Service Quality in Restaurants: Customers' Expectation and Customers' Perception

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Abstract – The service quality is multidimensional concept which contains a set of diverse attributes grouped in several dimensions. This paper researches the quality of service in restaurants in the Republic of Macedonia. A questionnaire was designed based on three models, SERVQUAL, DINESERV and CFFRSERV, with 29 attributes and distributed in six dimensions. The overall SERVQUAL score is negative. Moreover, all service quality dimensions are with a negative gap, which indicates that the expectation level of service quality in restaurants is higher than the perception level of it.

Keywords – service quality, satisfaction, perception, restaurants.

1. Introduction

According to the statistical data in R. Macedonia, most of its employees are in the service industry, around 53% of the total number of employees in the country, which is higher than the number of employees in the industry and agriculture [1]. The service quality is of high importance in every service industry. More precisely, service industry is one of the industries where the service quality has an essential role for development and advancement.

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According to Hirmukhe, J. (2012), service quality has three very important characteristics: service quality is much more difficult to measure than the goods quality; perception quality rises from the customers' expectations and perceptions of the actual service; and service quality is reflected in the gap between the expectations and perceptions of service experience [2].

Few researches have been done on the quality service in the hotel industry in R. Macedonia. Since the number of hospitality businesses is increasing on an annual base, and so is the employment in it, the need for such research is necessary. Given that the number of hospitality establishments in 2010 was 1914 and in 2015 was 2084, it can be stated that the hospitality entities grew by 8.9% [3]. This contributes to great competition, which implies the necessity of constantly monitoring the service quality and the customers' satisfaction as an essential element for survival on the market. Short literary review is given at the beginning of the paper, followed by the research methodology. The results are presented at the end of the paper with a brief discussion and concluding observations of service quality in restaurants.

2. Literary review

Providing excellent service quality in the hospitality industry and achieving a high level of customer satisfaction is an important issue for maintaining the existing facilities and the opportunity to improve the service quality. Many researchers have explored the service quality and defined it as a value obtained by comparing the perception of customers with the service quality and their expectations for it [4], [5].

Parasuraman, A. (1985) conducted in-depth interviews in four service firms to develop a conceptual model of service quality. It has been determined that despite the specificities of certain services, a general model for service quality can be developed, the GAP model. There are several gaps between customers' perception and customers' expectation for quality service [6].

The same researchers in 1988 suggested the SERVQUAL model for measuring the service quality, which later became the most useful and the most recognizable model for measuring it. At the beginning, the SERVQUAL scale had 97 attributes grouped in 10 dimensions, but later after purifications, the service quality was rated by 22 attributes grouped in five dimensions: tangibles, reliability, responsiveness, assurance and empathy [7].

Stevens, P. in 1995 after the modification of SERVQUAL and LODGSERV models, has assessed the service quality in different types of restaurants using the DINESERV model. This model includes 29 attributes grouped in the five original SERVQUAL dimensions [8].

The DINESERV model is widely used to assess the service quality in the restaurant industry. The disadvantages of the DINESERV model and SERVQUAL model is the absence of a dimension that measures food quality, one of the most important indicators in assessing the overall customers' experience of restaurant services.

CFFRSERV is a model that includes the dimension of food quality and was created based on a modified DINESERV scale which contains 26 attributes grouped in 6 dimensions: assurance and empathy, cleanliness, food, responsiveness, reliability and tangibles [9].

The restaurant service quality is complex and difficult to evaluate, since assessment is done not only on the result of the service, but also on the process of service delivery. Many researchers stressed out that service quality is the difference between the value obtained from customers' expectations and the value from their perceptions of the actual performance of the services.

