Service quality in restaurant operations in China: Decision- and experiential-oriented perspectives

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Abstract

Using the decision- and experiential-oriented perspectives as theoretical guides, this article reported an empirical assessment of service quality in restaurant operations. We proposed and tested a conceptual model of service quality using structural equation modeling. Using data from a sample of 284 customers from two large full-service restaurants in southern China, we investigated the relationships of service quality, customer satisfaction, and frequency of patronage. The results supported the significant links between service quality and customer satisfaction, service quality and repeat patronage, but not customer satisfaction and repeat patronage. The study has provided important insights into service quality and customer satisfaction in the field of restaurant operations. © 2006 Elsevier Ltd. All rights reserved.

Keywords: Service quality; Customer satisfaction; Restaurants; China

1. Introduction

Service quality and customer satisfaction have been identified as key elements of the service-profit chain (Heskett et al., 1997). Higher levels of service quality produce higher levels of customer satisfaction, which in turn lead to higher levels of customer patronage.
and sales revenue. Customer service quality is a crucial source of distinctive competence and often considered a key success factor in sustaining competitive advantage in service industries (Palmer, 2001). Thus, attention to delivery of a higher level of service quality is an important strategy by which service organizations can position themselves more effectively in the market place. The important relationships of service quality, customer satisfaction, and purchasing behavior have thus been an important area of research (Pettijohn et al., 1997; Sivas and Baker-Prewitt, 2000).

Previous studies on customer expectation and service-quality perception in the food-service industry have revealed certain important attributes, such as low price, food quality (food taste and nutrition properties), value for money, service, location, brand name, and image (Johns and Howard, 1998; Tam and Yung, 2003). More specifically, the fundamental factors that contribute to customer satisfaction in restaurants include the food (hygiene, balance, and healthiness), physical provision (layout, furnishing, and cleanliness), the atmosphere (feeling and comfort), and the service received (speed, friendliness, and care) during the meal experience (Johns and Pine, 2002).

China’s impressive economic growth rate increased more than six-fold during the last two decades. The steady income growth of the people in China has provided an opportunity for increased spending in restaurants. The city of Guangzhou, for example, has attained the highest average disposable income in China (i.e., RMB ¥8839 or US$1065 per year). According to the National Bureau of Statistics of China (2002), Guangzhou’s residents spend RMB ¥2554 or US$307.70 monthly on food, of which 35.5% is spent in restaurants. Catering service provision, a booming industry in China, grew 16.6% in 2002. There were a total of 3.8 million restaurants, employing 18 millions workers. Sales value reached RMB ¥509.2 billion or US$65.26 billion, accounting for 5% of total production value and representing 12.5% of the total retail values. The demand for good quality catering service is expected to grow steadily (Yang, 2004). In the Chinese culture, restaurants are a common venue for social gatherings and business entertainment. Food consumption in restaurants provides an experience of excitement, celebration, and establishing social connections (Feng, 2003). As personal incomes grow, service quality will increase in importance (China Chain Operations Association, 2004).

Very little, if any, research has been undertaken to measure service quality of restaurants in the context of China (Heung et al., 2000; Swanson and Davis, 2003). The present study examines the relationships of service quality, customer satisfaction, and frequency of patronage in mainland China. It will be of interest in understanding more about how environmental inputs affect perceptions of service quality, satisfaction, and the patronage frequency. Our findings offer important insights into how restaurant operators manage service quality and customer satisfaction. In the following sections, we develop our theoretical model and hypotheses and describe the research method. Then, the findings are discussed, and theoretical and practical implications are provided.

2. Hypotheses

In this study, we draw upon the decision- and experiential-oriented perspectives (Holbrook, 1995) as an overarching framework in developing our nomological network. According to Holbrook’s (1995) perspectives, consumers’ responses stem from two broad sources: environmental inputs and consumer inputs. These inputs contribute to the consumers’ evaluative standards and, in turn, shape their experiential-oriented system and
decision-oriented system. In our model (see Fig. 1), we identified three environmental inputs (interaction quality, physical environment quality, and outcome quality) based on the second-order factors of Brady and Cronin’s (2001) model. These environmental inputs precede customers’ evaluative standards (service quality) and, in turn, shape their experiential views (customer satisfaction) and decision-oriented system (repeat patronage) simultaneously. According to Holbrook’s (1995) theoretical framework, individual differences represent an important source of consumer inputs, such as demographics, socioeconomics, or lifestyle. We identified four customer inputs in this study, namely sex, age, education level, and income level. We also attempted to link up experiential- and decision-oriented systems and tested the effects of customer satisfaction on repeat patronage.

