THE INFLUENCE OF SERVICE QUALITY ON THE POST-DINING BEHAVIOURAL INTENTIONS OF CUSTOMERS AT CARGO HOLD, USHAKA MARINE WORLD

by

THOBELANI NXUMALO

Submitted in partial fulfilment of the requirements for the degree of

MASTER OF MANAGEMENT SCIENCES: HOSPITALITY AND TOURISM MANAGEMENT

in the Department of Hospitality and Tourism, Faculty of Management Sciences,

Durban University of Technology

2017
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DECLARATION STATEMENT

I hereby affirm that this research dissertation constitutes my own work and that all sources I have used or quoted have been accredited and acknowledged by means of complete references. Furthermore, this research study has never been previously submitted in full or partial fulfillment of the requirements for an equivalent or higher qualification at any other educational institution.

Signed:..........................................

Thobelani Nxumalo

Date : ......................................
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First recognition goes to the Lord Almighty, I am thankful for the gift of life. He foreknew me, He predestined me and He is forever a light to my feet.

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ABSTRACT

The purpose of this research study was to investigate the influence of service quality on the post-dining behavioural intentions of customers in a fine dining setting. The National Restaurant Association (2014 as cited in Ruggless 2014: 20) stated that the fine dining restaurant segment is constantly losing out on the restaurant industry market share. In order to remain competitive, restaurants need to tender service that meets the expectations of customers, as perceived service quality affects post-dining behavioural intentions (Prayag, Khoo-Lattimore and Sitruk 2015: 27).

In an attempt to devise strategies to rescue the sinking fine dining restaurant segment, this research study developed a conceptual framework model and tested its paths through path analysis, using structural equation modelling. The research study modified a DINESERV scale to obtain primary data from respondents. The modified DINESERV attained a high reliability and validity score. It was further subjected to confirmatory factor analyses and all the KMO and Bartlett’s requirements for factor analysis were satisfied.

Data was collected by means of self-administered questionnaires at Cargo Hold restaurant after agreement was reached with the management team. The convenience sampling method of data collection was applied. Diners were only given the questionnaire upon receipt of their consent to participate in this study. A total of 400 survey questionnaires were distributed. However, only 361 were deemed suitable for analysis. These 361 usable survey questionnaires represent a 90.25% response rate for this research study.

Hypotheses were tested on a hybrid of structural equation modelling path analysis and Spearman’s correlation coefficients. The results showed a positive correlation between service quality and behavioural intentions, with customer satisfaction indirectly exerting a significant effect between these constructs. The research study concludes with implications and direction for future research.
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Chapter 1

Introduction

1.1. Overview

Recent studies on service quality have focused more on customer satisfaction, antecedents of service quality, perceived value, customer perceptions and customer expectations (Ha and Jang 2010; Keith and Simmers 2011; Tripathi and Dave 2014). Behavioural intentions and emotional responses have been rather overlooked. Service quality as an approach to managing business processes, is important to achieve complete customer satisfaction, which will ultimately result in positive post-dining behavioural intentions of customers and increased overall competitiveness of the restaurant industry.

This research study focuses on the correlations between service quality and behavioural intentions, with customer satisfaction as an antecedent of post-dining behavioural intentions. It seeks to investigate the influence of service quality on the post-dining behavioural intentions of customers. With limited to absence studies investigating the correlations between service quality and behavioural intentions, particularly in a state-owned entity, this research study is perceived to be of great value both to the academic world and restaurateurs.

This chapter states the purpose for undertaking this research and explains the significance thereof. It covers the background to the research problem; statement of the problem; research purpose and objectives; hypotheses; significance of the research; delimitations of the research; theoretical framework; methodology; and definitions of terms. As a final point, a sequential chapter outline is presented. The next section elaborates on the background of this research study.

1.2. Background to the research problem

Dining out is a global trend that has shaped and caused fierce competition within the restaurant industry. National Restaurant Association (2014 as cited in
Ruggless 2014: 20) projected the restaurant sales to reach $683.4b in the United States of America in 2015. In South Africa, a record R1.592m income was generated by the restaurant industry in 2012, with an annual growth rate of above 5% since 2009 (Statistics SA 2013 as cited in Dhurup, Mafini and Malan 2013: 284). In the face of ongoing global economic uncertainties, the restaurant industry is resilient and remains amongst the top employers in South Africa.

Despite the growth in the industry, the decline in the fine dining restaurant segment is a global challenge. Market segments for fine dining restaurants are constantly shrinking, as is the lifestyle of the target segments. Shrinkage in this segment can be attributed to redefined concepts by casual dining and quick service restaurants; increased customer expectations of service; and price consciousness (Cheng, Chen, Hsu and Hu 2012: 1156; Chin and Tsai 2013: 1171). Thus, service quality is the most important asset for survival in the fine dining restaurant industry (Chin and Tsai 2013: 1160). In agreement, Marković, Raspor and Dorčić (2011: 235) stated that focusing on service quality is a best approach to attain the competitive advantage and viable business performance.

Chang, Chen and Hsu (2010: 629) argued that “service quality is one of the primary issues in restaurant management, since it influences customers’ behavioural intentions”. In addition, Chang et al. (2010: 630) postulated that if customers recognise the quality of service a business offers, it will reflect on the repurchase behaviour of customers. In a competitive restaurant industry, service quality remains a critical determinant of competitiveness and survival in restaurants. This statement is more relevant for fine dining restaurants since service quality is the source of their competitive edge (Marković et al. 2011: 235; Keith and Simmers 2011: 30; Cheng et al. 2012: 1156).

Faced with harsh economic crises, fine dining restaurants have to master two critical components of business operations within the boundaries of the same facility, namely manufacturing and service (Koutroumanis 2005: 20). The manufacturing component is concerned with kitchen operations (superior food)
and design (exquisite atmospherics), while the service component is concerned with interactions in front of house (excellent service). Various authors concurred that these two critical components of business operations are the attributes of service quality in the restaurant industry context (Ramseook-Munhurrun 2012: 3; Wang and Chen 2012: 249; Chin and Tsai 2013: 1161).

1.3. Statement of the problem

The restaurant industry is a complex business with a high failure rate due to the lack of ability to secure repeat patronage by customers. In order to remain competitive, restaurants need to tender a service that meets the expectations of customers as perceived service quality affects post-dining behavioural intentions (Prayag, Khoo-Lattimore and Sitruk 2015: 27). Despite the growth of the restaurant industry during these tough economic times, the fine dining restaurant segment appears to be continuously sinking.

The National Restaurant Association (2014 as cited in Ruggless 2014: 20) stated that the fine dining restaurant segment attained only 10% of the total industry revenue, indicating a serious lack in the restaurant industry market share. The poor performance of the fine dining restaurant segment propels restaurateurs and academia to devise strategies and improvement plans to rescue and revive the sinking fine dining restaurant concept, hence, this research study.

1.4. Research Purpose and Objectives

1.4.1. Purpose

This research study aims to determine the influence of the three generic service quality dimensions, namely food, service and atmosphere on post-dining behavioural intentions of customers in a fine dining restaurant.
1.4.2. Objectives

The aim of the study will be measured through the following objectives:

- To ascertain the relationship between service quality and post dining behavioural intentions;
- To establish the importance attached by customers to the three dimensions of service quality from the fine dining perspective;
- To examine the impact of overall satisfaction on the post fine dining behavioural intentions of customers; and
- To theoretically validate the difference between perceived service quality and customer satisfaction.

1.5. Hypotheses

Based on the literature review of the study, the following hypotheses and empirical generalization were developed:

- Hypothesis 1: Food, service and atmosphere are highly and equally important to fine dining restaurant customers.
- Hypothesis 2a: There is a positive and direct correlation between service quality and behavioural intentions.
- Hypothesis 2b: Customer satisfaction mediates the link between these constructs indirectly.
- Hypothesis 3: Positive overall satisfaction triggers positive post dining behavioural intentions of customers.
- Hypothesis 4: Perceived service quality and customer satisfaction are mutually inclusive.
1.6. Significance of the research

This research study attempts to determine the correlations between service quality and behavioural intentions, with perceived service quality or customer satisfaction as a mediating variable. By conducting the research study in the restaurant industry, contribution will be made to existing literature in the field of hospitality and tourism: restaurant industry. Previous studies (Ladhari 2009; Ma, Qu and Njite 2011; Liang and Zhang 2011; Keith and Simmers 2011; Ramseyook-Munhurrun 2012; Wang and Chen 2012; Prayag et al. 2015) have examined the influence of service quality on the behavioural intentions of customers in the restaurant industry. However, no studies have examined the model that is proposed in this research study.

Durban Marine Theme Park SOC Limited (RF) operating as Ushaka Marine World is the municipal entity which manages the Cargo Hold, the only fine dining restaurant in the marine park. With limited studies examining relationship between service quality and behavioural intentions in the fine dining restaurant segment, particularly in the state-owned entity, this research study will be of great value to both academics and restaurateurs. The theoretical and practical implications will provide insights for restaurateurs to enhance service quality and meet the expectations of customers at the marine theme park, more especially from a fine dining perspective.

The findings of the research will be presented to the Cargo Hold restaurant management team to assist them in identifying the correlations between service quality and the post-dining behavioural intentions of customers. Recommendations will be offered on how to improve the service quality of the restaurant and ultimately, the marine theme park. Academic researchers and other restaurateurs will gain insight into how to rescue and revive the declining fine dining restaurant segment. Strategies to increase the poor market share in the restaurant industry will be suggested.
1.7. Delimitations of the research

The study will be undertaken at a fine dining restaurant in Ushaka Marine World, the marine themed park in Durban, South Africa. Therefore, the findings cannot be generalised to fine dining restaurants in other regions; other restaurant segments - quick service restaurant and casual dining restaurant; or other service industries. In order to conclusively apply the results of the study, restaurants from different regional locations and other restaurant segments should be considered. It is highly recommended that other service industries test the applicability of the proposed model in their specific fields.

1.8. Theoretical framework

1.8.1. Service quality in the restaurant industry

Service quality is the active term in the world of service marketing research. Several empirical researchers have debated and concurred that service quality is a vague construct with multiple dimensions (Marković et al. 2011: 236). Service quality is defined as "the overall difference between customer expectations and perceptions of the service experience" (Parasuraman et al. 1985 cited in Ha and Jang 2010: 521 and Cheng et al. 2012: 1155). It is considered as the ability of a restaurant to fulfil the pre-purchase expectations of customers. Service quality is the source of differentiation and competitive advantage in the service industry, since higher service quality apparently results in increased customer satisfaction and customer loyalty.

The restaurant industry has a unique offering when it comes to service quality. According to Hirschman and Holbrook (1982 as cited in Ladhari, Brun and Morales 2008: 564), restaurant service is regarded as a hedonic consumption experience since it generates pleasure, fun and excitement as opposed to an utilitarian consumption experience that customers receive at banks, petrol stations and health care centres. Hedonic consumption experience consequently renders service quality an ambiguous concept in the restaurant industry.
concerning its dimensionality, measurements, and constructs (Ladhari et al. 2008: 564).

1.8.2. Dimensionality

A Servuction system, developed by Bateson (1995 as cited in Gabbott and Hogg 1998: 62), conceptualises the physical service environment, service provider and visible components as a “bundle of benefits” that customer received from the service organisation. A bundle of benefits simply refers to the dimension of service quality. Babakus and Boller (1992 cited in Ramseook-Munhurrun 2012: 2) suggested that the magnitude of service quality dimensions may differ subject to the type of service industry being investigated.

In the hospitality industry, Wilkins, Merrilees and Herington (2007: 850) identified “physical product, service experience and quality of food and beverages” as the main dimensions of service quality within the hotel context. This is consistent with Barber, Goodman and Goh’s (2011: 329) work which highlighted food, physical environment and service as key dimensions of service quality that casual restaurant managers need to recognise. Oyewole (2013: 19) found 12 dimensions for a buffet foodservice setting and indicated that the importance of these dimensions vary based on factors such as frequency of dining. In agreement with Oyewole (2013), Lubbe, Douglas and Zambellis (2011: 227) found that the importance of dimensions for travellers differs based on the purpose of travelling.

This research used superior food, excellent service and exquisite atmosphere as the three generic service quality dimensions in the fine dining restaurant industry to measure the influence of service quality on the post-dining behavioural intentions of customers. These generic service quality dimensions are consistent with the general service industry bundle of benefits proposed by Bateson (1995). Furthermore, these dimensions are also consistent with previous studies in the restaurant industry (Keith and Simmers 2011; Wang and
Chen 2012; Hwang and Ok 2013; Marinkovic, Senic, Ivkov, Dimitrovski and Bjelic 2014).

Sulek and Hensley (2004 as cited by Ramseook-Munhurrun 2012: 4), in investigating the comparative importance of the antecedents of service quality in a full-service restaurant, found superior food to be the most important dimension stimulating satisfaction of customers and predicting their post-dining behavioural intentions. These authors were supported by Liu and Jang (2009: 342) who found food quality to be a significant attribute for the success of Chinese restaurants in the US. The existing literature has identified the following prominent attributes in assessing the quality of food in restaurants: namely variety, presentation, taste, nutrition, freshness, price and temperature (Ma et al. 2011: 300; Keith and Simmers 2011: 26). These attributes are used in this research study to measure superiority of Cargo Hold restaurant food dimension.

Service refers to “all the actions and reactions that customers perceive they have purchased” (Powers and Barrows 2006: 631). It is considered as an experience for the customer while it is considered to be the performance on the server’s end. Service varies and depends much on the server. It is produced and consumed simultaneously and can never be stored for future use, nor can it be possessed. Service quality perceptions of customers are determined by both tangible and intangible cues within the service delivery process (Barber et al. 2011: 521). Intangible cues are based on the performance of the server (human element; namely reliability, assurance, prompt and empathy). These humanistic elements are used as factors that influence perceived service excellence or the performance of the server.

Tangible cues are referred to as atmospherics or exquisite atmosphere in this research. Barber et al. (2011: 329), identified ambient conditions, facility design and social factors as atmospheric factors in the restaurant setting which are important in predicting service quality. Previous studies by Wall and Berry (2007: 60) and Ha and Jang (2010: 523) used atmospherics to measure the
overall quality of the restaurant atmosphere. Atmospherics represent “the restaurant’s physical attributes, which are usually noticed first by customers when they enter the restaurant” (Ramseook-Munhurrun 2012: 4). According to (Kim, Ng and Kim 2009: 11), atmospherics are important in determining overall satisfaction of customers.

1.8.3. Measurement

Keith and Simmers (2011: 21) asserted that service quality is primarily assessed to determine the perceptions of customers arising from their service experience. Perceptions of service quality varies with different persons since perceptions are subjective, indefinable and immeasurable (Kim, Joung, Yuan, Wu and Chen 2009: 280). On the contrary, Parasuraman, Zeithaml and Berry (1985 as cited in Kim, McCahon and Miller 2003: 68) indicated that regardless of the services sector nor the service on offer, customers judge service quality using a comparable criteria. Furthermore, the researchers argued that perceptions of customers about the quality of service are subject to the gap between expected service and perceived service.

Consequently, Parasuraman, Zeithaml and Berry (1985) developed the SERVQUAL instrument which incorporated the expectation-perception gap into the instrument development process. The SERVQUAL instrument is based on the gap theory of service quality and it facilitates quantifying the gap between expected and perceived service (Parasuraman et al. 1985 as cited in Kim et al. 2003: 68). Various empirical researchers argued that a standardised SERVQUAL instrument could not be effective in any or all settings (Tucci and Talaga 2000; Madanoglu 2005; Ramseook-Munhurrun 2012; Domenge and Arciniega 2015).

Stevens et al. (1995 as cited in Marković et al. 2011; Keith and Simmers 2011; Cheng et al. 2012) developed DINESERV, a modified version of SERVQUAL, tailored to evaluate service quality in restaurants. The DINESERV scale “applies the factor analysis method to summarize 29 out of 40 expectations of customers on restaurant service and proposed five dimensions according to ‘SERVQUAL’,
including tangibility, reliability, responsiveness, assurance and empathy” (Cheng et al. 2012: 1157).

A few researchers utilised the modified DINESERV to study service quality in restaurants and received good empirical evidence (Cheng et al. 2012: 1157). The modified DINESERV scales presented by these scholars attempted to introduce items that were omitted in the DINESERV and omit those which do not have any significance. For instance, Ha and Jang (2012) modified the DINESERV scale to suit their online service quality questionnaire. The authors incorporated all the DINESERV scale themes but omitted some of the attributes which they considered irrelevant for their study.

The DINESERV scale, just like SERVQUAL, focuses more on human elements (reliability, assurance, responsiveness and empathy) but fails to address the atmospheric dimension (tangibles) fairly. DINESERV also do not address any attributes of the food dimension, yet several scholars have noted it to be the most important determinant of service quality - especially in fine-dining and cuisine-focused restaurants (Liu and Jang 2009: 342; Kim et al. 2009: 11; Barber et al. 2011: 329).

This research study developed and tested a research instrument that is suitable for the fine dining restaurant segment. The modified version of the DINESERV scale was developed considering the significance of each attribute in the context of Ushaka Marine World’s setting. The research instrument adopted and adapted attributes and elements of service quality from previous studies in the restaurant setting to ensure that the superior food, excellent service and exquisite atmosphere dimensions of service quality are fairly measured.

1.8.4. Constructs

Customer acknowledgment of service quality reflects on the repeat purchase behaviour of customers (Chang et al. 2010: 629; Cheng et al. 2012: 1155). However, various authors concurred that perceived service quality is an antecedent to customer satisfaction, which ultimately determines behavioural
intentions (Keith and Simmers 2011: 22; Ramseook-Munhurryn 2010: 2; Qin, Prybutok and Zhao 2010: 432). The question of the “sequential order of perceived service quality and customer satisfaction in services has remained unresolved and has caused considerable debate in the marketing literature” (Qin et al. 2010: 427).

