### **IJCRT.ORG**

ISSN: 2320-2882



## INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

# The Dependability Of Service Quality, Price, Food Quality And Physical Environment In Influencing Customer Satisfaction And Future Behavioral Intentions In Casual Dining Restaurants In Pune, India.

Author: Ms. Sunita Pawar, Assistant Professor, Department of MBA, Swaraj Institute of Management,
Vanvasmachi, Karad, Maharashtra 415110 (India).

Co-Author: Prof. Dr. Seema Desai, Associate Professor. Department of MBA, Rajarambapu Institute of Technology, Rajaramnagar - Sakharale., Sangli, Maharashtra 415 414, (India)

#### **Abstract:**

This research paper examines the key factors that affect customer satisfaction and future behavioral intentions in this growing sector, as casual dining experiences continue to flourish in Pune, India. Admitting the swift growth of the dining sector, influenced by varied consumer tastes and cultural shifts, it is ever more important to identify and examine the elements that lead to diners' satisfaction. The research gives attention to on four key aspects such as pricing, food quality, service quality, and the physical environment.

A quantitative research approach was used to collect data by employing surveys distributed to diners at various casual dining venues throughout Pune. The survey comprised Likert-scale questionnaires assessing satisfaction rates concerning the four dimensions outlined above.

The results of the analysis show notable relationships between the variables. The study shows that superior food quality and outstanding service are crucial for creating enjoyable dining experiences, which greatly enhance customer satisfaction. Furthermore, the physical surroundings are vital, as patrons indicate greater satisfaction linked to well-kept and visually appealing areas. Price stands out as

a vital element, shaping value perceptions and enhancing overall satisfaction, but its effectiveness is maximized only when combined with the other dimensions.

In conclusion, this study emphasizes the need for restaurant managers to incorporate and balance these elements to improve customer satisfaction and build loyalty. By grasping the complex nature of customer expectations, casual dining venues in Pune can enhance their service offerings to not only fulfill but surpass customer desires, thus fostering repeat visits and positive word-of-mouth recommendations. This research adds to the wider conversation regarding customer experience in the restaurant sector and offers practical recommendations for improving dining experiences in Pune's competitive market environment.

**Keywords:** Customer satisfaction, price, food quality, service quality, physical environment, casual dining restaurant.

#### **Introduction:**

India's casual dining market has grown significantly in recent years, especially in places like Pune where changing consumer tastes and new dining cultures are becoming more noticeable. It is now crucial for restaurant operators to comprehend the elements that affect customer happiness and future behavioral intentions as patrons seek out more comprehensive and captivating dining experiences. The purpose of this study is to look into how customer satisfaction and future behavioral intentions are influenced by price, food quality, service quality, and physical environment in casual dining establishments in Pune, India. Through the examination of these crucial elements, this study aims to offer practical suggestions for improving eating experiences and cultivating patronage in a cutthroat industry.

#### **Theoretical Background:**

Service Quality: Elements like employee conduct, promptness, and effectiveness are all part of the quality of service. The SERVQUAL model, created by Parasuraman et al. (1988), highlights the significance of service quality in ensuring customer satisfaction by identifying the discrepancies between expected and perceived service. In the field of marketing services, SERVQUAL is the most extensively used and well-liked tool for measuring customer expectations and perceptions through service quality. In addition to focusing on food as the primary offering, the restaurant also markets the staff's service. Customer happiness and service quality are key components of marketing, especially in the restaurant business. Therefore, as highlighted in the previous study by Ryu and Han (2011) and Ryu and Jang (2008), this study adopted the attributes of service quality, which were derived from service staff elements and were empirically significant on customers' satisfaction.

Food quality is defined as everything that producers offer to consumers to buy as a basis for meeting consumer needs (Kotler and Keller 2014). According to Tjiptono (2016), quality is a dynamic state connected to people, processes, goods, services, and the environment that either meet or beyond expectations. Food quality includes meal presentation, freshness, and flavor. According to research, patron happiness in dining settings is directly impacted by the caliber of the cuisine (Kwortnik & Thompson, 2009). One of the most important factors influencing customer satisfaction in the restaurant industry is food, which is the main product of the business (Walter et al., 2010; Jang and Mankung, 2009) (Sulek and Hensley 2004). High-quality food usually converts into positive evaluations and behavioral intentions.