2.1. Environmental inputs and service quality

Service quality in food-service operations has been characterized as individualized, intangible, and subjective in nature (Johns and Howard, 1998). The customers’ perception of service quality comes from their evaluation of what they experienced and what they expected. During the last decade, the conceptualization and measurement of service quality has received a great deal of attention in the literature. SERVQUAL (Parasuraman et al., 1988) has been widely used in research studies across a range of service industries (Buttle, 1996; Carman, 1990). SERVQUAL consists of five service dimensions with a set of 22 items for expectation and perception. The five service dimensions are: tangibles (physical facilities, equipment, and appearance of personnel), reliability (ability to perform the proposed service dependably and accurately), responsiveness (willingness to help

![Fig. 1. A model of service quality from decision- and experiential-oriented perspectives.](image-url)
customers and provide prompt service), assurance (knowledge and courtesy of employees and their ability to inspire trust and confidence), and empathy (the individualized attention and care that the service provider gives to customers). Grönroos (1984) also classifies service quality into technical and functional quality. Technical quality refers to what the customer is delivered, e.g., the meal or food quality in a restaurant in this study; functional is concerned with psychological and behavioral aspects and the way in which the service is delivered to the customer through interaction and atmosphere. The functional quality is considered to be more important than the technical side of quality.

The service quality model proposed by Rust and Oliver (1994) includes three factors: customer–employee interaction, service environment, and service outcome. Building upon Rust and Oliver’s (1994) model, Brady and Cronin’s (2001) conceptualization of service quality offers a three-factor model comprising three dimensions (i.e., interaction quality, physical environment quality, and outcome quality). Interaction quality is measured by attitude, behavior, and expertise; physical environment quality is measured by ambient conditions, design, and social factors; outcome quality is measured by waiting time, tangibles, and valence. Drawing upon Holbrook’s (1995) perspectives, we employed Brady and Cronin’s (2001) three second-order factors (interaction quality, physical environment quality, and outcome quality) as the environmental inputs. These factors have been empirically supported as significantly positive predictors of service quality (Brady and Cronin, 2001). In this study, we predict:

H1a–c: Environmental inputs comprising (a) interaction quality, (b) physical environment quality, and (c) outcome quality will be positively related to service quality.

2.2. Service quality, customer satisfaction, and repeat patronage

From the decision- and experiential-oriented perspectives (Holbrook, 1995), service quality, as an evaluative standard, has an impact on both customers’ consuming affect (satisfaction—the experimental system) and buying behavior (repurchase—the decision-oriented system). In the consumer behavior research, satisfaction has been empirically supported as a function of expectation confirmation or disconfirmation. Evidence has generally supported the relationship between service quality and customer satisfaction (see Anderson and Fornell, 1994; Bitner and Hubbert, 1994; Rust and Oliver 1994). For example, Bolton and Drew (1994, p. 176) argue “customer satisfaction … depends on preexisting or contemporaneous attitudes about service quality”. Antony et al. (2004) investigate the relationship between service quality and customer satisfaction in UK hotels. The results also show that service quality emerged as an important determinant of customer satisfaction. Likewise, studies have established the relationship between service quality and repeat patronage, as indicated by customers’ willingness to recommend and their intention to repurchase. Hausman (2003) investigates the impact of the technical and functional (social) aspects of high-contact professional services on client satisfaction and repurchase in four different samples (physicians, ministers, hairstylists, and social workers). The findings generally support the positive impact of high-contact professional services on customer satisfaction and the intention to patronize again, although the strength of the relationship varied with the context. Therefore, we predict:

H2a–b: Service quality will be positively related to (a) customer satisfaction and (b) repeat patronage.
2.3. Customer satisfaction and repeat patronage

As profit and growth are stimulated primarily by customer loyalty, which is a commitment to patronize preferred products or services consistently in the future (Oliver, 1997), customer satisfaction and repeat patronage are important indicators of restaurant performance. However, Holbrook’s (1995) model suggests that the decision-oriented system and experiential-oriented system are associated. In the literature, there has also been evidence of the role of satisfaction in predicting repeat patronage (see Anderson and Fornell, 1994; Cronin and Taylor 1992; Fornell et al., 1996; Oliver, 1999). Thus, we predict:

H3: Customer satisfaction will be positively related to repeat patronage.

