Solutions to Improve Customer Satisfaction in Viet-Chen Restaurant

Trinh Le Tan,
International School, Duy Tan University, Danang city
550000, Vietnam

Dao Thi Dai Trang,
Faculty of Accounting, Duy Tan University, Danang city
550000, Vietnam

Abstract:- This study shows about literature review about service and the practical situation of Viet_Chen Company Limited. Then, analysing the dimensions affecting the customer satisfaction. Based on theory and analysis, the existing models were chosen as the platform, combined with our my research to offer a theoretical model with specific assumptions for research. This study will research using two steps of preliminary research and official research. The data were collected from 223 respondents. Collected data were processed in the statistical software SPSS to test the reliability and validity of the scales. These results show that there were 4 main factors that influence customer satisfaction at restaurant: Service Style, Price, Convenience and Service Quality. While the Service Quality is the most powerful factor, followed by Service Style. In general, this analysis is carried out to find out the limitations of service at restaurant to help Board of Director understand clearly this issue and improve them. Finally, recommend solutions to improve on service quality as well as improving customer satisfaction in Viet-Chen restaurant.

Keywords:- Service Style, Price, Convenience and Service Quality.

I. INTRODUCTION

Currently, it can be seen that service industry has developed remarkably and occupied an important position in the development of a country. And Vietnam is not an exception when the service industry has played the role of economic development in our country. This is manifested in the fact that other economic sectors are beginning to engage in service business more and more.

To be able to stand firmly in a certain business segment, we need to clearly define what is the core of the problem. In all current industries in general and service industry in particular with stiff competition nature, the customer is an important dimension determining the survival and growth of a enterprise. The feedback from customers will be very valuable for any enterprise to know whether they are on track or not; so enterprises need to improve this number of customers every day. There is a saying "Customer is God". Therefore, enterprise should always try to bring to customers the best satisfaction. Customer satisfaction not only brings to enterprise the number of loyal customers, but also potential customers through the promotion of loyal customers. When we can respond promptly and well customer demand, the customers can feel satisfied when coming to enterprise.

When trading a restaurant, in addition to the quality of food, it must be mentioned to the location, architecture, interior and exterior and wide promotion, etc. These things always impact on customer satisfaction on whether they decide to return to the restaurant or not. How to attract customers to always remember the restaurant when they intend to go eat? How to know if we customer needs or not? What dimensions affect customers when using the service at the restaurant? How to improve that satisfaction? Because of these questions, Authors have given the theme to be researched: "Solutions to improve customer satisfaction in Viet-Chen restaurant"

II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

A. Service quality

Service quality usually has several mixed opinions as it is evaluated based on customer feelings. Depending on each subject, the needs, circumstances and surroundings, service quality also bases on that to change. So determining the service quality of enterprise not only helps that enterprise to develop, but also promote its strengths.

Service quality is a very broad category in the definition. Since it is assessment result in the accumulation of customers based on their needs, expectations and feelings. Therefore, the different customers will feel the same quality level in a different way, even the same customer but depending on the stage their feelings about service quality will also change accordingly.

B. Customers

Regardless of industry or experience, position of the enterprise in the market, the enterprise still has to find ways to attract, satisfy and retain customers. Because the customer is the starting point of each enterprise. Business objective of the Company is to create more "satisfied customers" and as a result they will bring a lot of money. So, Customers - Who are they?.

Customers are entities, subjects that each enterprise has always aimed to serve and are determinants to the success or failure of the enterprise. They are consumers and at the same time pay for products that the enterprise produces or makes. Customers may be individuals, distributors such as supermarkets, agents, enterprises in need to use products of other enterprise to desire to satisfy the personal needs

In any economy, the customer is always a dimension that an enterprise needs, Tom Peters has said customer is "asset increasing the value".

Therefore, customers decide the survival and growth of an enterprise.