Customer satisfaction is defined by Bitner and Hubbert (1994 cited in Kim et al. 2009: 281) as the overall measure of how happy or content customers are with the service offered. Kim et al. (2009: 281) differentiated between perceived service quality and customer satisfaction by postulating that perceived service quality deals with the issues of quality only, while satisfaction may include additional components such as price and value. From this position, a vague effect of sequential order of these constructs on behavioural intentions confirms the necessity to constantly track customer comments (Qin et al. 2010: 432).

Clear correlations between service quality and behavioural intentions is still lacking. “Behavioural intention can be defined as the degree to which a person has formulated conscious plans to perform or not perform some specified future behaviour” (Ajzen and Fishbein 1980 as cited in Lui and Jang 2009: 339). Brady and Robertson (2001: 53) noted an ambiguity as to whether a service quality evaluation directly influences the behavioural intentions of customers or whether customer satisfaction directly channels the relationship between these constructs. Brady and Robertson (2001: 59) concluded that the influence of service quality on behavioural intentions is indirect through satisfaction and that satisfaction mediates the link between these constructs.

On the contrary, findings by Qin and Prybutok (2008: 42) pointed out that service quality is an important antecedent of customers’ behavioural intentions but not of satisfaction. The authors are supported by Ramseook-Munhurryn (2012: 1) who postulated that service quality variables determine the customers’ behavioural intentions towards the restaurant. Ladhari (2009: 324) reported agreement with previous studies on both the direct and indirect effect of service quality on behavioural intentions.
According to Ladhari (2009: 324) the significance of direct and indirect influences of service quality on behavioural intentions might depend on the service setting being studied. However, “the direct impact of emotional satisfaction on behavioural intentions is more significant than the direct effect of service quality” (Ladhari 2009: 324). The review of literature indicates that there is still a conflict on the subject of the correlations between these constructs i.e. service quality and post purchase behavioural intentions of customers. This research study developed a new model to validate the structural paths on existing literature as well as to develop new literature on the correlations between these constructs in the restaurant industry context.

1.9. Research Methodology

1.9.1. Research design

Research design is concerned with creating a coherent picture of the research methodology employed to meet the research objectives. This research study determines the influence of service quality on the post-dining behavioural intentions of customers in a fine dining restaurant. Therefore, quantitative research methodology – “an approach that aims to determine how a variable affects another in a population by quantifying the relationships between variables” - has been deemed appropriate to understand the correlation between the constructs that are being investigated in this research study (Altinay and Paraskevas 2008: 75).

The research study is descriptive in nature since this research seek to describe the phenomena in detail, and a non-experimental approach has been used to test the variables (Brotherton 2008: 12, 32). The research is based on a positivism philosophy. Therefore, a cross-sectional inquiry has been used to obtain data from respondents. The conceptual framework for this research was built on the correlational hypotheses postulated in the research topic. Structural paths were formed through the outlined hypotheses.
1.9.2. Bases of sampling

The unit of analysis for this research study is individual persons. The target population included all the diners who dined at restaurants at Ushaka Marine World during the data collection period. However, the sample element encompassed all those who patronised the Cargo Hold fine dining restaurant. A sample frame included 400 conveniently selected Cargo Hold restaurant diners, while the sample totalled 361 diners who gave their consent to complete the research questionnaires.

1.9.3. Sampling method

This research employed a non-probability sampling method. The research study used the convenience sampling technique due to the impracticality of carrying out probability sampling. Data was collected during different times (lunch and dinner) of the day and throughout the week in order to reduce the bias associated with the convenience sampling technique.

1.9.4. Measurement instrument

This research study measures the influence of service quality on the post-dining behavioural intentions of customers using the rehabilitated version of the DINESERV.per scale. The research used DINESERV since it is a performance-based instrument that assesses the perceptions of service quality performance. The modified DINESERV for this research is made up of four-dimensional sections which were designed to capture service quality perceptions; post-dining behavioural intentions; level of satisfaction; and biographical information respectively. In an attempt to minimise and eliminate systematic bias and non-response errors, the instrument was pretested before implementation.

1.9.5. Data collection

There are various methods that can be used to collect data from the sample respondents. These methods has their benefits and limitations. Therefore, it is totally up to the researcher as to which method is more suitable for his research
The survey questionnaire has been considered more suitable as this research study determines the opinions, perceptions and future plans of customers based on their dining experiences. The survey questionnaires were distributed by the researcher personally with the intention to explain the purpose of the research, encourage participation and summarise anonymity protocols to the diners. It was fully-structured to be self-administered by the diners and collected by the waiter together with the bill.

1.9.6. Data analysis

The SPSS statistical software package [IBM SPSS Statistics 23.0 and 24.0] was used to analyse the data collected for this research. Major tests undertaken include (a) confirmatory factor analysis (CFA) to assess the fit of the measurement instrument; (b) structural equation modelling (SEM) to test the postulated structural relationships in the proposed model; (c) a hybrid of SEM and Spearman’s correlation analysis to validate the proposed hypotheses; and (d) a hybrid of nominal, ordinal and interval scales were used to measure the variables using descriptive statistics such as variances and standard deviations for all variables to analyse the data set.

1.9.7. Anonymity and confidentiality

Anonymity and confidentiality is important in research as it allows respondents to express their true feelings about the issue being studied. This research study ensured anonymity by allowing respondents to complete the questionnaire without identifying themselves. The questionnaires were designed in a way that it did not ask respondents to provide their names or their contact details. To ensure confidentiality, the research data will not be exposed to any third party directly but only through the aggregated results of the study.

1.9.8. Validity and reliability

Validity was achieved through pilot testing and an extensive review of literature. Furthermore, the questionnaire was submitted to academic experts within the
field of service quality for face and content validity. For reliability purposes, a
pre-test was conducted to ensure that all questions in the measuring instrument
are understandable and relevant. The Cronbach Alpha coefficients for this
research were above the minimum required scores of 0.70, as suggested by

1.9.9. Ethical consideration

The research proposal was submitted to the Durban University of Technology
research ethics committee for ethical consideration. It was then approved by the
committee on the bases that it strictly adhered to the ethical policies and
guidelines stipulated by the institution.

1.10. Definition of terms

This section defines the main terminology used throughout the study. Users of
this research will have a better understanding of the concepts being discussed
after reviewing and becoming familiar with the following terms and constructs:

- Service quality: Service quality is defined as the overall difference between
customer expectation and perception of the service experience (Parasuraman et
Pérez, Abad, Carrillo and Fernández (2007: 139) defined service quality as a
judgement by the customer during the service and after the service has been
performed.

- Customer satisfaction: Customer satisfaction is defined by Bitner and
Hubbert (1994 cited in Kim et al. 2009: 281) as the overall measure of how
happy or content customers are with the service offered. Evans, Jamal and
Foxall (2009: 129) define customer satisfaction as the attitude-like feeling of a
customer towards a product or service after is has been used.

- Perceived service quality: Perceived service quality has been defined as a
global judgment or attitude relating to the superiority of a service (Zeithaml and
Bitner 2000 as cited in Ndubisi 2004: 26). Perceived service quality is the result of customers’ subjective judgment of the level of the service offering and its delivery (Korda and Snoj 2010 as cited in Hossain and Islam 2012: 170).

- Expected service quality: Expected service quality is defined by Olson and Dover (1976 as cited in Gabbott and Hogg 1998: 52) as “pre-purchase belief about the service”. Furthermore, Machado and Diggines (2012: 11) defined expectation as a personal vision of the outcome of an experience which is derived from previous service encounters.

- Service: Service is all the actions and reactions that customers perceive they have purchased (Powers and Barrows 2006: 631). In the restaurant industry setting, a service represents the result of the interaction of three basic elements: the customer, atmospherics and the service staff (Radišić, Perišić and Berećić 2010: 773).

- Quality: Reeves and Bednar (1994 as cited in Hyatt 2008: 167) define quality within four categories, namely: quality as conformance to specification; quality as excellence; quality as value; and quality as meeting or exceeding customer expectations.

- Behavioural intentions: Behavioural intention can be defined as the degree to which a person has formulated conscious plans to perform or not perform some specified future behaviour (Ajzen and Fishbein 1980 as cited in Lui and Jang 2009: 339). Behavioural intentions are well defined responses to stimuli which highlight the probability of purchasing recurrence or divergence following the perception of a product and/or service (Evans et al. 2009: 370-375).
1.11. Chapter outline

Chapter 1: Introduction

This chapter introduces the topic under study. Enclosed in this chapter is the introduction to research problem, theoretical framework, research problem, main purpose, objectives, delimitation, hypotheses and conclusion. The aim of this research study has been stated; the rationale for the study has been identified; and relevant concepts and key terminology for the study have been defined.

Chapter 2: Service quality and behavioural intentions

This chapter provides a literature review of secondary data. The dependent (behavioural intentions) and independent (service quality) variables are examined and the correlation between these variables is analysed. The intervening variable (hypothesised to be customer satisfaction) will be discussed and its link to the dependent and independent variable demonstrated. Basically, this chapter critically analyses service quality and behavioural intentions literature.

Chapter 3: Research methodology

The purpose of this chapter is to present, discuss and justify the research methodology used in the study. This chapter includes a description of the research paradigm and methodology employed in the study; research design; sampling; ethical considerations; data analyses; and more.

Chapter 4: Analysis and interpretation of findings

This chapter provides the analysis of the data collected from the sample elements (primary quantitative data). The quantitative data analysis techniques and tools are used to the full potential in an attempt to yield rich data. This chapter provides a brief discussion and interpretation of the data obtained from an
analysis of the findings. A summary of the findings are outlined, thereby providing answers to the proposed hypotheses.

Chapter 5: Conclusion and Recommendations

Chapters provides a brief conclusion to the research study, as well as concluding remarks. Theoretical and managerial implications to academia and restaurateurs respectively and possible recommendations from the findings are discussed. The limitations and suggestions for further research are mentioned in this chapter.

1.12. Summary

This research investigates the influence of service quality on post dining behavioural intentions of customers in the fine dining restaurant segment within a state owned entity. The theoretical framework highlighted the gaps in the comprehension of the correlation between service quality and behavioural intentions with perceived service quality or customer satisfaction as mediating variable between these constructs. This research thus will add to the body of knowledge that currently exists. This chapter has identified the purpose and significance of this study. The following chapter will provide a detailed review of the relevant service quality and behavioural intentions literature.
Chapter 2

Service quality and behavioural intentions from a restaurant perspective

2. Introduction

Building on the research aim and objectives; theoretical framework; problem statement; and definition of research terms in chapter one, this chapter uses an array of literature and concepts related to service quality and behavioural intentions to model a theoretical framework. In an effort to influence and to shape sustainable and competitive fine dining restaurant operations, the research study seeks to establish the influence of service quality on the post-dining behavioural intentions of customers.

It is necessary to understand service quality and its influence on behavioural intentions in order to devise a strategy to enhance and guarantee positive repurchase intentions which result in sustainable business operations. This literature review begins by highlighting the nature of the restaurant industry; defining service and quality as separate constructs; discussing expected and perceived service quality; making a distinction between perceived service quality and customer satisfaction; reviewing dimensions and measurements of service quality; and concludes by reviewing literature pertaining to the behavioural intentions.

2.1. Restaurant industry

The restaurant industry is a food and beverage service provision subset of the hospitality industry. Restaurants are constantly evolving. They evolve more as food service operations attempt to cater for varying customer needs in the market. “Describing the restaurant business is like trying to hit a moving target because the restaurant market is constantly changing” (Powers and Barrows
Restaurant concepts are constantly changing to accommodate ever-changing customer eating and dining habits.

According to Powers and Barrows (2006: 68), the restaurant business is made up of those which operate to serve our biological needs (eating market) and those which predominantly serve our social needs (dining market). Dining encompass a variety of reasons, including the urge to satisfy physiological (satiate hunger or quench thirst); economic (affordable, value); social (going out with friends or family); psychological (seeking variety, to increase self-esteem); and convenience (convenient location) needs (Powers and Barrows 2006: 69; Cousins, Lillicrap and Weekes 2014: 10).

### 2.1.1. Restaurant segments

According to Powers and Barrows (2006: 69), the restaurant industry can be separated into two categories, namely the dining market and the eating market. The dining market represents full service restaurants, described by Wang and Chen (2012: 249) and Cousins et al. (2014: 7) as restaurants where customers are served at a laid table with a conventional preparation and presentation of food offered at a medium-high level of table service, which include fine dining and casual dining restaurants. Whereas, the eating market consists of all the restaurants that operate to cater for our biological needs, which are known as quick service restaurants. Quick service restaurants include take-away, drive-in, home delivery, fast food, popular catering and healthy food kiosk (Oyewole 1999: 66; Powers and Barrows 2006: 74; Qin et al. 2010: 425).

### 2.1.2. Fine dining restaurants

Dining markets predominately serve our social needs, making dining a social event. Therefore, service quality is crucial for these markets. Service expectations and perceptions increase as price levels increase. In fine dining restaurants, the shortfall in service quality is likely to result in a massive loss of customers. Fine dining has been defined by Walker and Lundberg (2005: 33) as “the cuisine and service provided in restaurants where food, drinks and service are expensive and
"usually leisurely". Various authors such as, Walker and Lundberg (2005); Powers and Barrows (2006); and Cheng et al. (2012) have agreed that service excellence is the absolute prerequisite for the survival of fine dining restaurants, since excellence is the only factor that differentiates fine dining from other restaurant segments. Furthermore, Powers and Barrows (2006: 70) conclude that customers in fine dining establishments are prepared to pay for excellence.

2.1.3. South African restaurant industry

The restaurant industry is a complex business with customers experiencing unacceptable levels of customer satisfaction, resulting in switching behaviour and the use of substitute products or services (Erdis and du Toit 2014: 335; MarketLine 2015: 18). Despite the high failure rate in the restaurant industry, the South African restaurant industry is characterized by a high degree of competition due to limited industry barriers (MarketLine 2015: 17). In South Africa, the restaurant business is highly diverse and fragmented with different types ranging from full-service restaurants to cafes; fast food retailing; drinking places; street stalls; and take away services amongst others (MarketLine 2015: 7). With an increased gross income per capita from R30 000 in 1994 to R60 000 in 2010, South Africa is also experiencing the emerging trends of eating and dining away from the home base (Maumbe 2012; Dhurup et al. 2013). Different restaurant types are emerging to cater for the needs of the increasing demand for restaurant services. Overall, the market segmentation of the South African restaurant industry can easily fit within either the eating market or the dining market category.

From the financial perspective, the South African restaurant industry had a total sales of $4.2 billion (about R66.5 billion) in 2014, a 6.6 percent increase from 2013 (MarketLine 2015: 7). According to South African restaurant industry outlook report by MarketLine (2015), the eating market dominates the South African restaurant industry with a staggering percentage. In agreement, Maumbe (2012: 158) notes a tremendous rise in fast food restaurants in South Africa,
with Famous Brands and McDonald’s leading the segment. The South African restaurant market financial analysis revealed that “the drinking places segment was the industry’s most lucrative in 2014, with total sales of $1.6bn, equivalent to 37.9% of the industry’s overall value” (MarketLine 2015: 7). It is anticipated that South African restaurant industry sales would reach $6.6 billion (R104.3 billion) by 2019 (MarketLine 2015: 7).

Despite the growth in the restaurant industry, full service restaurants still show a serious lack of market share. MarketLine (2015: 18) recommends that full service restaurants develop a more individualized identity to create a competitive advantage. In “intangible-dominant” businesses like a restaurant, management should create competitive advantage through a seamless service via extensive training of frontline employees (Oyewole 2013: 20). In the South African context, the Republic of South Africa National Department of Tourism (2011 as cited in Dhurup et al. 2013: 284) highlights skills training as a priority to enhance the service quality within the hospitality industry. Currently, the South African restaurant industry employs 598 500 employees, with a large proportion of unskilled and part-time employees (MarketLine 2015: 7).

2.1.3.1. Cargo Hold as a fine dining restaurant

The Cargo Hold restaurant is a captivating world-class venue (which is nestled in the stern of the Phantom Ship) and restores the splendour of yesteryear, with superb views of the ocean and shark tank (Ushaka Marine World 2014). Furthermore, it is rated as the most spectacular setting in Durban, offering the most unique and sophisticated ambience where customers can dine with sharks. Cargo Hold serves seafood and contemporary cuisine in the elegant stern of the Phantom Ship.

The restaurant is open daily for lunch and dinner, with a smart casual dress code required from all customers. Children under the age of 12 years are not welcome for dining. Some of the characteristics that qualifies Cargo Hold restaurant to be categorized as a fine dining restaurant are: elegant ambience;
exquisite, pleasing food; complex service processes; highly trained employees
who wear formal attire; medium to high average customer check; dining rules
including dress code and age exclusion; and single location operations (Powers
and Barrows 2006: 70; Ushaka Marine World 2014).

2.2. Service quality

The main theories for this research study are service quality and behavioural
intentions. Literature on the subject of service quality has been driven by the
consensus that services are distinct from tangible goods and service quality
should be treated as a separate discipline from product quality. Various authors
(Lim and Ya 1995; Baker and Crompton 2000; Koutroumanis 2005: 18; Salazar,
Costa and Rita 2010; Cao and Kim 2015) proposed that service quality research
began with the works of Parasuraman, Zeithaml and Berry (1985).

On the contrary, Gronroos (2000: 62) stated that interest in service quality
emerged in the 1970’s and his introduction to a service-oriented approach to
quality in 1982 was noteworthy when he pioneered the concept of Perceived
Service Quality. Christian Gronroos is reflected as a leading scholar in the field
of service quality (Machado and Diggines 2012: 121). Henceforth, the study
attempts to understand “service” and “quality” as separate constructs before the
philosophy of service quality is discussed.

