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Factors Influencing Customer Loyalty towards Fast Food Restaurants: An Empirical Study in Malaysia

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Abstract

Customer loyalty has become a critical and key focal point for any business organization as the competition level is highly fierce. The purpose of this study is to increase the understanding in the relationships between customer loyalty and some of the factors of loyalty that could directly contribute to loyalty towards fast food restaurants in Malaysia. The study reveals that customer loyalty is associated with the quality of product, restaurants environment, convenience and price and value towards fast food businesses in Malaysia. Among all the factors convenience and quality of food have significant and positive influence on customer loyalty. The greater contribution of this study is to provide a comprehensive model that can be exercised in the current phenomenon of the fast food business. However, one of the limitations of this study can be marked as the analysis part, which needs to expend further and carried out using confirmatory factor analysis. This would contribute additional findings that may produce an enhanced understanding on the issues and benefit the business in formulating future marketing and customer relationship strategies.

Keywords: Customer Loyalty, Product Quality, Price, Convenience, Restaurants

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Introduction

As in many other different business markets, the fast food market everywhere throughout the world including Malaysia has been developing rapidly and turning out to be much popular. Along with this positive advancement in the fast food market, the food habit and general consumption pattern of the people of each nation of the world have additionally been changing with comparative speed (De Rezende & de Avelar, 2012). Any successful organizations should continually fulfil and encourage their customers in order to achieve their trust and maintain good relationships with them. This will change the regular customers into loyal ones which will ensure the continuing progress of the business. Gee, Coates, and Nicholson (2008), determined that customer loyalty is rapidly turning into the market currency of the twenty-first century. Therefore every organization should

concentrate on gaining customer loyalty in order to increase benefits and keep up sustainability in the business market.

The fast-food businesses are in severe competition in the present market. Numerous fast restaurants are currently operating their business in Malaysia such as McDonald's, KFC, Burger King, Pizza Hut, Dominos, Subway, A & W, Nando's and so on. The market share for those fast food operators in Kuala Lumpur is already saturated, competition is expected and continued to be more intense. Many studies have shown that when a person is satisfied with a company or services, most of them are likely to share their experience with other people and remain loyal. Kandampully and Suhartanto, (2000) revealed that customer satisfaction and customer loyalty have a positive relationship. In fact, a satisfied customer is a guarantee for customer loyalty. Therefore, this research aims to examine the factors such as quality of product, restaurants environment, convenience and price to evaluate their impact on customer loyalty. So the principal objective of this study is to examine the effect of those four key factors on customer loyalty. This study will be very helpful for the fast food industry to survive in the existing markets even developing any new market in Malaysia. Furthermore, they can expand their markets and enter into new markets with more profits from the existing markets and benefit from the experiences that gained from this study for satisfying customers and making them loyal.

Literature Review

The fast-food restaurants should know how to satisfy their customers and if they want to sustain in the competitive market, they should have loyal customers. To achieve this goal, fast food restaurants should satisfy their customer in order to make them loyal. However, for satisfying customers, fast food restaurants should identify the main factors that influence customer satisfaction and lead to customer loyalty. Therefore, a study has to be carried out in order to examine some factors that influence customer loyalty.

Fundamentally, customer loyalty refers to the keenness of the customer to keep in contact with a particular company or product or services (Kim & Yoon, 2004). A customer who is loyal will tend to suggest purchasing the company's products to other people. Customer loyalty can bring a good image to the business and bring more revenue and profit. In general, loyalty represents as consumer's promise in managing colleague's referring, services, buying products and particular organization (McIlroy & Barnett, 2000). Traditionally, there are two main components of customer loyal: customer's attitudes and customer's behaviour (Kumar & Shah, 2004). Customer loyalty is the point of convergence for various business associations (Vesel & Zabkar, 2009).

Loyalty can be measured by the expectation of repurchase, prescribing the product or service to other and persistence towards the cost (Kim & Yoon, 2004). They also found that the satisfaction of customers will bring customer loyal, which is a long-term relationship with the company.

