



UNIVERSITIES STUDENTS' SATISFACTION AND LOYALTY
TOWARDS
FAST FOOD FRANCHISES RESTAURANTS SERVICE QUALITY
IN
KOTA SAMARAHAN

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ABSTRACT

The Food Service Quality is a topic that has been discussed over the years. Unproductive levels of food service quality can affect customers' level of satisfaction and loyalty. The main function which restaurant members must perform is the delivery of quality service to its customers. This study is focusing on identifying the relationship between fast food franchises service quality, and universities students as the customers satisfaction and loyalty. The dimensions of the service quality have been discussed which are, Tangible, Empathy, Assurance, Responsiveness and Reliability. The better the services, the more satisfied and loyal customers that can be gained. A total of 200 questionnaires have been distributed around universities in Kota Samarahan which are Universiti Teknologi MARA (UITM) and University Malaysia Sarawak (UNIMAS) and already been analyzed using Statistical Package for Social Science (SPSS) and also have been discussed. Even though the result has been analyzed and discussed, the service quality provided are still at the moderate level. In addition of the survey results, the findings also contain several recommendations that should be taken into consideration by the fast food franchises restaurants. For future studies, the dimensions can be changed to others that other researcher fined it suitable to be used. The researcher hopes it will give several benefits to all parties.

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Competition in the fast food market is growing and success depends more and more on customer retention. Therefore, service improvements are the key to competitive success. To succeed in different countries, fast-food providers must adapt themselves to local preferences (Qin et al., 2010). Indeed, despite a more and more globalized world, customers have differing needs and perceptions. Although, causes of satisfaction and dissatisfaction can sometimes be generalized, there are some variations according to cultural background. Therefore, it is important to identify the specific characteristics of culturally diverse markets (Brady et al., 2001).

The way that service quality and meal quality which are fast foods perceived by consumers will influence customers satisfaction and that will bring towards their loyalty. Plus, customers' loyalty is the one of the factors that will bring the business to success and profitable in the future. As mentioned by Bowen and Chen (2001), there are three distinctive approaches to define loyalty which are:

- (1) Behavioral (consistent, repetitious purchase behavior);
- (2) Attitudinal (emotional and psychological attachment); and
- (3) Composite (a combination of the first two dimensions and the measure of the loyalty by customers' preferences, repeat patronage, word-of-mouth, propensity of brand-switching).

Service quality has given a direct impact on customer satisfaction and indirectly, it also affecting the customers' loyalty towards that organizational body. However, there are several more factors that needed to be taken into account such as impact on firm's image, perceptions on price fairness and others. A complete picture is essential in order to truly deliver what customers desire based on their cultural background and also their lifestyle.

For this research, all fast-food franchises in Kota Samarahan will be chosen. Universiti Teknologi MARA (UiTM) and Universiti Malaysia Sarawak (UNIMAS) will be chosen as both of universities are located in Kota Samarahan. The goal is to investigate the university students'