

THE EFFECT OF SERVICESCAPE OF CASUAL RESTAURANTS ON YOUTHS' DINING EXPERIENCE

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Abstract *Casual dining restaurants are often patronised by young adults. The young adults view dining out as part of their daily lives and as the natural state of affairs. Being regular diners, they are well informed about the quality of food, service and ambience. The age range of young adults is around 18 to 30 years. In this study, young adults also include individuals in the aforesaid age range, though they are mostly students. The study employed a method of data collection which is face-to-face interview accompany with questionnaire. The questionnaire is designed considering different aspects of customer satisfaction on the dining experience which includes layout, ambience and value for money. Statistical analysis using SPSS version 20 is used for analyzing the data collected from different restaurants from respondents of sample size 150 based on the questionnaire. Analysis of primary data collected is evaluated by Chi-square and correlation tests. The results indicate positive relationship between layout and ambience, value for money and customer satisfaction especially on youths' dining experience.*

Keywords: *Servicescape, Restaurants, Layout and Ambience, Chi-square, Correlation*

INTRODUCTION

Eating out in casual dining restaurants is getting popular day-by-day amongst the youngsters. They look for simplifying their lives, seek for convenience and variety. Despite this, studies on young adults' satisfaction with their dining experience offered by casual dining restaurants have remained limited.

Casual dining restaurants are designed to attract those individuals whose income and average spending power are not so high. They enjoy dining out but do not like formal ambience and as well as they can not afford to pay high price while eating out. At these restaurants the ambience or atmosphere is casual, the mood is relaxed and food and beverages are priced moderately (Dittmer, 2002). Popular category casual dining restaurants are speciality restaurants, ethnic restaurants, theme restaurants and so forth.

Customer satisfaction has been a prominent topic for research in service industry for many years. The level of customer satisfaction indicates whether or not customers will revisit the restaurant again. Customer dissatisfaction in services is caused by gaps between customers' expectations and perceptions of the quality of the service received. Enhanced customer satisfaction is a widely recognised factor for the success of hotel, catering and tourism industry (Barsky & Labagh, 1992; Choi & Chu, 2001).

Choi & Chu (2001) have identified the following determinants of customer satisfaction: atmosphere, location, availability, flexibility and interaction with service providers. According

to Barsky (1995) there are three elements of customer satisfaction: expectations, service quality and customer preferences.

The purpose of the study is to assess whether the servicescape of restaurants have significant effect on youths' satisfaction regarding their dining experience. This study examines the relative impacts of physical surroundings on younger customers' satisfaction.

REVIEW OF LITERATURE

When it comes to dining out, most of the dinners look for dining comfort and as well as quality of the food and beverage and a pleasant and affordable environment away from their home. People are attracted to the restaurant by more than just good food. The total meal experience of the customer may be defined as a series of events, both tangible and intangible- that a customer experiences when eating out. Though good food and beverage is very important part of the total meal experience and customer satisfaction but that is not all. Servicescape and atmosphere of the restaurant also play a crucial role in customer meal experience and satisfaction.

Restaurant operators must create a pleasant servicescape and provide excellent service to their customer in order to satisfy customers. According to Bitner (1992), the service escape is the physical environment of a service organisation where the service transaction occurs. There are numerous elements of servicescape such as layout, ambient conditions, exterior appearance, interior décor, lighting, temperature,

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noise, music, odours, touch, signs, symbols and artefacts, and so forth. There are several evidences which suggest that the servicescape has a strong impact on customer experience and customer satisfaction.