Dimensions of Customer Loyalty

Attitude and behaviour are two very crucial dimensions in determining customer loyalty (Kandampully & Shartanto, 2004). The behaviour dimension is the behaviour of customers towards re-visiting a restaurant over a period of time (Bowen & Shoemaker, 1998). In addition, a customer who has the urge to repurchase and suggest to other is very likely to stay with the same restaurant for a period of time ahead. Conversely, the attitude measurement is referring to the customer's purpose to make a repeat purchase and then suggest to others, which is one of the best indicators that a person is a loyal customer

(Getty & Thompson, 1994). The dimension of behaviour and customer loyalty is usually shown through repeated purchases (Wong & Sohal, 2003). Then Gremler and Gwinner (2000) also found a positive relationship between satisfaction and the intention to be a loyal customer. As for behavioural loyalty, customers who have a better relationship with a service staff show and the higher share of business with the waiter or waitress (Berschler, 2006). If the waiter or waitress keeps a good relationship with its customers, they will return again and want to be served by the waiter or waitress again.

Customer Loyalty in Fast Food Restaurants

The motive to be loyal could be very different from individual to individual. The factor listed at the following could be some that cause customers to be loyal (Tepeci, 1999): Awareness-Restaurants that show their service to more customers would increase awareness. Loyalty for restaurant businesses starts with the awareness of the restaurants 'guests (Aaker, 1991). A potential customer is aware of the presence of the restaurant. Now a day's Restaurant business particularly the business managing fast food is described as an extremely aggressive market. Food is a core product and it plays a crucial role in the restaurant business (Liu & Jang, 2009). A few researchers have given solid encouragement that food quality is one of the key components for achievement (Soriano, 2002). Furthermore, In order to gain the competitive advantage and survive in the market, it is therefore essential for the restaurant managers to identify which attributes are vital and reachable to consumers and to know which parameters have impacts on the purchase decision (Bryhni et al., 2002).

According to Bitner (1992), the environment or the atmosphere where the service is provided could be important in contributing to the perception and satisfaction level of the customer. Some researchers found that environment directly affect consumer satisfaction. As a result, it also creates a setback to build up customer loyalty. The influence of a restaurant environment on satisfaction is arbitrated by emotions and perceived value (Liu & Jang, 2009). Based on the research done by Belman (1998), the most crucial is the design and also the overall concept. The essentialness of having a comfortable environment is rising in the industry (Dulen, 1998). Owner of restaurants should invest more to improve their physical outlook. Riley (2014) stated that the physical environment has a positive influence on customer satisfaction, and customer satisfaction positively influences customer loyalty. Therefore, the restaurants' managers need to improve their standards of service quality and physical environment in order to maximize customer satisfaction because the only way to keep customers and to remain competitive.

Besides, according to Reichheld & Scheffer, (2000), the vital thing for companies to do to keep their customers is by offering more convenience throughout the process of providing the service. So the customers believe that the provided service is convenient for them, the chances of having them again are higher (Jones, 2003). Thus should the company offer a variety of conveniences to its customers, it could raise the motivation to purchase (Brown, 1989), and then increase the chances of them being loyal.

Price is one of the key elements of customer satisfaction in the restaurant industry (Turel et al., 2006). In fact, the price is playing a fundamental role in the customer satisfaction and loyalty because the charges of the product directly affect the customer, so if it is reasonable then customers satisfy it and willing to purchase the product again in future (Gustafsson et al., 2005). Soriano (2002) stated that the factors influencing customer expectation in restaurants where the expected quality is determined by the price to be paid. While stretching their budgets, customers have raised their expectations for good service

and quality. To a consumer, the price is the amount the consumer must sacrifice or give up to obtain a product or the price which has to pay to acquire the product (Zeithaml, 1998).

Theoretical Foundation

Customer loyalty is not constant rather it is a kind of variable as it varies and depends on several factors. Customer loyalty can be affected by both customer satisfaction and customer complaint (Analyse et al., 2011). According to Anderson (1998), there is a significant relationship between satisfaction and loyalty where dissatisfied customers conduct more disloyal behaviour than satisfied customers. Satisfied customers have the intention to advise about the product or service to others (Wiedemann & Anderson, 1985). If a customer has a good experience with any product or service he or she will be encouraged to share his/her experience or satisfaction to other people (Parasuraman et al., 1991; Stauss & Neuhaus, 1997). Based on that, the American Customer Satisfaction Index (ACSI) was dispatched in 1994. The Index use interviews with customers as information to a multi-correlation econometric model made at the University of Michigan's Ross School of Business (Luo & Bhattacharya, 2006). The ACSI model (Figure 1) is a circumstances and end results model with records for factors of satisfaction on the left side (customer expectation, perceive quality and perceive value), consumer satisfaction in the Center and results of satisfaction on the right (customer complaints and customer loyalty, including customer retention and value tolerance).