2.2.1. Service

It is still not clear whether a service is a separate component of a product
offering. The problem with discussing services lies in defining what a service is,
as there is no generally accepted definition (Gabbott and Hogg 1998: 24). Many
authors and practitioners have attempted to define service, yet there is still no
consensus concerning the definition of this term (Machado and Diggines 2012:
3). Even the Service Industries Journal, which sets out to be a place for debate
and discussion on the nature and influence of the service sector, does not offer
Amongst the notable definitions, service is defined as a main or supplementary action that does not subsequently yield a tangible goods (Evans and Dean 2003: 12). Gronroos (1990 as cited in Gronroos 2000: 13) merged various definitions and proposed that “a service is an activity or series of activities of a more or less intangible nature that take place in interactions between the customer and the employee and/or physical resources and/or systems of the service provider”. This contention is supported by Reid and Bojanic (2010: 45) who argue that service industries, including hospitality and tourism, are actually selling an experience to customers.

This research study recognises the definition and operationalisation of services as a unique concept for each service industry in scrutiny. This recognition is based on Gabbott and Hogg’s (1998: 25) service continuum discussion. Hence, the most suitable definition of service for the tourism and hospitality industry is that “a service represents the result of the interaction of three basic elements: the user (guest), equipment (hotel facility) and the service staff (hotel staff)” (Radišić et al. 2010: 778). In the restaurant industry, Cousins et al. (2014: 12) postulated that determining the level of customer service is essential to meeting customer’s expectations and to enhancing their meal experience.

2.2.1.1. Characteristics of services

Characteristics of services are features that differentiate services from tangible goods. Obscurity of services is exposed by Gabbott and Hogg (1998: 25) in their statement that “there is not even agreement amongst scholars as to whether the differences between goods and services are significant enough to justify the distinction”. Moreover, Levitt (1976 as cited in Gabbott and Hogg 1998: 25) argued that there are no service industries, but industries where the elements of service are slightly higher than the elements of a product. On the contrary, Coldren (2006) conceptualised services as “selling the invisible as a core product offering”. Several scholars have agreed on the following factors which distinguish services from products:
(a) **Intangibility:** In essence, services are intangible hence lacks possibility of possession. Thus, services elude measures associated with human senses (Coldren 2006). Services are relatively difficult to assess in terms of quality and value, making it very hard for customers to understand what they are paying for. Gabbott and Hogg (1998: 27) argue that customers cannot experience a service through their senses but, only through the outcome of its performance. Moreover, the authors postulate that the inability to inspect a service prior to purchasing makes a service an abstract concept until it has been experienced.

Coldren (2006) argued that tangible clues are what customers normally look for in a service encounter prior to purchase in order to decrease hesitation. The normal tangible clues include a logo; price; brand awareness and performance; trust and reliability conveyed by marketing personnel; first impression; amongst other attributes. This is not the case with goods, as customers look for product attributes to establish certainty about a product.

(b) **Inseparability:** This is termed a simultaneous factor of production and consumption, meaning that the production, delivery and consumption of services occur all at once (Coldren 2006). This is even more evident in the restaurant industry, since the operations require the presence of the customer to begin producing and delivering a service while the customer is concurrently experiencing a service. The simultaneous factor of production and consumption renders it very difficult for managers to control the output. This further leads to a variability factor, which will be discussed below.

The inseparability characteristic leads to a lack of standardisation since the role of the business operation and the customer is inseparable; and both can alter the service delivery process (Gabbott and Hogg 1998: 28). On the contrary, an operation producing physical goods hardly ever sees
any of their customers. Additionally, goods can be produced in bulk, but a service is a value to experience and a single encounter for each individual customer.

(c) **Variability:** Service is subject to great irregularity due to human participation in the production, delivery and consumption process. Coldren (2006) argues that human behaviour is difficult, if not impossible, to control. Therefore, variability may be attributed to the behaviour of the member of staff or customer subject to the time of the day; duration of the service encounter; day of the week; previous experience; attitude and knowledge, amongst other factors.

When goods are produced, a manufacturer can standardise the product and ensure the consistent replication of the product. However, this is uncontrollable in case of services (Gabbott and Hogg 1998: 28). Variability is highly associated with discrepancies in service quality and still remains a very challenging aspect in the restaurant management field. Coldren (2006) argued that training and encouragement are essential factors for the elimination of variability.

(d) **Perishability:** Perishability factor describes the real time nature of a product. Services cannot be stored for future use due to the inseparability of production and consumption. When a restaurant seat remains unoccupied for a certain time period, the intrinsic value disappears (Coldren 2006). Perishability also affects the performance of the operation, as balancing demand and supply can be difficult. For instance, a number of unoccupied hotel rooms represent a loss of revenue that can never be recovered; while a demand for extra rooms during full occupancy also represents a loss of potential revenue. Coldren (2006) argued that while it is possible to successfully handle supply and demand issues associated with the production of a product, this is impossible in production of services.
Ownership: According to Kotler (1982 as cited in Gabbott and Hogg 1998: 29), ownership is another factor that distinguishes services from goods. The author states that upon purchasing a certain product, the customer assumes ownership of that product. Divergently, in the case of services, the customer only has provisional access to a service. Furthermore, customers assume ownership of the benefit derived from the service but not the service itself. For example, a guest books a room and sleeps at the Oyster Box hotel, experiencing the benefits of the 5-star hotel room but not holding ownership of the room.

2.2.2. Quality

Despite the plethora of literature and discussions on the subject of quality in both the business environment and academia, the meaning of the term ‘quality’ remains elusive. Quality “originates from the Latin word ‘qualis’ which means ‘such as the thing really is’” (Gabbott and Hogg 1998: 102). However, quality as a concept is difficult to grasp and understand as it means different things to different people (Dale, van der Wiele and van Iwaarden 2007: 4). Quality in the manufacturing sector relates to the technical specifications of goods. This renders quality a very complex concept in the service sector, since service is a series of processes and customers participate in the delivery process (Gronroos 2000: 61-62).

Highlighting the importance of quality, Dale et al. (2007: 13-23) postulated the following: “quality is not negotiable and may result in penalties; quality is all-pervasive; quality increases productivity, quality leads to better performance in the market place, quality means improved business performance; the cost of non-quality is high; and quality is a way of life”. Evans and Dean (2003: 8) concluded that quality is no longer an engineering-based technical discipline but an organisation-wide performance excellence that meets and exceeds customer needs and ultimate satisfaction. Furthermore, the authors discussed the importance of quality as a means of achieving competitive advantage. Dale et al.
(2007: 12), also postulated that quality allows companies to obtain higher margins. Hence, this research study envisages quality as a prerequisite for the existence of the fine dining restaurant segment.

The evaluation of quality from the perspective of customers makes it even more complex. Gabbott and Hogg (1998: 103) proposed two broad approaches to evaluating the quality that customers have at their disposal, namely hard and soft. The hard approach assumes that objective quality exists and can be measured against a certain standard; whereas the soft approach assumes that quality is based on subjective perceptions, operationalised in terms of the value perceived by the customer.

In the service industry, tangible clues such as price, brand and logo are the main advantages of hard quality for customers. Service customers encounter problems associated with soft quality, namely determining quality in service industries due to the heterogeneity; inseparability; perishability and; intangibility of a service (Gabbott and Hogg 1998: 103). The assessment of quality is mainly based on formed expectations, and expectations vary based on the knowledge and experience of customers.

A synopsis of definitions of quality categorized by Reeves and Bednar (1994 as cited in Hyatt 2008: 167) conceptualized quality as conformance, excellence, value and meeting and/or exceeding of customer expectations as highlighted below:

(a) *The conformance* definition of quality is derived from a perspective that the service should conform to a specification.

(b) The quality conceptualization of *excellence* emanates from achieving or reaching the highest standards.

(c) *The value* concept of quality describes the dynamic process of value creation and the performance of a service relative to the cost incurred by customers in exchange for the service experience.
(d) *Meeting and/or exceeding customer expectations* is associated with the degree of discrepancy between the expectations prior to service and the subsequent perception of the customer after experiencing the service.

In attempt to address the research objectives, the focus area for this research study is the *meeting and/or exceeding customer expectations* category of Reeves and Bednar’s synopsis. Classifications of excellence, value and conformance will be treated as equally important in order to grasp the concept of “quality” and, ultimately service quality in the restaurant industry.

### 2.2.3. Service quality definition

Service quality is the active word in the world of service marketing research. Several empirical researchers have debated and concurred that service quality is a multi-dimensional yet vague concept (Marković *et al.* 2011: 236). Service quality is defined as “*the overall difference between a customer’s expectation and perception of the service experience*” (Parasuraman *et al.* 1985 as cited in Ha and Jang 2010: 521, Cheng *et al.* 2012: 1155). Service quality is considered to be the ability of a restaurant to fulfil the expectations of customers. Service quality is the source of differentiation and competitive advantage in the service industry since higher service quality seemingly results in increased customer satisfaction and customer loyalty (Ma, Qu and Eliwa 2014: 530).

The restaurant industry has a unique offering when it comes to service quality. According to Hirschman and Holbrooks (1982 cited in Ladhari *et al.* 2008: 564), restaurant service is regarded as a hedonic consumption experience since it generates pleasure, fun and excitement as opposed to the utilitarian consumption experience which customers receive at banks, petrol stations and health care centres. Hedonic consumption experience consequently render service quality an ambiguous concept in the restaurant industry concerning its dimensionality, measurements and constructs.
On the issue of dimensionality and measurement, ambiguity emanates from the fact that a concept of service quality is subjective and varies with different individuals based on their experiences and knowledge. For example, Oyewole (2013: 6) approached diners to compile a list of attributes they personally consider when evaluating service quality in the buffet setting. The author discovered 87 different attributes summarized within 12 dimensions. This actually challenges the current dimensions and measurement scales as presented by other empirical researchers, since these are based upon the experts’ knowledge. They do not take into account the attributes considered by each individual respondent to prominent instruments i.e. SERVQUAL, DINESERV and SERVPERF, amongst others.

Several studies in the hospitality service sector (Wang and Chen 2012; Min and Min 2013; Marinkovic et al. 2014; Ali 2015) concurred that superfood, exquisite atmosphere and excellent service are the main service quality antecedents. The results of studies by Wilkins et al. (2007: 850) presented three main precursors of service quality in the hotel sector, namely physical environment, service excellence and quality food. In agreement, Perez et al. (2007: 139), Wall and Berry (2007: 59), Noone and Mattila (2009: 333) and Min and Min (2013: 229) found physical environment, excellence of interaction and functional quality as the three main antecedents of service quality in the restaurant sector. Divergently, Jeong and Jang (2011: 334) found “price” as the fourth dimension in a full-service restaurant.

On the contrary, Bouranta, Chitiris and Paravantis (2009: 282) found “product, image, responsive safety, empathy and reliability” to be the antecedents of service quality in the restaurant sector. Oyewole (1999: 70) found 10 dimensions in fast food restaurant and highlighted “hygiene and efficiency, expeditiousness, courtesy and availability” as the four most important for this sector. These dimensions are neither in agreement with a prominent SERVQUAL nor DINESERV scale, which is used in the present research study.
Perez et al. (2007: 139) presented a remarkable argument by highlighting that dimensions are either associated with Nordic or North American schools of thought. The research study noted the consistency of three dimensions in studies associated with the Nordic school of thought, while inconsistencies were noted in the North American school of thought. Moreover, the Nordic school of thought typically measures service quality on a performance-based scale, whereas the North American school of thought measures both the expectations and perception of customers.

The literature reviewed above further complicates the meaning of service quality concerning its dimensionality and measurement scale. Dale et al. (2007) postulated that customers perceive service quality as an integrated model instead of isolated aspects of a model. Furthermore, “an improvement in just one factor, might not be noticed because it would be buried in the composite big picture that might be termed total service quality” (Dale et al. 2007: 89).

2.2.4. Gaps theory

The gaps theory of service quality describes the discrepancy between the expectations of customers prior to and their perceptions after the real service delivery process. Several empirical researchers concurred that the gaps theory of service quality was pioneered by Parasuraman et al. in 1985 (Machado and Diggines 2012: 125; Mauri, Minazzi and Muccio 2013: 136; Chin and Tsai 2013: 1163; Domenge and Arciniega 2015: 59). The service quality process represents the perceptions and expectations of the organization’s management, the service employees and the customers it serves. Whenever there are differences in expectations or perceptions of service, a potential gap in service emerges (Reid and Bojanic 2010: 55).

Restaurant organisations should diagnose service quality gaps as perceived service quality presumably translate into customer satisfaction. If the service gaps are managed well, it could possibly result in customer satisfaction which could ultimately increase loyal customers. According to Gronroos (1990 as cited
in Kong and Muthusamy 2011: 146), the feelings of customers regarding satisfaction or dissatisfaction with the service relates to the degree and direction of the disconfirmation experience. Consequently, this research concludes that the gaps model of service quality and disconfirmation theory are relatively the same.

Figure 2.1 depicts the gaps theory model of service quality extracted from the study by Parasuraman et al. (1985). A discussion of the gaps that lead to expectation-perception gaps follows below, based on a review of both the early and recent literature.

**Figure 2.1: The gaps model of service quality**

![Diagram of the gaps model of service quality](source: Parasuraman, Berry and Zeithalm (1985))
The five types of gaps are analysed below are:

- **Knowledge gap**
  Gap 1 refers to a *knowledge gap* which represents wrong management perceptions about customers’ expectations due to a lack of market research and upright communication within the restaurant business (Mauri *et al.* 2013: 136). A knowledge gap emerges when the perceptions of management about what customers expect is different from the actual expectations of customers. Restaurants can bridge this gap by conducting surveys to establish customers’ expectations of service and cognitive communication within the organisation (Reid and Bojanic 2010: 56).

- **Standard gap**
  Gap 2 is a *standards gap*, which represents a discrepancy which occurs between perceptions of management of what customers expect and how the service delivery process is designed to meet customers’ expectations. Machado and Diggines (2012: 127) and Mauri *et al.* (2013: 137) postulated that a standard gap is more complicated because the service delivery process may be incorrectly formulated due to a misinterpretation by management or because service standards may be formulated without accuracy in specifications to match expectations of customers. Restaurant operations can diagnose this discrepancy by devising a service blueprint—a flowchart that details the service delivery process. Management should outline each step in the process in order to detect gaps to improve with ease (Reid and Bojanic 2010: 56).

- **Delivery gap**
  A *delivery gap* (Gap 3) represents a difference between the specifications of service delivery and the actual service delivery. Machado and Diggines (2012: 127) argued that management could have correctly assessed the expectations of customers and established specifications to meet these expectations, but only to find that employees could not deliver the service properly. Restaurant organisations can bridge this difference by creating
an atmosphere which encourages employee willingness to work and by the provision of all the necessary resources to accomplish the given task. Another strategy would be rewards and recognition. Employee selection and training are also critical to bridge delivery gap (Reid and Bojanic 2010: 56; Mauri et al. 2013: 137).

- Communication gap
  A communication gap (Gap 4) represents a difference between the service promised through promotional strategies and the actual service delivered (Mauri et al. 2013: 137). Generally, the communication gap is a consequence of poor and inappropriate internal and inconsistent external communication in a business environment. Most organisations have a tendency to promise more than they can deliver in an attempt to persuade customers. For example, restaurants advertise their services as being 5 star, while in actual fact they cannot deliver what they are promising (Reid and Bojanic 2010: 56).

- Service gap
  A service gap (Gap 5) represents a difference between the expectations of customers and their perceptions of the service after consumption experience (Machado and Diggines 2012: 127; Mauri et al. 2013: 136). This gap occurs due to the existence of the other gaps listed above (Reid and Bojanic 2010: 57). This study intends to explicate the service gap in an attempt to address the issues associated with service quality in the restaurant industry, especially the fine dining sector. Understanding the service gap can assist the researcher to detect and solve the service quality shortfalls at the Cargo Hold fine dining restaurant.

2.3. Expected service quality

Prior to the actual service delivery process, customers formulate the imminent experience using a series of intrinsic and extrinsic prompts that inform them about the probable service performance outcomes. Moreover, the actual service
delivery process informs the perceived service quality (Gronroos 2000: 63). Expectation is defined by Olson and Dover (1976 as cited in Gabbott and Hogg 1998: 52) as “pre-purchase beliefs about the service”. Service expectations are influenced by the intrinsic and extrinsic cues related to a particular experience and by a global perspective built from previous experiences and other information sources (Wilkins et al. 2007: 841).

Since customer service expectations have a decisive impact on the quality perceptions of customers, a marketer should attempt to keep promises on the lower levels than actual guest experiences (Gronroos 2000: 68). Keeping promises low will help the organisation to offer more than expected, ultimately leading to customer satisfaction. Several empirical researchers in service marketing agreed that customers’ expectations of quality exist on the different levels (Jordaan and Prinsloo 2004; Yilmaz 2010; Hossain and Islam 2012; Ho, Sharma and Hosie 2015).

According to Machado and Diggines (2012: 140), customer expectations exist on five levels. The first level is the “ideal level”, which represents a case whereby the service delivery system meets customer expectation; the second is the “desired level”, which represents what a customer hope to receive based on their previous service encounter; the third is the “adequate level”, representing the least acceptable level of service by customers, that which will be tolerated without encountering dissatisfaction; the forth level is the “zone of tolerance” representing a series of service performances that are within acceptability range to customer; and the fifth level is the “predicted level”, depicting the customers’ actual expectations which range between an ideal and an adequate service levels (Jordaan and Prinsloo 2004: 38, 39).

2.3.1. The zone of tolerance

According to Gronroos (2000: 106), the zone of tolerance concept presumes that customers’ expectations ranges from different points instead of being fixed at single specified point. Rather, customers can accept differences in the actual
service experienced and still accept them according to their standard of expectations. ‘Zone of tolerance’ is defined by Berry and Parasuraman (1991) as “a range of service performance that a customer considers satisfactory”. The significance of the zone of tolerance is that “customers may accept variation within a range of performance and any increase in performance within this area will only have a marginal effect on perceptions” (Strandvik 1994 as cited in Gronroos 2000: 107).

