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# **Research Article**

# A COMPARITIVE STUDY OF SERVICE QUALITY IN RESTAURANTS AMONG KERALA and TAMILNADU

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ABSTRACT

India is one of the largest restaurant industries in the world. It attracts venture capitalists, marketing Gurus social media specialists and experienced chefs across the world. According to Indian Restaurant Congress, Indian food service industry is worth nearly 75 thousand crore and it is growing at a healthy compounded annual growth rate of 17%. This food service industry is likely to reach 1, 37,000 crore by 2015. For many years the food business seen as a tempting and lucrative opportunity reflected to the fact opening a restaurant tops the wish list of many people in India. Due to the demand and expectations of the customers and government norms made the industry move towards organizing on its own. But still 70% of the current food service industries are in unorganized sector. According to the president of Franchise India, expects the organized food service industry will grow at a rate of 20-25% per annum. If this is the scenario, we want to understand what a customer really expects from a restaurant, the answer will help the owner to develop a sustainable innovative restaurant. We are trying to develop a modal between service quality and customer loyalty to understand how these can be used for innovation and sustainability of the restaurant in the industry. The research will cover selected restaurants in Palakkad and Coimbatore for the purpose. The outcome of the study will throw some light on this industry which will be helpful for the upcoming entrepreneurs in this food service industry.

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## INTRODUCTION

India is the world's second largest producer of food next to China, and has the potential of being the biggest with the food and agricultural sector. The total food production in India is likely to double in the next ten years and there is an opportunity for large investments in food and food processing technologies, skills and equipment, especially in areas of Canning, Dairy and Food Processing, Specialty Processing, Packaging, Frozen Food/Refrigeration and Thermo Processing. Fruits & Vegetables, Fisheries, Milk & Milk Products, Meat & Poultry, Packaged/Convenience Foods, Alcoholic Beverages & Soft Drinks and Grains are important sub-sectors of the food processing industry. Health food and health food supplements are another rapidly rising segment of this industry which is gaining vast popularity amongst the health conscious.

The Indian food processing industry is expected to ride smoothly on growth track with the recovery of global economy from recession. The industry will generate revenue of around \$260 Billion from the current level of \$200 Billion by 2015. It is thus evident that the food sector will be driving the economic

revival of India. The diverse culinary habits, wide range of cuisines and the diverse cooking techniques are some of the main factors behind the growth of restaurants in India. With the market liberalization policies undertaken by the government, India has also become a consumer market with a huge customer base. This has provided a fillip to the restaurant industry in the country. With the high standard of living and the change in the lifestyle of the people, more and more consumers are also flocking various restaurants. Recent surveys have shown that there has been a growing trend among the Indians to taste various types of gastronomical delights. This has also led to the growth of restaurants which serve regional and international delicacies. The growth of the tourism industry has also been a positive factor behind the growth of restaurants in India. With more and more domestic and foreign tourists going to the popular tourist destination, it has been a boon for the restaurants. According to recent surveys, India has become one the top five destinations among the 167 popular tourist destinations.

#### Service Quality

An assessment of how well a delivered service conforms to the client's expectations. This aim may be achieved by understanding and improving operational processes; identifying problems quickly and systematically; establishing valid and reliable service performance measures and measuring customer satisfaction and other performance outcomes. The quality of service in the restaurant industry is difficult to evaluate, because the assessments are made not only on the service outcome, but also on the process of service delivery. Wu and Liang (2009) stated that service encounter in restaurant settings consists of three main elements: environmental elements (e.g. design, music, lighting), employees (e.g. professional skills, reliability) and customers (e.g. interaction with other customers). To understand all characteristics of the restaurant service quality an appropriate measurement instrument should be developed .Stevens, Knutson and Patton (1995) created an instrument called DINESERV to assess customers' perceptions of restaurant service quality. The instrument was adapted from SERVQUAL and was proposed as a reliable and relatively simple tool for determining how customers view a restaurant's quality. The final version of DINESERV contained29 items, measured on a seven-point scale. DINESERV items fall into five service quality dimensions. In the restaurant industry, tangibles refer to a restaurant's physical design ,appearance of staff and cleanliness. Reliability involves freshness and temperature of the food, accurate billing and receiving ordered food. Responsiveness in restaurants relates to staff assistance with the menu or wine list or appropriate and prompt response to customers' needs and requests.

#### **Objectives of the study**

- 1. To study the influence of different states on service quality
- 2. To study the influence of average amount spend on service quality.

### Limitations of the study

The study has covered a very small portion of the population. Hence generalization of the study may not be possible. Due to time constraints the sample were collected only from 2 restaurants in Coimbatore and four from Palakkad.

#### **REVIEW OF LITERATURE**

According to Siddhartha Bhattacharya, Dr. Partha Pratim Sengupta, Ramakant Mishra, (2011) states that aiming at establishing a concrete understanding of the relationship of customer satisfaction and image of the firm with customer loyalty. Taking into consideration the fierce competitive market which the restaurant sector is witnessing the researchers believe that the current study will serve as a significant help to both academician and marketers equally. The investigation was carried out to understand which variables of customer satisfaction and image positively determine customer loyalty towards in the fast food market. The study used a data collected from fast food outlets in the city of Chennai with the implications from the findings being loyalty is positively influenced by image of the restaurant and customer satisfaction towards housekeeping, food & beverages, reception and price".