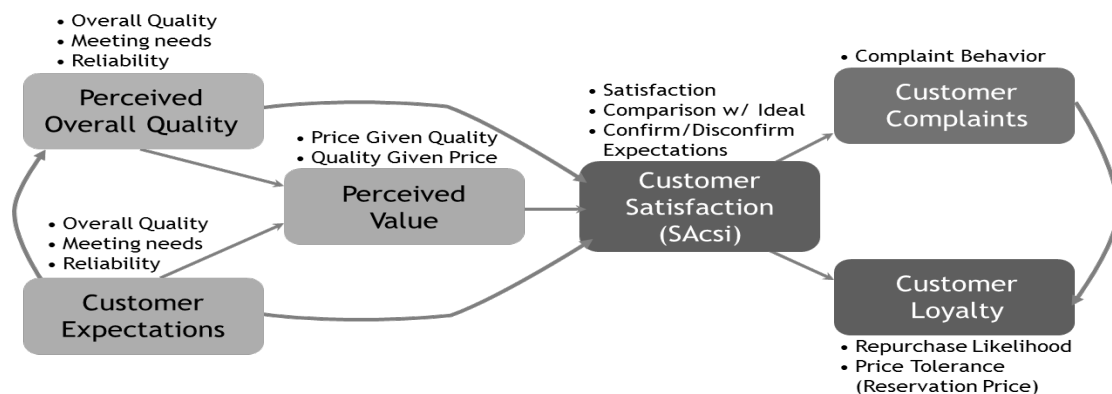


Figure 1: ACSI Model

Numerous analysts remark that customer loyalty is key to profitability (Anderson & Srinivasan, 2003; Christodoulides & Michaelidou, 2011; Reichheld et al., 2000). This study contributes by exploring the impact of motivation processes in online shopping on e-satisfaction and e-loyalty. The outcomes propose that convenience, variety seeking and social connection anticipate e-satisfaction and that social communication is the main shopping rationale analyzed with a direct relationship to the loyalty.

Proposed Model and Hypothesis

The conceptual framework is the foundation on which the entire research project is based. It is logically developed, described and elaborated network of associations among the variables deemed relevant to the research (Sekaran, 2003). The independents, moderating and the dependent variables are illustrated in the diagram in Figure 2. The relationships

among the variables are constructed in the hypotheses so that they will be visualized easily and the dynamics of the condition is evidently understood. Based on the literature review, there is a high correlation between some factors, such as quality of food, atmosphere, convenience, price, and customer satisfaction and customer loyalty in fast food businesses. In addition, according to the literature review, customer satisfaction and customer loyalty have a strong relationship with each other in fast food restaurants. Therefore, this research presents the research model for fast food restaurants as shown in Figure 2.

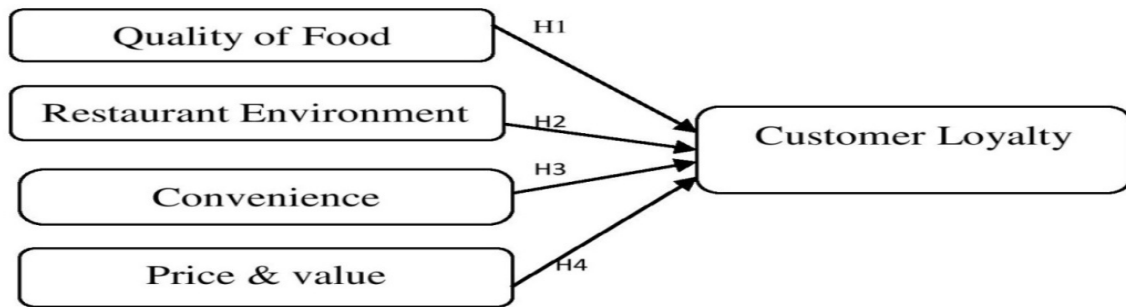


Figure 2: The proposed research model of fast food restaurant

According to the review of literature, the following hypotheses are considered in this chapter.

