

UNIVERSITI TEKNOLOGI MARA

FACULTY OF ADMINISTRATIVE SCIENCE AND POLICY STUDIES



**FACTORS AFFECTING CUSTOMER SATISFACTION AMONG
STUDENTS IN FAST FOOD RESTAURANT AT SUNGAI
PETANI**

NOR KARTINI BINTI HAMIDUN

2017700535

NURUL SHUHADA BINTI MOHAMMAD

2017951795

DECEMBER 2019

DECLARATION

We hereby declare the work contained in this research report are our own except those which have been duly identified and acknowledge. If I am later found to have plagiarized or to have committed other forms of academic dishonesty, action can be taken against us under the Academic Regulation of Universiti Teknologi Mara (UiTM).

Signed by,



NOR KARTINI BINTI HAMIDUN
(2017700535)



NURUL SHUHADA BINTI MOHAMMAD
(2017951795)

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION.....	1
1.0 Introduction.....	1
1.1 Background of study.....	1
1.1.1 Fast food scenario in Malaysia.....	1
1.1.2 Emergence of fast food in Sungai Petani.....	3
1.1.3 Prospective of customers.....	4
1.2 Problem statement.....	6
1.3 Research questions.....	7
1.4 Research objectives.....	7
1.5 Scope of the study.....	8
1.5.1 Level.....	8
1.5.2 Time.....	8
1.5.3 Territory.....	9
1.6 Significance of the proposed study.....	9
1.6.1 Body of knowledge.....	9
1.6.2 To assist the researchers in understanding factors affecting customer satisfaction in fast food restaurant.....	9
1.7 Definition of terms, terminology and concepts.....	10
1.7.1 Fast food.....	10
1.7.2 Customer satisfaction.....	11
1.7.3 Food quality.....	11
1.7.4 Price.....	12

1.7.5	Physical environment.....	13
1.8	Conclusion.....	13
CHAPTER 2: LITERATURE REVIEW & CONCEPTUAL FRAMEWORK.....		14
2.0	Introduction.....	14
2.1	Customer satisfaction.....	14
2.2	Factors related to the study.....	16
2.2.1	Food quality.....	16
2.2.2	Price.....	19
2.2.3	Physical environment.....	22
2.3	Conceptual framework.....	24
2.3.1	Relationship between food quality and customer satisfaction.....	25
2.3.2	Relationship between price and customer satisfaction.....	26
2.3.3	Relationship between Physical Environment and Customer Satisfaction.....	27
2.4	Conclusion.....	28
CHAPTER 3: RESEARCH METHOD.....		29
3.0	Introduction.....	29
3.1	Research design.....	29
3.2	Unit/level of analysis.....	30
3.3	Population.....	31
3.4	Sample size.....	31
3.5	Response rate.....	32
3.6	Sampling techniques.....	32
3.7	Measurement/instrumentation.....	33

ABSTRACT

Building customer satisfaction is considered to be a key priority for business success. Therefore, determining the factors that affect customer satisfaction is important. The purpose of conducting this research project is to examine the factors of food quality, price and physical environment that influenced customer satisfaction among undergraduates towards fast food restaurant in Sungai Petani. Primary data were collected through survey questionnaires for this research purposes and 190 sets of questionnaires were distributed to the target respondents which are undergraduates from Universiti Teknologi Mara (UiTM) Kedah. The collected data were analyzed using Statistical Package for Social Science (SPSS) version 22.0, data collected through survey questionnaires are able to be analyzed and results obtained are discussed in the form of tables. In addition, major findings of this research project were discussed in order to understand the relationship between food quality, price and physical environment towards customer satisfaction in fast food restaurant. The findings indicated that food quality is the most influencing factor and has a significant positive effect on customer satisfaction. Moreover, the findings revealed that price and physical environment also have significant positive effects on customer satisfaction. These findings provide useful suggestions and guideline for the service provider in fast food restaurant industry and confirm the importance of the selected factors in affecting customer satisfaction. On the other hands, the limitations faced in this study will be addressed and recommendations will be developed to assist future researchers in managing these limitations.