

**CUSTOMER SATISFACTION TOWARDS FOOD TRUCK SERVICE AT
MELAKA STATE, MALAYSIA**

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MELAKA STATE, MALAYSIA**

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This report is partial fulfilment of Bachelor Technology Management
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DECLARATION

“This report is product of my own work except the citation for each of which I have mentioned the sources.”

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ABSTRACT

The growth of the business is affected by many factors, this is including the food truck business. Nowadays, we always hear the problem that related to food services. In fact, various method have been carried out to ensure the food provider are good quality and cleanliness to ensure their customer satisfactor. The purpose of this study was to understanding the relationship between consumer purchasing behaviour and consumer satisfaction towards the food truck service Melaka, Malaysia. This is important to ensure of every vendor of food truck to provide the good service to fullfil the customer satisfaction and boosting their sales. The questionnaire is designed to get the view from the targeted population about the important factors towards the food truck service. This research study will be done around Melaka state, Malaysia.

ABSTRAK

Pertumbuhan perniagaan terjejas oleh banyak faktor, ini termasuk perniagaan “food truck”. Pada masa kini, kita selalu mendengar masalah yang berkaitan dengan perkhidmatan makanan. Malah, pelbagai kaedah telah dijalankan untuk memastikan penyedia makanan adalah kualiti dan kebersihan yang baik untuk memastikan kepuasan pelanggan mereka. Tujuan kajian ini adalah untuk memahami hubungan antara gelagat pembelian pengguna dan kepuasan pelanggan terhadap “food truck” di negeri Melaka, Malaysia. Ini penting untuk memastikan setiap vendor trak makanan menyediakan perkhidmatan yang baik untuk memenuhi kepuasan pelanggan dan meningkatkan jualan mereka. Soalan soal selidik direka untuk mendapatkan pandangan dari penduduk yang di sasarkan mengenai faktor-faktor penting ke arah perkhidmatan “food truck”. Kajian penyelidikan ini akan dilakukan di sekitar negeri Melaka, Malaysia.

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CHAPTER 1

INTRODUCTION

1.0 Introduction

The first chapter describes the background of the study on what research is all about, the research questions and research objectives. Besides that, it's also about the scope, limitations and significance of the study. The topic of this research is about factor of consumer satisfaction towards Food Truck service at Melaka state, Malaysia. The major scope of this study is to identify the relationship between factor affecting and customer satisfaction towards food truck service at Melaka, Malaysia. Moreover, the study conducted also to determine the important of food service in Melaka state and what are the important factor that will affecting the consumer to buy the services such as price, food variety, hygiene and safety and technology.

1.1 Background of Study

A food truck is a large vehicle equipped to cook and sell food. Some including ice cream trucks, sell frozen or pre-packaged food, others have on-board kitchens and prepare food from scratch. At the same time from the newspaper titled "Food Truck Bring Absence", where many users more likely to get fast-food, fast service and most importantly they can get the food anywhere. (Sinar Harian, June 2015) Furthermore, what is even more amazing is that when there is a lorry or a small van, it is decorated with an attractive product sticker on the parking lot in front of the office or at the side of the street the crowded spot.

Other than that, since there are 378,300 thousand working people in Melaka and most of them will not have time to cook when they reach the house, so they are prefer to buy outside food. Moreover, the truck food service will be located at the strategic places that usually will attract consumers such as students and working adults who are hungry for food especially it benefited to them.

In Malaysia nation, the first and most popular food truck named Flaming Wheels. It is distinctive food truck in Malaysia nation. Flaming Wheels have with pride launched the mobile food truck on 17th October 2013, and it is an intention to make kitchen-on Wheels that sells freshly-cooked food round the Klang area. The owner Dina Blazevic of Amadeus eating place at Life Centre in national capital started mobile food truck as she was excited regarding America plan once she saw it on tv. She understood that she found new trend of serving in Malaysia nation.

1.2 Problem Statement

With the modern-day and age taking consumer taste on the food, the public's preference between food trucks and permanent food outlets, survey conducted, they found that 60 per cent answered they preferred food trucks due to its convenience, while the remaining chose the latter for its comfort. (MalaysiaDigest, 2017)

Moreover, owning of food truck business have a good impact to the most of Malaysian people, but the problems can occur in many aspect. The article titled "The Presences of The Hawker, Invites Dirt", said that most of the owner does not care about hygiene by selling various types of food and drink and effect of the cooking this is including the food truck service. For example, the owner does the cleaning of chicken at the streets and the chicken is exposing to the dust and vehicle smoke.(Utusan.com,2016)

Datuk Seri Hamzah Zainuddin, Minister of Domestic Trade, Cooperatives and Consumerism (KPDNKK) urged people to use rights as consumers to avoid buying too expensive food trucks. This was the statement that been state from the news titled "The Price of Food Truck is Expensive, the User is In Power", with this statement shows that some of the price of the food from food truck is expensive compared to the restaurant or stall. Some of the price has been setting high because of the start-up capital of food truck is high, estimated RM 20,000 to RM 100,00 this was include the SSM, licenses, deposit of the food truck, equipment and other accessories such as sticker and the price board.(Berita Harian, 2017)

1.3 Research Questions

This study is to examine whether the factors in terms of food variety, price, hygiene and safety and technology will affect the customer satisfaction. Besides that, it is also to determine the importance of consumer comfort of having food truck service in order to increase the consumer satisfaction. Some of the questions to be addressed in this study include following:

- 1) What are the factors that influence customer satisfaction toward Food Truck Service In Melaka, Malaysia
- 2) What are the most important factor that can influence customer satisfaction towards the food truck service at Melaka, Malaysia.
- 3) What are the relationship between important factor and customer satisfaction towards the food truck service at Melaka, Malaysia.