- H1: Food quality has positive influence to customer loyalty.
- H2: Restaurant environment has positive influence to customer loyalty.
- H3: Convenience has positive influence to customer loyalty.
- H4: Price and value has positive influence to customer loyalty.

Methodology

Research design draws a design for researchers to meet their objectives. To achieve answers for the research problem, the plan and foundation of the research design are very important (Aaker, Day & Kumar, 2001). The primary and secondary data were applied to get satisfactory information for research purposes in the research. The primary data were collected via a questionnaire. For this study, the data was collected from the customers of few major fast food restaurants such as KFC, McDonalds and Dominos and Nando's chicken in Kuala Lumpur, Malaysia. The quantitative methods were used in collecting data using a simple non-probability sampling method to investigate the connection. A total of 250 customers were selected as the samples in order to test the research hypothesis. A set of structured questionnaire was distributed to the customers. All questions were close-ended. For this study, the questionnaires distributed among the respondents asking their perspective and feedback from the statements design using Likert-Scale five points evaluation. The secondary data were collected through scientific databases such as Emerald, ProQuest and some search engine's information like Yahoo, Google, and so on.

Construct Measurement

Table1: Attributes of food quality, environment, price and value and convenience.

Variable	Attribute	Source
Food quality	Overall quality of food Taste of food Freshness of Food nutrition Menu varieties and choices	Ng. Y.N. (2005)
Restaurants environment	Facilities and its cleanliness Restaurant environment Restaurant comfort Appearance/ outfit of staff	Kivele, Reece, and Inbankaran (1999) Steven, Knuston, and Patton, (1995) Ng. Y.N.(2005)
Convenience	Service hours Convenient location Easy transport facility and Short walking distance Parking convenience	Ng. Y.N.(2005) Shoemaker's (1998) Kivele, Reece, and Inbankaran (1999)
Price and value	Good worth of a given price Right portion of food Rational price charged for items General experience towards restaurant	Shoemaker's (1998) Yuksel and Yuksel's (2002) Kivele, Reece, and Inbankaran (1999) Ng. Y.N. (2005)

The data was collected from the questionnaires were transferred into the SPSS to carry out the entire test starting with the issues of validity and reliability of scale using the Cronbach's Alpha. The test on the hypothesis was conducted using the Pearson correlation analysis to find out the relationships between each of the variables and followed by the multiple regression analysis, ANOVAs etc. to find out the most important factors that contribute to customer loyalty.

Results And Discussion

Demographic Information

The descriptive demographic statistics including the frequencies, percentages, means and standard deviation were used to describe and explore the demographic variables of their gender, age, marital status, ethnicity group, occupation and monthly income. Table 2 below summarizes the findings of the frequency and percentage distribution of demographic variables as discussed in this section.

Table 2: Descriptive Statistics on Demographic

Variables	Frequency	Percentage (%)
Gender		
Male	119	54.8
Female	98	45.2
Age		
Less than 20	17	7.8
20 – 29	110	50.7
30 – 39	53	24.4
40-above	37	17.1
Ethnicity Group		

Chinese	56	25.8
Indian	24	11.1
Malay	103	47.5
Others	34	15.6
Marital Status		
Single	76	35
Married	122	56.2
Others	19	8.8
Occupation		
Student	32	14.7
Government employee	28	12.9
Private job	51	23.5
Self employed	52	24.0
Housewife	23	10.6
Retired	17	7.8
Others	14	6.5
Monthly Income		
Below 1000	10	4.6
1000 to 1999	21	9.7
2000 to 2999	28	12.9
3000 to 4000	41	18.9
4000 to 4999	56	25.8
5000 and above	61	28.1

Table 3 below summarizes the finding of the frequency and percentage distribution of general information as discussed in this section.

