An Examination of the Relationship between Service Quality and Consumers Satisfaction in the Restaurant Industry, Mysuru

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---ABSTRACT---

The purposekofkthiskstudykisktokempiricallykinvestigatekthekimpactkofkservicekqualitykin Mysurukcity restaurant settings, based konkthek DINESERVk scale. The questionnaire was designedkinkaccordancekwithkStevens et al. (1995), andkAndaleebkandkConwayk(2006).The main goals are to assess restaurant kcustomers'kperceptionskandktokidentifykthekmain imensionskofkperceivedkcitykrestaurantkservicekquality.

This study hiden tifiedh five dimensions of Dineservhdimensions of restauranthservice quality. These are:hTangibility, Reliability, Responsiveness, Assurance,hand Empathy. This study employedhthehquestionnaire method to collect data from the consumers who dined at the selected upscale and midscale restaurants. Data collected werehanalyzed by using statistical tools such as factorhanalysis, multiple regression, correlation, and Cronbach's alpha. The study also supported that dimensions ofhservice quality affect consumer's satisfaction. Amonghthe guests who dined at selected upscale and midscale restaurants, there washsignificant impact on all dimensions of service quality with guests' satisfaction. Furthermore, thehhighly perceived restaurant service quality dimensionshamonghthe guests are Reliability, Responsiveness, Tangibility, Assurance andhEmpathy respectively. The study findingshhavehsignificant implications for Restaurant managers.hThis study can also behused as a tool by the restaurant manager to identify various dimensions ofhrestaurant service quality wherehimprovements are neededhto enhance guestsh(consumers) satisfaction.

Keywords - **service quality, DINESERV**

I. INTRODUCTION

Service qualitykiskrecognizedkaskankimportantkfactor leadingktoktheksuccessfulkbusiness performancekofkcustomer-focusedkfirms.kConsideringkthekfactkthatkservice quality leads to higherkprofitability (Gundersen, M. G., et al 1996) and customer satisfaction (Oliver, R. L., 1997), managerskinvestktktremendous effort tokmeasurekandkimprovekthe service quality in their business.

II. REVIEW OF LITERATURE

Therekiskakvarietykofkmeasurementktoolskandktechniqueskfor assessing service quality. One of the most popular and widely used is the SERVQUAL instrument. In restaurant settings, service quality is usually measuredkwithkankadaptedkversionkof SERVQUAL, called DINESERVk(Stevensketkal. 1995). A modified versionkofkDINESERVkiskappliedkinkthis studykaskwell.

Inktermskofkrestaurantkstudies,kBojanickandkRosek(1994)adapted the SERVQUAL instrument in a chain restaurant with a diverse clientele and a varied menu that included internationalkitems. Stevens, Knutson and Patton (1995) created ankinstrument called DINESERVktokassess customers' perceptions of restaurantkservice quality.The instrumentkwas adapted from SERVQUAL and was proposed as a reliable and relatively simple tool for determining how customers view a restaurant's quality (Markovic, S., et al 2010)

III. RESEARCH METHODOLOGY

Thekresearchksurveykquestionnairekforkthekpresentkresearchkwaskdesigned based on literature reviews. In the present study, the questionnaire consisted of three parts. The first part of the questionnaire covered the demographic profile of the customers.The second partkvariables relatingktokthekhotelkrestaurantskservicekquality,and the third part ofkthekquestionnaire consisted of variables relating to consumer satisfaction. A total of 31 likert based questions were designed asking the respondents to rank their importance of agreementkonka scale ofk1ktok5kwithk'1kStronglykDisagree' and '5 as Strongly Agree'. Furthermore, with respect to the approach, exploratory research method was adopted to collect the responses from the respondents and both CFA & SEM model is applied to measure the significance (statistically) the impact of Service Quality on Consumer Satisfaction.

