

Evaluate The Factor Affecting Customer Satisfaction In Fast Food Restaurant

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STUDENT'S DECLARATION

"I hereby declare that this thesis entitled "Evaluate The Factor Affecting Customer Satisfaction In Fast Food Restaurant" is my own work except for the quotations summaries that have been duly acknowledged"

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SUPERVISOR'S APPROVAL

'I hereby acknowledge that I have read this work and in my opinion this it is sufficient in terms of scope and quality for the submission and award of a Degree of Bachelor of Technopreneurship with Honors'

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DEDICATION

I dedicated this thesis to my beloved parents: Mat Husin Bin Mat Yaman and Latifah Binti Ab.Kadir, who always supported me towards completion of this research. They also given advices, financial and moral support in order to motivate me to conduct this research until now. Thanks also to my Supervisor, Family and my friend for always support and helping me in this research.

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ABSTRACT

The purpose of conducting this research projects is to study the factors of food quality, service quality and perceive value that influenced customer satisfaction in fast food restaurant. To attain the objective of this research, research question, and three hypotheses are developed and test. A review of literature was conducted to find out the relationship among the factors of food quality, service quality, and perceive value to the customer satisfaction. Primary data were collected through survey questionnaire and 253 sets of questionnaires were distributed to the target respondents which are public and student in Malacca and secondary data which is researcher refer to the journals, books and internet access. Data collected will be analyze by using Statistical Package for Social Science (SPSS). Research methodologies that use in this research is quantitative method that researcher provide the questionnaires to the respondent and also use the descriptive method as the research design for gathered the data. Researcher also use some of research instruments will be use in this research which are pilot test, validity test and reliability test to make sure that the research is valid and reliable to do for the researcher.

ABSTRAK

Tujuan menjalankan projek penyelidikan ini adalah untuk mengkaji faktor-faktor kualiti makanan, kualiti perkhidmatan dan nilai yang mempengaruhi kepuasan pelanggan di restoran makanan segera. Untuk mencapai matlamat kajian ini, soalan penyelidikan, dan tiga hipotesis telah dibangunkan dan diuji. Semakan kesusasteraan telah dijalankan untuk mengetahui hubungan antara faktor kualiti makanan, kualiti perkhidmatan, dan nilai kepada kepuasan pelanggan. Data primer dikumpulkan melalui soal selidik tinjauan dan 253 set soal selidik telah diedarkan kepada responden sasaran iaitu orang awam dan pelajar di Melaka dan data sekunder yang merujuk kepada jurnal, buku dan akses internet. Data yang dikumpul akan dianalisis menggunakan Pakej Statistik untuk Sains Sosial (SPSS). Kaedah penyelidikan yang digunakan dalam penyelidikan ini adalah kaedah kuantitatif yang dianugerahkan oleh penyelidik kuesioner kepada responden dan juga menggunakan kaedah deskriptif sebagai rekaan penyelidikan untuk mengumpulkan data. Penyelidik juga menggunakan beberapa instrumen penyelidikan yang akan digunakan dalam kajian ini yang merupakan ujian perintis, ujian kesahan dan ujian kebolehpercayaan untuk memastikan penyelidikan adalah sah dan boleh dipercayai untuk dilakukan oleh penyelidik.

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LIST OF ABBREVIATIONS

1	UTEM	Universiti Teknikal Malaysia Melaka
2	SEVRQUAL	Service Quality
3	SPSS	Statistical Package Social Science
4	ANOVA	Analysis of Variance

CHAPTER 1

INTRODUCTION

1.0 Introduction

The objective of this study is to define the most important variables in fast food restaurant customer satisfaction. This section describes the summary of this study project. For introduction, there are eight research elements presented by the research overview, issue statements, research goals, research questions, study area, study limitation, relevant study and summary. In order to offer a fundamental knowledge of the overall study, the first element of the study starts with study overview, issue statements and objective. The research issues then give the required statements and suggestions for further research. The project's significance will determine and prove the importance and contributions of the study. Finally, the overview generates the general chapter conclusion in this research.