According to Mohammad Haghighi, Ali Dorosti, Afshin Rahnama and Ali Hoseinpour, (2012) identifies the factors affecting customer loyalty in the restaurant industry. Data was collected using questionnaire distributed in 10 randomly selected branches of Boof Chain Restaurant in Tehran. In each branch, 40 customers were selected for the study. Ultimately, the research sample consisted of 268 customers. Structured equation modeling was used for data analysis and hypothesis testing. The obtained results show that food quality, service quality, restaurant environment, and perception of price fairness had a positive impact on customer satisfaction, but the impact of restaurant location on customer satisfaction was not confirmed. Also, food quality, service quality, and perception of price fairness had a positive effect on customer trust. The results show that food quality is the most important factor affecting customer satisfaction and trust in Boof Chain Restaurants.

Mohammad Haghighi, Ali Dorosti, Afshin Rahnama and Ali Hoseinpour (2012), present research was to investigate the factors affecting customer loyalty in the restaurant industry. Data was collected using questionnaire distributed in 10 randomly selected branches of Boof Chain Restaurant in Tehran. In each branch, 40 customers were selected for the study. Ultimately, the research sample consisted of 268 customers. Structured equation modeling was used for data analysis and hypothesis testing. The obtained results show that food quality, service quality, restaurant environment, and perception of price fairness had a positive impact on customer satisfaction, but the impact of restaurant location on customer satisfaction was not confirmed. Also, food quality, service quality, and perception of price fairness had a positive effect on customer trust. The results show that food quality is the most important factor affecting customer satisfaction and trust in Boof Chain Restaurants. Customer satisfaction had a positive impact on customer loyalty, but the effect of customer trust on customer loyalty was not confirmed.

According to Francis Buttle, (1996) "SERVQUAL: review, critique, research agenda", European Journal of Marketing, Vol. 30 Iss: 1, pp.8 – 32, found out that Since its launch in 1985, SERVQUAL has become a widely adopted technology for measuring and managing service quality. Recently, a number of theoretical and operational concerns have been raised concerning SERVQUAL. Reviews these concerns and proposes a research agenda.

# **RESEARCH METHODOLOGY**

A structured questionnaire was developed and tested for collection of data. For the research, the researcher focuses on primary data. A stratified random sampling is used for sample selection. The respondents were met and collected data in person when they were coming out of the restaurant for the study. The collected data was analyzed and using one way-ANNOVA analysis variance.

#### Analysis & Interpretaion

 
 Table 1 One way-ANNOVA between Average amount spend in the restaurant and Reliability.

H <sub>01</sub> :	amount	spent wil	l not influence	on Reliability.
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Reliability	Mean	Standard Deviation	F	Sig
Less than 500	4.26	1.146	4.776	.001
500-1000	4.30	.539		
1000-1500	4.43	.688		
1500-2000	4.44	.566		
2000 and above	3.87	.757		

To find out the difference between the average amount spend in restaurants on Reliability.

#### Interpretation

Though there is no significant difference among mean and standard deviation on number of members in the family and reliability a one way analysis of variance is performed to see the statistical significance. From the above table the calculated F value is 4.776 (Sig=0.001) that is greater than the table value. Hence we reject the null hypothesis at 95% confidence level.

 
 Table 2 One way-ANNOVA between Average amount spend in the restaurant and Assurance

 $H_{02}$ : amount spends will not influence on Assurance.

Assurance	Mean	Standard Deviation	F	Sig
Less than 500	4.43	.634		
500-1000	4.27	.626		
1000-1500	4.36	.635	570	.684
1500-2000	4.35	.729	.570	
2000 and	4 4 1	372		
above	1. 11	.572		

To find out the difference between the average amount spend in restaurants on Assurance.

#### Interpretation

Though there is no significant difference among mean and standard deviation on number of members in the family and assurance a one way analysis of variance is performed to see the statistical significance. From the above table the calculated F value is .570 (Sig = 0.684) that is less than the table value. Hence we accept the null hypothesis at 95% confidence level.

# One way-ANNOVA between States and Dimensions of service quality

Table 3 One way-ANNOVA between States and Reliability

H<sub>03</sub>: state will not influence on Reliability.

Reliability	Mean	Standard Deviation	F	Sig
Kerala	4.38	.615	1.061	204
Tamil Nadu	4.31	.749	1.001	.304

To find out the difference between influence of state in restaurants on Reliability.

#### Interpretation

Though there is no significant difference among mean and standard deviation between states and reliability a one way analysis of variance is performed to see the statistical significance. From the above table the calculated F value is 1.061(Sig = 0.304) that is lower than the table value. Hence we accept the null hypothesis at 95% confidence level.

Table 4 One way-ANNOVA between States and Empathy

 $H_{04}$ : state will not influence on Empathy.

Empathy	Mean	Standard Deviation	F	Sig
Kerala	4.08	.851	014	240
Tamil Nadu	4.15	.730	.914	.340

To find out the difference between influence of state in restaurants on Empathy.

### Interpretation

Though there is no significant difference among mean and standard deviation between states and empathy a one way analysis of variance is performed to see the statistical significance. From the above table the calculated F value is .914 (Sig = 0.340) that is less than the table value. Hence we accept the null hypothesis at 95% confidence level.

## CONCLUSION

Service quality has been discussed by great scholars in breadth and depth. All the service industries invariably of their businesses have accepted service quality as one of the major factor which affects the satisfaction level of customers. A satisfied customer will bring or introduce new customers to the business .When compared to other service industries restaurant industry has discussed less on service quality on the business .It is interesting to find and note that the customers from both the states perceive service quality dimensions in a same way without much difference. It is an evidence for our study that the customers from both the states look for the better service quality in the restaurants. From the study we understand that customers spend an amount of 1000-1500rs per month for having food from restaurants as the sample respondents are mostly of average income group. From the analysis, we can understand customers are highly sensitive towards the way they were treated in the restaurant by the employees. It is recommended that the restaurant industries have to give continuous training to their employees towards customer handling.

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