IV. RESEARCH FRAMEWORK

4.1 Proposed Research Model: This study is approached with the use of the proposed model (see Figure 1)

4.2 Objectives of the Study: Based on the proposed research model, the objective of the study is to examine the relationship b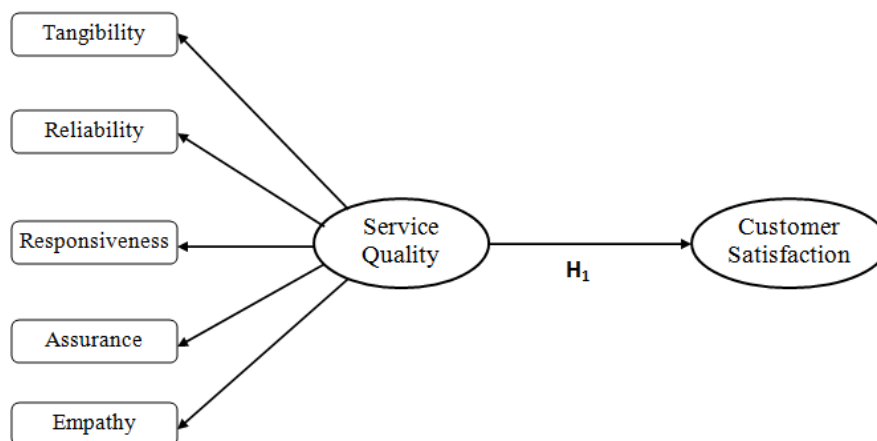etween various dimensions of selected up scale and midscale restaurants' perceived service quality and consumer satisfaction.

4.3 Instrument Development: We used the questionnaire method for collecting data from the consumers. The variables relating to the present study are drawn from the studies of Parasuraman et al. (1985) and Stevens et al. (1995)

Fig 1: Conceptual Frame work of the Research Study

4.4 Data Collection

The scope of the study is confined only to selected upscale and midscale restaurants situated in Mysuru, Karnataka. 10 restaurants (07 upscale and 03 midscale restaurants) were selected for the study. The questionnaire consisted of three parts. Thekfirstkpartkofkthekquestionnairekcovered thekdemographickprofilekofkthekconsumers.kTheksecond kpart of the questionnaire covered variables relating to the restaurant service quality, andkthekthirdkpart of the questionnaire consisted of variables relating to consumer satisfaction. This study waskconducted from Jan – April 2018. Due to the non-availability of the samplingkframe, we employedkpurposive sampling method for collecting data from the respondents. The sampling unit for the current study was male and female guests who were above 18 years of age and had dined at chosen upscale and midscale restaurants. Thekpurposekofkthekstudy was clearly explained to the customers before collecting the data.

Before administering the questionnaire to the customers, we conducted a pilot study. Furthermore, we developed the questionnaire after discussion with a panel of managers and academic experts. Basedkonktheirkfeedback, suitable modifications werekmadekinkthe questionnaire.kEven though we madekseveralkeffortsktokcollectkdata fromkthekrespondents, we were able to collect the data from only 430 guests.

4.5 Descriptive Statistics

An analysis of the gender composition of the guest revealed that 62% guests were female, while 38 % of the guests were male. On the educational qualification front, among the guests were graduates and post graduates that constituted 59% and 34% respectively of the total respondents respectively. Similarly, 41 % of the respondents were in the age group of 36 to 45 years and 38 % of them were in the age group of 26 to 35 years and 8 % of them in age group of 45 to 55 years.

4.6 Proposed Hypothesis: Based on the above conceptual framework (Figure 1), the hypotheses formulated are as follows

H_1: Perceived service quality has a direct positive and significant impact on Consumer Satisfaction.

V. ANALYSIS AND RESULTS

5.1 Reliability of the Instrument

5.1.1 Reliability and Convergent Validity

The reliability test was administered to determine how strongly the attributes were related to each other (Hair, Anderson, Tatham, & Black, 2003). All scales are reliable (see Table 1) as Cronbach's alpha ranges from 0.777 to 0.900 (Service Quality Dimensions) and 0.836 for Consumer Satisfaction, exceeding the recommended threshold of 0.70(Nunnally, 1978).