Table 3: Descriptive Statistics on General Information

Variables	Frequency	Percentage (%)
Preferred Fast Food Restaurant		
McDonalds	31	14.3
KFC	28	12.9
Burger King	16	7.4
Nando's Chicken	51	23.5
Subway	53	24.4
Dominos	15	6.9
Pizza Hut	14	6.5
Others	9	4.1
Preferred Meal Time		
Breakfast	42	19.4
Lunch	69	31.8
Snack	15	6.9
Dinner	91	41.9
Frequency of fast food restaurant visiting		
Once a week	71	32.7
Twice a week	59	27.2

Once a month	12	5.5
Twice a month	39	18
Others	36	16.6
Reason for selecting a fast food restaurant		
Location	56	25.8
Past Experience	78	35.9
Reputation	46	21.2
Advertisement	28	12.9
Others	9	4.1
Money spent for a meal in fast food restaurant		
Less than RM10	12	5.5
RM10-RM15	69	31.8
RM15-RM20	76	35.0
RM20-RM30	35	16.1
RM30 and above	25	11.5

The central tendency of a distribution is normally contrasted with its dispersion or spreading or variability. Researchers may evaluate whether data collected has a strong or a weak central tendency based on its dispersion. Table 4 shows the mean and standard deviation as the measurement is designed at the interval scale to highlight the factors that influence customer loyalty to fast food restaurant in Malaysia.

Table 4: Descriptive Statistics

No	Items	N	Mean	Std. Deviation
1	I am satisfied with overall quality of food	217	4.27	.783
2	I like the taste of food	217	4.39	.719
3	I am satisfied with freshness of food	217	4.25	.853
4	Food choices are various in Fast food restaurants	217	4.25	.831
5	I am satisfied with the facilities and cleanliness of fast food restaurants	217	4.45	.615
6	Restaurants decoration is outstanding	217	4.37	.626
7	I am satisfied with the level of comfort in the restaurant	217	4.32	.628
8	Service hours of fast food restaurants is very flexible	217	4.05	1.055
9	Restaurants location is in very convenient place	217	3.99	1.039
10	Easy transport facility and short walking distance from the bus stop or train station	217	3.87	.888
11	I am satisfied with the value of a given price	217	4.16	.724
12	They serve accurate portion of food according to price is being charged	217	4.25	.747
13	Reasonable price is being charged for the items	217	4.25	.717
14	To what degree would you recommend the fast food restaurant to a close friend?	217	4.10	.955

15	To what degree would you tell others positive things about this fast food restaurant?	217	4.10	.947
16	To what degree would you rate your intention to revisit the fast food restaurant?	217	4.10	.957

The measure of central tendency restates that most respondents have professed the benefit positively. The lowest mean is 3.87 for item “easy transport facilities from the bus stand or rail station” (Standard Deviation is .888) and the highest mean is 4.45 for item “facilities and cleanliness of the restaurant” (Standard Deviation is 0.615). Nevertheless, based on the overall trend of the items’ mean, we start that a relatively higher mean values are achieved for restaurant environment (range between 3.87 to 4.45) compare to the other factors. Therefore it shows that convenience has direct indication in order to increase the customer loyalty.

Exploratory Factor Analysis

Factor analysis is mainly a data reduction technique. It takes a large set of variables and looks for a way the data may be reduced or summarized using a smaller set of factors or component. It does by looking for clumps or groups among the inter-correlations of a set of variables. Factor analysis analyzes the structure of the relationships among a large number of variables to determine a set of common underlying dimensions.

In this research, the KMO value is 0.725 which is good result as it exceeds 0.5. It ensures that this study can conduct a factor analysis. Similarly, the Bartlett’s test shows 0.000 which is less than 0.005, meaning that factors that form the variable is adequate. The result indicates that there is no high correlation or coefficient among the items and also suggests conducting an EFA.

Reliability Analysis

It is very important to find the scales that we have used in the questionnaire are reliable. One of the main reasons to do the reliability test is to check the consistency of the data. That refers to the degree to which the items that make up the scale are consistent with each other which means all the measuring express the same underlying construct. The reliability of 16 items in the questionnaire is investigated with Cronbach’s Alpha. Ideally, the Cronbach’s Alpha coefficient of a scale should be .7 and above (Pallant, 2007).