The servicescape is an important variable for customer satisfaction among hotel guests, regardless of geographical area, nationality of guests and type of hotel. Similarly, a recent study focusing on restaurants found that servicescape is often perceived by both guests and staff as the single most positive characteristic of the establishment, being rated as even more important than the food itself. It has become an essential concern for hospitality managers worldwide. Different groups of professionals including hospitality managers and outside experts are involved to improve the servicescape of restaurant. Despite wide management interest, there is a clear lack of empirical research that addresses servicescape and its role in hospitality industry. The servicescape of the restaurant is made up of everything that makes an impression on the people such as design of the building, décor or decoration, interior-colour scheme and texture of the walls. The concept in casual dining restaurants is to create an ambience that will make the customers to relax, and enjoy themselves. This concept partly aims at pleasing guests enough to make them want to return to the establishment again and again. While repeat patronage is obviously salient for long-term success of restaurants, the servicescape of the restaurant is equally fundamental for the success of restaurant. Research has shown that customers are attracted by a satisfying ambience and it increases the customers' willingness to stay in the restaurant as long as possible. The longer one stays in the restaurant, the more money one is likely to spend. To emphasise on the importance of the restaurant's servicescape, researchers explain that a restaurant with a well-designed ambience can serve mediocre food and can be successful. In contrast, a restaurant with a poorly designed ambience serving mediocre food will fail. Whereas, a restaurant with a poorly designed ambience serving excellent food will succeed if the manager can project personality. Simply put, a proper ambience can make the entire dining experience better. Different customers will perceive the ambience of a particular restaurant differently based on their expectations, purposes and moods. Therefore, a restaurant's ambience should be designed properly or interestingly to match the characteristics of its target market.

Magnitude of Ambience

According to Wakefield & Blodgett (1994) there are three primary dimensions of quality of ambience in restaurants, which influence customer satisfaction. These dimensions are ambient conditions, spatial layout and functionality, and signs, symbols and artefacts.

Zeithaml & Bitner (2003) explained that though guests or customers may experience distinct ambient factors, but the total configuration of these factors determines their evaluation of the ambience of a particular restaurant.

Dulen (1999) stated that beside food and service physical environment is one of the major features in increasing customer satisfaction. Review also indicated that in order to attract and retain customer, offering good food and good service is not enough, eating outlets should provide meals with good value in a favourable ambience. According to Barta (2008), Cullen (2004), Erik & Nir (2004) customers' choice of where to dine out is also influenced by attractive decor and atmosphere.

METHODOLOGY

Research design in the initial stage is exploratory. It consists of secondary data scanning and pilot survey, which helped to give an idea about the primary data sources and data collection tools to use and in designing questionnaire. This stage of study helped to draw the line of action for the later stage of research. A structured questionnaire with a formal list of pre-arranged questions is used. The questionnaire consists of close-ended questions, which includes multiple-choice questions and as well as open ended that allow respondents to give views and opinions about their dining experiences. The questionnaire featured different aspects of layout and ambience like interior colour scheme of the restaurant, temperature in the dining area, music background, odour or smell in the dining area, type of linen, tableware, comfort of furniture, tidiness of the restrooms or cloakrooms and parking area of the restaurant etc. The questions are scaled in the likert scale of range. A scale of 1 to 5 is used where 1= Highly satisfied, 2= Dissatisfied, 3= Not sure, 4= Satisfied and 5= Highly Dissatisfied. The sample size of 150 respondents is taken from three restaurants of Ranchi and data are analysed using SPSS software version 20. Customers who expressed their interest to participate in this study were given questionnaires to fill in after their meal experience. The reliability test is undertaken to indicate the reliability of the data. Cronbach's α value of the data is 0.811, indicating reliability of the data and internal consistency of the items is acceptable. Chi square and co-relation tests are performed to determine the significant impact of layout and ambience of the restaurant and value for money on customer satisfaction.

DATA ANALYSIS

Chi Square (χ^2)

Chi-square (χ^2) test was developed by Karl Pearson in 1900. The test serves both as a "goodness-of-fit" test, where the data are categorized along one dimensions, and as a test for the

more common “contingency table”, in which categorisation is across two or more dimensions. Its distribution is a function of its degree of freedom.

χ^2 test statistic is defined as

$$\chi^2 = \sum \frac{(f_o - f_e)^2}{f_e} \text{ follows } \chi^2 \text{ with } (n-1) \text{ d.f.}$$

where f_o is the observed frequency, f_e the expected frequency, df is degree of freedom.

Degrees of freedom (df) is simply the number of classes of offspring minus 1. ($n-1$)

It compares the theoretical (expected) frequencies with the observed (actual) to determine the difference between theoretical and observed frequencies.