Physical Environment: A restaurant's layout, ambiance, and cleanliness all have a significant impact on how patrons perceive and interact with it (Bitner, 1992). A welcoming dining space can increase customer satisfaction and encourage return business. According to Jalilvand, Salimipour, Elyasi, and Mohammadi (2017), restaurateurs need to respect the physical space where the entire consumption process occurs in order to draw in and keep customers in the increasingly competitive restaurant business. Perceived congruency (restaurant theme with food given, exterior appearance with inside décor) mediated the effect of pleasure on satisfaction, but not the effect of arousal, as demonstrated by Lin and Mattila (2010). Ryu and Jang (2007) discovered that the most significant factors influencing customers' emotional reactions were the ambiance (such as the music, temperature, and scent) and the look of the staff, which in turn influenced the customers' behavioral intentions after dining.

Price: How a price is perceived has a big impact on how satisfied customers are. Monroe (1990) asserts that consumers constantly evaluate the value they obtain in comparison to the cost. Loyalty and repeat business are frequently determined by this relationship. Generally speaking, high pricing will enhance current amenities or services, which will raise client happiness. According to Kaura et al. (2015), the degree of satisfaction is influenced by a variety of elements, including situational, personal, price, product, and service quality. Because a customer bases their assessment of the value of the service they received on pricing, Herrman et al. (2007) also highlight price as a significant component of customer satisfaction.

Customer Satisfaction: The extent to which a product or service fulfills the expectations of the consumer is known as customer satisfaction. It is associated with a number of qualities, such as overall experience, product quality, and service quality (Oliver, 1999). When it comes to dining, it represents the opinions and experiences of customers during their interaction with a restaurant. In 1992, Cronin and Taylor described Because it represents the subjective assessments of the attribute performance related to the consumption experience, customer satisfaction is extremely important. According to Hallowell (1996), a customer's impression of the value they received in a transaction or relationship value being equal to perceived service quality in proportion to pricing and customer acquisition costsdetermines their level of satisfaction. Oliver (1999) defined customer satisfaction as the pleasant completion that the client experiences from the usage, meaning that the customer feels that the utilization has fulfilled part of his or her needs, desires, goals, and requirements, and that this completion is pleasant.

Future Behavioral Intentions: Future behavioral intentions relate to the chance of customers returning to a restaurant and promoting it to others. According to Zeithaml et al. (1996), happy customers are more likely to show loyalty, which encourages return business and goodwill. According to Purwianti and Tio (2017), behavioral intention is the ultimate objective of a product; if the product is profitable, the company will be able to survive and win the competition. intention to act as a customer's wish to act and make choices in a particular manner in order to possess, discard, and make use of particular goods or services (Indrata, Susanti, and Kristanti 2017). On the basis cognitive processes, customer satisfaction is formed in determining commitment directly or indirectly in determining to repurchase (Wulandari and Widodo 2021).

#### **Objectives:**

- 1. To assess the relationship between price perception and customer satisfaction in casual dining restaurants in Pune.
- 2. To study the influence of food quality on customer satisfaction and its subsequent impact on future behavioral intentions.
- 3. To examine the role of service quality in driving customer satisfaction and encouraging repeat visits.
- 4. To analyze the significance of the physical environment in shaping customer experiences and satisfaction levels.

#### **Research Methodology:**

#### Research Design:

The empirical data was collected by adopting a quantitative research design and by using structured surveys to gauge customer perceptions and experiences in casual dining restaurants.

#### Sample Selection

A purposive sampling technique was employed, targeting customers dining in 25 various casual dining restaurants across Pune, representing different demographics and preferences. A total 225 questionnaires were distributed and total of 213 were completed the questionnaires and used in this study. However, 12 respondents' answers were omitted from the analysis, because of high degrees

incomplete responses.