3. Methodology of research

This paper identifies the current state of the service quality in restaurants by analyzing customers' expectation and perception by applying questionnaires. The restaurants are chosen on the bases of: location, number of employees, available space for the customers of services and restaurants who have been working for at least a year and already have a standardized process of working. The survey was conducted in seven different types of restaurants from which 3 are casual restaurants, 2 are pizza restaurants and 2 fast food restaurants located in the Republic of Macedonia. The research was conducted based on three models: SERVQUAL, DINESERV and CFFRSERV with 29 attributes divided into 6 dimensions: tangible, reliability, food quality, responsiveness, assurance and empathy. The questionnaire applied in the research consists of 3

parts. The first part contains customers' data, including sex, age, education, employment, monthly income and prior visit to the restaurant. The second and the third part of the questionnaire examine the expectations and the perceptions of customers based on 29 attributes by applying the Likert's scale of five values grading as: "Strongly agree=1" to "Strongly disagree=5". There were 360 questionnaires distributed in total, from which 304 were filled.

4. Data analysis and results

Demographic profile of the respondents

Table 1. shows the demographic characteristics of 304 customers in the restaurants. The total number of surveyed customers is 304; from which 162 are men (47%) and 142 are women (53%). The percentage of gender representation is similar to the results from similar surveys [10], [11].

Given that 82% of customers are younger than 40 years old, it can be stated that these types of restaurants are visited by a younger generation. Moreover, most of them are between 21 and 30 years, representing 29% of the total number of customers. Customers with over 61 year represent the smallest percentage, or 3% of the total number. Most of the customers are with university degree (47%) and 40% are with high school education. In addition, most of the customers are employed (66%) and 38% of the customers are with monthly income between 15,000 and 30,000 MKD. Most of the customers visit the restaurants once to twice in a month (40% of the total number). Therefore, it can be concluded that restaurant customers are mostly young people who are financially independent, and that consuming food outside of home is part of their daily routine [12].

Table 1. Demographic characteristics of customers

	No.	%		No.	%	
Gender			Education			
Male	162	47	Primary	0	0	
			school			
Femal	142	53	High school	121	40	
e						
			University	11	<u>47</u>	
			degree			
			Master's	36	12	
			degree			
Age			PhD studies 3 1			
≤20	80	26	Monthly income			
21-30	89	<u> 29</u>	To 5.000	78	26	
			MKD			
31-40	82	27	5.000-15.000 88		29	
41-50	33	11	15.000- 11		<u>38</u>	
			30.000			
51-60	12	4	Over 30.000	22	7	

≥61	8	3	Previous visits to the restaurant		
Employment status			Never	8	3
Studen t	74	24	Every day	0	0
Unem ployed	26	9	1-2 weekly	33	11
Emplo yed	201	<u>66</u>	1-2 times per 2 weeks	65	21
Retire d	3	1	1-2 times a month	121	<u>40</u>
			1-2 times a year	77	25

Descriptive and bivariate analyses

To analyze the customers' data, an arithmetic average value was determined for each attribute of

the questionnaire and in the total for all restaurants in relation to customers' expectation and perception for service quality. To determine the key attributes and their connection with customers' expectation are used gap analysis (gaps) - according to the SERVQUAL method, which determines the difference between the perceived and the expected service quality. The significance of the expected and the perceived service quality on individual attributes is performed using the t-test for independent samples at the level of significance at 0.01 and the number of degrees of freedom df=N-2=606. The processing of the results was performed using the software package Statistic 10.

Table 2. shows the average value for the respondents' expectations and perceptions of service quality, gap score for individual attributes (SERVQUAL scores) and t-test values for independent samples.

Table 2. Arithmetic average value of expectations and perceptions, SERVQUAL scores for individual attributes and t-test values