1.1 Background of Research

According to Khan (2012), the customers are the person whom play the most important part of any business and they have a good impact on the company. In addition, customer satisfaction is described as feelings about food and services, regarded to be one of the most important business elements the word of satisfaction for customer needs can be referred to customer satisfaction (Sabir et al, 2014). Customer satisfaction is the rating of customers for goods and services as to whether they want customers or are not satisfied with the product quality and not according to customer needs and sometimes customers are more happy if the product quality exceeds their expectations (Kotler P. 2012). Furthermore, if one of the product and service elements does not fulfill customer satisfaction, the performance cannot be satisfied.

1.2 Problem Statement

The Entrepreneur have to provide consumer satisfaction goods and services. Furthermore, problems that occur in fast foods have previously arisen as preservatives, poor food preparation and unhealthy food preferences (Yong et.al 2013). If the food and beverages do not satisfy customer requirements, the customer would be disappointed and they will be able to convert to the next competitor. It is difficult because of the variety of consumers' perception across countries due to cultural and environmental differences (Qin, Prybutok and Zhao, 2010).

In business, customer's satisfaction is the most important aspect because when the customer satisfies on certain product, it will provide a lucrative business for the industry.

The challenges faced by the entrepreneurs are marketing deals with customer's satisfaction of product offered by them. Indeed, an entrepreneur requires to provide customer satisfaction products or services.

Customer satisfaction problems are customer assessments for products and administrations as to whether they want and need customers or customers who are not satisfied with the gains or items not being achieved with the execution of the product and not agreeing to the customer's demands. If one aspect of product or services not achieve customer's satisfaction, they will also not be satisfied with the overall performance of business.

After that, customers were the core of both the industry and business (Khan, Hussain, and Yaqoob, 2012). Therefore, we want to know the content of preservatives and condiments which are strong on preparing poor healthful food. According to Shaharudin, Mansor, and Elias (2011), the variety of food is becoming a significant issue that affects the buyer. When the quality of food is not perfect and the needs of the customer are not met, there would be dissatisfaction. According to Euromonitor study (2011), the increasing obesity rates in Malaysia have also become a problem related to fast food. The increasing rates have made consumers more aware of their health. This trend is potentially affected health of the customer. Nevertheless, most Malaysians people are still undisturbed by the growing trend of obesity by pursuing to be unhealthy food, and they also prefer fast food since they are busy in their everyday lives.

Food is one of the things human needs in our lives based on the issues, but many people or consumers will not care about the nutritional ingredients whether it is healthy or not and hard to make good decisions. So, the researcher wants to study what is the most significant factors that affecting customer satisfaction in fast food restaurant that faced by the customer and achieve their expectation.

1.3 Research Question

- 1.3.1 To what extent does the respondent satisfied with fast food restaurant services?
- 1.3.2 What is the relationship between the food quality, services quality and perceived value toward the customer satisfaction in fast food restaurant?
- 1.3.3 Which is the most influencing factor of food quality, services quality and perceived value affecting customer satisfaction in fast food restaurant?

1.4 Research Objectives

- 1.4.1 To identify what extend the respondent satisfied with fast food restaurant services.
- 1.4.2 To determine the relationship between the food quality, services quality and perceived value toward the customer satisfaction in fast food restaurant.
- 1.4.3 To analyze the most influencing factor of food quality, services quality and perceived value affecting customer satisfaction in fast food restaurant.

1.5 Research Scope and Limitation

The research aims to identify the factors that affect fast food restaurants to the satisfaction of the customer. The fulfillment of customers in fast food restaurants focuses on customers gaining access to the three variables, such as quality of food, quality of service, and perceiving value during the product purchase. For this study, respondent is taken from public and students which is data gathered from 253 respondent.

Limitations of the study is the time constraints. The time allocated for this study is only one year and during the period, I also need to complete the tasks given in the classroom for other subjects. Consequently, this situation limited my time consuming for this final year project. The research must be completed within this short time line. Indeed, the longer time needed to make the better research in future.

Besides that, another limitation is difficult to collect accurate data because some respondents did not answer correctly target and the key problem with this explanation is that the result cannot be over generalized. Furthermore, one question that needs to be asked, to justify whether the researcher assume that the respondent has an equivalent knowledge to be a part of primary data provided to help in this study.

1.6 Project Significant

This study will demonstrate the factors that influence fast food restaurants and find out if these variables have a major impact on customer satisfaction in fast food restaurants. This study will benefit researchers and other students interested in studying research in the same sector. Research on other optional criteria for the course has been performed. In

this study, researchers have learned new research techniques. Researchers learned how to use the learning and techniques and how to perform SPSS. Researchers have understood how to use SPSS data and techniques. This research could be regarded as a reference to build their own conceptual framework.