**Data Collection Tools** 

Data were collected using a structured questionnaire that included Likert-scale items measuring customer satisfaction levels concerning price, food quality, service quality, and physical environment.

#### **Data Analysis**

Descriptive statistics, correlation analysis were performed using SPSS software to identify relationships among the variables and to evaluate their impact on customer satisfaction and future behavioral intentions

Demographic data, respondents' evaluated performance based on their dining experiences, and customer satisfaction and behavioral goals comprise the three components of the questionnaire employed in this study. The purpose of section one is to gather personal data from respondents, including their gender, age, occupation, monthly income, and dinner partner. Finding out how much respondents think the casual dining restaurant's dining experience is worth is the goal of section two. Based on earlier study, the items were created and compiled, and they have been adjusted to work in restaurant settings. The third element was created to look at how satisfied customers were with their eating experience and their future behavioral intentions. It also looked into post-dining behavioral intentions including the possibility of returning, saying something positive, and being inclined to promote the restaurant to others. Customer satisfaction was measured using four items based on prior research, the items are adapted from the similar studies in the restaurant industry to properly suit with the restaurant conditions. However, four items based on a study were used to determine behavioral intentions, and these were altered using a comparable study on other restaurant kinds.

This study used statistical analysis using multiple regressions to assess the effects of four dining experience measurement variables (price, food quality, service quality, and physical environment) on customer satisfaction as well as the effects of customer satisfaction on future behavioral intentions. Two regression equations that were proposed to examine the link between the dependent and independent variables are included in Table No. 2. Regression analysis was used in the first equation to examine the direct relationship between four dining experience factors and patron satisfaction. The purpose of the second equation was to investigate the direct relationship between future behavioral intentions and customer happiness.

#### **Findings:**

#### **Descriptive Statistics:**

The analysis revealed that the majority of respondents rated service quality and food quality higher than price and physical environment. The high mean scores for food quality (M = 4.0) and service quality (M = 4.0) indicate strong customer satisfaction in these areas.

**Table No. 1: Descriptive Statistics** 

Construct	Measurement Items	Mean	Standard Deviation
Dining	Price		
Experience	It provides appropriate portion of food against price	3.7	1.0
	charged.		
	It has good value for money	3.7	1.0
	The prices are fair	3.8	0.9
	Willing to pay	3.5	0.9
	Food Quality		
	Flavor	3.7	0.9
	Portion	4.0	0.9
	Temperature	3.8	0.9
	Menu Variations	3.6	0.9
	Service Quality		
	The restaurant served my food exactly as I order it	3.8	0.9
	The restaurant employees are always willing to help	3.9	1.0
	me		
	The behavior of the employees instills confidence in	4.0	0.9
	me		
	The restaurant employees were neat and well	3.8	0.9
	dressed	12	
	Physical Environment	1	
	The facility layout allows me to move around easily	3.9	0.9
	The interior design is visually attractive	3.7	1.0
	The restaurant used colors that create a sense of	3.7	0.9
	pleasant ambience		
	Lightning create a comfortable atmosphere	3.5	0.9
Customer	I am satisfied with this restaurant I really enjoyed	3.9	0.9
Satisfaction	myself at this restaurant		
	I am pleased to have visited this restaurant	3.8	0.9
	I really enjoyed myself at this restaurant	4.0	1.0
Future	I would like to come back to this restaurant in the	4.1	0.8
Behavioral	future		

Intentions	I would recommend this restaurant to my friends or	3.9	0.9
	others		
	I would say positive things about this restaurant to	4.1	0.9
	others		

#### **Regression Analysis:**

Regression analysis stated that service quality and food quality are the most significant predictors of customer satisfaction, accounting for approximately 54% of the variance. Physical environment also contributed significantly, whereas price had a moderate effect on satisfaction.