No.	Service quality attributes	Mean of perception	Mean of expectation	SERVQUAL scores	t-test
1.	The restaurant has visually attractive parking areas and building exteriors.	3,61	3,76	-0,15	1,712
2.	The restaurant has visually dining area.	3,61	3,84	-0,24	*2,830
3.	The restaurant has appropriate, decent and neatly dressed employees.	3,99	4,02	-0,03	0,356
4.	The restaurant has a menu that is easily readable.	3,91	4,15	-0,24	*3,137
5.	Dining space is spacious and comfortable.	3,61	3,99	-0,38	*5,076
6.	The restaurant looks clean and neat.	3,63	4,13	-0,5	*6,578
7.	The restaurant provides the service on time.	3,87	3,89	-0,02	0,256
8.	The restaurant quickly corrects everything that is wrong.	3,67	3,84	-0,15	2,009
9.	The restaurant is reliable and consistent in the service.	3,77	4,05	-0,28	*3,998
10.	The restaurant offers an accurate calculation of the guests.	4,21	4,3	-0,09	1,232
11.	The restaurant serves the food exactly as you have ordered it.	4,09	4,2	-0,11	1,432
12.	The food has a nice taste.	<u>4,49</u>	<u>4,61</u>	-0,12	2,047
13.	Food is served at an appropriate temperature.	4,22	4,49	-0,27	*4,325
14.	Food is fresh.	4,11	4,22	-0,11	1,522
15.	The choice of food is different.	4,02	4,11	-0,09	1,324
16.	Food is served in good portions.	4,03	4,39	<u>-0,36</u>	1,521
17.	During the busy hours the restaurant provides the service at the promised time.	3,68	4	-0,33	*4,217
18.	The restaurant provides quick service.	3,62	3,82	-0,19	2,427
19.	The restaurant gives extra effort to handle your special requests.	3,48	3,49	-0,02	0,205
20.	Employees should always be ready to help.	3,56	4,07	-0,51	*6,817
21.	Staff should be loyal and honest.	3,55	4,07	-0,52	*6,808
22.	Staff should be polite.	3,49	3,99	-0,5	*6,642
23.	The restaurant has staff who are both able and willing to give you information about menu items, their ingredients, and methods of preparation.	3,38	3,68	-0,3	*3,905
24.	The restaurant has staff that look educated, competent and experienced.	3,45	3,54	-0,09	1,132

25.	The restaurant has employees who have time for your individual		3,64	-0,03	0,408
	wishes.				
26.	The restaurant makes you feel special.	3,55	3,64	-0,1	1,296
27.	The restaurant provides your individual needs and requirements.		3,72	-0,4	*5,310
28.	The restaurant has employees who are sympathetic and calm		4,05	-0,48	*6,031
	when something is wrong.				
29.	The restaurant seems to have the customers' best interests at		4,15	-0,58	* <u>7,391</u>
	heart.				
	Average:	3,75	3,99	-0,24	

Significance level p < 0.01

The average value of the score of the customers' perceptions ranges from 3.32-4.49 with total mean 3.75, and the average values of the customers' expectations range from 3.49-4.61, with a total mean of 3, 99 on the scale from 1 to 5.

The attribute no.12, "food has a nice taste", has the highest value for customers' perception and expectation of service quality. The attribute no.27, "the restaurant provides your individual needs and requirement", has the lowest value in terms of customers' perception. The attribute no.19 "the restaurant gives extra effort to handle your special requests" has the lowest assessment in relation to the expectations of service quality. All attributes have a negative SERVQUAL score and the overall average SERVQUAL score is -0.24, which means that customers' expectations are greater for the service quality in the restaurants.

The attribute no.29, "the restaurant seems to have the customers' best interests at heart" and attribute no.28, "the restaurant has employees that are sympathetic and calm when something is wrong" have the biggest negative gap, -0.58 and -0.48 respectfully. This indicates that the consumers' expectations regarding service quality at restaurants for these two attributes are greater than their perception of them.

Attributes no.7 "the restaurant provides the service on time" and no.19 "the restaurant gives extra effort to handle your special requests" have the smallest SERVQUAL score of -0.02, which means that the expectations for the service received by customers is close to their perception of it.

It is interesting to note that the difference between the perceived and the expected service quality for customers is statistically insignificant (t-test, p <0.01) for many attributes which confirms that the perceived service is within their expectations.

The average SERVQUAL value for all six dimensions of service quality in restaurants is calculated in Table 3. Moreover, all values of the dimensions are negative. The fifth dimension, *"assurance*", which applies to the ability to gain guest trust, provides financial security and accuracy and it is with the highest negative value of -0.39. This shows that the expectations of customers

regarding this dimension of service quality in restaurants are higher than their perceptions that leaves space for correction and improvement from restaurant managers and employees, which were the subject of this research.