Yilmaz (2010: 61) contended that the zone of tolerance varies across different sectors within the hospitality and tourism industry. Furthermore, the author quotes studies by several empirical researchers within the field of hospitality and tourism to demonstrate divergence in the zone of tolerance. For instance, a study by Patrick (1996 as cited in Yilmaz 2010: 61) discovered that the zone of tolerance differs across hotels, airlines and the amusement sector, and that it is wider in hotels than in other sectors. This research study accepts that customers can tolerate service experience below their expectations to a certain level before they can conceive an experienced service as unacceptable.

**Figure 2.2: Zone of tolerance**

![Diagram showing the zone of tolerance with nodes for Personal needs, Enduring intensifiers, Situational factors, Perceived alternatives, Transitory intensifiers, Customer role, Desired service, Adequate service, Service promises, Word of mouth, Past experiences, ZONE OF TOLERANCE, Predicted service.]

*Source: Zeithaml, Berry and Parasuraman (1993)*
The zone of tolerance concept implies that the expectations of customers occur on dualistic levels, namely a desired level and an adequate level (Ho et al. 2015: 380). The desired level implies what the service should be (service anticipated by the customer), whereas the adequate level implies what customers believe it could be (a prediction of what a service will be) (Gronroos 2000: 106; Yilmaz 2010: 60; Hossain and Islam 2012: 173; Ho et al. 2015: 381). Thus, the zone of tolerance denotes the service offered ranging from the desired level to the adequate level. The level of tolerance varies from one customer to the next and is also influenced by other internal and external factors of a service attribute.

2.3.2. Factors influencing customer expectations

The identification of customer expectations is critical in offering excellent service in a restaurant because the service flowchart must be based on what customers expect to receive in their service encounter (Murdick et al. 1990 as cited in Hossain and Islam 2012: 173). Therefore, it is of the utmost importance for restaurateurs to understand factors that influence customer expectations since expectations are the basis of the levels of customer satisfaction, subsequently influencing post-purchase behavioural intentions.

2.3.2.1. Factors that influence desired service expectations

Desired service is described as “the level of service representing a blend of what customers believe can be and should be provided” (Yilmaz 2010: 60). According to Machado and Diggines (2012: 142), the personal needs of customers and enduring service intensifiers such as personal service philosophies and derived service expectations are the factors that influence desired service. However, customers at restaurants are realistic and understand that the service may vary based on a various causes ranging from the time of day to the day of the week; special event; mood of the service personnel; availability of resources; level of training of personnel; and geographical location of an organisation, amongst other factors.
2.3.2.2. Factors that influence adequate service expectations

Zeithaml et al. (1993 as cited in Hossain and Islam 2012: 173 and Ho et al. 2015: 381) define an adequate service level as “the lowest level of performance that consumers will accept without being dissatisfied, that is comparable to minimum tolerable expectation”. As illustrated by Figure 2.2 in the page 36, the factors influencing adequate service levels ranges from temporary service intensifiers, to perceived service alternatives, situational factors, the self-perceived role of a customer and predicted service. Just like desired service expectations, adequate service expectations are influenced by both implicit and explicit assurances made through various promotional strategies.

2.3.2.3. Factors that influence predicted service expectations

According to Machado and Diggines (2012: 140), customers may have an ideal service in mind that they would like to receive but they do have a sense of reality. The sense of reality represents the prediction that customers have of the most likely service outcome, which may be lower than the desired service. Predicted service expectations are important to measure customer satisfaction, as it is compared with perceived service quality to make assessments of customer satisfaction (Hossain and Islam 2012: 173). Conversely, Oyewole (1999: 68) stated that rendering predicted service will not guarantee customer satisfaction. As indicated in Figure 2.2, predicted service expectations are based on past performance, word of mouth recommendations and promotional promises made by a restaurateur.

2.3.3. The dynamics of expectations

The expectations of customers are absolutely critical factor at influencing service quality perceptions. The effect on expectations on perceptions occurs both on an interaction level and on a relationship level. A study conducted by Ojasalo (1999 as cited in Gronroos 2000: 89) cited three dynamics of expectations which are important to be able to manage expectations, namely:
(a) **Fuzzy expectations** exist when customers expect a service provider to solve a problem but do not have a clear understanding of what should be done (Machado and Diggines 2012: 139). For example, a customer may expect a restaurant menu to change, although they are not quite sure what menu items should be introduced in the new menu.

(b) **Explicit expectations** reflect a coherent picture in the mind of the customer prior to the service encounter, and can either be realistic or unrealistic depending on the knowledge of a customer (Machado and Diggines 2012: 139). For example, a customer may expect the server to recommend a menu dish to compliment a wine cultivar ordered or vice versa. However, that is actually a part of a service process and it varies with different organisation.

(c) **Implicit expectations** reflect basic standards of a service which are so clear to customers in a sense that customers do not pay attention to them anymore (Machado and Diggines 2012: 139). For instance, service with a smile. Implicit expectations result in customer dissatisfaction if the service performance for these expectations is below par.

### 2.4. Perceived service quality

Kasper *et al.* (2000 as cited in Machado and Diggines 2012: 147), defined perception as *the process by which an individual selects, organises and interprets stimuli into a meaningful and coherent picture of the world*. In agreement, Evans *et al.* (2009: 64) postulated that customers use receptors (senses including vision, sound, touch, taste, smell) to receive and interpret and translate a stimulus into a response. In the restaurant sector, perception simply means how each individual customer personally experiences the service encounter whether they view it as satisfactory or unsatisfactory. Perception is subjective in nature. This means that different customers may perceived exactly the same service differently. Closely related to the perception is the “moment of truth”, a term used to define that the first impression is of utmost importance in the service organisation as it lasts longer (Machado and Diggines 2012: 147).
The antecedents of service quality (food, service and atmospherics) do not determine the complete perceived quality level, however this is indicated by the difference between the expectations prior to and perceptions after the service encounter (Gronroos 2000: 68). Hence, good or bad perceived service quality is attained when the service performance meets the expectation, or is below the expectations of the customer. According to Bitner et al. (1990 as cited in Wilkins et al. 2007: 841), perceived service quality is derived from the single interaction that the customer has with the service organisation, through which the customer assesses the quality of service performance and forms a judgement about his level of fulfilment. Machado and Diggines (2012: 147) emphasised the importance of perceived quality as it determines satisfaction.

“Perceived service quality is measured by identifying the gaps between customers’ expectations of the service to be rendered and their perceptions of the actual performance of the service” (Hossain and Islam 2012: 171). Gronroos (2000: 51) indicated that a process quality is more essential for the perception of the overall outcome quality. However, an acceptable service outcome is a requirement for good quality. Perceived service quality is based on how the customer perceives quality during service processes, which is termed a ‘relational’ quality. Hence, restaurateurs should focus more on process quality rather than outcome quality due to the hedonic consumption nature of the restaurant sector.

2.4.1. Perceived service quality and customer satisfaction

The difference between perceived service quality and customer satisfaction has been debated in the service quality and marketing of services literature. According to Gronroos (2000: 79), beyond debating the difference between perceived service quality and customer satisfaction, there is still an unsettled question as to whether quality is perceived first and then satisfaction or whether satisfaction with the service encounter precedes perceived service quality. Spreng and Singh (1993 as cited in Ham 2003: 22) contended that customer satisfaction and perceived service quality measure the same thing. Ham (2003:
22) further postulated that practitioners use the terms ‘perceived service quality (PSQ)’ and ‘customer satisfaction (CS)’ interchangeably.

On the contrary, Gronroos (2000: 80) postulated that a logical analysis shows that perceived service quality is an antecedent of the customer fulfilment or dissatisfaction with the service encounter. Furthermore, a study by Ladhari et al. (2008: 563) to root out the determinants of dining satisfaction postulates that satisfaction is influenced indirectly by perceived service quality. These viewpoints counteract the findings by Ham (2003: 22) who note that these constructs are utilized interchangeably. Ladhari et al. (2008: 570) further postulated that perceived service quality, together with positive and negative emotions, is the source of either customer satisfaction or dissatisfaction in a restaurant setting. Gonzalez, Comesana and Brea (2007: 154) postulated that if customers’ perceive service quality as satisfactory or meeting expectations, confusion arise regarding the meaning of the term satisfaction.

Customer satisfaction has received adequate attention in marketing research since satisfaction allegedly ties consumption to post-consumption occurrences. Gabbott and Hogg (1998: 104) posited that the precise denotation of satisfaction originates from the adequacy concept but has developed to denote gratification and fulfilment when linked with the term ‘quality’. Furthermore, Rust et al. (1996 as cited in Gabbott and Hogg 1998: 104) suggested that satisfaction includes many states such as contentment, surprise, pleasure and relief.

Several researchers (Ladhari et al. 2008; Ladhari 2009; Salazar et al. 2010; Hooper, Coughlan and Mullen 2013) suggested that satisfaction should be defined as an emotional response. Kettinger and Lee (1997 as cited in Hossain and Islam 2012: 172) developed an integrative model of customer service in which customer satisfaction is defined as “the difference between predicted service (what a customer believes will occur) and the perceived service (what a customer believes actually did occur)”. This research study accepts the concept
of emotional response since the restaurant service is categorised as a hedonic consumption experience which generates pleasure, fun and excitement.

Satisfaction occurs at multiple levels within and during a service encounter. In a restaurant, a customer may be satisfied or dissatisfied with the service elements (the attitude of a waiter, the service delivery process, the speed of service); the atmospheric elements (the ambience, other customers and cleanliness); and the product elements (the taste of food, variety in choices of food and beverages, as well as the portion size and overall quality of food items). De Ruyter et al. (1997 as cited in Hossain and Islam 2012: 172) stated that “customer satisfaction is directly influenced by the intervening variables of disconfirmation, while perceived service quality is not”. Customer satisfaction is formed based on prognostic expectation, whereas perceived service quality is derived on an ultimate expectation.

The volume of correlational studies between perceived service quality and customer satisfaction is increasing. It further triggered a significant debate throughout the past years (Hossain and Islam 2012: 172). Previous research suggested that “satisfaction and service quality judgments occur when customers compare pre-service expectations prior to consumption with perceptions of service performance during and after consumption” (Ham 2003: 22). Gabbott and Hogg (1998: 105) defined satisfaction as a state of mind that can change based on the encounter and it is not static, even within one encounter.

Hossain and Islam (2012: 172) concluded that customer satisfaction and perceived service quality are two different constructs which are closely related. Therefore, when these constructs are being assessed, it would be irrational to treat them as interchangeable. Customer satisfaction is defined as “a judgment made on the basis of a specific service encounter” (Ladhara 2009: 323). Thus, satisfaction judgments are seen as controlling the quality attitude and purchase intention relationship, signifying the necessity of examining customer satisfaction and perceived service quality as separate concepts. Perceived service
quality is a *cognitive evaluation*, while satisfaction is an *emotional response* (Ladhari 2009: 324).

To conclude the debate about the interchangeable use of the perceived service quality and customer satisfaction, this research study settles with a study by Ladhari (2009: 324) in defining perceived service quality as a cognitive evaluation while, satisfaction is an emotional response. Such acceptance is intensified by the undeniable nature of the hedonic consumption experience that restaurants offer. Gonzalez *et al.* (2007: 154) suggested that perceived service quality is an antecedent and a consequence of satisfaction. Therefore, an informed inference can be drawn that an evaluation will always precede a response. Simply stated, perceived service quality is considered to be an antecedent of customer satisfaction. Moreover, Khan and Fasih (2014: 332) postulated that the satisfaction level of customers is dependent upon their perception of service quality. Drawing from these authors, this research study considers perceived service quality and customer satisfaction as separate constructs in a linear relationship.

### 2.5. Dimensions and measurement of service quality

There is substantial literature on the subject of service quality dimensions and how service quality should be measured. There are different views on these subjects, with prominent schools of thought being North American and Nordic. In service marketing and management literature, several researchers (Tucci and Talaga 2000; Ndubisi 2004; Ravichandran, Bhargavi and Arun-Kumar 2010; Khan and Fasih 2014) have concurred that the dimensions vary with different sectors. There are no universal dimensions of service quality. Therefore, organisations should reflect the dimensions that matter most to them when measuring service quality perceptions.

Generally, service quality is measured by comparing the perceptions of customers during and after service performance to their actual expectations.
prior to the service encounter. An equation of service quality is presented as follow (Evans et al. 2009):

\[
\text{Perceived Service Quality (PSQ)} = \text{Expectation (E)} - \text{Perception (P)}
\]

This equation is similar to the disconfirmation model which states that “customer satisfaction is derived from a comparison of the expected service performance and perceived actual service performance” (Jani and Han 2011: 1000).

Johnston (1995: 53) claimed that previous studies have confirmed the empirical evidence to suggest the necessity to measure service quality using performance-based measures. In agreement, Gronroos (2000: 78) proposed that by measuring service performance using only a set of appropriate dimensions can yield a good estimate of the perceived service quality. In the hospitality industry, Wilkins et al. (2007: 851) stated that an emphasis on the antecedents of service quality of customer satisfaction is critical because these antecedents are the performance drivers of a hotel. “Measuring service quality and satisfaction traditionally involves asking customers for subjective attitudinal evaluations, i.e. asking if they personally felt the service they received was satisfactory” (Hossain and Islam 2012: 172). Hence, this research study deems it unnecessary to measure both expectations and perceptions. Focusing only on perceptions is sufficient to yield the desired results.

2.5.1. North American and Nordic schools of thought

A precise differentiation of North American and Nordic schools of thought is presented by Salazar et al. (2010: 385) in which they postulated:

“The North American school, led by Parasuraman, Zeithaml and Berry, focuses on the process of service delivery. These authors proposed the SERVQUAL model, which states that service quality is the difference between consumers’ expectations and perceptions. On the other hand, the Nordic school, led by Gronroos and Gummesson, sees service quality from the product/service point of view and as a composite of a technical view (what is delivered) and the process
view of the service (how it is delivered). This school divides each service into principal (the service itself); the facilitators (what is necessary to provide the main service, for example the hotel reception); and the support services (those that improve the main service, such as the entertainment activities in a hotel). The interaction between the consumer and the employee is a key-factor that influences service quality and this can deeply influence consumers’ perceptions and corporative image. Good front line interactions may even compensate for deficiencies in the technical product.”

These schools of thought are the only prominent theories in service quality research and they are further reviewed below:

2.5.1.1. North American

Parasuraman, Zeithaml and Berry (1985 as cited in Kim et al. 2003: 68) postulated that customers used similar standards when evaluating service quality despite the services being of either a hedonic or a utilitarian nature. Furthermore, the researchers argued that customers’ perceptions of service quality are influenced by the gap between expected service and perceived service. As a result thereof, the researchers developed the SERVQUAL instrument, incorporating the expectation-perception gap in the instrument development process. Each element in SERVQUAL was reorganised into a statement measuring customer expectations of service quality and the other statement measuring customer perceptions of the service quality performance (Kim et al. 2003: 68).

Ever since the SERVQUAL instrument was developed, it has been both supported and criticized by various empirical researchers. Amongst those who criticized this instrument are Peter, Churchill and Brown (1993 as cited in Kim et al. 2003: 68) who discussed the methodological problems associated with the different scores used in the instrument. Carmen (1990 as cited in Kim et al. 2003: 68) questioned the rationality of measuring customer expectations, especially in case where customers are encountering the service for the very first time and their expectations are not realistic.
Teas (1993) found misunderstanding relating to how the expectations measures are interpreted by respondents (Kim et al. 2003: 68). Cronin and Taylor (1992 as cited in Kim et al. 2003: 68) argued that using the perception battery only may be effective in measuring perceived service performance. Parasuraman, Berry and Zeithaml (1991 as cited in Kim et al. 2003: 68) detected a substantial overlap between the responsive and assurance dimensions. The findings of Kim et al. (2003: 74) also reported an overlap between these dimensions.

Furthermore, Salazar et al. (2010: 387) compared SERVQUAL to SERVPERF and found that SERVPERF explained more of the perceived service quality than SERVQUAL. Oyewole (1999: 82) noted a necessity to adjust SERVQUAL for the intangible-dominant industry to ensure it captures and reflects the dimensions that are specific to this industry.

On the contrary, Gonzalez et al. (2007) utilised SERVQUAL to assess behavioural intentions through perceived service quality and customer satisfaction and found a good reliability of the service quality scale (a 0.87 Cronbach’s Alpha coefficient) which yielded great results. Using the SERVQUAL instrument, research by Ramseook-Munhurryrun, Lukea-Bhiwajee and Naidoo (2010: 46) was able to assist the public organisation to identify important areas for improvement in its service delivery. Several authors (Constandache, Nitu, Nitu and Condrea 2011; Khan and Fasih 2014) modified a SERVQUAL scale to tailor-fit the setting where their studies were being undertaken.

An extensive analysis of literature reveals that in order to counteract the criticism associated with a SERVQUAL scale, the instruments that are tabulated in table 2.1 in the following page were developed and applied in various hospitality and tourism industry and associated sectors:
Table 2.1: Service Quality measurement scales

<table>
<thead>
<tr>
<th>Year</th>
<th>Researchers</th>
<th>Scale</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>Knutson et al.</td>
<td>LODGSERV</td>
<td>Lodging</td>
</tr>
<tr>
<td>1992</td>
<td>Cronin and Taylor</td>
<td>SERVPERF</td>
<td>Generic</td>
</tr>
<tr>
<td>1994</td>
<td>Getty and Thompson</td>
<td>LODGQUAL</td>
<td>Hotel</td>
</tr>
<tr>
<td>1995</td>
<td>Stevens et al.</td>
<td>DINESERV</td>
<td>Restaurant</td>
</tr>
<tr>
<td>1999</td>
<td>Mei et al.</td>
<td>HOLSERV</td>
<td>Hotel</td>
</tr>
<tr>
<td>2002</td>
<td>Raajpoot</td>
<td>TANGSERV</td>
<td>Food Service</td>
</tr>
<tr>
<td>2007</td>
<td>Carr</td>
<td>FAIRSERV</td>
<td>Generic</td>
</tr>
<tr>
<td>2008</td>
<td>Ryu and Jang</td>
<td>DINESCAPE</td>
<td>Restaurant</td>
</tr>
</tbody>
</table>

Source: Author’s own compilation

2.5.1.2. Nordic

According to Gronroos (2000: 63), service quality consists of only two aspects, an outcome/technical dimension and a process-related/functional dimension. The outcome dimension has to do with what customers receive in their interactions with the service organisation and what they receive is very important in their perceived service quality evaluation. A hotel guest will be checked in a room and a bed to sleep in; a diner in a restaurant will get a table and a meal to eat; and an airline passenger will be transported from one place to another.