Peters Drucker [17, tr 21], the father of administration sector said that the Company's objective is "to create customers". Customer is an important part of business operations, the enterprise needs to keep a certain number of customers while developing potential customers. An enterprise wishing to survive and grow needs to understand and hold the customer needs, can meet at least equal to the customers's wishes.

C. Customer satisfaction

One researcher stated that: "Everyone knows what satisfaction is, until required for its definition. Until then, it seems that no one knows. "(Fehr and Russell 1984, 464)

Simply stated, Customer satisfaction is the tone of emotions of a person derived from the fact that that he has been using a certain product or service. Based on previous experience available while shopping (products or the service), customers will make their objective or subjective opinions, likes or dislikes, satisfied or dissatisfied.

According to Hansemark and Albinsson (2004), "Customer satisfaction is an overall attitude of the customers for a service provider, or an emotional response to the difference between what customers predict and what they receive, to the responsiveness of some of the needs, objectives and wishes."

Kotler (2000), defined "Satisfaction is a sense of satisfaction or disappointment of a person by results of comparing actually received products (or results) in relation to their expectations".

D. Relationship between service quality and customer satisfaction:

Service quality is the most influential dimension on Customer satisfaction (Cronin and Taylor, 1992; Yavas et al, 1997; Ahmad and Kamal, 2002).

Many suggested that service quality and customer satisfaction are one and can replace each other. But in fact, these two concepts are distinguished and completely can not replace each other. Since both concepts have same dimensions so it can easily cause misunderstanding, or saying a little more understandable both have a "cause-and-effect" relationship with each other. If a service provider gives customers the quality products satisfying their needs, that enterprise makes initially customers satisfied. For this reason, in order to improve the satisfaction of each customer, enterprises need to improve their service quality.

E. Proposed Research Model

This research model was taken in to account the key dimensions, such as service quality, price, service attitude

and style, reliability, convenience, tangibles, and corporate image.
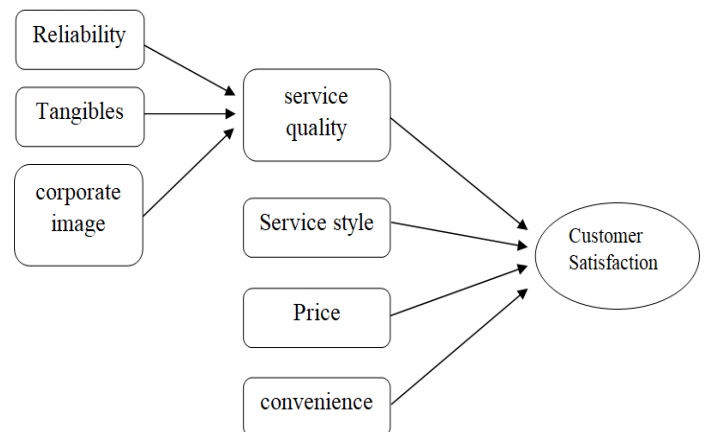

Fig 1:- Proposed Research model

➢ *Assumptions of the model*
✓ H1: the better services quality, the higher satisfaction
✓ H2: The better service style, the higher satisfaction
✓ H3: The more reasonable price, the higher satisfaction
✓ H4: The better convenience, the higher satisfaction

➢ *Scale development*

No.	Code	Description
Reliability:		
12	R01	Food used with clear origin
13	R02	Clear price
14	R03	The dishes are authentic and full as the menu
Tangibles:		
15	T01	Staff wear are polite and neat
16	T02	The restaurants' facilities and equipment are modern
17	T03	Rich menu
18	T04	The food are fresh and safe
19	T05	Eye-catching-presented dishes
20	T06	Open space, comfort and facilities
Corporate image:		
24	CI01	The Restaurant implements its social responsibility to employees, community and government.
25	CI02	The restaurant has reputation
26	CI03	The restaurant has its owned brand
Service quality		
1	SQ01	Delicious and ensured food quality
2	SQ02	Quality of the Restaurant's resources
3	SQ03	Good service quality

