



FACTORS THAT INFLUENCE CUSTOMER SATISFACTION
TOWARDS RESTAURANTS IN MALAYSIA

NUR AIN AYUNI BT AMAT SUJANGI
SYAZWINA BT SALIM@ANAM

2017361943
2017325345

BACHELOR OF SCIENCE (HONS.) IN FOODSERVICE
MANAGEMENT (HM242)
FACULTY OF HOTEL & TOURISM MANAGEMENT

DATE OF SUBMISSION :
24 FEBRUARY 2021

ABSTRACT

Restaurants have been having rapid growth since the year of 1765 until today. Due to the modern era, restaurant is improving their system, facilities, and technologies regarding the passage of time. The demand for restaurant is increase year by year because of people nowadays are focusing on their career and do not have/lack of time to cook for their family at home. Furthermore, the increasing demand from the customer encourages more people to having their own restaurant that served variety of food follow the trend. Despite the rapid growth of the restaurant business, the restaurants in the existing market facing challenges when the market already saturated and the new competitors in food industry expand more and more. In order to have a healthy competition, the restaurateurs need to have strategy on how to make the customers satisfied with their product and services than can attract people to come and revisit their restaurants in future. Therefore, the objective of this study is to identify the factors that influence customer satisfactions towards restaurants in Malaysia and to determine the most influenced factor that led to customer's satisfaction. The secondary data method used in this study where the data was collected from previous study, websites, and articles. The results show that there are three factors that lead to customer satisfaction which are service quality, price, and restaurant environment. Among these three factors, service quality is the most influenced factor towards customer satisfaction. Customer satisfaction is very important to a restaurant/business where it can lead to increasing the number of customers to the restaurant and increase the sales. The results of this study can help marketers or strategy planners to formulate or develop an appropriate strategy that is able to outdo the competitors.

ACKNOWLEDGEMENT

Assalamualaikum w.b.t.

Alhamdulillah. Thanks to ALLAH S.W.T. the Most Merciful, in guiding us and giving us full strength to complete this Undergraduate Project (HTM655). We managed to complete this thesis even after weathering some challenges. We would not have been able to do this without some help from our supervisor, coordinator, families, and friends.

First of all, a big thank you to our supervisor, Madam Fauziah binti Deraman, for her constant guidance and help for us to complete this proposal. In addition, our utmost gratitude for being very patient along the journey while we work on this thesis and for sacrificing your time to advise us on the content of this thesis writing. Moreover, we would like to extend our gratitude to Madam Jazira Binti Anuar @ Mohd Noor, as our coordinator, who has helped us tremendously through her valuable recommendations.

Next, thank you to our parents for always supporting us in finishing this report and for providing endless motivation. Not to forget, our fellow friends for their support and the sharing of ideas and information along the journey. Again, it is thanks to everyone who have helped us directly or indirectly in completing this report. Without them, we would not have been able to make it this far. Last but not least, we want to apologise if there is any mistake that we have made during the learning session. We are convinced that all this experience and knowledge will be useful in the future.

Thank you.

TABLE OF CONTENT

CHAPTERS	CONTENTS	PAGES
	AUTHOR DECLARATION	i-ii
	ABSTRACT	iii
	ACKNOWLEDGEMENT	iv
	TABLE OF CONTENT	v-vi
	LIST OF FIGURES	vii
	LIST OF ABBREVIATION	viii
1	INTRODUCTION	
	1.0 Overview	1
	1.1 Background of the Study	1-3
	1.2 Problem Statement	3-4
	1.3 Research Objectives	5
	1.4 Research Questions	5
	1.5 Significance of Study	6
	1.6 Limitation of Study	7
	1.7 DEFINITIONS OF KEY TERMS	
	1.7.1 <i>Customer Satisfaction</i>	7
	1.7.2 <i>Restaurants</i>	7
	1.7.3 <i>Price</i>	8
	1.7.4 <i>Service Quality</i>	8
	1.7.5 <i>Restaurant's Environments</i>	8
2	LITERATURE REVIEW	
	2.0 Overview	9
	2.1 Restaurant Trends	9
	2.2 Customer Satisfaction	10-11
	2.3 Factors That Influence Customer Satisfaction	11
	2.3.1 <i>Price</i>	12-13
	2.3.2 <i>Service Quality</i>	13-14
	2.3.3 <i>Restaurant Ambiance</i>	14-15
	2.4 Theoretical Framework	15
	2.5 Summary	16

3	METHODOLOGY	
	3.0 Overview	17
	3.1 Research Design	17
	3.2 Data Collection Procedure	18-19
	3.3 Research Ethic Consideration	20
4	RESULTS & DISCUSSIONS	
	4.0 Overview	21
	4.1 Factors That Influence Customer Satisfaction Towards Restaurants in Malaysia	21-23
5	CONCLUSIONS AND RECOMMENDATIONS	
	5.0 Overview	24
	5.1 Recommendations	24-25
	5.2 Conclusions	25
	APPENDICES	26-27
	REFERENCES	28-30