A room and a bed; a table and a meal; and being transported are all “outcomes” of the service quality in these scenarios. However, the way in which a bed and a room is offered; the procedure for seating in the table and method of serving a meal; and the way in which a passenger is being transported are all the process-related functionalities of perceived service quality, also termed functional quality of a process or the how of a service encounter. Keith and Simmers (2011) emphasized that perceptions are affected by both outcome and functional quality.
The Nordic school of thought in service quality research was pioneered by Gronroos and Gummesson. According to Gronroos (2000: 63), services marketing literature postulated that “the quality of a service is whatever the customer perceives it to be”. Services are personally felt experiences (service encounter) whereby there is simultaneity in the production and consumption activities. Perceived quality of service has three dimensions, namely a what (technical); a how (functional); and a where (servicescape). From this perspective, superior food (a what), excellent service (a how) and exquisite atmosphere (a where) were taken as the main service quality dimensions for this research.

A ‘what’ refers to the technical quality of the outcome of the service production process. It is what the customers receive in their interactions with the service organisation and what they are left with when the service encounter is over. A ‘how’ refers to the functional quality of the process of the service production process. A ‘how’ is a process-related dimension, that is concerned with the way in which the service is being delivered. How they receive the service and how they experience it are simultaneous production and consumption processes. A ‘where’ refers to the quality of the atmospheric aspect of the perceived service quality, it is used to describe the elements of the physical environment of the service encounter. The ‘where’ aspect is considered to be part of the ‘how’ dimension. In a semantic order, a “what” preludes a “how”. Gronroos (2000: 65) claimed that “it is logical because the perception of the process clearly is dependent on the context of that process”.

In agreement with Gronroos, Bateson (1995 as cited in Gabbott and Hogg 1998: 62) conceptualised the physical service environment, service provider and visible components as a ‘bundle of benefits’ that customers receive from the service organisation. ‘Bundle of benefits’ simply refers to the dimensions of service. This is more evident in a restaurant, which includes the physical service environment (atmospherics); service provider (service); and visible components (food and beverages). Moreover, Wall and Berry (2007: 59) highlighted functional,
mechanic and humanic dimensions, whereas Noone and Mattila (2009: 333) highlighted interaction, physical environment and outcome quality dimensions.

2.5.2. Dimensions in the hospitality industry

A review of literature reveals that service quality is multidimensional and differs with different sectors. In the hospitality industry, SERVQUAL dimensions have been widely applied to determine the perceived service quality. Conversely, Mei, Dean and White (1999: 141) found “employees, tangibles and reliability” as the three main service quality dimensions in the Australian hotel sector. Furthermore, a study at Croatian hotels by Marković and Janković (2013: 157) revealed “reliability, empathy and competence of staff, accessibility and tangibles” as the main dimensions in the hotel sector. The implications of these findings is that structure of the dimension relies on the setting where the study is being undertaken.

Min and Min (2013: 222) identified “service image, food quality, location, accessibility and drawing power” as service quality dimensions in fast food restaurants in a cross-national context. In the case of the casual dining restaurant, Wall and Berry (2007: 59) posited functional cues (quality of food and beverages); mechanic cues (ambience); and humanic cues (performance, attitude and appearance of service employees) as the three main service quality dimensions. In a restaurant setting, customers arrive with a set of expectations and assesses the service quality and the overall dining experience incorporative using a set of certain criteria that a restaurateur offers. Commonly, the restaurant dimensions are food, service and environment (Ha and Jang 2013: 385).

Kivela (1997 as cited in Ha and Jang 2012: 386) postulated that “fine dining restaurants focus more on retaining customers by providing exceptional service, high quality food, prestige and high-end dining environments”. According to the findings by Ha and Jang (2013: 405) customers patronising fine dining restaurants seek to satisfy more than just eating needs, hence these customers
are more than eating markets. Therefore; restaurateurs should offer *high quality food, exceptional service and attractive dining atmospherics* which should create competitive advantage and be luxurious compared to other restaurant segments.

### 2.5.2.1. Dimensions in a fine dining restaurant

A review of literature in the fine dining and full-service restaurant sector reveals consistency amongst the service quality dimensions, namely food, service and environment (Novak, La Lopa and Novak 2010: 516; Ryu, Lee and Kim 2012: 203; Chin and Tsai 2013: 1161; Marinkovic *et al.* 2014: 312). In their investigation into the relationship between service quality, customer satisfaction and repeat patronage; Chow, Lau, Lo, Sha and Yun (2007: 701) highlight interaction quality, physical quality and outcome quality in the context of full-service restaurants. Hence, these three dimensions were used to measure perceived service quality in this research study.

- **Food**

  Findings by Ha and Jang (2013: 400) suggest that “*customers visiting fine dining restaurants want to have pleasant dining experiences and feel good during the meal by having superior food*”. Prayag *et al.* (2015: 39) established a direct effect of food quality on positive emotions (which translated into satisfaction), with emotions mediating between food quality and behavioural intentions. Additionally, functional aspects (quality of food and beverages) of service quality are posited as the main ones and of utmost importance in the context of a restaurant service (Chow *et al.* 2007: 706; Wang and Chen 2012: 258).

  Josiam, Malave, Foster and Baldwin (2014: 53) posited that a high level of food quality is important to meet the expectations of restaurant customers. These authors identified presentation, taste, freshness and temperature as salient attributes in the evaluation of the quality of food. A study by Kim *et al.* (2009: 12) included overall food quality, taste, presentation, nutritional content and the variety of menu options as food dimension
aspects. Wang and Chen (2012: 250) posited that customers derive their perceptions of food quality from taste, menu variety, presentation, portion size, safety practices, dietary acceptability, healthy options, freshness, temperature and cleanliness. Based on the analysis of the aforementioned literature, six items of food dimensions were designated for this research, namely variety, presentation, freshness and nutrition, price, taste and temperature.

- **Service**

Except for the functional aspects of service quality, the humanic aspects are another important dimension. Kim et al. (2009: 16) posited that service is the second most important dimension of service quality in a fine dining setting, after the functional aspect. The authors further postulated that the humanic aspects dimension is a predictor of customer satisfaction and behavioural intentions. Liang and Zhang (2011: 1032) found that service interactions with the servers was a great source of satisfaction in the fine dining restaurant sector. Correspondingly, a study by Lubbe et al. (2011: 227) in South Africa found interaction to be the most important dimension of service quality in the airport setting.

Furthermore, Barber et al. (2011: 521) noted that customers’ perceptions of service quality are determined by both tangible and intangible clues within the service delivery process. Perceptions and evaluation of the level of service by customers is posited to be highly dependent upon the humanic clues in the restaurant setting, namely the service personnel’s performance during service delivery (Ha and Jang 2010: 521). The importance of these humanic clues is evident in the development of a SERVQUAL measurement scale since the scales focus more on the humanic elements of reliability, assurance, responsiveness and empathy. These humanic clues have been incorporated within a modified DINESERV scale used in this research.
**Atmosphere**

Thirdly, for customers visiting a restaurant (or any service sector for that matter), atmospherics are the first aspect of a service that forms a critical expectation and perception of the quality of a service that a restaurant can deliver. According to Hooper *et al.* (2013: 271), the service environment forms the first impression. Therefore, atmospherics should be regarded as a dimension to service quality perceptions. Through the first impression (which is also referred to as a moment of truth), customers can already draw conclusions about the level of service that they will receive. In agreement, Wall and Berry (2007: 67) postulated that customers observe atmospherics to form expectations about imminent service performance.

Moreover, Hooper *et al.* (2013: 277) suggested that the service environment should be seen as a primer that shapes customers’ expectations of service. An *exquisite atmosphere* is a distinctive characteristic of a fine dining restaurant which could possibly result in a heightened quality of life for customers, and ultimately enhanced dining experiences (Ha and Jang 2013: 399). Ha and Jang (2010: 527) concur by indicating that “*perceived atmosphere plays a significant role that can change the degree of impact of quality perception on consumption behaviours*”. Heung and Gu (2012: 1167) suggested that restaurateurs sell a sensory experience to their customers.

According to Hooper *et al.* (2013: 272), the atmospherics dimension includes “ambient conditions, design cues, equipment, hygiene and cleanliness”. Stated differently, Barber *et al.* (2011: 329) identified ambient conditions, design factors, physical factors and social factors as atmospherics dimension factors. In agreement, Heung and Gu (2012: 1168) identified (1) *facility aesthetics, which includes interior design and décor*; (2) *ambience, which includes background music, aromas in the dining room, lighting and temperature*; (3) *spatial layout, which refers to the way in which furnishings and fixtures are arranged in the dining area*; and (4)
employee factors, such as the appearance and number of restaurant employees.

2.5.2.2. DINESERV scale

The DINESERV scale was pioneered by Stevens et al. (1995), and is in fact a modified version of SERVQUAL, customised to measure service quality in restaurants (Kim et al. 2003; Keith and Simmers 2011; Marković et al. 2011, Cheng et al. 2012). The DINESERV consists of a totality of 29 statements: 10 tangibles statements; 5 reliability; 3 responsiveness; 6 assurance; and 5 representing empathy. DINESERV is good since it is a performance based measure, as opposed to SERVQUAL. Various researchers used DINESERV and obtained a good empirical result. However, Kim et al. (2003: 80) propose that the DINESERV instrument needs reviewing, as well as the development of more appropriate statements.

A valid criticism of the DINESERV scale is its inability to cater for functional clues (food dimension) despite its importance in evaluating the perceived service quality in the restaurant sector, mainly in the fine dining restaurant segment (Liu and Jang 2009; Kim et al. 2009; Ha and Jang 2010; Barber et al. 2011; Wang and Chen 2012; Marinkovic et al. 2014; Prayag et al. 2015). Several researchers in the restaurant industry (Cheng et al. 2012: 1157, Chin and Tsai 2013: 1169; Erdis and du Toit 2014: 337; Prayag et al. 2015: 35) used a modified DINESERV instrument to evaluate perceptions of service quality and received good empirical evidence. This research study used a modified DINESERV to reflect the unique items that are applicable to the Cargo Hold restaurant.

2.6. Behavioural intentions

The importance of post-purchase behavioural intentions of customers in the service sector has led to extensive research on the concept of behavioural intentions in the past two decades, with its antecedents and subsequence being widely researched. A review of marketing literature exposes the general notion
that the cost of attracting new potential customers is relatively high compared to the cost of retaining existing actual customers. Hence, service organisations should strive to influence the positive behavioural intentions of their existing customer base. In the restaurant setting, Stevens, Knutson and Patton (1995) postulated that if a restaurateur would increase repeat patronage from 71%-81%, that would result in doubled profitability.

The behavioural intentions construct has been widely studied in service marketing and relationship marketing literature. Several researchers studied the effect of service quality on behavioural intentions (Cronin, Brady and Hult 2000; Perez et al. 2007; Chang et al. 2010; Ravichandran et al. 2010; Qin et al. 2010; Al-alak and El-rafae 2012), while other studies focused on the effect of customer satisfaction on behavioural intentions in relation to service quality (Ladhari et al. 2008, Kim et al. 2009) and behavioural intentions as a separate construct (Zeithaml et al. 1996; Hwang and Ok 2013; Ma, Qu and Eliwa 2014).

The review of literature indicates an inconsistent conceptualization relative to the order of service quality, customer satisfaction and behavioural intentions. Most empirical researchers (Brady and Robertson 2001: 59; Li, Huang and Yang 2011: 94; Yu and Ramanathan 2012: 491; Ali 2015: 46) have concurred that the correlation amongst service quality and behavioural intentions is intervened by customers satisfaction. Qin and Prybutok (2008: 42) report a direct and positive relationship between service quality and behavioural intentions. Contrarily, Perez et al. (2007: 138) agree with Cronin et al. (2000) that a direct relationship between service quality and behavioural intentions has not been established.

Chang et al. (2010: 621) suggested that the structural relationship between these constructs needs further clarification. Hence, the authors applied a loss-aversion perspective to root out this structural interrelationship. Despite the causal order of these constructs together, the behavioural intentions concept is highly ambiguous and requires more extensive clarification on its own. The construct
“behavioural intentions” has been highly confused with other constructs such as customer loyalty and attitudinal responses.

Kandampully and Suhartanto (2000 as cited in Ma et al. 2014: 515 and Ha and Jang 2010: 522) perceived the loyalty construct in the restaurant as a composition of both attitudinal and behavioural dimensions. Zeithaml et al. (1996: 34) posited that customer loyalty is a consequence of behavioural intention, while Evans et al. (2009: 107) theorised that attitudinal responses are the antecedent of behavioural intentions. On the contrary, Dick and Basu (1994 as cited in Evans et al. 2009: 381) conceptualized loyalty as combining both attitudinal and behavioural approaches to an understanding of loyalty. Simply stated, loyalty is seen rather as a relationship between the relative attitude shown by a customer and his repeat patronage behaviour. For further clarification, Evans et al. (2009: 374) conceptualized loyalty as a phase “beyond repeat purchasing”.

Behavioural intention is labelled by Cronin et al. (2000 as cited in Prayag et al. 2015: 32) “as a set of multiple behavioural or non-behavioural responses that are the outcomes of service evaluation”. Behavioural intention is defined by Ajzen and Fishbein (1980 as cited in Lui and Jang 2009: 339) as “the degree to which a person has formulated conscious plans to perform or not to perform some specified future behaviour”. On the subject of post purchase intentions, Rauyruen and Miller (2007 as cited in Ozdemir and Hewett 2010: 46) conceptualized customer intentions as an integrated concept of behavioural intentions and attitudinal intentions.

Ali and Amin (2014 as cited in Ali 2015: 41) emphasized the importance of understanding behavioural intentions, since they are predictors of the actual behaviour of customers. Zeithaml et al. (1996) suggested that favourable behavioural intentions are linked to the service providers’ capability to influence customers to say positive things about them; to recommend them to others; to remain loyal to them; to spend more with them; and willingness to pay premium
prices in exchange for the services rendered. This study attempts to recognize the post-dining behavioural intentions of diners at the Cargo Hold. In order to understand these intentions, the structural relationship of the proposed model is reviewed below.

2.6.1. Service Quality (SQ) and Behavioural Intentions (BI)

According to Gronroos (2000: 52), service process and outcome have boundaries that are critical to the perceptions of the service quality and subsequently to consistent purchasing behaviour. The structural path between perceived quality and behavioural intentions in the restaurant settings remains problematic (Prayag et al. 2015: 25). Furthermore, the authors contend that high service quality perceptions produce favourable behavioural and attitudinal intentions amongst customers. In agreement, Chow et al. (2007: 704) found a direct and significant relationship between perceived service quality and repeat patronage of the restaurant.

Contrary to the aforementioned point of view, Wang and Chen (2012: 258) identified perceived value as a variable mediating the influence of perceived service quality on behavioural intentions. Li et al. (2011: 91) concluded that high service quality does not guarantee the possibility of behavioural intentions. Li et al.’s (2011) study was undertaken in the health care sector, which is classified as a hedonic consumption experience similar to the restaurant sector. Furthermore, Yu and Ramanathan (2012: 491) identified customer satisfaction as an intervening variable between perceived service quality and behavioural intentions. Divergently, Qin and Prybutok (2008: 42) posited that customer satisfaction does not play an intervening role between perceived service quality and behavioural intentions.

In this research study, superior food and beverages (functional clues), excellent service (humanic clues) and exquisite atmosphere (mechanic clues) have been identified as the antecedents of service quality in fine dining restaurants. Simply stated, food and beverages, service and atmosphere are regarded as an
augmented product of a restaurant (Heung and Gu 2012: 1167). The literature reviewed regarding the relationship between these service quality antecedents and behavioural intentions is presented below:

2.6.1.1. Food and behavioural intentions

Various empirical researchers has purported the quality of food as a key attribute in predicting the post-dining behavioural intentions in restaurants (Kim et al. 2009; Ha and Jang 2010; Wang and Chen 2012: 257; Josiam et al. 2014). In their study to determine which experiences trigger customers to engage in electronic word-of-mouth (eWOM) in the restaurant sector, Jeong and Jang (2011: 362) discovered food to be a significant predictor of eWOM. These findings are consistent with those of Chow et al. (2007: 706) who found functional aspects (food and beverages) of quality to be more important in the context of restaurant service for predicting repeat purchase. Josiam et al. (2014: 65) found overall quality of food to be the most powerful and significant predictor of behavioural intentions, after perceived experience.

Ha and Jang (2010: 527) predicted an increased role of superior food in creating positive attitudinal behaviour where atmospherics are not up to standard. In a study to develop a short questionnaire for measuring service quality perceptions, Domenge and Arciniega (2015: 15) found that a variable product (food dimension) was a key factor influencing the intentions of customers to return and provide word of mouth recommendations. Furthermore, Domenge and Arciniega (2015: 16) concluded that the influence of the food quality dimension on behavioural intentions is double, compared to service performance and atmospherics.