2.4. Customer inputs and repeat patronage

According to Holbrook’s (1995) perspective, customer inputs are another set of important determinants of customer behavior. In other words, different personal characteristics influence customers’ purchasing behavior other than environmental inputs such as service quality. For example, Huang and Yu (1999) find that some consumers who stick with certain products or services with repeat purchase behavior are acting somewhat non-consciously and are influenced by inertia or brand loyalty. Slama and Tashchian (1985) also find that female sex, education level, income level, and family life cycle stage are associated with consumer purchase behavior. In this study, we identified four customer inputs (female sex, age, education level, and income level) to explain the variation in consumers’ repurchase behavior. Thus, we predict:

H4a–d: Customer inputs comprising (a) female sex, (b) age, (c) education level, and (d) income level will be related to repeat patronage.

3. Method

We conducted a field study in two large restaurants in Guangzhou where the customers assessed the service quality. The top management of these restaurants were approached and consented to the survey of their customers. A self-administered survey questionnaire was used. Restaurant patrons were asked to answer the questionnaire during lunch or dinnertime after they finished and were waiting for the bill. A total of 340 questionnaires were distributed and 284 were usable. The response rate was 83.5%. The majority of respondents (77.8%) belonged to the age group between 25 and 49. Their income level ranged from less than RMB ¥2000 (US$250) to over RMB ¥8000 (US$1000) per month. Most of them (76%) had attained junior college level or higher. Frequency of patronage of the respondents ranged from once to over five times per month in restaurants, with an average of twice per month (see Table 1).

3.1. Measures

We adopted the service quality instrument developed by Brady and Cronin (2001). In this study, three second-order factors (interaction quality, physical environment, and outcome quality) and service quality were used. Each of these variables was measured by two items. An example of interaction quality is “Overall, I’d say the quality...”
of my interaction with this restaurant’s employees is excellent”. An example of service environment quality is “I would say this restaurant’s physical environment is one of the best in its industry”. An example of outcome quality is “I always have an excellent experience when I visit this restaurant”. An example of service quality is “I would say that this restaurant provides superior service”. All items were scored on a 7-point scale (1 = strongly disagree; 7 = strongly agree). The Cronbach’s alphas for interaction quality, physical environment, outcome quality, and service quality were .76, .74, .81, and .82, respectively. Following Brady and Cronin (2001) and other researchers (Wanous et al., 1997), satisfaction was measured using a single-item. Demographic data, frequency of patronage, and customer satisfaction were also measured. The questionnaire was translated into Chinese and back translated by four bilingual researchers. The Chinese version was pilot-tested to assess the clarity and appropriateness of the items, and any ambiguous wording in the questionnaire was subsequently revised. The items were presented in random order in the questionnaire.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Sample profile</th>
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<tbody>
<tr>
<td>Gender</td>
<td>Frequency</td>
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<tr>
<td>Male</td>
<td>164</td>
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<tr>
<td>Female</td>
<td>95</td>
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<td>Age distribution</td>
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<tr>
<td>15–19</td>
<td>2</td>
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<td>20–24</td>
<td>14</td>
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<tr>
<td>25–34</td>
<td>102</td>
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<td>35–49</td>
<td>102</td>
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<tr>
<td>50–65</td>
<td>26</td>
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<tr>
<td>Over 65</td>
<td>16</td>
</tr>
<tr>
<td>Educational attainment</td>
<td></td>
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<tr>
<td>Elementary and below</td>
<td>5</td>
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<tr>
<td>Junior high</td>
<td>18</td>
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<tr>
<td>Senior high</td>
<td>38</td>
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<tr>
<td>Junior college and above</td>
<td>199</td>
</tr>
<tr>
<td>Income levels ( RMB ¥/month)</td>
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<tr>
<td>&lt;2000</td>
<td>39</td>
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<tr>
<td>2001–3000</td>
<td>58</td>
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<tr>
<td>3001–4000</td>
<td>38</td>
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<td>4001–6000</td>
<td>55</td>
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<tr>
<td>6001–8000</td>
<td>27</td>
</tr>
<tr>
<td>Over 8000</td>
<td>36</td>
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<tr>
<td>Frequency of patronage/month</td>
<td></td>
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<tr>
<td>1</td>
<td>88</td>
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<td>2–3</td>
<td>69</td>
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<tr>
<td>4–5</td>
<td>41</td>
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<tr>
<td>Over 5</td>
<td>52</td>
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</table>
4. Results

Descriptive statistics and correlations among variables are presented in Table 2. Service quality and its antecedents were significantly correlated with customer satisfaction and frequency of patronage. Income and educational level had no significant correlation with all service quality factors. Age was significantly correlated with interaction quality, outcome quality, and service quality. Male respondents were particularly concerned with physical environment, with higher expectations of service quality, which thus resulted in significantly negative correlations with environment condition.

