | 121 | .321 | | |

The above table presents an independent sample t-test comparison of the customer satisfaction with their restaurant. From the table, it can be concluded that the customers strongly identify that the satisfaction (Corsica Mean= 4.78, Vino's Mean= 5.96), future return (Corsica Mean= 4.37, Vino Mean

=5.55), and recommendations to a friend (Corsica Mean= 4.17, Vino=5.36). In comparison, it is observed that the customers were not customers of the restaurants for a long time as frequency of patronage (Corsica Mean= 1.85, Vino's Mean= 2.55) and length of being a customer (Corsica Mean= 1.58, Vino's Mean= 2.6). It is further observed that there is a significant difference between the rating of Vino's and Corsica's with those who visited Vino's presenting greater satisfaction scores. Therefore, it can be concluded that,

Hypothesis 1 – Corsica's customers report higher satisfaction that Vino's customers.

is Rejected

1.5. Customer Perception of Restaurant

1.5.1. Customer Perception of Food Quality

According to Namkung and Jang, (2007) one of the most crucial elements of the whole dining experience is the food quality. The significance of food quality in the case of restaurants has been has been empirically scrutinized in previous studies; for example, Clark and Wood (1999) recognized that a primary factor that influences a customer's loyalty to a restaurant is food quality. To this Susskind and Chan (2000) added that in a customer's perception, the key determinant in visiting a restaurant is the quality of food.

Mattila (2002) insisted that a major predictor of the loyalty of a customer in casual dining restaurants is food quality. If compared with food quality, other features of the restaurant like service quality and environment components become secondary. In a recent test conducted by Namkung and Jang (2007) it was revealed that food quality impacts customer satisfaction. They discovered optimistic association between the quality of food and satisfaction/behavioural intentions. Out of those characteristics, appeal comprises of various items like presentation, taste, colour, temperature, texture, and portion size. In addition, Namkung and Jang (2007) asses the food quality by the menu item variety, presentation, healthy options, freshness, taste, and temperature. Thus it is concluded that food quality is an important aspect to be studied.

Table 6: Customer Perception of Food Quality- ANOVA

ANOVA

| | | Sum of Squares | df | Mean Square | F | Sig. |
|------------------------|----------------|-------------------|-----|-------------|--------|------|
| X2 Attractive Interior | Between Groups | 11.520 | 1 | 11.520 | 14.765 | .000 |
| | Within Groups | 154.480 | 198 | .780 | | |
| | Total | 166.000 | 199 | | | |
| X7 Appears Clean and | Between Groups | 12.500 | 1 | 12.500 | 9.480 | .002 |
| Neat | Within Groups | 261.080 | 198 | 1.319 | | |
| | Total | 273.580 | 199 | | | |
| X8 Fun Place to Go | Between Groups | 14.045 | 1 | 14.045 | 19.138 | .000 |
| | Within Groups | 145.310 | 198 | .734 | | |
| | Total | 159.355 | 199 | | | |
| X10 Reasonable Prices | Between Groups | 1.445 | 1 | 1.445 | 1.654 | .200 |
| | Within Groups | 172.950 | 198 | .873 | | |
| | Total | 174.395 | 199 | | | |

The above table compares the customer views on the quality of food across the two different restaurants. It is clearly observed that there is a significant difference between the mean rating given to quality of food (p=0.001), portions of food (p=0.003), food taste (p=0.001) and value for money (p=0.005). From the above analysis it can be concluded that there is a difference in perception of quality of food across the two restaurants.

1.5.2. Restaurant Food Quality and Customer Satisfaction

Table 7: Food Quality and Customer Satisfaction

а

| | | Unstandardized Coefficients | | Standardized Coefficients | | |
|-------|------------------------------|-----------------------------|------------|------------------------------|--------|------|
| Model | | В | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 4.770 | .340 | | 14.039 | .000 |
| | X1 Excellent Food Quality | 002 | .081 | 003 | 029 | .977 |
| | X3 Generous Portions | 004 | .057 | 006 | 062 | .951 |
| | X4 Excellent Food Taste | 222 | .084 | 288 | -2.648 | .009 |
| | X5 Good Value for Money | .080. | .066 | .120 | 1.214 | .226 |

Dependent Variable: Customer Satisfaction

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---|----------|----------------------|----------------------------|
| 1 | а | .080 | .060 | .90096 |

Predictors: (Constant), X5 -- Good Value for Money, X4 -- Excellent Food Taste, X3 -- Generous Portions, X1 -- Excellent Food Quality

The above table presents a linear regression model when identifies the relationship between food quality and customer satisfaction. It is observed that there is no significant association between food quality (p= 0.977), food portions (p=0.951), and value for money (p=0.226). However, it is observed that good taste is found to be associated with customer satisfaction (p= 0.009), however the beta value is negative (p=-0.222). Hence, it can be concluded that there is no association between customer satisfaction and customer perception of food quality. Hence,

Hypothesis 4 – Customer perceptions of food quality are related positively to customer satisfaction.