2.6.1.2. Service and behavioural intentions

Liu and Jang (2009: 345) found that consistent service and attentive staff were substantial predictors of behavioural intentions in Chinese restaurants. In their study on casual dining on the French Riviera, Prayag et al. (2015: 40) also found a direct influence of excellent service on post-dining behavioural intentions.
Josiam et al. (2014: 65), in their study at a student-run restaurant (SRR), also found service-related attributes to be significant predictors of recommendations and revisit patronage. In a fine dining restaurant setting, Liang and Zhang (2011: 1032) concluded that quality of service is the most important antecedent of service quality and, ultimately a significant predictor of behavioural intentions.

In contrast, the findings of Chang et al. (2010: 212) suggested that interaction quality (service performance) does not exert a direct influence on customer loyalty. Due to the hedonic nature of the restaurant service, Ladhari et al. (2008: 571) concluded that the effect of excellent service performance on behavioural intentions is mediated by emotional elements. Jani and Han (2011: 1013) argued that the influence of service performance on behavioural intentions is mediated by affect. Interaction quality surfaced as a significant antecedent of satisfaction, which ultimately influences behavioural intentions directly and positively (Marinkovic et al. 2014: 319). In agreement, Ali (2015: 46) posited that the relationship between staff performance and knowledge and behavioural intentions is mediated by customer satisfaction.

### 2.6.1.3. Atmosphere and behavioural intentions

The influence of atmosphere on behavioural intentions has been extensively studied in the restaurant industry (Novak et al. 2010; Ryu and Kim 2012; Heung and Gu 2012; Hooper et al. 2013). According to Ryu and Jang (2007 as cited in Novak et al. 2010: 192), atmosphere is posited as the influential factor affecting customers’ psychological state and behaviours in a hedonic restaurant setting. Pleasant experiences with the atmosphere of a restaurant motivates customers to engage in favourable and positive eWOM recommendations due to concern for others (Jeong and Jang 2011: 363).

Heung and Gu (2012: 1174) found a positive and direct significance of fine dining restaurant atmospherics on customers’ intentions to return and their intentions to engage in favourable word of mouth recommendations. Ma et al. (2014: 529) established the influence of atmosphere on customer loyalty in a fine dining
restaurant sector. In agreement, Novak et al. (2010: 211) indicated that customers who expressed pleasurable mood were significantly more likely to elicit a positive response relating to future repeat behavioural intentions.

“In the restaurant business, the environment provides the first impression, inducing positive emotions like pleasure and arousal in customers” (Hwang and Ok 2013: 128). Moreover, Ha and Jang (2010: 11) advocated that the layout and facilities aesthetics of the restaurant had a positive effect on the post-dining behavioural intentions of customers, while Kim et al. (2009: 17) highlighted the importance of atmosphere for customer retention. Barber et al. (2011: 335) confirmed a correlation between physical environment and repeat patronage; with cleanliness facilitating the decision to return.

Contrary to the aforementioned literature, Prayag et al. (2015: 30) contended about the ambiguity concerning the relationship between the atmospherics and behavioural intentions in the restaurant setting. Liu and Jang (2009) and Prayag et al. (2015: 30) proposed that the effect of restaurant physical environment on behavioural intentions is intervened by positive emotions and perceived value. This suggests that fine dining restaurants should pay special attentions to the elements of atmospherics if they want to generate positive behavioural intentions. Heung and Gu (2012: 1174) partially support the relationship between atmospherics and willingness to pay premium prices.

2.6.2. Customer satisfaction (CS) and Behavioural intentions (BI)

Liang and Zhang (2011: 1028) posited that customer satisfaction leads to repurchase intentions and favourable words-of-mouth, which are predictors of customer loyalty. In agreement, a study by Liang and Zhang (2010: 1032) in the full service restaurant sector supported a presumed significant relationship between customer satisfaction and behavioural intentions. Moreover, Kim et al. (2009: 17) confirmed a significant correlation between customer satisfaction and behavioural intentions. Research by Qin et al. (2010: 432) in a fast-food restaurant confirmed a direct effect of satisfaction on behavioural intentions.
On the contrary, Chow et al. (2007: 704) dismissed a presumption that customer satisfaction results in behavioural intentions. Furthermore, Chang et al. (2010: 629) established that customer satisfaction has a direct effect on attitudinal loyalty, while there is no effect on behavioural loyalty. Chang, Chuang, Chuang and Lin (2015: 207) postulated that customer satisfaction cannot be translated directly to customer loyalty. Additionally, Chang et al. (2015: 213) found only an indirect effect of satisfaction on customer loyalty.

A study by Hart and Johnson (1999 as cited in Gronroos 2000: 128 and Evans and Dean 2003: 135) indicated that “only very satisfied customers show a high repurchasing rate and a high propensity for positive word-of-mouth”. This implies that a service provider should meet and exceed the expectations of customers to influence them to engage in repeat buying behaviour. Furthermore, Gronroos (2000: 129) concluded that satisfaction has a substantial effect on word-of-mouth endorsements whereby a satisfied customer recommends and dissatisfied customers become terrorists who scare away potential customers.

Satisfaction is an attitude and merely satisfied customers may easily divert to the services of competitors due to factors such as convenience and promotional influences, amongst others. An organisation should always strive to fully satisfy its customers since 65 percent of its customers come from very satisfied customers who do repeat business with an organisation (Evans and Dean 2003: 135). On the contrary, Chang et al. (2010: 630) posited that customer satisfaction does not necessarily guarantee repeat purchasing behavioural intentions. The authors presumed that customer satisfaction should pass through the phase of attitudinal conformity before repeat purchasing behaviour emanates.

2.6.3. Service quality, customer satisfaction and behavioural intentions

The relationship between service quality, customer satisfaction and behavioural intentions has been extensively studied in various industries. Results by Perez et al. (2007); Qin and Prybutok (2008); Kim et al. (2009); Salazar et al. (2010);
Jeong and Jang (2011); Al-alak and El-refae (2012); Yu and Ramanathan (2012); Khan and Fasih (2014) and Ali (2015) revealed the significant influence of service quality on customer satisfaction, which has a direct and positive influence on behavioural intentions. This semantic relationship is consistent with Oliver’s (1990 as cited in Dado, Petrovicova, Cuzovic and Rajic 2012: 208) cognitive-affective-conative framework.

Evans et al. (2009: 106) refers to Oliver’s framework as “the structural approach to attitudes and attitude change”. Furthermore, Evans et al. (2009: 107) posited that this approach is useful in devising questions for measuring attitudes holistically. According to the authors, attitude has three components, namely (1) a cognitive component which defines a person’s belief or knowledge about an issue or an object; (2) an affective component which defines a person’s feelings or emotions about the issue of the object; and (3) a behavioural (conative) component which defines how the individual is likely to respond to the object based on what they know about it or how they feel about it.

From this perspective, it is important to note that attitude is the main paradigm, with cognitive, affective and conative components as the sub-structures within the attitude umbrella. The importance of the attitudinal construct in behavioural intentions studies has been emphasized and developed by Ajzen (1985 as cited in Evans et al. 2009). Hence, it is important to look at behavioural intentions from an integrated perspective rather than in isolation. In this research study, cognitive components are associated with the perception of service quality; affective (emotional response) components relate to customer satisfaction; and conative components relate to behavioural intentions in a non-linear relationship respectively (Ladhari 2009: 324; Evans et al. 2009: 381; Dado et al. 2012: 208).

From hospitality management perspective, several studies (Brady and Robertson 2001; Kim et al. 2009; Li et al. 2011; Heung and Gu 2012; Ali 2015) have pointed to customer satisfaction as a mediating variable between perceived service quality and behavioural intentions. Heung and Gu (2012: 1176) postulated that
restaurants that satisfies customers through superior food, excellent service and exquisite atmosphere can increase prices which will positively affect overall profitability (positive behavioural intentions attribute). Furthermore, Arora (2012: 341) found that various food, service and atmosphere attributes play a pivotal role in stimulating sense, which directly influence on emotions and satisfaction. Furthermore, the authors contended that both emotion and satisfaction have a direct impact on post-purchase attitude.

On the contrary, Chow et al. (2007: 704) argued that customer satisfaction does not result in repeat purchase. In agreement, Cronin et al. (2000) noted the existence of ambiguity regarding the antecedents of behavioural intentions. Despite the array of research on service quality, customer satisfaction and behavioural intentions, evidence of their semantic nature remains inconclusive. Therefore, this research study tests the linear relationship of these constructs in the next chapter using the Oliver’s framework postulated above and the hypotheses in Chapter 1 based on the review of relevant literature.

2.7. Summary

This chapter reviewed the stream of literature connecting the independent variable, the intervening variable and the dependent variable respectively. The main aim of this research is to determine the influence of service quality (an independent variable) on post-dining behavioural intentions (a dependent variable), with customer satisfaction presumed to be an intervening variable between these variables. Hence, service quality, customer satisfaction and behavioural intentions have been thoroughly reviewed in this chapter.

The literature reviewed in this chapter provided the basis for the formulation of the proposed model, research questions and hypotheses to be tested in this research. However, the research objective which seeks to theoretically validate a distinction between perceived service quality and customer satisfaction has been answered. Details of the proposed model, research questions and hypotheses to be tested are discussed in the research methodology chapter.
Chapter 3

Research methodology

3. Introduction

The previous chapter highlighted and discussed major theoretical concepts that provide a foundation for this research study. The constructs underpinning the operationalisation of the research’s conceptual framework were conceptualised. This chapter highlights the research design; defines both the dependent and independent variables; and describes the research population; sampling; data collection instrument; and data analysis methods. In summary, this chapter highlights the rational methods utilised to investigate the influence of service quality on the post-dining behavioural intentions of customers in the fine dining restaurant segment.

3.1. Research objectives, conceptual framework and hypotheses

3.1.1. Research objectives

The main purpose of this research study is to determine the influence of service quality (SQ) on the post-dining behavioural intentions (BI) of customers in a fine dining restaurant setting. To achieve the research purpose, the following objectives were developed as a catalyst:

- To ascertain the relationship between service quality and behavioural intentions.

- To establish the importance attached by customers to the three dimensions of service quality from a fine dining perspective.

- To examine the impact of overall satisfaction on the post-fine dining behavioural intentions of customers.

- To theoretically validate the difference between perceived service quality and customer satisfaction.
3.1.2. Conceptual framework and hypotheses

Building on the service quality (SQ) and behavioural intentions (BI) literature which was reviewed in the previous chapter, a conceptual framework model was developed to test the research objectives. Firstly, the proposed model in Figure 3.1 illustrates that food, service and atmosphere are the three main antecedents of service quality in the restaurant setting.

**Figure 3.1:** Conceptual framework model of correlation between service quality and behavioural intentions, with customer satisfaction (predicted to be mutually inclusive of perceived service quality) as a mediating variable between the constructs

Source: Author’s own compilation

Babakus and Boller (1992 cited in Ramseook-Munhurrun 2012: 2) suggested that the magnitude of dimensions of service quality (SQ) may differ subject to the type of service industry being investigated. Perez *et al.* (2007: 139) found physical quality, interactive quality and image quality to be the antecedents of service quality in the public transport sector. Barber *et al.* (2011: 329) highlighted food, setting (physical environment) and service as key dimensions of service quality (SQ) which restaurant managers need to recognise.

Stated differently, Wall and Berry (2007: 59) postulated that customer perception of service quality in a restaurant setting is based on functional cues (technical
quality of food and beverages); mechanic cues (ambience and other design elements); and humanic cues (performance, attitude and appearance of service employees and other customers). In a full-service restaurant, excellent service, superior food and exquisite dining environment were postulated as antecedents of service quality which leads to customer satisfaction (Heung and Gu 2012: 1175). Hence:

- H1: Food, service and atmosphere are highly and equally important to fine dining restaurant customers.

Secondly, the proposed model gives a picture of a direct relationship between service quality and the behavioural intentions of customers. It is also posited that this relationship is indirectly mediated by customer satisfaction. This depiction is consistent with Ozdemir and Hewett (2010: 46) who highlighted evidence from previous studies (Cronin and Taylor 1992; Boulding et al. 1993; Zeithaml et al. 1996 and Fullerton 2005). These studies found a positive correlation between service quality and behavioural intentions. However, most studies could not establish a direct link between these constructs. Hence:

- H2a: There is a positive and direct correlation between service quality and behavioural intentions.
- H2b: Customer satisfaction mediates the link between these constructs indirectly.

Thirdly, depicted in the proposed model is customer satisfaction (CS) and perceived service quality (PSQ) as interchangeable terms with a direct relationship between customer satisfaction and behavioural intentions. Dado et al. (2012: 208) cited Boulding et al.’s (1993) report that there is a substantial impact of perceived service quality on intentions of students to spread positive word-of-mouth about the school and willingness to recommend graduates from that particular school to their respective employers. Concurring, Liang and Zhang (2011: 1032) verified a positive relationship between customer satisfaction and behavioural intentions.
Furthermore, Tian-Cole et al. (2003 as cited in Dado et al. 2012: 207) conclude that “perceived service quality and customer satisfaction are the same constructs and that the difference between them is more of a semantic nature than of an intrinsic nature”. Hence:

- H3: Positive overall satisfaction triggers positive post-dining behavioural intentions of customers.

and

- H4: Perceived service quality and customer satisfaction are mutually inclusive.

3.2. Research design

Research design is concerned with creating a coherent picture of the research methodology that was employed to meet the aforementioned research objectives. According to Kuada (2012: 58), research design is “a blueprint or roadmap of the research” which contains four levels that feed into each other, namely ontology, epistemology, methodological decision and choice of methods and techniques respectively.

Ontology is “a term used by philosophy of science scholars to describe the nature of what the researcher seeks to know” (Kuada 2012: 58). This research study is underpinned by a realist ontological philosophy whereby facts are facts (Bailey 1982: 38). Due to the objectivist ontology underpinning this research study, a positivist epistemological approach was chosen. Epistemology is a term that “describes the nature of knowledge and the means of knowing” (Kuada 2012: 58). This research study chose positivism due to the hypothetico-deductive nature of this approach, as opposed to interpretivism which bases conclusions on specific observation rather than logical arguments (Kuada 2012: 74). Furthermore, positivism uses existing theories that provides a priori explanation of a given social phenomenon as a base for hypothesis formulation.
Research methodology is defined by Bailey (1982: 32) as “the philosophy that guides the research process”. Research methodology defines the basic methods, procedures and set of interrelated activities that should be observed to achieve the research objectives and complete the research successfully. Methodology acts as a guide and a catalyst for directing the research activities as it paves the paths which should be followed to complete the research successfully. Research methodology is normally guided by the ontological philosophy and epistemological approach underpinning the study. Researchers can either use qualitative, quantitative, or mixed-methods methodology depending on the knowledge being sought (Bailey 1982; Maree and Pietersen 2007; Altinay and Paraskevas 2008; Brotherton 2008; Kuada 2012).

This research study investigates the influence of service quality on the post-dining behavioural intentions of customers in a fine dining restaurant. Therefore, quantitative research methodology, an approach that intends to define how a variable influences another variable in a population by measuring the relationships between variables, was deemed appropriate to understand the correlation between the constructs that are being investigated in this research (Altinay and Paraskevas 2008: 75). The qualitative research methodology was considered but ignored since its findings may not necessarily be supported by empirical evidence (Kuada 2012: 74).

Descriptive studies are concerned with describing phenomena in detail- what happened- in contrast to explanatory studies which generally attempts to explain the phenomena by specifying why or how it happened (Bailey 1982: 38). Since this research study investigates the “what is”- the influence of service quality- a descriptive approach was deemed fit for this research study. In a descriptive study, “the primary goal is to assess a sample at one specific point in time without attempting to change its behaviour or the conditions in which it exists” (Altinay and Paraskevas 2008: 75). The research is therefore descriptive in nature and a non-experimental approach was used to test the variables (Brotherton 2008: 12, 32).
A non-experimental approach was chosen since the selected respondents to the study were measured at a definite time on the significant variables (Maree and Pietersen 2007: 152). The experimental approach was considered, but not chosen for this study due to the presence of a mediating variable (customer satisfaction) which could not be controlled. The experimental approach requires the researcher to manipulate one or more of the variables and measure the change to a small number of variables, while controlling the others (Altinay and Paraskevas 2008: 83).

The research employed an analytical survey approach whereby the data was collected to test the hypothesized cause-effect relationship and ascertain the mechanism underlying such a relationship (Brotherton 2008:114). An analytical survey approach (also known as cross-sectional inquiry) was chosen due to budgetary and time constraints. According to Bailey (1982: 34) and Brotherton (2008: 115), a cross-sectional inquiry is “a study that examines a cross-section of the population at a single point in time. Cross-section means a broad sampling of persons of different ages; different educational and income levels; different races; different ethnicity; and different belief systems”. Longitudinal inquiry, an alternative to cross-sectional studies, was considered but rejected due to its inability to encompass different points in time (Bailey 1982: 34).

The conceptual framework for this research was built on the correlational hypotheses postulated in the research topic. The cause-effect relationship between ‘service quality’ and ‘post dining behavioural intentions’ was tested using the existing body of literature, methodologies and models (Brotherton 2008: 90). Correlation (also known as concomitant variation) simply implies that the variables are related and vary together. However, it is important to note that correlation varies from a causal relationship which implies that a change in one variable will cause a change in another variable (Bailey 1982: 48). Hence, analytical surveys were used to understand the relationship between service quality and behavioural intentions (Altinay and Paraskevas 2008: 82; Maree and Pietersen 2007).
3.3. Sampling

Virtual impossibility to sample the whole population due to constraints such as time and cost, propels most researchers to use sampling especially when the population is fairly large (Maree and Pietersen 2007: 180). It is not necessary that the population be homogenous for the researcher to sample successfully from it, but it is necessary that the range of data or information in the population is represented in the sample (Bailey 1982: 84). Hence, it is generally clear that a larger sample is better in terms of representativeness, statistical analysis and accuracy (Maree and Pietersen 2007: 178).

