

**UNIVERSITI TEKNOLOGI MARA
CAWANGAN TERENGGANU
KAMPUS DUNGUN**

FACULTY OF HOTEL & TOURISM MANAGEMENT

**FACTORS THAT CONTRIBUTE CUSTOMERS' PREFERENCE IN SELECTING A
RESTAURANT**

**NUR ATIKAH BINTI ABDUL RAHMAN (2015229968)
NUR SYAKIRAH BINTI CHE NORAZMAN (2015430824)**

This undergraduate report (HTM655) submitted in partial fulfillment of the requirements for
the degree of

**BACHELOR OF SCIENCE (HONS) IN HOTEL MANAGEMENT – HM240, Universiti
Teknologi MARA (UiTM), MALAYSIA**

JULY 2018

ACKNOWLEDGEMENT

In the name of Allah, praise be to Allah SWT for giving us the strength, health, and bestow us the ideas to accomplish this report. Hence, we were able to complete this report within given time. This report had been fruitful done although there were a few problems encountered amid preparing this report.

We would like to thank our lecturer who deserves my greatest gratitude, Mr Mohd Hazrin Iman Noorkhizan, supervisor of Undergraduate Project (HTM655) for giving his full support, encouragement and guidance in doing this assignment. His expertise and suggestions have contributed immensely in the completion of this coursework. Without his help, we won't be able to catch up the time in completing this report.

Full support from our partner and family members will not be forgotten as they keep on motivate us. With the blessing and encouragement from them, we managed to accomplish our work and studies.

Table of Contents

ACKNOWLEDGEMENT.....	i
CHAPTER ONE : INTRODUCTION	1
1.0 Background of the Study	1
1.1 Problem Statement.....	2
1.2 Objectives of the Study.....	4
1.3 Research Questions.....	4
1.4 Significance of the Study	4
1.5 Definition of Terms.....	5
CHAPTER TWO : LITERATURE REVIEW.....	7
2.0 Overview.....	7
2.1 Accessibility / Location	7
2.2 Ambience	8
2.3 Food	9
2.4 Price	11
2.5 Service.....	12
2.6 Theoretical Framework.....	13
CHAPTER THREE : RESEARCH METHODOLOGY.....	14
3.0 Overview.....	14
3.1 Research Design.....	14
3.2 Data Collection Procedure	14
3.3 Plans for Data Analysis.....	15
3.4 Research Ethic Consideration.....	15
3.5 Time Frame.....	15
CHAPTER FOUR : DISCUSSION & CONCLUSION.....	17
4.0 Overview.....	17
4.1 Discussion.....	17
4.2 Conclusion	18
CHAPTER FIVE : LIMITATION & RECOMMENDATION.....	19
5.1 Limitation.....	19
5.2 Recommendation	19

LIST OF REFERENCES.....20

LIST OF TABLES

Table 1 Gantt chart
Table 2 Result from the study by Kalpana (2015)

CHAPTER ONE : INTRODUCTION

1.0 Background of the Study

There are a lot of restaurants in Malaysia. According to Department of Statistics Malaysia (2015), there were 167,490 establishments of food and beverage services in Malaysia. In Malaysia, for sure, you will never run out of ideas to find the right restaurant whether street foods, fancy restaurants, mamak stalls or fast food restaurants (Sin, 2017). Malaysia also called as a food heaven for a reason (Sin, 2017). There are different types of restaurant which have different factors that can contribute customers in selecting the restaurant.

Nowadays, dining at the restaurant is no longer a strange thing for Malaysian people. According to Khazanah Research Institute (2015), it has been found that the trend of dine out amongst Malaysians had almost doubled in the last three decades. "Statistics show that in the average household expenditure on food away from home out of total household expenditure monthly has seen doubled from 4.6% in 1973 to nearly 9 % in 2010," Khazanah said.

Malaysians people love to eat outside because cities like Kuala Lumpur have offer many things in terms of diversity of cuisines (The Star Online, 2014). This is because of the several of food in Malaysia regardless of its appearance or way of serving, have successfully makes people want to try the food. It is also might be some factor that can contribute in customers' preference of selecting the restaurant.

The meaning of preference is "refer to certain characteristics any consumer wants to have in a good or service to make it preferable to him. This could be a level of happiness, degree of satisfaction, utility of the product, etc. Preferences are the main factors that influence consumer demand." (The Economic Times).