Table 5: Reliability Test

Component	Cronbach’s Alpha	N of items
Quality of Food	.792	4
Restaurant Environment	.930	3
Convenience	.748	3
Price and value	.943	3
Customer Loyalty	.995	3
Overall	.791	3

Table 5 reveals Cronbach’s Alpha (alpha coefficient) for each variable. For questions related to quality of food, which contains 4 items, the Cronbach’s Alpha coefficient of 0.792 was calculated. For questions related to restaurant environment, which contains 3 items, the Cronbach’s Alpha coefficient of 0.930 was calculated. For questions related to

convenience, which contains 3 items, the Cronbach's Alpha coefficient of 0.748 was calculated. For questions related to price & value, which contains 3 items, the Cronbach's Alpha coefficient of 0.943 was calculated. For questions related to Customer Loyalty, which contains 3 items, the Cronbach's Alpha coefficient of 0.995 was calculated. For all the items in the questions totaling 16 items the Cronbach's Alpha coefficient of 0.791 was calculated. Therefore, all the factors demonstrated a high degree of reliability. So, the questionnaire is reliable and can be used for further analysis.

Correlation Analysis

Table 6 below shows the result of Pearson Correlation test between quality of food and customer loyalty. The results gathered from the testing shows an existence of significance value between the two dimensions where the p value is smaller than significant value (p=0.000 which < 0.05). Furthermore, the correlation coefficient between both dimensions is r =0.544 which is a positive correlation but indicating moderately correlation. The p-value of 0.000 is considered significant. This value of significance level shows that quality of food and customer loyalty is associated significantly and positively.

Table 6 below shows the result of Pearson Correlation test between restaurant environment and customer loyalty. The results gathered from the testing shows an existence of significance value between the two dimensions where the p value is smaller than significant value (p=0.000 which < 0.05). Furthermore, the correlation coefficient between both dimensions is r =0.241 which is also positive but indicating low correlation. The p-value of significance level also shows that restaurant environment and customer loyalty are associated significantly and positively.

Table 6 below shows the result of Pearson Correlation test between convenience and customer loyalty. The results gathered from the testing shows an existence of significance value between the two dimensions where the p value is smaller than significant value (p=0.000 which < 0.05). Moreover, the correlation coefficient between both dimensions is r =0.461 which is also positive and indicates moderately correlation. The p-value of significance level shows that convenience and customer loyalty are associated significantly and positively.

Table 6 below shows the result of Pearson Correlation test between price & value and customer loyalty. The results gathered from the testing shows an existence of significance value between the two dimensions where the p value is smaller than significant value (p=0.000 which < 0.05). Furthermore, the correlation coefficient between both dimensions is r =0.340 which is positive and indicates low correlation. The p-value of 0.000 is considered significance. This small value of significance level shows that price & value and customer loyalty are associated significantly and positively. As a conclusion from the results above, customer loyalty were influenced by food quality, environment, convenience of restaurant and price & value of the product. Table 6 below shows the overall results of significant values of all dimensions in this study for reference.

Table 6: Correlation between customer loyalty and quality of food, restaurant environment, convenience, price & value

Correlations		QF	RE	CN	PV	CL
QF	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	217				

RE	Pearson Correlation	.245**	1			
	Sig. (2-tailed)	.000				
	N	217	217			
CN	Pearson Correlation	.143**	.345**	1		
	Sig. (2-tailed)	.000	.000			
	N	217	217	217		
PV	Pearson Correlation	.358**	.615**	.213**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	217	217	217	217	
CL	Pearson Correlation	.544**	.241**	.461**	.340**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	217	217	217	217	217

** . Correlation is significant at the 0.01 level (2-tailed).

Regression analysis on coefficient of determination (R²)

The purpose of implementing the regression equation is to look at the variables that hold the best and give predictions for the dependent variable. The results of this regression are shown in Table 7 and Table 8. All variables are including four independent against the dependent variable, which is customer loyalty. Table 7 below shows the (R) correlation of four independent variables which are quality of food, environment, convenience and price & value influence the dependent variable which customer loyalty which is R = 0.783. After inter-correlation R square is generated the square of R² = 0.613. The adjusted R square is 0.597. It shows that the amount of the four variables can endure explaining 59.7 percent of the variance (Adjusted R Square) on 'Customer Loyalty' (R Square .783). All the variables hold a good correlation to the description of its impact on customer loyalty.