Table 1:- Scale of impact factors on the Service quality

No.	Code	Description
Service style:		
1	SS01	Staff are always already to serve customers
2	SS02	Staff are very attentive and courteous to customers
3	SS03	Staff are knowledgeable about the food of the Restaurant
4	SS04	Staff always serve customers enthusiastically and timely
5	SS05	The attitude of staff to serve
Price:		
6	P01	Reasonable costs
7	P02	There are always incentives
8	P03	Reasonable cost for services in Holidays
Convenience:		
9	C01	Convenient degree to come to the Restaurant
10	C02	Convenient degree of parking
11	C03	Convenient degree of payment
Service quality		
12	SQ01	Delicious and ensured food quality
13	SQ02	Quality of the Restaurant's resources
14	SQ03	Good service quality
Customer satisfaction		
15	CS01	Ready to introduce the restaurant to everyone around
16	CS02	Next keep coming back to use the services of the Restaurant

Table 2:- Scale of impact factors on the Customer satisfaction

III. RESEARCH METHODS

This theme will research using two steps of preliminary research and official research. Preliminary research will use qualitative method by relying on researches and directly approaching managers to find out the dimensions affecting the customer satisfaction, thereby supplementing on theoretical model, creating scale and develop a model of official research.

Official research will use quantitative method through customer interviews using the created survey.

➢ *Research Samples*

Samples were selected by convenient method, in the form of a non-probability sampling. At that time, researchers might select the accessible dimensions (research subjects) (Nguyen Dinh Tho and Nguyen Thi Mai Trang, 2009). The size of the sample applied in the research was based on requirements of EFA (Exploratory Dimension analysis) and multivariate regression analysis:

✓ For EFA: Based on studies of Hair, Anderson, Tatham and Black (1998) for references of the expected sample size. Accordingly the minimum sample size was larger than the total observed variables 5 times.
✓ For multivariate regression analysis: The minimum sample size was achieved by the formula $50 + 8*m$ (m: number of independent variables) (Tabachnick and Fidell, 1996).

Research on a sample size, Roger (2006) showed the minimum sample size to be applied in the research and practice was from 150-200.

In fact, at the time of survey in March 3/2019, the total number of questionnaire forms handed out was 250 to survey customers coming to use services of the Viet_Chen Restaurant in Da Nang, in which there were 223 valid forms, 27 removed forms by a few of blank answers. With 223 forms collected after the survey, it was ensured a sufficient number of research samples to carry out the research model.

IV. RESULT

> *Cronbach's Alpha*

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
CI01	7.3	4.335	0.641	0.745
CI02	7	4.437	0.621	0.766
CI03	7.18	4.13	0.695	0.687
CRONBACH'S ALPHA OF COPORATE IMAGE = 0.805				
SS01	13.15	7.613	0.686	0.877
SS02	13.61	7.662	0.714	0.87
SS03	13.53	7.791	0.713	0.87
SS04	13.41	7.18	0.789	0.853
SS05	13.42	7.524	0.76	0.86
CRONBACH'S ALPHA OF SERVICE STYLE = 0.890				
P01	7.22	4.629	0.562	0.785
P02	6.79	4.399	0.698	0.629
P03	6.8	5	0.627	0.711
CRONBACH'S ALPHA OF PRICE = 0.786				
R01	7.08	4.147	0.7	0.705
R02	6.96	4.278	0.656	0.751
R03	7.03	4.445	0.635	0.772
CRONBACH'S ALPHA OF RELIABILITY = 0.813				
T01	15.56	10.338	0.686	0.693
T02	15.48	10.377	0.584	0.71
T03	15.5	11.17	0.111	0.886
T04	15.46	10.115	0.601	0.704
T05	15.49	9.9	0.675	0.687
T06	15.49	9.557	0.766	0.665
CRONBACH'S ALPHA OF TANGIBLES = 0.762				
T01	12.47	7.601	0.757	0.856
T02	12.38	7.714	0.622	0.885
T04	12.37	7.324	0.68	0.873
T05	12.4	7.241	0.733	0.86
T06	12.39	6.88	0.848	0.832
CRONBACH'S ALPHA OF TANGIBLES = 0.886				
C01	7.22	2.422	0.605	0.728
C02	7.57	2.301	0.645	0.684
C03	7.61	2.418	0.62	0.712
CRONBACH'S ALPHA OF CONVINIENCE = 0.784				
SQ01	5.17	3.19	0.437	0.647
SQ02	5.19	1.964	0.614	0.401
SQ03	5.09	3.028	0.451	0.63
CRONBACH'S ALPHA OF SERVICE QUALITY = 0.676				
CS01	3.15	0.802	0.632	.[a]
CS02	3.47	0.8	0.632	.[a]
CRONBACH'S ALPHA OF CUSTOMER SATISFACTION = 0.775				