Null Hypothesis:

H_{01} : There is no significant impact of layout and ambience of the restaurant on customer satisfaction on youths dining experience.

H_{02} : There is no significant impact of value for money of the restaurant on customer satisfaction on youths dining experience.

Alternative Hypothesis

H_{11} : Layout and ambience of the restaurant has significant impact on customer satisfaction.

H_{12} : Value for money of the restaurant has significant impact on customer satisfaction.

Chi-square for Layout and Ambience

Table 1 (a) indicates frequencies for layout and ambience, where observed and expected frequencies are shown. Test statistic for layout and ambience, shows calculated χ^2 values (Table 1(b)).

Table 1(a): Frequencies for Layout and Ambience

How satisfied are you with the interior colour scheme of the restaurant? (A)			
	Observed N	Expected N	Residual
Not sure	14	50.0	-36.0
Satisfied	128	50.0	78.0
Highly Satisfied	8	50.0	-42.0
Total	150		
How satisfied are you with the temperature in the dining area? (B)			

	Observed N	Expected N	Residual
Not sure	6	50.0	-44.0
Satisfied	133	50.0	83.0
Highly Satisfied	11	50.0	-39.0
Total	150		

How do you like music background in the restaurant? (C)

	Observed N	Expected N	Residual
Dislike some what	9	37.5	-28.5
Neutral	9	37.5	-28.5
Like some what	118	37.5	80.5
Like very much	14	37.5	-23.5
Total	150		

How do you like the external appearance of the restaurant? (D)

	Observed N	Expected N	Residual
Neutral	28	50	-22
Like some what	114	50	64
Like very much	8	50	-42
Total	150		

How satisfied are you with the lighting in the dining area? (E)

	Observed N	Expected N	Residual
Dissatisfied	8	37.5	-29.5
Not sure	8	37.5	-29.5
Satisfied	127	37.5	89.5
Highly Satisfied	7	37.5	-30.5
Total	150		

How satisfied are you with the odour or smell in the dining area? (F)

	Observed N	Expected N	Residual
Not sure	6	50.0	-44.0
Satisfied	137	50.0	87.0
Highly Satisfied	7	50.0	-43.0
Total	150		

How satisfied are you with the type of table decorations in this restaurant? (G)

	Observed N	Expected N	Residual
Not sure	13	50.0	-37.0
Satisfied	127	50.0	77.0
Highly Satisfied	10	50.0	-40.0
Total	150		

How satisfied are you with the type of linen (tablecloths, napkins, serviettes)? (H)			
	Observed N	Expected N	Residual
Not sure	10	50.0	-40.0
Satisfied	132	50.0	82.0
Highly Satisfied	8	50.0	-42.0
Total	150		
How satisfied are you with the type of tableware (plates, glasses, knives etc.)? (I)			
	Observed N	Expected N	Residual
Not sure	7	50.0	-43.0
Satisfied	137	50.0	87.0
Highly Satisfied	6	50.0	-44.0
Total	150		
How satisfied are you with the type of fixtures (i.e. picture frames)? (J)			
	Observed N	Expected N	Residual
Not sure	8	50.0	-42.0
Satisfied	128	50.0	78.0
Highly Satisfied	14	50.0	-36.0
Total	150		
How satisfied are you with the type of furnishings (seats, tables, carpets, etc.)? (K)			
	Observed N	Expected N	Residual
Not sure	19	50.0	-31.0
Satisfied	125	50.0	75.0
Highly Satisfied	6	50.0	-44.0
Total	150		
How satisfied are you with the design of the menu of the restaurant? (L)			
	Observed N	Expected N	Residual
Not sure	15	50.0	-35.0
Satisfied	127	50.0	77.0
Highly Satisfied	8	50.0	-42.0
Total	150		
How satisfied are you with the comfort of furniture? (M)			
	Observed N	Expected N	Residual
Dissatisfied	9	37.5	-28.5
Not sure	6	37.5	-31.5