“Sampling is defined by Altinay and Paraskevas (2008: 89) as the “process by which researchers select a representative subset or part of the total population that can be studied for their topic so that they will be able to draw conclusions regarding the entire population”. Except for the fact that sampling saves time and money, it can yield a couple of advantages to a researcher. According to Bailey (1982: 88), sampling may achieve a greater response rate and greater cooperation from respondents, thus resulting in more accurate data. Additionally, sampling help the researcher to keep a low profile, minimizing the number of people who might have to answer personal questions such as income per annum for each respondent. The sampling bases for this research are explained below.

3.3.1. Bases of sampling

(a) Unit of analysis

Unit of analysis is defined by Bailey (1982: 85) as objects of study which most often include individual persons, businesses, industry, a city, province or country. The unit of analysis for this research is individual persons.

(b) Population

Population refers to a collection of related elements, all of which share some characteristics that are relevant to the research (Brotherton 2008: 165). It describes the summation of the units of analysis. Population for
this research includes all the diners who dined at restaurants at Ushaka Marine World during the data collection period in January 2016.

(c) Sampling element
A sample element (also known as the target population) is defined by Brotherton (2008: 164) as a smaller version of the whole which reflects the same characteristics as the whole. A sample element consist of each individual from the entire population that is the decisive target (Bailey 1982: 85). The sample element is used to make inferences about the target population. The sample element for this research encompasses all the diners who patronised the Cargo Hold fine dining restaurant during the data collection period.

(d) Sampling frame
A sampling frame is “the complete list of all units from which the sample is drawn” (Bailey 1982: 85). A sample frame for this research is 400 conveniently selected diners who dined at Cargo Hold restaurant between 03 January 2016 and 29 January 2016.

(e) Sample
A sample is a subset or portion of the entire population, consisting of the predetermined numbers, chosen to ensure representativeness of the entire population (Bailey 1982: 85). The sample for this research includes all the diners who dined at the Cargo Hold restaurant during the data collection period (03-29 January 2016) and gave their consent to fill in the research questionnaire. Hence, they are the respondents to this research.
3.3.2. Sampling method

This research employed the non-probability sampling method. Smith (1983 as cited in Altinay and Paraskevas 2008: 95) defined non-probability as a sampling method “where it is not possible to specify the probability that any person or other unit on which the survey is based will be included in the sample”. Altinay and Paraskevas (2008: 95) posit that in the restaurant industry, probability sampling is elusive due to time constrains, high cost and ethical considerations.

According to Bailey (1982: 97), the non-probability sampling method can assist the researcher to stick within budgetary limits and escape the statistical complexities associated with probability sampling. Furthermore, the author postulates that non-probability sampling is perfectly fine if the researcher has no desire to generalise the research findings beyond the sample, which is the case with this research study.

This research study used the convenience sampling technique due to the impracticality of carrying out a probability sampling. The convenience sampling technique refers to a situation whereby a sample frame is selected based on the fact that they are easily and conveniently available to participate in the research survey (Bailey 1982: 97; Altinay and Paraskevas 2008: 95; Maree and Pietersen 2007: 177). Data was collected during different times (lunch and dinner) of the day and throughout the week from 03 January 2016 to 29 January 2016 in order to reduce the bias associated with the convenience sampling technique.

3.4. Data collection

Researchers have a range of methods at their custody that can be applied in data collection, with each method having its own benefits and limitations. Therefore, it is totally up to the researcher as to which method is more suitable for his research (Maree and Pietersen 2007: 156). Various methods of data collection include surveys (both questionnaire and interview); experiments; observation; ethnomethodology (action research and case studies); document study; and
simulations (Bailey 1982; Brotherton 2008; Altinay and Paraskevas 2008; Maree and Pietersen 2007).

The survey questionnaire method was considered appropriate for this research. McMillan and Schumacher (2004: 602 as cited by Maree and Pietersen 2007: 155) define the survey as “an assessment of the current status, opinions, perceptions, plans and beliefs”. The survey questionnaire was considered more suitable as this research intended to investigate the opinions, perception and future plans of customers based on their dining experiences. Furthermore, Cohen et al. (2001: 169 cited in Maree and Pietersen 2007: 155) assert that surveys “set out to describe and to interpret what is”. This is more consistent with the descriptive nature of this research which has been discussed in the research design section of the research methodology chapter.

Additionally, the survey was chosen because many variables can be measured and multiple hypotheses can be tested through a survey (Maree and Pietersen 2007: 155). The survey questionnaire is theory-driven since the research attempts to test hypotheses. This research study employed structured self-administered questionnaires as a mode of data collection, as opposed to the structured electronic questionnaire, a telephonic survey and a postal survey.

Agreement was reached with the Cargo Hold restaurant management team that the questionnaires will be personally distributed by the researcher during meal periods with the intent to explain the purpose of the survey, explain the anonymity protocols and encourage participation. The diners dining during lunch and dinner time were approached and given the consent letter during the meal period. Should consent be obtained, diners were then asked to complete the questionnaire which was completed after their meal period, as it sought to assess their perceptions of service quality and their behavioural intentions based on their perceptions. The waiters collected the questionnaires together with the bill before the respondents left the Cargo Hold restaurant.
3.5. Research instrument and operationalisation of variables

Based on both North American and Nordic schools of thought, certain service quality measurement instruments and models have been developed. SERVQUAL by Parasuraman et al. (1985) is the prominent instrument and has been approved by most researchers due to its practicality, despite its methodological problems and ambiguous dimensionality (Kim et al. 2003: 68). However, Tucci and Talaga (2000: 13) identified an improbability of utilizing a standardised SERVQUAL instrument effectively across different industries and settings. Given that each business like the restaurant sector deals with a distinctive group of customers, a service quality analysis instruments should be tailored reflect the evaluative measures used by those customers.

Through realisation of this fact, Stevens et al. (1995) pioneered DINESERV, a modified version of SERVQUAL, customised to measure service quality in restaurants. Kim et al. (2003) embarked on a study to confirm the dimensions of the DINESERV instrument in Korean casual dining restaurants segment. Furthermore, Kim et al. (2003) studied the possibility of differences in customers’ perceptions of service quality of those restaurants. The authors found the DINESERV useful. However, methodological problems and ambiguous dimensionality associated with SERVQUAL were revealed.

This research study measures the influence of service quality on post-dining behavioural intentions using the rehabilitated version of the DINESERV. The DINESERV instrument applied factor analysis statistical technique to factor out 29 out of 40 expectations and perception of customers on restaurant service. Upon rotating the factors, the DINESERV instrument confirmed five dimensions in agreement to the SERVQUAL instrument, comprising of tangibility; reliability; responsiveness; assurance; and empathy (Stevens et al. 1995; Cheng et al. 2012: 1157). Furthermore, the DINESERV instrument proposed a quantified measure of expectations of customers in the restaurants. Therefore, this research study focused on the perceptions arising from those expectations.
Table 3.1: DINESERV scale

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<tr>
<th>The DINESERV, per interview</th>
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<tr>
<td>The restaurant...</td>
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<tr>
<td>(01) ...has visually attractive parking areas and building exteriors.</td>
</tr>
<tr>
<td>(02) ...has a visually attractive dining area.</td>
</tr>
<tr>
<td>(03) ...has staff members who are clean, neat, and appropriately dressed.</td>
</tr>
<tr>
<td>(04) ...has a decor in keeping with its image and price range.</td>
</tr>
<tr>
<td>(05) ...has a menu that is easily readable.</td>
</tr>
<tr>
<td>(06) ...has a visually attractive menu that reflects the restaurant's image.</td>
</tr>
<tr>
<td>(07) ...has a dining area that is comfortable and easy to move around in.</td>
</tr>
<tr>
<td>(08) ...has rest rooms that are thoroughly clean.</td>
</tr>
<tr>
<td>(09) ...has dining areas that are thoroughly clean.</td>
</tr>
<tr>
<td>(10) ...has comfortable seats in the dining room.</td>
</tr>
<tr>
<td>(11) ...serves you in the time promised.</td>
</tr>
<tr>
<td>(12) ...quickly corrects anything that is wrong.</td>
</tr>
<tr>
<td>(13) ...is dependable and consistent.</td>
</tr>
<tr>
<td>(14) ...provides an accurate guest check.</td>
</tr>
<tr>
<td>(15) ...serves your food exactly as you ordered it.</td>
</tr>
<tr>
<td>(16) ...during busy times has employees shift to help each other maintain speed and quality of service.</td>
</tr>
<tr>
<td>(17) ...provides prompt and quick service.</td>
</tr>
<tr>
<td>(18) ...gives extra effort to handle your special requests.</td>
</tr>
<tr>
<td>(19) ...has employees who can answer your questions completely.</td>
</tr>
<tr>
<td>(20) ...makes you feel comfortable and confident in your dealings with them.</td>
</tr>
<tr>
<td>(21) ...has personnel who are both able and willing to give you information about menu items, their ingredients, and methods of preparation.</td>
</tr>
<tr>
<td>(22) ...makes you feel personally safe.</td>
</tr>
<tr>
<td>(23) ...has personnel who seem well-trained, competent, and experienced.</td>
</tr>
<tr>
<td>(24) ...seems to give employees support so that they can do their jobs well.</td>
</tr>
<tr>
<td>(25) ...has employees who are sensitive to your individual needs and wants, rather than always relying on policies and procedures.</td>
</tr>
<tr>
<td>(26) ...makes you feel special.</td>
</tr>
<tr>
<td>(27) ...anticipates your individual needs and wants.</td>
</tr>
<tr>
<td>(28) ...has employees who are sympathetic and reassuring if something is wrong.</td>
</tr>
<tr>
<td>(29) ...seems to have the customers' best interests at heart.</td>
</tr>
</tbody>
</table>

The first ten items are about tangibles; items 11-15, about reliability; items 16-18, about responsiveness; items 19-24, about assurance; and items 25-29, about empathy.

Source: Stevens, Knutson and Patton (1995)
When various scholars explored restaurant service quality using the modified DINESERV instrument, they received a good empirical evidence (Liu and Jang 2009: 342; Kim et al. 2009: 11; Marković et al. 2011: 247, Cheng et al. 2012: 1157). When evaluating the performance of Chinese restaurants in the USA, Liu and Jang (2009: 344) achieved adequate internal reliability with Cronbach’s alpha values score varying from 0.72 to 0.96. Food and service attributes emerged as the most essential for Chinese restaurants. Furthermore, Kim et al. (2009) piloted a research to validate the reliability and validity of the modified DINESERV instrument. The confirmatory factor analyses revealed the goodness of fit index; the normal fit index; root mean square residual; and all the parameters estimated between variables were significant. This advocates that the modified DINESERV can be used in other different settings.

The modified DINESERV scales presented by these scholars attempted to introduce the items that were omitted in the DINESERV as well as omit those which do not have any significance (Keith and Simmers 2011: 29). Modifying the scale is necessary to ensure that the instrument measures what it intends to measure in that specific setting, using specific characteristics. For example, food-related attributes are absent in the DINESERV scale despite it being a core (tangible) product of the restaurant industry.

The modified DINESERV questionnaire for this research study is made up of four-dimensional sections. Given the intangibility characteristic of services, service quality is regularly assessed to define perceptions of customers arising from their experiences (Keith and Simmers 2011: 21). Recent studies (Chow et al. 2007; Noone and Mattila 2009; Lubbe, Douglas and Zambellis 2011) on service quality utilized only service performance measures (i.e. the SERVPERF instrument) to measure the perceptions of customers concerning the process quality and outcome quality of restaurant service. Hence, it is unnecessary to assess both expectations and perceptions as results might vary due to segregated data. This research study only focused on the perceptions of customers arising from the service encounter with the Cargo Hold restaurant.
Table 3.2: Modified DINESERV scale for this research study

Kindly indicate your level of agreement for each of the following statements as they apply to your perception of Cargo Hold service:

<table>
<thead>
<tr>
<th>Section A: Perception of Service Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>7</td>
</tr>
<tr>
<td>8</td>
</tr>
<tr>
<td>9</td>
</tr>
<tr>
<td>10</td>
</tr>
<tr>
<td>11</td>
</tr>
<tr>
<td>12</td>
</tr>
<tr>
<td>13</td>
</tr>
<tr>
<td>14</td>
</tr>
<tr>
<td>15</td>
</tr>
<tr>
<td>16</td>
</tr>
<tr>
<td>17</td>
</tr>
<tr>
<td>18</td>
</tr>
</tbody>
</table>

- The first 6 items represent the food dimension; items 7-11 represent the atmosphere dimension; and items 12-18 represent the service dimension.
- All atmospherics items are presented as “tangibles” in a DINESERV.per.
- Within the service dimension, items 12-13 represent “reliability”; item 14 represent “responsiveness”; items 15-17 represent “assurance”; and item 18 represent “empathy” in a DINESERV.per respectively.

Source: Self-generated by the researcher
The first section, as depicted in Table 3.2, was designed to measure service quality perceptions of customers using the rehabilitated DINESERV.per scale. The study used DINESERV since it is a performance-based scale that assesses the perceptions of service quality experienced. This section consists of 18 statements that have been adapted from Keith and Simmers (2011: 28) which combine food, service and atmospheric dimensions. The attributes presented within these dimensions were identified by several hospitality empirical researchers (Heung and Gu 2012; Ha and Jang 2013; Marinkovic et al. 2014) as significant antecedents of service quality in a fine dining restaurant setting.

**Table 3.3: Comparison of modified DINESERV dimensions, attributes and the original DINESERV.per**

<table>
<thead>
<tr>
<th>Modified DINESERV</th>
<th>DINESERV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dimension</strong></td>
<td><strong>Item</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td>Variety</td>
</tr>
<tr>
<td></td>
<td>Presentation</td>
</tr>
<tr>
<td></td>
<td>Freshness</td>
</tr>
<tr>
<td></td>
<td>Price</td>
</tr>
<tr>
<td></td>
<td>Taste</td>
</tr>
<tr>
<td></td>
<td>Temperature</td>
</tr>
<tr>
<td>Atmosphere</td>
<td>Staff appearance</td>
</tr>
<tr>
<td></td>
<td>Comfort</td>
</tr>
<tr>
<td></td>
<td>Cleanliness</td>
</tr>
<tr>
<td></td>
<td>Attractiveness</td>
</tr>
<tr>
<td></td>
<td>Menu readability</td>
</tr>
<tr>
<td>Service</td>
<td>Time frame</td>
</tr>
<tr>
<td></td>
<td>Accuracy</td>
</tr>
<tr>
<td></td>
<td>Promptness</td>
</tr>
<tr>
<td></td>
<td>Friendliness</td>
</tr>
<tr>
<td></td>
<td>Menu knowledge</td>
</tr>
<tr>
<td></td>
<td>Competence</td>
</tr>
<tr>
<td></td>
<td>Anticipation</td>
</tr>
</tbody>
</table>

As depicted in Table 3.3, the food dimension and items (which are absent in the original DINESERV instrument depicted in Table 3.1) were introduced in the modified version since they were considered a most important omission of the DINESERV. Keith and Simmers (2011: 27) stated that a fundamental product of a restaurant consists of tangible (food) and intangible elements (atmosphere and service). Absent from a modified version of DINESERV.per for this research were items 12, 13, 14, 16, 26, 28 and 29.

“The modified version does not assume that a problem has occurred, thus omitting the question regarding correcting mistakes (12); accuracy of the bill (14); and sympathy (28). DINESERV.per includes issues of dependability & consistency (13) and whether the diners feel special (26). These items suggests that the diner has a relationship with a customer. Only if customers have previous encounters with the restaurant are they able to comment on consistency and feeling special. It also does not ask diners to give perceptions from a management perspective regarding employees helping each other during peak periods (16). Moreover, the modified version omitted employees having customers’ best interest at hearts (29) to avoid raising expectations that may not have existed prior.” Keith and Simmers (2011: 29).

The second part of the questionnaire was devised to ascertain the post-dining behavioural intentions of customers. This section consisted of five positive behavioural intentions statements (recommend, loyalty, first choice, complaining and paying higher prices) which were adapted from Zeithaml, Berry and Parasuraman (1996: 34); Ladhari et al. (2008: 564); Liu and Jang (2009: 339); Ha and Jang (2010: 4); and Heung and Gu (2012: 1169). The five positive statements were structured in a five-point Likert scale with an attempt to determine the behavioural intentions of customers. Rating was from (1) most unlikely; (2) unlikely; (3) not sure; (4) likely; and (5) most likely. These statements were considered since positive behavioural intentions were anticipated based on customer satisfaction. Hence, negative behavioural intentions such as negative words of mouth and switching behaviour were ignored.
The third section of the questionnaire was designed to ascertain customers’ overall satisfaction with the service encounter. This is a two-statement section which measured the overall dining experience of customers and their overall level of satisfaction with the service. These statements were adapted from Ha and Jang (2010: 5) and Marković et al. (2011: 244). The two statements were structured in a 5 point Likert scale, ranging from (1) extremely dissatisfied (2) dissatisfied (3) neutral (4) satisfied (5) extremely satisfied.

The fourth section was designed to collect biographical information of customers, such as their geographic, demographic, psychographic, behavioural and benefits sought information (i.e. gender, age, status, patronage, place of residence, dining frequency and income per month). Respondents were asked to tick a box to indicate their biographical information. Maree and Pietersen (2007: 164) highlighted that only biographical data that is relevant to the research should be included in the instrument. Therefore, the biographical information that this section intended to collect was based on an intensive review of the literature.

### 3.6. Pre-test

To minimise and eliminate the systematic bias and non-response errors, the modified DINESERV.per questionnaire was pretested before it was implemented (Brotherton 2008:116). Bailey (1982: 148) asserted that pretesting is the last step of devising a questionnaire and undoubtedly the critical stage. Pretesting is necessary to verify the reliability and validity of the instrument and it is essential for this research study, since it used the modified DINESERV scale (Ma et al. 2011: 296).