Table 3:- Cronbach's Alpha before EFA

➢ *Analysis of EFA factor*

KMO and Bartlett's test showed that KMO factor was quite high (0.866 > 0.5) the total variance used to explain the factors was 67.456 percent (> 50percent) so that it was satisfactory to conditions of dimension analysis. So, analytical results of dimensions affecting the service quality in Viet_Chen Restaurant were extracted by 2 factors with 11 observed variables

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.866
Bartlett's Test of Sphericity	Approx. Chi-Square	1349.983
	Df	55
	Sig.	.000

Table 4:- KMO and Bartlett's Test (dimensions affecting the service quality)

Uses the EFA analysis to group the variables in the scale into dimensions. We got the following results

	Component	
	1	2
R01	.817	
R02	.814	
CI01	.813	
CI02	.802	
CI03	.801	
R03	.793	
T06		.914
T01		.845
T05		.840
T04		.791
T02		.749

Table 5:- Rotated Component Matrixa (dimensions affecting the service quality)

✓ The first dimension (X'1) included 6 observed variables: CI01, CI02, CI03, R01, R02, and R03. It was called the Corporate Image.
✓ The third dimension (X'2) included 5 observed variables: T01, T02, T04, T05 and T06. It was called the Tangibles.

Dimension	Name	CODE	Indicators
1	Corporate Image	CI	CI01, CI02, CI03, R01, R02, and R03
2	Tangibles	T	T01, T02, T04, T05 and T06

Table 6:- Representative variables of Service Quality

➢ *Dimesions to measure the customer satisfaction (with 14 observed variables):*

KMO and Bartlett's test showed that KMO factor was quite high (0.765 > 0.5) the total variance used to explain the factors was 69.114 percent (> 50percent) so that it was satisfactory to conditions of dimension analysis. So, analytical results of dimensions affecting the customer

satisfaction in Viet_Chen Restaurant were extracted by 4 factors with 14 observed variables.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.765
Bartlett's Test of Sphericity	Approx. Chi-Square	1280.497
	Df	91
	Sig.	.000

Table 7:- KMO and Bartlett's Test Test (dimensions affecting the customer satisfaction)

	Component			
	1	2	3	4
SS04	.867			
SS02	.840			
SS05	.829			
SS03	.779			
SS01	.751			
P02		.890		
P03		.839		
P01		.743		
C02			.832	
C01			.804	
C03			.803	
SQ02				.867
SQ01				.723
SQ03				.716

Table 8:- Rotated Component Matrixa (dimensions affecting the customer satisfaction)

Uses the EFA analysis to group the variables in the scale into dimensions. We got the following results
✓ The first dimension (X1) included 5 observed variables: SS01, SS02, SS03, SS04, SS05. It was called the Service Style.
✓ The third dimension (X2) included 3 observed variables: P01, P02, P03. It was called the Price.
✓ The third dimension (X3) included 3 observed variables: C01, C02, C03. It was called the Convinience
✓ The third dimension (X4) included 3 observed variables: SQ01, SQ02, SQ03. It was called the Service Quality