Table 7: Model Summary of Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.783 ^a	.613	.597	.53510

a. Predictors: (Constant), PV, CN, QF, RE
b. Dependent Variable: Customer Loyalty

Regression analysis of ANOVA test

ANOVA is another statistical technique to study the difference between two or more populations. A statistic F test is applied to test equality of the variance of two populations. Table 8 shows that, the F calculated Value of 37.695 is significant at the 0.000 level which stated the linear relationship between dependent and independent variable(s). This means that 37.695 percent of the variance (R-square) in customer loyalty is significantly represented by four independent variables. Therefore, there is an indication that the quality of food, environment, convenience and price & value has substantial impact on enhancing the customer loyalty towards fast food restaurants in Malaysia.

Table 8: Regression Analysis of ANOVA test

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	43.174	4	10.793	37.695	.000 ^b
	Residual	27.202	95	.286		
	Total	70.376	99			

a. Predictors: (Constant), PV, CN, QF, RE
b. Dependent Variable: Customer Loyalty

Regression analysis of Coefficient

Table 9 below shows the regression of coefficient test which is applied to examine the coefficient between independent variables and dependent variable. The four independent variables resulted 59.7 percent of the variance on the dependent variable which is customer loyalty.

Table 9 shows that the equation is:

$$\text{Customer Loyalty} = 1.303 + 0.275\text{QF} + 0.107\text{RE} + 0.511\text{CN} + 0.013\text{PV}.$$

This means that for every unit increase in quality of food, customer loyalty is expected to increase by 0.275 units, provided the other variables remain unchanged. Similarly, for every unit increase in restaurant environment, customer loyalty is expected to increase by 0.107 units, provided the other variables remain unchanged. For every unit increase in convenience, customer loyalty is expected to increase by 0.511 units, provided the other variables remain unchanged; and for every unit increase in price & value, customer loyalty is expected to increase by 0.013 units, provided the other variables remain unchanged. The p-value of restaurant environment and price & value are respectively 0.387 and 0.902 which are more than 0.05 shows that environment and price are not the significant predictors for the customer loyalty. The p-value of the other two variables is respectively 0.003 and 0.000 which are less than 0.05. As a result, it shows that quality of food and convenience are the most significant predictors for the customer loyalty.

Table 9: Determinant Coefficient of Customer Loyalty

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.303	.628		2.074	.039
	QF	.275	.091	.182	3.012	.003
	RE	.107	.123	.066	.866	.387
	CN	.511	.070	.438	7.269	.000
	PV	.013	.104	.009	.124	.902

a. Dependent Variable: CL

For the purpose of this study, there were six questions on the demographic factors that were gender, age ethnicity group, marital status, occupation and monthly income of customer that were collected to study the loyalty towards fast food restaurants, Malaysia. It will provide a general view on the demographic information of the population under the study. Generally, male respondents represented more than female respondents that was 54.8 percent of the total candidates. The samples age group of between 20 to 29 years old represents 50.7 percent of the total respondents, which was the highest percentage. The highest percentage of respondents was from the Malay ethnicity group, which consists of 103 out of 217 samples and represents 47.5 percent of the total respondents. From the total respondents 56 percent were married person, which is the highest percentage. The highest participants were self-employed with 52 respondents, which represent 24 percent of the total respondents. Lastly, the highest participants have a monthly income of RM5000 and

above with 61 respondents, which represent 28.1 percent, followed closely by participants who have a monthly income of RM4000 to 4999 with 56 respondents.

The reliability and validity of the instruments were tested and Cronbach's Alpha Test of Reliability had been used to measure internal consistency of the scale. The Cronbach alpha coefficient for all the scale under the study was calculated 0.791 which is above 0.7 and it's a good result. Therefore, all the factors demonstrated a high degree of reliability. So, the questionnaire was reliable and the data was consistent.

The model of customer loyalty under this study showed the determinant coefficient, R-Square value of 0.613, which means that 61.3 percent of the variation in the customer satisfaction can be explained by food quality, environment, convenience and price and value. It was also supported by the probability of type I error, p-value from the ANOVA table value of less than 0.001. Therefore, there is an indication that the quality of food, environment, convenience and price and value has substantial impact on enhancing the customer loyalty.

From the result it showed that quality of food has significant effect on customer loyalty towards fast food restaurant in Malaysia. The result showed the standardized coefficient (β) value is 0.182 and p-value of $0.003 < .05$. This means the hypothesis, **H1**: Quality of food positively influence to customer loyalty towards the fast food restaurants was accepted. Therefore, quality of food is responsible for enhancing the customer loyalty towards fast food restaurants in Malaysia.