Confirmatory factor analysis (CFA) was used to assess the validity of the three-factor model (interaction, physical, and outcome quality). The CFA demonstrated that the three-factor model had a good fit to the data ($\chi^2 = 15.60; df = 6; p = 0.075; \text{RMSEA} = 0.075; \text{NFI} = 0.989; \text{NNFI} = 0.983; \text{CFI} = 0.993; \text{IFI} = 0.993; \text{GFI} = 0.982$). Structural equation modeling was used to assess the relative impact of these constructs on customer satisfaction and repeat patronage. Following Kelloway (1998), we averaged the items to form a single item indicator for each latent variable. We fixed the common factor loadings (the path from latent variables to indicators) to equal one. For the unique factor loadings (the error variances), the single-item indicator was set to be equal to zero, and multiple item scales were set to be equal to one minus reliability coefficients, all multiplied by variances of observed scores. The results from LISREL showed that the model had a good fit to the data ($\chi^2 = 28.10; df = 14; p = 0.014; \text{RMSEA} = 0.06; \text{NFI} = 0.97; \text{CFI} = 0.99; \text{IFI} = 0.99; \text{GFI} = 0.98$). The paths and corresponding coefficients of the model are depicted in Fig. 2.

Interaction quality ($\beta = .79, p < .01$) and physical environmental quality ($\beta = .48, p < .05$) were significant constructs that predicted service quality. However, outcome quality ($\beta = -.27, p > .05$) was not a significant predictor of service quality. Thus, H1a and H1b were supported, but H1c was not. The results also indicated that service quality affected both customer satisfaction ($\beta = .31, p < .01$) and frequency of patronage ($\beta = .24, p < .001$). As hypothesized, both H2a and H2b were confirmed. Contrary to our expectations, we did not find that customer satisfaction resulted in repeat patronage of a restaurant ($\beta = .01, p > .05$). In other words, there is no guarantee of satisfied customers’ satisfaction leading to repeat patronage.

Table 2
Descriptive statistics and correlations between the variables

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
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<tbody>
<tr>
<td>1. Patronage</td>
<td>2.23</td>
<td>1.15</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>2. Satisfaction</td>
<td>5.57</td>
<td>3.20</td>
<td>.12*</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<td></td>
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<tr>
<td>3. Gender</td>
<td>1.37</td>
<td>.48</td>
<td>.01</td>
<td>-.07</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>4. Age</td>
<td>3.70</td>
<td>.46</td>
<td>.37***</td>
<td>.1</td>
<td>-.12*</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>5. Education</td>
<td>3.66</td>
<td>.69</td>
<td>-.32***</td>
<td>-.01</td>
<td>-.09</td>
<td>-.28***</td>
<td></td>
<td></td>
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<tr>
<td>6. Income</td>
<td>3.32</td>
<td>1.64</td>
<td>-.07</td>
<td>.08</td>
<td>-.16*</td>
<td>-.04</td>
<td>.40***</td>
<td></td>
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<tr>
<td>7. Interaction</td>
<td>5.00</td>
<td>1.25</td>
<td>.37***</td>
<td>.29***</td>
<td>-.07</td>
<td>.23***</td>
<td>-.05</td>
<td>.04</td>
<td></td>
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<tr>
<td>8. Environment</td>
<td>4.84</td>
<td>1.17</td>
<td>.27***</td>
<td>.14*</td>
<td>-.18*</td>
<td>.04</td>
<td>-.07</td>
<td>-.02</td>
<td>.67***</td>
<td></td>
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<tr>
<td>9. Outcome</td>
<td>5.00</td>
<td>1.23</td>
<td>.32***</td>
<td>.24***</td>
<td>-.09</td>
<td>.14*</td>
<td>-.002</td>
<td>.76***</td>
<td>.72***</td>
<td></td>
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<tr>
<td>10. Service Quality</td>
<td>5.15</td>
<td>1.17</td>
<td>.36***</td>
<td>.33***</td>
<td>-.06</td>
<td>.14*</td>
<td>-.08</td>
<td>.07</td>
<td>.76***</td>
<td>.75***</td>
<td>.79***</td>
</tr>
</tbody>
</table>

*p < .05; **p < .01; ***p < .001.

