



IMPORTANCE AND ROLE OF SERVICE QUALITY AND CUSTOMER SATISFACTION IN RESTAURANTS

Dr. Goldi Puri

Associate Professor, Institute of Hotel and Tourism Management, M.D. University, Rohtak, Haryana, India.

Abstract

It is crucial to concentrate on service quality if you want to have a significant position in the market. According to Narangajavana & Hu (2008), it is very difficult for a restaurant to exist if a customer is not satisfied with the caliber of service they receive from the establishment. Gilbert et al. (2004) looked into what factors contribute to restaurant patron retention. The study's findings revealed that in order to boost restaurant profits and keep patrons while competing fiercely for business, restaurants must provide excellent customer service.

Contrarily, if patrons are unsatisfied with the caliber of services offered by the restaurant, they may either leave or find another establishment to eat at. According to Markovic et al. (2013) Prmudito (2020), it is crucial for the restaurant management to effectively utilize the service quality dimensions in the restaurant and to meet patron expectations in order to promote restaurant growth and optimize profit. Customers can choose a restaurant based on a variety of factors related to their previous eating experiences.

Keywords: *Service Quality, Customer Satisfaction, Importance, Restaurants.*

Introduction

Customers are satisfied, according to Bruhn & Georgi (2006), when their perceptions of the service exceed the level of their expectations, while they become dissatisfied when the service falls short of their expectations. According to Khan et al.'s (2012) study, customer satisfaction occurs when they are satisfied, while customer dissatisfaction happens when their expectations are not met.

Importance of Service Quality

In accordance with Bruhn & Georgi (2006), a client is dissatisfied when the service falls short of their expectations and is satisfied when their perceptions of the service exceed the bounds of their expectations. According to Khan et al.'s (2012) study, customers are satisfied when they are happy, and they are dissatisfied when their expectations are not met and they are disappointed.

According to Kotler et al. (1996), the study's findings showed that a company's services are judged on how well they meet customers' expectations. Additionally, Williams & Buswell (2003) noted that when clients receive services that meet or surpass their expectations, they are satisfied. Customer pleasure is equivalent to perception, and expectation is equivalent to perception. It is indicated as:

Customer satisfaction = Perception = Expectation.

Customer satisfaction refers to one's perception of the services that customers have gotten. During or after the service delivery process, the evaluation of the received service is evaluated (Zeithaml et al., 1990) Jensri et al., (2020); Prmudito (2020); Seetanah et al., (2020).



According to Oliver (1997), the findings show that "negative disconfirmation occurs when the service is worse than expected, similarly positive disconfirmation consists of when the service is better than expected, and simple confirmation occurs when the service is as was expected". Customers are considered satisfied when their expectations for restaurant services are met or exceeded, according to Reid & Bojanic (2006).

According to Kotler & Keller (2008), a customer's level of satisfaction is determined by how well or poorly their expectations were met by a product's perceived performance or result. Customers' levels of satisfaction differ from one another and depend on a variety of factors, including their demands, past experiences, and other factors. Customers' post-purchase evaluation of the service they experienced from a restaurant indicates whether they were satisfied or dissatisfied. It could be described as $Satisfaction = Perception\ of\ Performance - Expectations$ (Oliver 1980).

Importance of Customer Satisfaction

Customers are the fundamental building blocks of any organization, according to Khan et al. (2012). In the food service industry, customers are crucial to the success of restaurants, thus it is crucial for a restaurant manager to comprehend their requirements and preferences as well as to deliver top-notch services. Customers who are satisfied serve as brand ambassadors for your business without being compensated for their free word-of-mouth promotion of your restaurant.

According to Bansal and Gupta's (2001) research, happy customers are more likely to recommend a restaurant's services to five or six other people. On the other side, a disgruntled consumer tells ten people about their negative experience. It is crucial that clients are entirely satisfied because partial satisfaction is not enough. Customers that are completely happy become loyal, make repeat purchases, and frequent the restaurant. So, a restaurant's growth is significantly influenced by customer satisfaction (Hoyer & MacInnis, 2001).

According to Kotler et al. (1996), it is more cost-effective to keep current consumers than to find new ones. Cooper (2008) claimed that the cost of acquiring new consumers is five times more than the cost of keeping current ones by offering top-notch services. As competition rises, happy customers not only make repeat purchases but also recommend the company's goods or services to others through word-of-mouth marketing, which leads to business expansion. Highly delighted clients are devoted to the business; they not only make further purchases but also recommend the restaurant's services to others (Williams & Buswell, 2003) Jensri et al., (2020); Meng & Cui 2020; Prmudito (2020); Seetanah et al., (2020).