The "reliability" dimension, which includes attributes aiming at the consistency to provide service with accuracy and timeliness, has the smallest negative value of -0.13. Furthermore, the "food quality" is another dimension with small negative value of -0.14, which means that the perception and satisfaction of customers do not differ much in these two dimensions.

Table 3. Average service quality score for all dimensions

Dimension	Number of attributes	Average SERVQUAL score
1. Tangible	1-6	-0.26
2. Reliability	7-11	<u>-0.13</u>
3. Food quality	12-16	-0.14
4. Responsiveness	17-19	-0.18
5. Assurance	20-24	<u>-0.39</u>
6. Empathy	25-29	-0.32

Table 4. represents the weighted SERVQUAL values by individual dimensions and overall average weighted SERVQUAL score for the service quality in restaurants. Average weighted SERVQUAL value is derived from value given by importance from customers multiplied with the average SERVQUAL value individually for every dimension.

The "reliability" dimension has the smallest value (-0.02), and the "assurance" dimension has the highest value (-0.05), which proves the previous results for average SERVQUAL score for every dimension. Of highest importance for the service customers is the" food quality" dimension with value of 0.26. The total weighted SERVQUAL score has value of -0.21 showing that the expectations of customers for service quality in restaurants are higher than their perception for it.

Table 4: Average weighted SERVQUAL score by individual dimensions and overall average weighted SERVQUAL score for service quality in restaurants

Quality dimension	Average SERVQUAL score	Value given according to the importance of the dimension / 100	Weighted average SERVQUAL score	
1. <i>Tangible</i> , elements in restaurant, equipment, personnel, menu etc.	-0.26	0.16	-0.04	
2. Reliability, restaurant trust to secure the promised service with accuracy, consistency etc.	<u>-0.13</u>	0.18	<u>-0.02</u>	
3. <i>Food quality</i> , fresh and tasty food, served in good portions	-0.14	0.26	-0.04	
4. Responsiveness, readiness to help guests	-0.18	0.17	-0.03	
5. Assurance, the ability to gain guest trust, financial security and accuracy	<u>-0.39</u>	0.13	<u>-0.05</u>	
6. <i>Empathy</i> , providing individual customers' requirements, satisfying different needs and wants, the restaurant is in the guests' best interest	-0.32	0.10	-0.03	
Overall average weighted SERVQUAL score				

5. Conclusion

Customers' perception for service quality is an important element for restaurant sustainability, and hence the necessity of continuously following their satisfaction from the service. The applied questionnaire with 29 attributes gave important information for the service quality in restaurants. The average value of perception of service quality is 3.75, and the average value of expected quality is 3.99 on a scale from 1 to 5.

According to the expectations from service customers, the attributes 12, 13, and 16 from the "food quality" dimension have the highest value, which proves that this dimension is the most important one when it comes to the restaurant service [13], [14], [15].

According to the customers' perception for the service, the attributes 10, 12, and 13 from the "reliability" and "food quality" dimensions have the highest values, meaning that the service received is within their expectations. Average SERVQUAL score for all six dimensions is with negative value. The fifth dimension, "assuranse", has the highest negative value, and the dimensions "reliability" and "food quality" have the lowest negative value.

The overall SERVQUAL score is -0.24, which shows that the total service quality is below the customers' expectations and there are opportunities for improvement specifically for those attributes with established significant statistical difference.

Numerous scientific papers prove the existence of negative value of service quality in service industry [16], [17], [18]. Moreover, the overall weighted SERVQUAL score has negative value which shows that the customer expectations for service quality in restaurants are higher that their perception for it. The "reliability"dimension has the smallest weighted value, and the "assurance" dimension has the biggest value, proving the previous results for average SERVQUAL score for every dimension.

This research determines the level of service quality in restaurants, followed by identification of dimensions with the greatest negative gap. The obtained results will help managers identify the deficiencies and monitor, improve, and eliminate them for better service quality in restaurants.

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