1.7 Summary

The study is important in defining the most important variables affecting customer satisfaction in fast food restaurant and it can give the benefit to entrepreneurs for the future. The study also can provide knowledge to the entrepreneur on the current reputation of the company and improving the weakness for supplying product or services. There will be a literature review and the conceptual framework of this research on the next chapter.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Literature reviews convey to the reader what knowledges and ideas have been established in scholarly articles, books and other relevant sources to a particular issue, area of research, and theory. Moreover, they provide descriptions, summaries, and critical evaluations of these works. Reviews of literature are structured to include an overview of the references used while researching a specific subject and to show readers how the research fits into the greater area of study. Reviewing the literature involves locating, analyzing, synthesizing, and organizing previous analysis and documents associated to your study area (Roberts, 2010). According to Bloomberg and Volpe (2008), literature review is listening to what is being said and then formulating a comment designed to advance the dialogue.

This research examines the factors affecting customer satisfaction implementation toward the fast food restaurant. It involves a variety of materials for references such as newspapers, books, magazines, newspaper articles, mass media and other related printed materials. These materials are used to understand and explore the studies in details. The literature review on factors affecting customer satisfaction in fast food restaurant will be stated. In addition, it also can develop the proposed research framework to answer the

research objectives and questions on how to achieve most significant factors that influenced by customer satisfaction in fast food restaurant and sustain in the current market.

2.2 Definition of Customer Satisfaction

Customer satisfaction as one of the most significant business or associated disciplines. Business organizations try to serve the most effective service for the customer and also always searching for any opportunities that can increase customers 's satisfaction level. Satisfied customers usually rebound and buy more. Besides buying more they also work as a network to achieve different potential customers by sharing experiences every other (Hague ,2016)

Customer satisfaction causes them to become loyal to sure product or brand and this situation profitable to the company. An element of marketing is customer satisfaction and performs the specific role in the industry. In addition, it represents a private feeling of enjoyment or disappointment. If their expectation level meets, the power of buying and selling also increase. However, if it not so, disappointment comes. According to Zairi (2000) the sensation of delight and expectation fulfillment is known as satisfaction.

2.3 Benefits of Customer Satisfaction

According to Karolina Ilieska (2013), there are many benefits of the customer satisfaction in business. One of them is that it can help to present the current standing of customer satisfaction. This is because it can contribute to statistical data such as mean, range and standard deviation and from this research outcome it can identifying the specific strengths and weakness in satisfaction dimension.

Next, the benefit of customer satisfaction is to identify important requirement. For illustration, it is able clearly center effort in those regions that are most imperative to the customer additionally it can screen client fulfillment result over time which is illustrating the level of viability of innovation, administrations and others.

Besides that, the benefits of this result also can know the effectiveness of business practices which provide valuable and accurate information that can assist the evaluation of product or service components and delivery and also enables more thoughtful and considered importance of any possible plans of action.

2.4 Factors affecting customer satisfaction in fast food restaurant.

2.4.1 Food Quality

Food quality can even be extremely dependent (Moskowitz, 1995). Everyone may have a completely distinct perception of food quality as a diverse term (Rohr, Luddecke, Drusch, Muller and Alvensleben, 2005). Peri (2006) describes food quality as an ever physical and insignificant picture of item needs related to the product itself, the set of the century, the structure for item-packaging, and thus the structure for product-market.

The square measure of customers is evident on what very food quality they have, that has led to food manufacturer development. However, there was a weakness for well-defined food quality management (Cardello, 1995). Cardello (1995) states that the absence of access to food quality ideas is the result of the interest in process food quality being found alone among nutritionists of the World Health Organization creating a small group of the features related with food.

Darby and Karni (1973) claims that overall quality is divided into three elements that are square measurements of studies, experience and credence. Square measure study is linked to the output that can be defined by the customer when purchasing while the elements of experience are linked to the performance that can be defined since purchasing. Finally, credential aspects are linked to the performance that customers have never been able to decide on self-post buying, but without preference, they must trust other people's opinions (Bech-Larsen & Grunert, 2001).