According to Bowie & Buttle (2004), it is more expensive for a restaurant to bring in new customers than it is to keep its current clientele. Customers who are dissatisfied with restaurant service are more likely to tell others about their bad experiences than those who are happy with the treatment. In the food service industry, consumer satisfaction is crucial to business growth.

Review of Literature

Service Quality and Customer Satisfaction

The Indian economy serves as an excellent foundation for the food and beverage service sector. Both Indian and foreign companies are actively eyeing the potential market for quick service foods. Indian firms are also expanding quickly and providing healthy competition to foreign brands. With each



passing year, the Indian food and beverage service business advances. Chain restaurants from domestic and foreign companies are expanding, improving services for patrons, and working to keep them. Restaurant managers are more focused on enhancing client satisfaction and service quality than they are on understanding market conditions and competition.

According to Narangajavana and Hu (2008), it is extremely difficult for a restaurant to remain in the current competitive market if it does not provide good quality services to its patrons. According to Shaikh (2009), there is a direct correlation between customer satisfaction and service quality. Customer satisfaction is mostly influenced by the caliber of the restaurant's services. Services are mostly associated with the delivery process because they are intangible in nature 2007 (Seyanont).

The fundamental challenge in establishing accurate standards for service quality control is the interdependence of service production and consumption. One of the main reasons why restaurant owners fail to put enough emphasis on customer pleasure is because services are perishable, indivisible, intangible, and heterogeneous. As a result, it is challenging to maintain service quality. The satisfaction of patrons who are dissatisfied with the caliber of the restaurant's service is of more concern to restaurant managers.

In their study, Jones & Sasser (1995) found that there are differences between fully satisfied customers and satisfied customers in general. In terms of repurchasing corporate items, entirely satisfied customers are more devoted and do so more frequently than satisfied customers. Managers should go above and above to give their clients outstanding services if they want to keep them, gain their loyalty, and raise their satisfaction. Customers have many options when deciding where to eat out because of the intense rivalry in the restaurant industry.

Properties that are unable to please their visitors will experience a decline in business. In order to differentiate a product and keep customers coming back for more, customer satisfaction and service quality are crucial. One of the biggest challenges for managers in the restaurant industry is to keep customers happy and provide good service.

Negi, J. (2004) states that you may find many restaurants with a broad variety of menus in metro areas, tourist destinations, super markets, multiplexes, malls, and metro stations. The majority of restaurants employ qualified or competent workers, and their attractive features include high-quality furniture and décor, china, cutlery, and tablecloths, as well as a diverse menu. However, there are a lot of restaurants that lack sufficient kitchen space and washing facilities. They lack adequate pantries, sculleries, and public room amenities. They also lack a functioning kitchen. The majority of these conventional restaurant styles make use of every square inch of area for dining patrons.

All of these eateries update and upgrade their locations. Additionally, the local/state government authorities must exert effective control to ensure that no new restaurants are licensed in the future if they lack the bare minimum of amenities, including enough room for a kitchen, pantry, and scullery that is well ventilated. This issue needs to receive special attention from the state and local governments. A restaurant won't draw customers if its dining area is tastefully furnished but its kitchen is inadequately stocked and unclean.



Plans for the kitchen, pantry, and scullery must receive careful consideration from the restaurant proprietors. The (HRACC) Hotel Restaurant Approval Classification Committee (1963) stated that "there should be a periodic surprise checks from health authorities and no new restaurants which do not possess adequate wash room facilities for gents and ladies separately or whirlpool baths due to the unhygienic conditions in the kitchen pantries and wash rooms in most restaurants leave much to be desired and since the unhygienic kitchens may prove to be dangerous to the health of the customers."

Oakland (2000) Defining quality is a method of monitoring business operations to guarantee total customer pleasure. According to Parasuraman et al. (1985, 1988), the gap between customer perception and expectation can be used to measure a company's service quality.

Service Quality (SQ) = Perception (P) – Expectation (E)

Syed Saab Andaleeb asserts that "service quality could be a full family album of a restaurant performance and customer satisfaction is only one photo of an album." A product or service is said to qualify by David Garvin if it satisfies standards, or perhaps we might say that it receives the highest standard.

Conclusion

Service quality, according to Grönroos (1990), is "the outcome of an assessment procedure where the customer compares his expectation with the service offered by the service provider that he perceives he has received." Though expected service is used to compare perceived service. The result of comparing a customer's past expectations with the service they actually received from a service provider is service quality.

According to Zeithaml (2000), service quality is the discrepancy between what a customer expects and what they actually think after using a restaurant's or company's services. Customer perception of a service's overall performance is known as perceived service quality. The 'SERVQUAL' instrument, created by Parasuraman et al. (1985, 1988), measures five dimensions of service quality using 22 variables. They are Responsiveness, Empathy, Assurance, Tangibles, and Reliability.

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