Is rejected

1.5.3 Customer Perception of Employee Service

He et al., (2011) maintain that the reliability of the services is a key aspect that holds up good quality service. Moreover, reliability helps in increasing the levels of customers' satisfaction. According to Hendrikse & Jiang (2011) reliability consists of the employees' performance and the standards that they maintain while providing their services over a long course of time. Thus, reliability increases the levels of customer satisfaction as the customers would be very satisfied with the standard of services that they will be getting from the organizations (Helgesen, 2006). When it comes to hospitality industry, reliability becomes particularly vital as any variation in the constancy of good services will result in a negative impact on their name. Additionally they will have to work hard on frequently training their employees keeping in mind the issues that their customers faced and the manner in which they handle those issues. Hence, the employees need to be updated on all the current issues and be trained to deal with the same (Han et al., 2011). Therefore, it can be concluded that customer perception of employee service is most important factor impacting their satisfaction.

Table 8: Customer Perception of Employee Service- ANOVA

ANOVA

| | | Sum of Squares | df | Mean Square | F | Sig. |
|-----------------------|----------------|-------------------|-----|-------------|---------|------|
| X6 Friendly Employees | Between Groups | 117.045 | 1 | 117.045 | 119.366 | .000 |
| | Within Groups | 194.150 | 198 | .981 | | |
| | Total | 311.195 | 199 | | | |
| X11 Courteous | Between Groups | 38.896 | 1 | 38.896 | 54.821 | .000 |
| Employees | Within Groups | 140.484 | 198 | .710 | | |
| | Total | 179.380 | 199 | | | |
| X12 Competent | Between Groups | 63.845 | 1 | 63.845 | 105.073 | .000 |
| Employees | Within Groups | 120.310 | 198 | .608 | | |
| | Total | 184.155 | 199 | | | |

The above table compares the customer views on the type of employee service across the two different restaurants. It is clearly observed that there is a significant difference between the mean rating given to employee friendliness (p=0.000), employee courteousness (p=0.000) and employee competence (p=0.000). From the above analysis it can be concluded that there is a difference in perception of quality of food across the two restaurants.

1.5.4. Restaurant Employee Service and Customer Satisfaction

Table 9: Employee service and Customer Satisfaction

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| | | Unstandardized Coefficients | | Standardized Coefficients | | |
|-------|----------------------------|-----------------------------|------------|------------------------------|--------|------|
| Model | | В | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 3.532 | .220 | | 16.058 | .000 |
| | X6 Friendly Employees | .111 | .082 | .148 | 1.351 | .178 |
| | X11 Courteous Employees | .028 | .094 | .028 | .296 | .768 |
| | X12 Competent Employees | 057 | .094 | 059 | 607 | .545 |

Dependent Variable: Customer Satisfaction

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---|----------|----------------------|----------------------------|
| 1 | а | .018 | .003 | .92796 |

Predictors: (Constant), X12 -- Competent Employees, X11 -- Courteous Employees, X6 -- Friendly Employees

The above table presents a linear regression model when identifies the relationship between restaurant employee service and customer satisfaction. It is observed that there is no significant association between friendly employees (p= 0.178), courteous employees (p=0.768), and competent employees (p=0.0.545).

Hence.

Hypothesis 2 – Customer perceptions of restaurant employees are related positively to customer satisfaction.

is Rejected

1.5.5. Customer Perception of Restaurant atmosphere

In 1970s the concept that physical environment is a significant part of the service experience was introduced. Kotier (1973) suggested that besides product and service, there is more to a customer's experience. This refers to atmosphere, that is the physical environment, as a promising influence on the purchase decision. Brady and Cronin (2001) used the meta-analysis and established that service quality has various aspects, out of which tangible physical environment emerged as an important factor that was often neglected. This environment comprises of design, ambient conditions, physical and social factors, which collectively are vital interpreters of service quality.

In recent times, many authors like Lucas (2012) have referred to the servicescape, the physical facilities, as an indicator of quality. Servicescape is an extensively used term that describes the physical atmosphere of a service company. It comprises of the interior and exterior design, ambient conditions like odour, noise temperature and other tangible parts like brochures, business cards and other communication material (e.g.Bruggen et al., 2011; Kim et al., 2009).

This extensively intricate physical environ has been accepted in several service establishments like hotels, hospitals, airlines, restaurants, and banks. The environment constantly requires elaborate designs, interior and exterior decorations, layouts to achieve different organizational and marketing objectives (e.g. Gu et al., 2011; Yang et al., 2013). The layout and design of a dining room can add to the satisfaction and pleasure of the whole dining experience and additionally assists with employee productivity (Ryu and Jang, 2008). Similarly in hotels or restaurants, cleanliness in the building exterior, entry or the dining/guest room, influences the perception of customers regarding the quality of service (e.g. Barber and Scarcelli, 2010;).