In addition, the standardized loading (correlation coefficients), the composite reliability, Cronbach Alpha and AVE results through *Confirmatory Factor Analysis* (CFA) technique that was adopted to validate the

hypothesized measurement model consisting of five sub dimensions of Service Quality and the standardized loading along with AVE value of consumer satisfaction is also provided in Table 2.

Table 1. Reliability Co-efficient of Restaurant Service Quality and Customer Satisfaction Dimensions

Sl.No	Service Quality Dimension	No. of Variables retained	Cronbach's Alpha
1	Tangibles	6	0.884
2	Reliability	4	0.817
3	Responsiveness	5	0.855
4	Assurance	5	0.777
5	Empathy	5	0.900
6	Consumer Satisfaction	7	0.836

Table 2. Reliability results of Restaurant Service Quality Dimensions

Sl.No	Service Quality Dimensions	Standardized Factor Loading	Composite Reliability	Cronbach Alpha	Average Variance Extracted(AVE)
1	Tangibility	0.882	0.882	0.884	0.559
2	Reliability	0.952	0.815	0.817	0.527
3	Responsiveness	0.921	0.852	0.855	0.542
4	Assurance	0.688	0.766	0.777	0.411
5	Empathy	0.556	0.901	0.900	0.644
6	Consumer Satisfaction	0.630	0.834	0.836	0.421

SEM model of impact of Service Quality on Consumer Satisfaction:
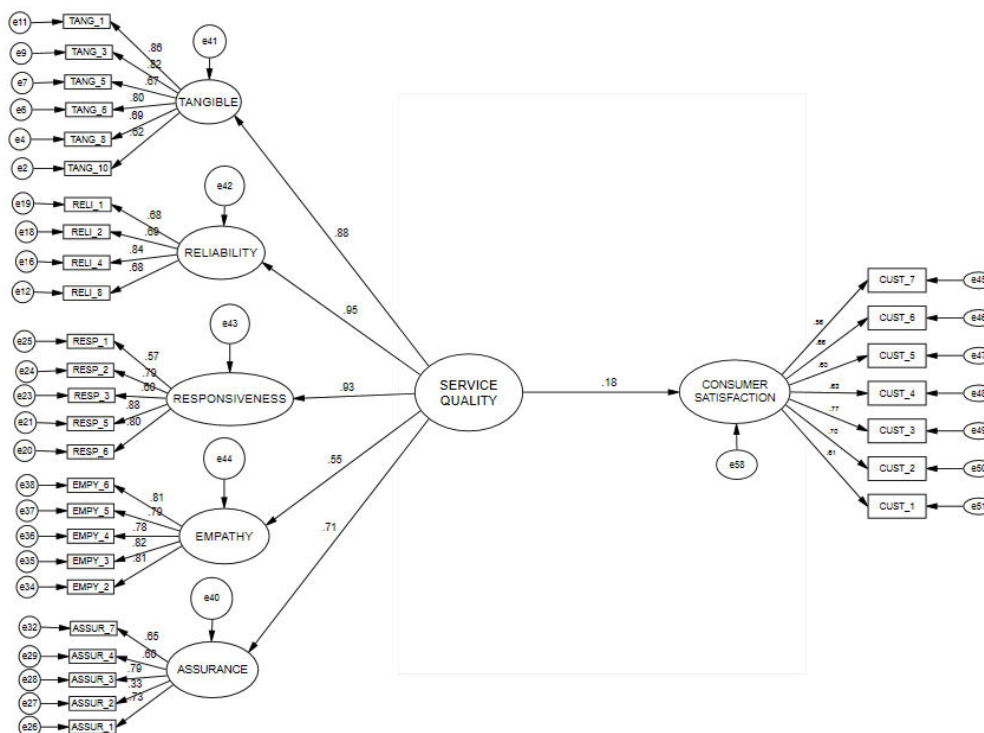

Fig 2: SEM Model result for the impact of *Service Quality* on *Consumer Satisfaction*

5.2 Data Analysis and Results

After running the CFA to check the reliability and validation of the items (questions), the defined research hypothesis shown in conceptual frame work (Fig 1) was tested using SEM technique.