**Table No. 2: Regression Analysis** 

Equation	Path	β	t-value	p-value	$\mathbb{R}^2$
Equation 1	Price → Custo <mark>mer satisfaction</mark>	0305	4.876	0.000	0.431
	Food qual <mark>ity → Custome</mark> r	0.334	4.882	0.000	=
	satisfaction				
	Service qu <mark>ality → Customer</mark>	0.358	3.093	0.002	
	Satisfaction				
_	Physical environment → Customer	0.320	4.614	0.000	
بغورا	satisfaction				
Equation 2	Customer satisfaction → Future	0.536	9.825	0.000	0.674
	behavioral intentions				

#### **Demographic profiles of respondents:**

The result of demographic profiles of this study revealed that young adults were the main segment of casual dining restaurant. Young adults were well habituated to dine out and understand a good quality of a restaurant regarding to its food, price, service and ambience.

#### **Future Behavioral Intentions:**

The results showed that future behavioral intentions are directly influenced by customer satisfaction, with happy patrons being much more likely to recommend and return to the restaurant. Customer satisfaction had a considerable impact on future behavioral intentions in the second regression equation, with an R2 of 0.674. The p-value was less than 0.05, and the whole model was likewise significant at 0.000. Approximately 54% of the variance in future behavioral intentions was explained by customer satisfaction. According to the study's findings, future behavioral intentions can be accurately predicted

by customer happiness.

#### **Implications:**

The results imply that casual dining venues in Pune must prioritize food quality and service excellence to boost overall customer satisfaction. Restaurant owners ought to think about putting the following tactics into practice:

- 1. Quality Assurance: Ensure consistency in food quality and engage in personnel training to increase service delivery.
- 2. Experiential Enhancements: To boost client happiness and foster loyalty, design aesthetically pleasing physical spaces that speak to their preferences.
- 3. Value Perception: To create favorable customer views, highlight value through high-quality offers while keeping prices competitive.

By concentrating on these factors, informal eating establishments can improve their competitive position in Pune's ever-changing dining market by not just pleasing present patrons but also cultivating enduring relationships.

#### **Conclusion:**

The significance of dining experience elements in influencing patron satisfaction and future behavioral intentions in the casual dining restaurant sector is better understood thanks to this study. The study's conclusions showed that key elements of the eating experience, including the quality of the food, the cost, the level of service, and the physical setting, significantly influence both consumer happiness and future behavioral intentions.

The study emphasizes how price, food quality, service quality, and physical environment all have complex links that influence patron satisfaction and future purchasing decisions in Pune's casual eating establishments. Restaurant owners must be aware of these crucial elements as customer tastes change in order to foster customer happiness, loyalty, and long-term business success. This study provides useful insights to the current literature and acts as a practical guide for restaurant managers wanting to increase customer experiences and outcomes.

#### **References:**

- 1. Alamgir, M., & Shamsuddoha, M. (2004). Service quality dimensions: A conceptual analysis. The Chittagong university Journal of business administration, 19(4), 273-286.
- 2. Al-Tit, A. A. (2015), The effect of service and Food Quality on customer satisfaction and hence

customer retention. Asian Social Science, 11(23), 129-139. DOI:10.5539/ass.v11n23p129