In the service literature, the connection of satisfaction to service quality, and the ways in which it is evaluated have been the main focus of research (e.g. Ryu and Jang, 2008; Barber et al., 2011). Hence it is concluded that customer perception of interior atmosphere is most important factor which impacts their customer satisfaction.

Table 10: Customer Perception of Interior Quality- ANOVA

ANOVA

| | | Sum of Squares | df | Mean Square | F | Sig. |
|------------------------|----------------|-------------------|-----|-------------|--------|------|
| X7 Appears Clean and | Between Groups | 12.500 | 1 | 12.500 | 9.480 | .002 |
| Neat | Within Groups | 261.080 | 198 | 1.319 | | |
| | Total | 273.580 | 199 | | | |
| X8 Fun Place to Go | Between Groups | 14.045 | 1 | 14.045 | 19.138 | .000 |
| | Within Groups | 145.310 | 198 | .734 | | |
| | Total | 159.355 | 199 | | | |
| X10 Reasonable Prices | Between Groups | 1.445 | 1 | 1.445 | 1.654 | .200 |
| | Within Groups | 172.950 | 198 | .873 | | |
| | Total | 174.395 | 199 | | | |
| X2 Attractive Interior | Between Groups | 11.520 | 1 | 11.520 | 14.765 | .000 |
| | Within Groups | 154.480 | 198 | .780 | | |
| | Total | 166.000 | 199 | | | |

The above table compares the customer views on their views on restaurant interior across the two different restaurants. It is clearly observed that there is a significant difference between the mean rating given to attractiveness of interior (p=0.000), cleanliness and neatness (p=0.002), fun places to go (p=0.000). From the above analysis it can be concluded that there is a difference in perception of interior quality across the two restaurants.

1.5.6. Restaurant Atmosphere and Customer Satisfaction Table 11: Restaurant and Customer Satisfaction

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| | | Unstandardized Coefficients | | Standardized Coefficients | | |
|-------|------------------------------|-----------------------------|------------|------------------------------|--------|------|
| Model | | В | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 4.416 | .464 | | 9.512 | .000 |
| | X2 Attractive Interior | .104 | .098 | .101 | 1.065 | .288 |
| | X7 Appears Clean and Neat | 166 | .068 | 207 | -2.433 | .016 |
| | X8 Fun Place to Go | 124 | .106 | 115 | -1.163 | .246 |
| | X10 Reasonable Prices | .020 | .070 | .020 | .280 | .780 |

Dependent Variable: Customer Satisfaction

Model Summary

| | | | Adjusted R | Std. Error of |
|-------|---|----------|------------|---------------|
| Model | R | R Square | Square | the Estimate |
| 1 | а | .057 | .037 | .91197 |

Predictors: (Constant), X10 -- Reasonable Prices, X2 -- Attractive Interior, X7 -- Appears Clean and Neat, X8 -- Fun Place to Go

The above table presents a linear regression model when identifies the relationship between restaurant atmosphere and customer satisfaction. It is observed that there is no significant association between attractive interior (p= 0.288), fun place (p=0.246), and reasonable price of ambience (p=0.720). However, it is observed that appears clean and need is found to be associated with customer satisfaction (p= 0.016) and positive beta value (p=0.166). Since atleast one factor, is found to show a significant positive score, it can be concluded that there is association between customer satisfaction and customer perception of restaurant atmosphere. Hence,

Hypothesis 3 – Customer perceptions of restaurant atmosphere are related positively to customer satisfaction.

Is accepted.

1.6. Recommendations and conclusion

Following recommendations are proposed for Corsica's

1. Identify measures to improve restaurant food menu as well as interior so as to attract customers below the age of 35. It is recommended that Nick invest money in making the restaurant interior more colourful and offer some varieties of food which appeals to the younger crowd.

- 2. Identify measures to provide some value meals which will help draw in the crowd which has a lower annual income. It is suggested that Nick include some value meals, combo offers or some happy hour times which will help draw in customers by providing meal at a slightly subsidised rate.
- 3. Identify measures to improve food quality, restaurant atmosphere as well as restaurant employee service as all these factors are found to be at a lower score when compared to Vino's.
- 4. Since the patronage of Vino's in terms of loyalty and frequency of visit is slightly higher, it is recommended that Nick offer some services which will help improve the restaurant demand.

Customer satisfaction and dissatisfaction are two different aspects of the same situation. In the study discussed, measurement refers to assessment together with expectations and outcome. When the quality of service matches up to the expectations the outcome is customer satisfaction. This occurs when the expectations of the prospective customers have been attained by the service provider. It was suggested when customer expectations are not taken into account to a larger extent the result is customer dissatisfaction. In certain conditions and circumstances the customers are not satisfied as a result of failure in measuring and addressing their recommendations (Barber et al., 2011). It is therefore important steps are taken to improve this satisfaction among customers who visit Nick's restaurant thereby driving his profits.

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