1.4 Research Objective

The general objectives of this study are outlined below:

- 1) To determine the factors that influence customer satisfaction toward Food Truck Service at Melaka, Malaysia
- 2) To know the most important factor that can influence customer satisfaction towards the food truck service at Melaka, Malaysia.
- 3) To find relationship between important factor and customer satisfaction towards the food truck service at Melaka, Malaysia.

1.5 Scope of the study

The study will focus on the regular customer of food truck at Melaka state, Malaysia. The respondents are customer, students, worker adult and household. The respondents would be the among of consumer that usually buy outside food to these groups are crucial in this study as they would give opinion on how to improve the food truck service at Melaka state, Malaysia.

1.6 Limitation of the study

This study has two limitations happen during this research. First, the researcher will face problem where the researcher will have a small sample because target respondent only at Melaka Tengah district. Secondly, the researcher will have the limited time in doing the survey because we have only 24 weeks to collect the data. The researcher will need to find the perfect time and manage the time including their study.

1.7 Significance of the study

This study will help in finding out what are the important factors that affect the food truck service in Melaka state. Besides that, the satisfaction of consumer will help the food truck owner in boosting their sales. In additional, this study will be useful to customer who does like to buy the food service especially food truck at Melaka state and give the big impact to the food truck industry.

1.8 Summary

Overall, in this chapter, the researcher needs to identify the customer satisfaction towards the food truck service in Melaka, Malaysia. Then the researcher should determine the factor impact the food truck service and it important to increase the customer satisfaction. Furthermore, the researcher chooses the customer, student, adult worker and household as the respondents for this study.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter discusses the perceptions and findings of the topic from previous researches and authors. The variables are also explained and discussed. Furthermore, the researcher have stated all overall view of customer satisfaction (CS), the relation of CS, and also the components that reflect to CS which are food variety, price, hygiene and safety and technology. Furthermore, literature review will be helpful for researcher in constructing the research method whether it can be done through quantitative or qualitative. Moreover, the prediction of research which is the hypothesis also presented in this chapter. Then, the theoretical framework also attached in this chapter.

2.1 Customer Satisfaction Determination

Customer satisfaction can be defined in terms of meeting the expectations of the customers in terms of parameters associated with satisfaction and complex set of thoughts and ideas and cannot be fully predictable by human being (Malik & Ghaffor, 2012).

As for food attributes, quality of food is a vital factor for any food servicer or restaurant, the higher quality can bring customer loyalty to the business. In general, majority researchers favoured that food quality is vital factor in identifying customer satisfaction and loyalty.

2.2 Consumer Purchasing Behaviour

Consumer behaviour is the study of individuals, groups, or organizations and all the activities associated with the purchase, use and disposal of goods and services, including the consumers emotional, mental behavioural responses that precede or follow these activities. Consumer behaviour emerged in the 1940s and 50s as a distinct sub-discipline in the marketing area. Consumer behaviour is an inter-disciplinary social science that blends elements from psychology, sociology, social anthropology, ethnography, marketing and economics, especially behavioural economics (Elizabeth A. Minton; Lynn R. Khale, 2014)

Characteristics of individual customers like demographic, personality, manner and behavioral variables like usage rates, usage occasion, loyalty, whole support, personality to supply referrals, in an effort to perceive people's needs and consumption are all investigated in formal studies of customer behaviour. (Elizabeth A. Minton; Lynn R. Khale, 2014)

2.3 Service Quality

Responsiveness is characterised because the extent to that service providers willing to accommodate customer and supply timely service. Avidity to help customer and supply fast service is thought as responsiveness, (Armstrong, 2012). Service provider organization should attempt to perceive the case from customer's perspective so as to induce a transparent image of what's really happening. Assurance is characterised because the extent to that service provider square measure skillful, polite, and able to inspire trust & certainty, (Toosi and Kohonali, 2011).

Assurance implies in food services as terribly affected, knowledgeable & friendly workers and additionally feel safe once build money transactions by customers. Materiality is characterised because the extent to that physical facilities, equipment, and look of labor force are adequate. Modern looking equipment, well dressed employees, physical facility and materials are apparently appealing, included in tangibility of food services.

2.4 Perceived Value

Kotler and Keller (2012) define customer perceived value as “the difference between customer’s evaluation of all the benefits and all the costs of an offering and the perceived alternatives. They extend the thought by describing customers perceived worth because the proportion between total customer value (a bundle of economic, useful and psychological advantages like product, services, personnel, image value) and total customer cost (monetary, time, energy, psychic costs), (Kotler & Helen Keller, 2012.). In line with Hutt and Speth (2007), customer value is that the customer’s perception and analysis of however helpful the connection with a business is in terms of benefits received and sacrifices created.

This was related how the customer received after they pay, some of the customer are very particular when giving the money to the cashier, so the business or owner is responsible to put the reasonable price according to the value that customer will get from it.

2.5 Food Truck

Food truck also known as many names. According to Foeb, Ian (2012), mobile vendor also known as food truck. Begin from industry of chuck wagon, (Thompson, 2014). It came with the new food service industry. From the dictionary, food truck means a large vehicle equipped with facilities for cooking and selling food. There a new level of street – food to higher level. This mobile food industry is beginning to grow in Malaysia.