➢ *Correlation Analysis of the Service quality*

		CI	T	SQ
CI	Pearson Correlation	1	.155*	.319**
	Sig. (2-tailed)		.021	.000
	N	223	223	223
T	Pearson Correlation	.155*	1	.196**
	Sig. (2-tailed)	.021		.003
	N	223	223	223
SQ	Pearson Correlation	.319**	.196**	1
	Sig. (2-tailed)	.000	.003	
	N	223	223	223

Table 9:- Correlations matrix among variables affecting the service quality

➢ *Correlation*
➢ *Analysis of the Customer satisfaction*

		SQ	SS	P	C	CS
SQ	Pearson Correlation	1	.163[*]	.046	.176[**]	.462[**]
	Sig. (2-tailed)		.015	.004	.009	.000
	N	223	223	223	223	223
SS	Pearson Correlation	.163[*]	1	.260[**]	.335[**]	.544[**]
	Sig. (2-tailed)	.015		.000	.000	.000
	N	223	223	223	223	223
P	Pearson Correlation	.046	.260[**]	1	.026	.391[**]
	Sig. (2-tailed)	.004	.000		.000	.000
	N	223	223	223	223	223
C	Pearson Correlation	.176[**]	.335[**]	.026	1	.366[**]
	Sig. (2-tailed)	.009	.000	.000		.000
	N	223	223	223	223	223
SHL	Pearson Correlation	.462[**]	.544[**]	.391[**]	.366[**]	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	223	223	223	223	223

Table 10:- Correlations matrix among variables affecting the customer satisfaction

➢ *Regression equation of Service quality*

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.191	.273		4.355	.000		
	CI	.240	.073	.296	4.627	.000	.976	1.025
	T	.172	.052	.150	2.345	.020	.877	1.336

Table 11:- Coefficientsa among variables affecting the service quality

Analytical results of table 11 showed sig value of all independent variables was less than 0.05. Therefore, it could be said that all independent variables had an impact on customer satisfaction.

Multiple-linear regression equation indicated the relationship between service quality and 3 independent variables developed as follows:

$$SQ = 0.296CI + 0.15T$$

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.573	.262		-2.183	.030		
	SS	.423	.061	.354	6.906	.000	.816	1.226
	P	.218	.038	.277	5.767	.000	.928	1.078
	C	.195	.055	.177	3.556	.000	.869	1.151
	SQ	.380	.050	.360	7.603	.000	.957	1.045

Table 12:- Coefficients a among variables affecting the customer satisfaction

Analytical results of table 12 showed sig value of all independent variables was less than 0.05. Therefore, it could be said that all independent variables had an impact on customer satisfaction. Multiple-linear regression equation indicated the relationship between service quality and 3 independent variables developed as follows:

$$CS = 0.360SQ + 0.354SS + 0.277P + 0.177C$$

V. CONCLUSION

Order of the importance of each factor depends on the absolute value of the regression coefficients standardized. Which factors had a higher absolute value, it could more affect the satisfaction. So in this model, we could see with standardized beta of 0.360, the highest in the standardized Beta coefficients of the remaining variables, SQ factor had a significant impact on customer satisfaction, the next was SS with Beta = 0.354, P with Beta = 2.77 and the last was dimensions, which was C with a beta of 0.177, respectively, less affecting the customer satisfaction.

In general, these analytical results showed which dimensions affected most the satisfaction, from those managers needed to pay attention to these dimensions. This was a basis to develop a number of solutions to enhance the satisfaction of customers who has been using or used the catering services of the Restaurant. Thereby, Authors could sum up and draw the solutions and development orientations to enhance the customer satisfaction in the Viet_Chen restaurant.

The specific solutions was proposed are improving the quality of services as well as human resources, building the reasonable price, and enhancing the value of the company's image. These solutions will bring more positive impact on satisfaction of the customers. Moreover, the company need to be flexible and quickly adapt to the changing market conditions and the competitive actions of the opponents.

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