Satisfied	120	37.5	82.5
Highly Satisfied	15	37.5	-22.5
Total	150		
How satisfied are you with the layout of walkways in the dining area? (N)			
	Observed N	Expected N	Residual
Not sure	15	50.0	-35.0
Satisfied	125	50.0	75.0
Highly Satisfied	10	50.0	-40.0
Total	150		
How satisfied are you with the distance between rows of seats? (O)			
	Observed N	Expected N	Residual
Not sure	11	50.0	-39.0
Satisfied	119	50.0	69.0
Highly Satisfied	20	50.0	-30.0
Total	150		
How satisfied are you with the tidiness of the restrooms or cloakrooms? (P)			
	Observed N	Expected N	Residual
Dissatisfied	20	50.0	-30.0
Not sure	65	50.0	15.0
Satisfied	65	50.0	15.0
Total	150		
How satisfied are you with the parking area of the restaurant? (Q)			
	Observed N	Expected N	Residual
Dissatisfied	8	50.0	-42.0
Not sure	74	50.0	24.0
Satisfied	68	50.0	18.0
Total	150		
Overall, how satisfied are you with the layout & ambience of this restaurant? (R)			
	Observed N	Expected N	Residual
Not sure	12	50.0	-38.0
Satisfied	122	50.0	72.0
Highly Satisfied	16	50.0	-34.0
Total	150		

Table 1(b): Test Statistics for Layout and Ambience

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Chi-square	182.880 ^a	206.920 ^a	230.853 ^c	126.880 ^b	284.827 ^c	227.080 ^a	177.960 ^b	201.760 ^b	227.080 ^a	182.880 ^a	170.440 ^b	178.360 ^b	243.120 ^c	169.000 ^a	143.640 ^b	27.000 ^a	53.280 ^a	155.680 ^b
df	2	2	3	2	3	2	2	2	2	2	2	2	3	2	2	2	2	2
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

c. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 37.5.

Table 1(b): Test Statistics for Layout and Ambience

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Chi-square	182.880 ^a	206.920 ^a	230.853 ^c	126.880 ^b	284.827 ^c	227.080 ^a	177.960 ^b	201.760 ^b	227.080 ^a	182.880 ^a	170.440 ^b	178.360 ^b	243.120 ^c	169.000 ^a	143.640 ^b	27.000 ^a	53.280 ^a	155.680 ^b
df	2	2	3	2	3	2	2	2	2	2	2	2	3	2	2	2	2	2
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

c. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 37.5.

At 95% confidence level, critical value obtained from table at 2 df is $\chi^2_{0.05,2} = 5.99$ and at 3 df is $\chi^2_{0.05,3} = 7.81$

Since $\chi^2_{\text{calculated}} > \chi^2_{\text{critical}}$ so null hypothesis is rejected and alternative hypothesis is accepted. Thus the relationship between layout and ambience of the restaurants and customer satisfactions especially on youths' dining experience is statistically significant.

Chi-square for Value for Money and Ambience

Table 2 (a) indicates frequencies for layout and ambience, where observed and expected frequencies are shown. Test statistic for layout and ambience, shows calculated χ^2 values (Table 2(b)).

Table 2(a): Frequencies for Value for Money

Overall satisfaction of the customers			
	Observed N	Expected N	Residual
Not sure	12	50.0	-38.0
Satisfied	122	50.0	72.0
Highly Satisfied	16	50.0	-34.0
Total	150		
How satisfied are you with the portion size of the food?			
	Observed N	Expected N	Residual
Not sure	6	50.0	-44.0
Satisfied	98	50.0	48.0
Highly Satisfied	46	50.0	-4.0
Total	150		
How satisfied are you with the price of food & beverage?			
	Observed N	Expected N	Residual
Not sure	10	50.0	-40.0
Satisfied	118	50.0	68.0
Highly Satisfied	22	50.0	-28.0
Total	150		
How satisfied are you with the variety of menu?			
	Observed N	Expected N	Residual
Not sure	28	50.0	-22.0
Satisfied	114	50.0	64.0
Highly Satisfied	8	50.0	-42.0
Total	150		

Since $\chi^2_{\text{calculated}} > \chi^2_{\text{critical}}$ so null hypothesis is rejected and alternative hypothesis is accepted. Thus the relationship between value for money and customer satisfactions especially on youths' dining experience is statistically significant.