Firstly, the overall model Goodness-of-fit & Incremental Indices of Measurement model Service Quality *showed that the* observed that Chi-square/df ($\chi2$/df) is 3.639 (which is less than 5) and Goodness of Fit index (GFI) obtained is 0.896 as against the recommended value of above 0.90; The Adjusted Goodness of Fit Index (AGFI) is 0.866 as against the recommended value of above 0.90 as well. The Normed fit Index (NFI), Relative Fit index (RFI), Comparative Fit index (CFI) are 0.879, 0.862, 0.828 respectively as against the recommended level of above 0.90. RMSEA is 0.078 and is well below the recommended limit of 0.10. Hence the model shows an overall acceptable fit and is an over identified model. The results of the model in Table 2 yielded acceptably high goodness-of-fit indices. This indicates that the model fits the observed data well. All the results shown in the above table are presented are below the cut-off (accepted) values, indicating a good fit of the present model.

5.2.1 Impact of Restaurant Service Quality Dimensions on Consumer's Satisfaction

In order to test the impact of restaurant service quality dimensions on consumer satisfaction, multiple regression analysis was conducted.

Table 3: Direct Effect of Research Model: Standardized Regression Weights

Relationships			Estimate	S.E.	C.R.	P-value
Consumer satisfaction	<---	Service quality	0.182	0.049	3.235	0.001*

* Significance at 5 % level.

The regression results are provided in Table 3. Accordingly, it is observed that the p-value of the relationship between *Service Quality* and *Consumer Satisfaction* (ß=0.182, C.R = 3.235, p = 0.001, p<0.05) is less than the significance alpha level of 0.05. From the Table 3, we accept H_1 and conclude that *Service Quality has a direct positive and significant impact on Consumer Satisfaction*. The interpretation is that, for one unit increase in the rating scale of agreement in *Service Quality* construct, one could expect about 0.182 times (approximately one fifth times) increase in the *Consumer Satisfaction* dimension.

VI. DISCUSSION

This study identified five important dimensions of restaurant service quality. These are Tangibility, Reliability, Responsiveness, Assurance and Empathy. This study rejects the null hypotheses, implying that there is a significant impact of tangibility, reliability, responsiveness, assurance and empathy dimensions on consumer satisfaction.

VII. MANAGERIAL IMPLICATIONS

The study findings have significant implications for restaurant managers. The study findings would help managers to ascertain priorities of guests. This study can also be used as a tool by the hotel management to identify various dimensions of restaurant service quality where improvements are needed to enhance the consumers' satisfaction levels. These research findings would provide insights to restaurant managers to retain their existing customer base and increase their satisfaction.

VIII. LIMITATIONS OF THE STUDY AND SCOPE FOR FUTURE RESEARCH

Thekstudykmade some significant contribution in determiningkthekrelationship between perceivedkservice quality and consumer satisfactionkin upscale and midscalekrestaurants in Mysuru.kThe study was based on thekselectedkupscale and mid-scalekhotels around Mysuru. Hence the resultskcannot be generalized for thekentire restaurant industry inkMysuru. This study only illustrates a snapshot of time. Readers may exercise caution while interpreting its results.

Furtherkresearch can extendkthe current body ofkknowledge through research in different kultureskand organizations. Moreover,kfuture research couldkalso look into otherkfactors such as social climate, policies, orkbrand affiliations thatkcould lead to higher deliverykof service quality. Brandkaffiliation may impact guestkexpectations relative tokservice quality (Rauch, Collins, Nale, & Barr, 2015). Also,ksocial climate couldkhave a negative impact onkcustomers' satisfaction (Dedeoglu&Demirer, 2015).

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