*The correlation is significant at the p < .1 level (two-tailed).
repeat patronage, i.e., a favorable relative attitude may not necessarily result in repeat purchases (Dick and Basu, 1994). Thus, H3 was refuted. Since customer inputs are potential factors determining the repeat patronage behavior, it would be interesting in exploring the profile of frequent visitors, because it offers practical implications for the attraction of returning customers. The results showed that both female sex ($\beta = .06, p > .05$) and income level ($\beta = .02, p > .05$) were not significantly linked to repeat patronage. In contrast, age ($\beta = .23, p < .001$) had a significantly positive relationship, while educational level ($\beta = -.18, p < .01$) had a significantly negative impact, on repeat patronage. Thus, H4b and H4c were supported, but H4a and H4d were not.

5. Discussion

The present study examines the relationship between service quality, satisfaction, and the frequency of patronage in a restaurant setting. Drawing upon the decision- and experiential-oriented perspectives (Holbrook, 1995) as the theoretical guides, it offers new theoretical perspectives on, and new insights into, service quality in restaurant operations in China. Consistent with Holbrook’s (1995) model, the CFA results demonstrate that environmental inputs and customers inputs are significant predictors of repeat patronage, while environmental inputs are significant antecedents of evaluative standards (service quality) and, in turn, shape the customers’ experiential-oriented system (customer satisfaction) and decision-oriented system (repeat patronage). From the respondents’ perspective, however, interaction and physical environment quality, relative to outcome quality, are more important predictors of service quality. The findings from this study advance our understanding of the ways in which customers assess the quality of service
that they experience. A high level of service quality is associated with customer satisfaction as well as frequent patronage. However, no significant link between satisfaction and repeat patronage was found. Results from the present study do not lend much support for the relationships among service quality, customer satisfaction, and behavioral intention in the existing literature. Fornell (1992) argues that high customer satisfaction will result in increased repurchase intention. However, the ability of customer satisfaction scores to predict such loyalty has not been adequately demonstrated (Higgins, 1997).

In terms of customer inputs, female sex and income differences of the respondents had no significant correlation with the perception of service quality, but as those with a higher educational level had higher expectations of service quality, it is thus more of a challenge to keep these highly educated customers. Age of the respondents showed a higher tendency for repeat patronage. One of the reasons may be the older customers tend to be more loyal as a result of inertia or habit. Also, this older group of people may be more involved in traditional business deals and social activities in restaurants in China, while the younger generations in China have much more diverse activities other than gatherings in restaurants.

The results from this study suggest that interaction and physical environment quality are more important than the outcome quality for restaurant customers. The attributes that matter most are physical environment and the quality of interaction. These aspects of quality are judged to be more important in the minds of Chinese consumers, and thus will be the critical determinants of customer satisfaction and repeat patronage. Failure to provide favorable results in these aspects is unlikely to enhance customer satisfaction and repeat patronage. In view of Grönroos’s (1984) framework, this study finds that the functional aspects of quality (interaction and physical environment) seem to be more important, at least in the context of restaurant services in China, which is in contrast to Grönroos (1984) and Brady and Cronin (2001). Further exploration may be needed to determine whether Chinese culture (or, more specifically, Guangdong culture) or other factors influence this finding. In hospitality services, socially oriented activities and exchanges often provide the primary impetus for visiting one hospitality establishment over another, and this is particularly true of the restaurant industry in the Chinese context (Becker et al., 1999). An important implication of the social nature of services in general, and of hospitality services in particular, is the predominant role that culture plays in influencing customer expectations of service performance and customers’ assessment of that performance (Becker et al., 1999). Managers should therefore adjust and formulate their marketing strategies with these considerations in mind.

The success of restaurant business relies on providing superior service quality, value, and customer satisfaction, which in turn enhances consumer repeat patronage (Heskett et al., 1997). Satisfaction is considered to act as an antecedent to loyalty (Bitner, 1990). Surprisingly, the results of this study show no significant link between customer satisfaction and frequency of patronage. However, there is a direct link between service quality and repeat patronage. In one of the restaurants, 97% of the respondents showed the intention to revisit the restaurant and 84% of them would recommend the restaurant to their friends. Such a high tendency of repeat patronage may be just a habit or due to the high quality of interaction and neighborhood environment. Thus it renders no support for H3 that customer satisfaction is hypothesized as a positive predictor of repeat patronage.