- 3. Bitner, M. J. & Hubbert, A. R. (1994). Encounter Satisfaction Versus Overall Satisfaction Versus Quality: The Customer's Voice, in Service Quality: New Directions in Theory and Practice, edited by Roland T. Rust & Richard L. Oliver (Thousand Oaks, CA: Sage, 1994), pp. 76-77.
- 4. Bujisic, M., Hutchinson, J., & Parsa, H. G. (2014). The Effects of Restaurant Quality Attributes on Customer Behavioral Intentions. International Journal of Contemporary Hospitality Management, 26(8), 1270-1291. http://dx.doi.org/10.1108/IJCHM-04-2013-0162
- 5. Farris, P. W., Bendle, N.T., Pfeifer, P.E. & Reibstein, D.J. (2010). Marketing Metrics: The Definitive Guide to Measuring Marketing Performance. Upper Saddle River, New Jersey: Pearson Education, Inc. ISBN 0-13-705829-2.
- 6. Fourie, L. E. (2015). Customer satisfaction: a key to survival for SMEs?. Problems and Perspectives in Management, 13(3), 181-188. Corpus ID: 168790882
- 7. Harr, K. K. L. (2008). Service dimensions of service quality impacting customer satisfaction of fine dining restaurants in Singapore. UNLV Theses, Dissertations, Professional Papers, and Capstones. 686.https://digitalscholarship.unlv.edu/thesesdissertations/686
- 8. Ismail, A. & Yunan, Y.M. (2016). Service quality as a predictor of customer satisfaction and customer loyalty. LogForum, 12 (4), 269-283. DOI: 10.17270/J.LOG.2016.4.7
- 9. Jain, S. & Thakur, K. S. (2018). Impact of Food Quality on Customer Satisfaction- With Special Reference Of Fast Food Restaurants in Gwalior Region. International Journal of Advance and Innovative Research, 5 (4):94 99
- 10. Khudri, M. & Sultana, S. (2015). Determinants of service quality and impact of service quality and consumer characteristics on channel selection. British Food Journal, 117(8), 2078- 2097. DOI 10.1108/BFJ-12-2014-0431.
- 11. Monroe, K. B. (2003). Pricing: Making Profitable Decisions. McGraw-Hill.
  - 12. Oliver, R. L. (1999). Whence Customer Loyalty? Journal of Marketing\*, 63(Special Issue), 33-44.
  - 13. Wakefield, K. L., & Blodgett, J. G. (1996). The Importance of Services capes in Leisure Service Settings. Journal of Services Marketing, 10(6), 66-76.
  - 14. Yoo, B., & Lee, S. H. (2000). The Effects of Brand and Price on Customer Satisfaction. Journal of Product & Brand Management, 9(1), 22-37.

- 15. Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The Behavioral Consequences of Service Quality. Journal of Service Research, 48(2), 60-68.
- 16. Business Monitor, 2013. Indonesia Food & Drink Report, London: Business Monitor.
  - 17. Ha, J. and Jang, S., 2010. Perceived Values, Satisfaction and Behavioral Intentions: The Role of Familiarity in Korean Restaurants. International Journal of Hospitality, 29, 2-13.
  - 18. Namkung, Y. and Jang, S., 2007. Does Food Quality Really Matter in Restaurants? Its Impact On Customer Satisfaction and Behavioral Intentions. Journal of Hospitality and Tourism Research, 31(3), 387-409.
  - 19. Peri, C., 2006. The Universe of Food Quality. The First European Conference on Sensory Science of Food and Beverages: A Sense of Identity, 17 (1-2), 3-8.
  - 20. Ryu, K. and Han, H., 2010. The Influence of the Quality of Food, Service, and Physical Environment on Customer Satisfaction and Behavioral Intention in Quick-Casual Restaurants: Moderating Role of Perceived Price. Journal of Hospitality & Tourism Research, 34(3), 310-329.
  - 21. Ryu, K., Lee, H. and Kim, W., 2012. The Influence of the Quality of the Physical Environment, Food and Service on Restaurant Image, Customer Perceived Value, Customer Satisfaction and Behavioral Intentions. The International Journal of Contemporary Hospitality Management, 24 (2), 200-223.
  - 22. Gangga Wedhana, Ni Ketut Seminari (2019): the Effect of Price, Service Quality, and Brand Image on Customer Satisfaction, International Journal of Management and Commerce Innovations ISSN 2348-7585 (Online) Vol. 7, Issue 1, pp: (568-576), Month: April 2019 September 2019.
  - 23. Herrman, A. L. X., Monroe, K. B., & Huber, F. (2007). The Influence of Price on Customers Satisfaction: an Empirical Test in the Context of Auto Mobile Purchases. Journal of Product & Brand Management, 16(1), 49–58.
  - 24. Kaura, V., Prasad, D., & Sharma, S. (2015). Service Quality, Service Convenience, Price and Fairness, Customer Loyalty, and The Mediating Role of Customer Satisfaction. The International Journal of Bank Marketing, 33(4), 404–422.