Measures of Association

Measures of association are statistics for measuring the strength of a relationship between two variables. Correlation measures the degree of association between two variables. Karl Pearson's coefficient of correlation is a quantitative measure of the degree of relationship between two variables x and y.

$$r = \frac{n\sum xy - (\sum x)(\sum y)}{\sqrt{n(\sum x^2) - (\sum x)^2} \sqrt{n(\sum y^2) - (\sum y)^2}}$$

where r = Karl Pearson's coefficient of correlation
x and y are variables.

The coefficient of correlation lies between +1 and -1.

When r = 0, indicates no correlation

r > 0.50, indicates weak positive correlation

r = 0.50, indicates moderate positive correlation

r > 0.50, indicates strong positive correlation

r > -0.50, indicates weak negative correlation

r = -0.50, indicates moderate negative correlation

r > -0.50, indicates strong negative correlation

Correlation between Layout and Ambience and Customer Satisfaction

Alternative hypothesis: The type of layout and ambience will directly influence the customer satisfaction, i.e. youths' dining experience. The different aspects of layout and ambience include temperature in the dining area, music and lighting background, table decoration, availability parking area. It will report significantly higher outcome expectations.

Table 2(b): Test Statistics for Layout and Ambience

	Overall satisfaction of the customers	How satisfied are you with the portion size of the food?	How satisfied are you with the price of food & beverage?	How satisfied are you with the variety of menu?
Chi-Square	155.680 ^a	85.120 ^a	140.160 ^a	126.880 ^a
df	2	2	2	2
Asymp. Sig.	.000	.000	.000	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

At 95% confidence level, critical value obtained from table at 2 df is $\chi^2_{0.05,2} = 5.99$.

Null hypothesis: Layout and ambience not maintaining proper temperature, odour of the restaurant, table decoration, layout of fixture and furniture not properly arranged, and inadequate parking area will report significantly lower outcome expectations.

Table 3(a) depicts the correlation between layout and ambience and customer satisfaction.

Table 3(a) Correlation between Layout and Ambience and Customer Satisfaction

Correlations			
		Design	Sustainable development
Layout and ambience	Pearson correlation	1	.644**
	Sig. (2-tailed)		0.000
	N	150	150
Customer satisfaction (youths' dining experience)	Pearson correlation	.644**	1
	Sig. (2-tailed)	0.000	
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Correlation coefficient between layout and ambience and customer satisfaction is 0.644. This indicates that layout and ambience and customer satisfactions are positively correlated to the extent of 0.644. Hence alternative hypothesis is accepted.

Table 4(a): Correlation between Value for Money and Customer Satisfaction

Correlations			
		Design	Sustainable development
Layout and ambience	Pearson correlation	1	.509**
	Sig. (2-tailed)		0.000
	N	150	150
Customer satisfaction (youths' dining experience)	Pearson correlation	.509**	1
	Sig. (2-tailed)	0.000	
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Correlation between Value for Money and Customer Satisfaction

Alternative hypothesis: The value for money will directly influence the customer satisfaction. It includes portion size

of the food served, variety of menu, and price of food and beverage proportionate with the quantity and quality served will report significantly higher outcome expectations.

Null hypothesis: The value for money will report significantly lower customer outcome expectations if portion size of food, variety of menu, and price of food and beverage proportionate with the quantity and quality are not served adequately.

Table 4(a) depicts the correlation between value for money and customer satisfaction.

Correlation coefficient between value for money and customer satisfaction is 0.509. This indicates that value for money and customer satisfaction is positively correlated to the extent of 0.509. Hence alternative hypothesis is accepted.

CONCLUSION

The study indicates that layout and ambience create an effort to design buying environments to produce specific emotional effects in the buyer. The different features of layout and ambience of restaurants are sight, sound, music, lighting, scent, colour, temperature (often referred to as “ambient” environmental cues), and visual design elements.

Analysis based on Chi-square and correlation tests reveal that there is positive relation between layout and ambience and customer satisfaction on youths; dining experience. Value for money also has positive impact on the customer satisfaction. Customers are more satisfied if the portion of the food, variety of the menu, quantity and quality of the food is served as the price.

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