The result of the study also showed that there is a significant influence of environment on customer loyalty towards fast food industry. For the hypothesis on the coefficient between restaurant environment and customer loyalty the result showed the standardized coefficient (β) value of 0.66 and p-value of 0.387 which is not less than .05. This means that the hypothesis, **H2**: Restaurant environment has a positive effect on customer loyalty towards the fast food restaurants is not accepted. As a result, it showed that restaurant environment is not considered a highly influential factor for enhancing the customer loyalty. In the result obtained from the study showed that the coefficient correlation between the customer loyalty and convenience, the result showed that the standardized coefficient (β) value is 0.438 and p-value is $0.000 < 0.05$. This means that the hypothesis, **H3**: Convenience has positive influence to customer loyalty towards the fast food restaurants is accepted. This implies that the convenience has a positive effect on customer satisfaction and is a very good predictor. In addition to that, convenience can be considered as the highest influential factor among for. Therefore, Convenience is very important for enhancing the customer loyalty towards fast food restaurants in Malaysia.

The result on the coefficient correlation between customer loyalty and the independent variable price and value showed that the standardized coefficient (β) value of 0.009 and p-value of 0.902 which is not less than 0.05. This means that the hypothesis, **H4**: price and value has a positive impact on customer loyalty towards the fast food restaurants is not accepted. Consequently, it is not considered a very good predictor. So, price and value has no effect on building and enhancing customer loyalty towards fast food restaurants in Malaysia. In addition, analysis of this study has met all the research objectives. Two independent variables out of four have a positive effect on customer loyalty. The result from this study also indicates that among these two factors convenience has the most influence on customer loyalty followed by the quality of food. Other two factors such as restaurant environment and price and value has no impact on customer loyalty. Therefore, managers of fast food restaurants should notice these key factors more

and be concerned about their attributes to increase satisfaction and loyalty of their customers.

Table10: Summary of Hypothesis Testing Results

H _x	Hypothesis	Results
H ₁	Food quality has positive influence to customer loyalty	Supported
H ₂	Restaurant environment has positive influence customer loyalty	Not Supported
H ₃	Convenience has positive influence customer loyalty	Supported
H ₄	Price & value has positive influence customer loyalty	Not Supported

Conclusion And Recommendation

Based on the results of the study, some implications are recommended to managers of different fast food restaurants in Malaysia. In this research, all the objectives are met. Therefore, all the factors have an influence on customer loyalty. However, managers of the restaurants should consider these factors and distinguish the strength and weakness of their business by analyzing these factors and set the appropriate plan for their business improvement. Firstly, this result reveals that convenience has the most effect and price and value has the least effect on customer loyalty towards fast food restaurants. Therefore, managers should focus more to make very convenience for the customers to visit their restaurants. They should increase service hours. So the customers can purchase their product anytime they want. They also should increase the outlets to decrease the distance for customers and increase availability. They should situate their new outlets in the very convenient place where people can visit easily by using any kind of transport facility they want. Thus, managers should pay key attention to those attributes of the factor to increase customer loyalty. Furthermore, the result also reveals that the quality of food significantly influences customer loyalty.

Therefore, managers of the restaurants should focus on the taste of food, the freshness of food and also maintain their standard of food quality. In the quality of food, taste had the highest level of respondent satisfaction. Therefore, managers should give more attention to the ingredients of food and prepare the food with good and healthy ingredients. Moreover, managers should investigate why other factors have no effect and cannot make the customers loyal as like as the quality of food and convenience. In regards to do that, they should pay attention to increase the overall facilities and cleanliness of the restaurants. Besides, they also should focus on the appearance of staff for customer satisfaction purpose, such as uniform design, makeup and so on. Moreover, in the price factor, they should offer a reasonable price with the right portion of food in order to satisfy the customers and make them loyal.

Future research on this topic is recommended to be conducted by using a bigger sample size, better research methods and that could represent to cover up a larger area for the better generality of the findings. It also can be suggested to examine the moderating roles of culture or any other environmental factors. Moreover, the future studies on this topic could be conducted using a bigger combination of independent variables with a more complex model and the analysis could further be expended and carried out using factor analysis.

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