The present study controls price level by researching a medium-priced restaurant chain. Situational factors, such as price and value for money, may be important considerations
for customers in choosing a particular restaurant. Choice and variety may be another concern. Restaurant customers seek variety, and often visit a number of restaurants to meet different needs for different occasions and purposes (Sivas and Baker-Prewitt, 2000). Further study is warranted to explore these factors, but managers should be alert and concerned about the existence of situational variables, and ensure that these variables are identified and properly managed such that loyalty to their restaurant may be fostered. This is a great challenge, especially in view of the fact that consumers may patronize a number of restaurants. As switching costs are quite low, it is important to try to maintain a lasting relationship with customers, encourage return visits, build customer loyalty, and obtain referrals through positive word of mouth. Other studies have shown that it costs five to eight times more to acquire new customers than to retain existing customers (Schneider et al., 1998), and because of the high transaction costs that are associated with new customers, customer retention is critical to the success of a restaurant. Restaurant operators should go beyond quality and customer satisfaction to focus on what really matters—customer retention and profitability. Customer satisfaction drives customer loyalty and, in turn, leads to growth and profitability. Future studies should investigate the link between quality, satisfaction, loyalty, and profit.

In a highly competitive business environment with low-operating margins, the provision of exceptional customer service gives an organization a competitive edge. To improve customer satisfaction and loyalty, restaurant operators must understand what factors influence customer satisfaction and repeat patronage behavior. The findings on the relationships between service quality, customer satisfaction, and purchasing behavior offer important practical implications for researchers and practitioners alike. In addition, the three environmental inputs of interaction, physical environment, and outcome quality have been examined. The results suggest that the physical and social environment is perceived as more important than outcome. Customer satisfaction may not directly result in repeat patronage. Incentive programs such as free coupons or special discounts or bring a friend to the store program, or advertising that encourages consumers to recommend the store to their friends are important to keep customers returning. The results of this study provide some important directions for management in formulating a strategy to provide a better quality service to customers.

These more comprehensive environmental inputs provide practitioners with detailed information in specific areas to help them to identify the key drivers for success and competitiveness. Relative performance across the dimensions can be tracked, which can help managers to focus their efforts on improving customer perceptions of service quality, and, in the specific case of restaurants, enhancing the dining experience of their customers. The delivery of service occurs during the interaction between service employees and customers, and, together with the attitudes and behavior of service employees, influences customer perceptions of service quality (Hartline and Ferrell, 1996; Iglesias and Guillen, 2004). Good-quality interaction between customers and employees will lead to desirable outcomes, such as satisfaction, repeat patronage, and profit, and will have special implications for service staff development. The service skills of employees are crucial to the delivery of a high-quality service. Good service training equips service staff with the competence to deliver a high-quality service. Moreover, training and development experience enhances the ability of employees to deliver a high-quality service and to meet the needs of customers more effectively and in a more friendly way. Supervisors should thus develop supportive relationships in the work environment, and should provide...
opportunities for employees to enhance their work-related skills. Employees are also more likely to deliver an excellent service to customers when organizations reward such behavior and establish procedures that support service delivery (Schneider et al., 1992).

As more multinational firms enter the Chinese market, the findings of this study will be particularly relevant to practitioners of multinational corporations (MNCs) in designing their management practices and systems. Some global food chains, such as McDonalds and Pizza Hut, have been very successful in entering the China market, possibly because reputation and image are important concerns for Chinese customers (Liu and Lin, 2003; Cohen, 2004). Restaurant owners should thus put brand strategy into effect, and initiate the green consumption of goods and beverages (Chen, 2002).

Last, but not least, the limitation of a sample that was based upon a survey of customers in two restaurants in the Guangzhou area should be acknowledged. The major concern here is the generalizability of the findings to the large China market, which is characterized by regional differences and various types of cuisine. Every region in China has its distinctive cuisines and tastes, which are not easily duplicated. However, such a sample provides the advantage of greater control over sub-cultural effect that might otherwise contaminate the relationships between the factors. Further study with a larger representative sample from different regions would enhance the generalizability of the results. It is hoped that results from this study will stimulate future research into restaurants in particular, and the hospitality sector in general, both in the context of China and other countries. The influence of the reputation and image of a restaurant is also worthy investigating.

References