The pre-test should be conducted in the same manner as the final study. If the researcher pursues mailed questionnaires, then the pre-test should be mailed as well (Bailey 1982: 151). Pretesting was carried out with 20 diners who dined at the Cargo Hold restaurant prior to the questionnaires being administered to the sample element (target population). Internal consistency was achieved, with Cronbach’s alpha values ranging from 0.786 to 0.966.
3.7. Validity and reliability

Validity is “the extent to which a data collection method accurately measures what it is intended to measure” (Altinay and Paraskevas 2008: 130). It is concerned with the dependability and usefulness of the measurement instrument, and the degree of accuracy of the measurement. It is important to ensure that the questionnaire measures what it intended to measure and that it complies with the validity criteria. Validity was achieved through pilot testing and an extensive review of literature.

Despite the pre-test and review of literature, the research study also applied the kinds of validity test discussed below:

(a) Face validity which describes “the extent to which an instrument ‘looks or appears’ valid” (Maree and Pietersen 2007: 217). In this research, a questionnaire was submitted to be scrutinized by experts (Dr KM Naidoo and Mrs N Sibiya) in the field of hospitality and tourism at the Durban University of Technology to confirm a sufficient level of face validity.

(b) Content validity which represents “the extent to which the instrument covers the complete content of the particular construct that it set out to measure” (Maree and Pietersen 2007: 217). The main constructs in this research study were service quality, customer satisfaction (a mediating variable) and post-dining behavioural intention. A provisional questionnaire was given to the experts mentioned above for input and comments on this research study.

Reliability is “the degree to which the data collection method will yield consistent findings” (Altinay and Paraskevas 2008: 130). It is the consistency with which the measuring instrument performs. Apart from accuracy, the measurement instrument should yield similar results consistently. Reliability is essential to ensure that the results received from the respondents are consistent. A pre-test was conducted to ensure that all questions in the measuring instrument are understandable and relevant.
Several hospitality marketing and management empirical researchers (Bouranta, Chitiris and Paravantis 2009; Qin et al. 2010; Lubbe et al. 2011; Cheng et al. 2012) used Cronbach Alpha values to calculate and determine the internal reliability of the measuring instrument. The Cronbach Alpha coefficient value was approved as the best tool to measure the reliability and inter-validity of the survey scale, wherein the Likert scale is being used.

Cronbach Alpha measures were computed on SSPS statistical software (23.0) to endorse the validity and reliability of the questionnaire. Data entered was based on the pre-test that had been conducted with 20 diners. The Cronbach Alpha coefficient values for this research were above the minimum required scores of 0.70, as suggested by Nunnally (1978 as cited in Ali 2015: 43).

3.8. Anonymity and confidentiality

Anonymity and confidentiality are central to ethical research practice in social science research. Anonymity and confidentiality are important in research as they allow respondents to express their true feelings about the issue being studied without fear. Anonymity in social research simply means that the research instrument does not ask respondents to provide personal information that would give his/her identity away. Confidentiality means that the information collected from the respondents will be kept private and it will not be given to anyone.

This research ensured anonymity by allowing respondents to complete the questionnaire without identifying themselves. The questionnaires were designed in a way that it did not ask respondents to provide their names or their contact details. To ensure confidentiality, the research data was not exposed to any third party directly but only through the aggregated results of the study. The data was only made available to the research supervisors. It will be stored for five (5) years and thereafter shredded.
3.9. Data analysis

Data analysis is the step which follow data collection in the research process. The SPSS statistical software package [IBM SPSS Statistics 23.0 and 24.0] was used to analyse the data collected for this research. The hypotheses were tested on a multivariate analysis since this research seeks to measure the correlations amongst more than two variables.

Ranges and frequency distributions were utilised to evaluate the precision of data set for the hypotheses. Additionally, a hybrid of nominal, ordinal and interval scales was used to measure the variables, using descriptive statistics such as means, standard deviations and variances for all variables to analyse the data set (Altinay and Paraskevas 2008: 195).

Several studies in the hedonic service environment (Ha and Jang 2010; Jani and Han 2011; Wang and Chen 2012; Hooper et al. 2013; Ma et al. 2014; Prayag et al. 2015) performed CFA (confirmatory factor analysis) to assess the fit of the measurement scale and SEM (structural equation modelling) to test the postulated structural relationships and paths. Hence, CFA and SEM were also applied in this research to confirm structural paths of the proposed model and to test goodness-of-fit for the measurement scale.

Qin and Prybutok (2008) highlighted the importance of the application of SEM to examine the model suitability in the restaurant industry, rather than the application of linear regression or ANOVA. The researchers were supported by Wang and Chen (2012) who postulate that SEM is essential, since the correlation between service quality, customer satisfaction and behavioural intentions is not in a linear relationship.

Moreover, this research employed a correlation test to validate the proposed hypothesis (Ladhari 2009; Ali 2015). Correlation test permits one to assess the extent to which “a change in a dependent variable is related to a change in one or more independent variables” (Altinay and Paraskevas 2008: 212).
In order to understand the importance attached by customers to the three antecedents of service quality, importance-performance gap analysis (IPGA) was considered. However, a positive correlation coefficient (+1) signals high importance whereas a negative correlation coefficient (-1) illustrates low importance. Therefore, this research study uses the correlation coefficients to understand the importance attached by customers to food, atmosphere and service based on the positivity and negativity of the correlations.

3.10. Summary

This chapter described the methodologies which were applied in this research study in an attempt to address the research question and objectives; validate the hypothesized correlation between the constructs as presented in the proposed model; and validate the postulated hypotheses. The research methodologies presented were based on the confirmed validity and reliability presented in previous studies. The next chapter presents the results, using the research methods employed to analyse and interpret data collected from the research sample.
Chapter 4
Analysis and interpretation of primary data

4. Introduction

The previous chapter discussed the cluster of methodological procedures and processes that this research study applied in order to attain empirical data and ultimately, to meet the research aim and objectives. This chapter presents an analysis of the results and interprets the findings obtained from the questionnaires in this research study. The survey questionnaire was the primary instrument that was distributed to customers at the Cargo Hold fine dining restaurant to collect data. The data collected from the responses was analysed with SPSS version 23.0 and 24.0.

This chapter will present the descriptive statistics in the form of graphs, tables and figures for the primary data that was obtained from responses. Furthermore, inferential methods contain the use of correlations analysis and structural equation modelling, which are interpreted using chi-square values. In a sequential order, this chapter presents the response rate, research instrument, biographical data, results, hypothesis testing and summary of results.

4.1. Response rate

In this research study, 400 survey questionnaires were distributed at the Cargo Hold fine dining restaurant. Of the 400 survey questionnaires distributed, only 39 were returned incomplete. Hence, these were excluded from the sample. The fine dining nature of the restaurant could possibly have been the cause for this incompletion. The final sample included 361 usable survey questionnaires, representing a 90.25% response rate, which were analysed for the research study. If the survey is administered face-to-face, a response rate above 80% is considered to be excellent for the reliability of the empirical findings, which is the case with this research study.
4.2. Research instrument

This study used a modified version of the DINESERV Survey scale. The modified DINESERV scale comprised of 31 items, with a level of measurement at nominal, ordinal and interval levels. The questionnaire featured four sectional questions which assessed various subjects as demonstrated below:

- Section A: Service Quality
- Section B: Behavioural Intentions
- Section C: Customer Satisfaction
- Section D: Biographical information

Section A constitutes 18 items which covered the three main dimensions of service quality that have been recognised as the main antecedents of service quality in the proposed model. Section B constitutes 5 items that have been designed to detect the post-dining behavioural intentions of customers. Section C constitutes 2 items that measure the overall level of customer satisfaction based on their single service encounter. The last section constitutes 6 items that indicate the participants’ biographical information in order to assist Cargo Hold to identify who their target market is.

Furthermore, the reliability of the modified DINESERV is going to be scrutinised and factor analyses has been conducted to examine the construct validity and to standardise the instrument (Pietersen and Maree, 2007: 218). The findings concerning the reliability and validity of the modified DINESERV in this research study are presented below.

4.2.1. Reliability statistics of a modified DINESERV

The two critical features of precision in research are the reliability and validity of the research instrument used. Reliability is calculated by taking a number of measurements on the same subjects. A reliability coefficient of 0.70 or higher is deemed “acceptable”. The reliability coefficient for this research study ranged from moderate (0.80) to high (0.90), which is acceptable (Pietersen and Maree...
The table below reveals the Cronbach’s alpha coefficient score for all the items that established the questionnaire:

**Table 4.1: Cronbach’s Alpha scores for a modified DINESERV**

<table>
<thead>
<tr>
<th>Section</th>
<th>Number of Items</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>A 01-06 Food</td>
<td>6 of 6</td>
<td>.830</td>
</tr>
<tr>
<td>A 07-11 Atmosphere</td>
<td>5 of 5</td>
<td>.827</td>
</tr>
<tr>
<td>A 12-18 Service</td>
<td>7 of 7</td>
<td>.902</td>
</tr>
<tr>
<td>B Behavioural Intentions</td>
<td>5 of 5</td>
<td>.802</td>
</tr>
<tr>
<td>C Customer Satisfaction</td>
<td>2 of 2</td>
<td>.873</td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td>25 of 25</td>
<td><strong>.941</strong></td>
</tr>
</tbody>
</table>

As depicted in Table 4.1, the reliability scores for all sections of the modified DINESERV exceed the recommended Cronbach’s alpha value of 0.700. This indicates a degree of acceptable, consistent scoring for these sections of the research. The total reliability score for the modified DINESERV instrument used in this research study is 0.941, illustrating a high degree of reliability for this instrument.

**4.2.2. Factor analysis**

According to Pietersen and Maree (2007: 219), the purpose of factor analysis is to:

“…determine which items belong together in the sense that they are answered similarly and therefore measure the same dimension or factor”.

Factor analysis is a statistical technique that is applied to establish new variables from existing items by means of data reduction. This technique can be applied to a variety of situations in which the factors can be interpreted and practically be assigned names as real things. Factor analysis as a statistical technique, rotate and group the items in the questionnaire to form fewer hypothetical factors that are representative of all the items being investigated.
For example, variety in the menu; presentation and appearance; price; taste; freshness and nutritional content; and temperature, were applied to answer questions about the superiority of food at Cargo Hold restaurant in this research study. Each of these items, by itself, was not sufficient to assess the perceptions of customers towards the superiority of food, but together they provided a better assessment of the overall superiority of food. In this instance, factor analysis was applied to ascertain whether these items really measured the same dimension (superiority of food). Since these items did, in fact, measure the same dimension, they were combined together to form a new variable which was later named food dimension as illustrated in Table 4.1 in the previous page and Table 4.2 below.

4.2.2.1. Factor analysis: KMO and Bartlett’s Test

This section of factor analysis illustrates a concise table that reflects the results of the KMO and Bartlett's Test for this research study. The requirement is that Kaiser-Meyer-Olkin Measure of Sampling Adequacy should be greater than 0.50 and Bartlett’s Test of Sphericity less than 0.05. In this research study, the requirements for KMO and Bartlett's tests are met, which approved the factor analysis procedure that is done only for the Likert scale items. Certain items were gathered into specific factors according to their dimensions. Table 4.2 provides the rotated component matrix statistics.

Table 4.2: KMO and Bartlett’s Test

<table>
<thead>
<tr>
<th>Factor</th>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</th>
<th>Bartlett’s Test of Sphericity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Approx. Chi-Square</td>
</tr>
<tr>
<td>A01-06</td>
<td>Food</td>
<td>.861</td>
</tr>
<tr>
<td>A07-11</td>
<td>Atmosphere</td>
<td>.847</td>
</tr>
<tr>
<td>A12-18</td>
<td>Service</td>
<td>.889</td>
</tr>
<tr>
<td>B</td>
<td>BI</td>
<td>.784</td>
</tr>
<tr>
<td>C</td>
<td>CS</td>
<td>.500</td>
</tr>
</tbody>
</table>
In Table 4.2, the results of the factor loading matrix approved that items A1-6 as representing the food dimension; items A7-11 as representing an atmospherics dimension, items A12-A18 as representing the service dimension, items B1-5 as representing behavioural intentions, and items C1-2 as representing customer satisfaction. Factor analysis conditions were satisfied through which the results for Kaiser-Meyer-Olkin Measure of Sampling Adequacy value are all greater than 0.500 and the Bartlett’s Test of Sphericity sig. value are all less than 0.05.

4.3. Biographical data

This section of the research study describes the summary of the biographical data of the respondents, including gender; age; status; frequency of dining; income per month; and place of residence. Appendix D presents the demographical data of respondents in its entirety. In totality, the fraction of males to females is almost 1/2 (41.6%/58.4%). The largest single age group was 18-29 years (35.2%), followed by 30-39 years (27.1%). The combination 18-39 years represents more than half (62.3%) of the total number of Cargo Hold customers. Furthermore, the overall gender distribution by age illustrate the predominance (22.7%) of females between the ages of 18-29 years (more than 50%) compared to other gender distributions by age categories.

In terms of status, the frequencies depict that most Cargo Hold customers are employed (61.2%). Despite the significantly high percentage of the employed sample population, self-employed were the second on the score sheet with an 18.3% share in the total sample population of the Cargo Hold. More than 50% of Cargo Hold restaurant customers are frequent diners, with 43.3% dining at least one or more times in 15 days and 20.3% dining at least once per month. From the 76.2% (275 out of 361) respondents who divulged their income per month, the white collar group (R10 000, 00-R39 999, 00) emerged as the largest group. A threshold of the R60 000, 00 and above group represents a significant 16.4% of the total sample population. Most Cargo Hold diners were from other provinces in South Africa (38.5%), followed by Durban residents (38.2%).
4.4. Results of the research study

The correlation between service quality and behavioural intentions was tested on a model that depicted food, atmosphere and service as the antecedents of service quality in the fine dining restaurant setting, with customer satisfaction (presumed to be perceived service quality) mediating the link between service quality and behavioural intentions.

This section reports on the sectional analysis of each dimension that was identified using factor rotation matrix. The scoring patterns of the respondents per variable per section is analysed. Where applicable, levels of disagreement (negative statements- strongly disagree and disagree) were collapsed to show a single category of “Disagree”. A similar procedure was followed for the levels of agreement (positive statements- strongly agree and agree) which are illustrated as “Agree” henceforth.

4.4.1. Food

Table 4.3: Food dimension

<table>
<thead>
<tr>
<th></th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Row N %</td>
<td>Count</td>
</tr>
<tr>
<td>Menu variety</td>
<td>A1</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Presentation</td>
<td>A2</td>
<td>4</td>
<td>1.1%</td>
</tr>
<tr>
<td>Fresh &amp; Nutritious</td>
<td>A3</td>
<td>4</td>
<td>1.1%</td>
</tr>
<tr>
<td>Fair price</td>
<td>A4</td>
<td>24</td>
<td>6.6%</td>
</tr>
<tr>
<td>Taste</td>
<td>A5</td>
<td>8</td>
<td>2.2%</td>
</tr>
<tr>
<td>Temperature</td>
<td>A6</td>
<td>6</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

The aim of this section was to determine the perceptions of customers on the superiority of Cargo Hold food aspects. As can be seen in Table 4.3 and Figure 4.1, the food aspects at Cargo Hold have been rated as superior, except for the variety of the menu items (78.1%) and the price of the menu items (74.2%). The average level of agreement for this section is 86.47%.
Results revealed that there is a conspicuous disagreement as far as menu variety and price fairness is concerned, considering the fact that those who were neutral and disagreed with the sufficiency of the menu variety and fair prices include mostly age groups 18-39 years and frequent diners. These age groups made up 62.3% while the frequent diners were more than 50% of the respondents. This finding might suggests that customers seek more variety at reasonable prices.

**Figure 4.1: Food dimension**

![Graph showing food dimensions](image)

### 4.4.2. Atmosphere

Table 4.4: Atmospherics dimension

<table>
<thead>
<tr>
<th></th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Row N %</td>
<td>Count</td>
</tr>
<tr>
<td>Staff attire A7</td>
<td>2</td>
<td>.6%</td>
<td>33</td>
</tr>
<tr>
<td>Comfort A8</td>
<td>3</td>
<td>.8%</td>
<td>25</td>
</tr>
<tr>
<td>Cleanliness A9</td>
<td>27</td>
<td>7.5%</td>
<td>47</td>
</tr>
<tr>
<td>Attractiveness A10</td>
<td>2</td>
<td>.6%</td>
<td>24</td>
</tr>
<tr>
<td>Menu readability A11</td>
<td>7</td>
<td>1.9%</td>
<td>35</td>
</tr>
</tbody>
</table>
The aim of this factor was to determine the perception of customers about the overall attractiveness of the Cargo Hold restaurant atmosphere. As can be seen in Table 4.4 and Figure 4.2, the atmospherics of the Cargo Hold have been rated as exquisite. The average level of agreement for the atmospherics aspects of the Cargo Hold restaurant is 88.64%, which is relatively high.

However, the results revealed a concern about the cleanliness of the restaurant facilities. A staggering 20.5% of the respondents were seriously not satisfied with the cleanliness of the restaurant facilities, with a further 11.6% struggling to comprehend the menu description. On the subject of menu readability, a cross-tabulation depicted a significant number of respondents (31) who disagreed with the ease of reading and understanding of Cargo Hold restaurant’s menu as Durban and other province in South Africa residents. These results should be alarming since 76.7% of the respondents are from the Durban area and other provinces in South Africa.

**Figure 4.2: Atmosphere dimension**
4.4.3. Service

Table 4.5: Service dimension

<table>
<thead>
<tr>
<th></th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Row N %</td>
<td>Count</td>
</tr>
<tr>
<td>Time frame</td>
<td>A12</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>3.9%</td>
<td>39</td>
</tr>
<tr>
<td>Accuracy</td>
<td>A13</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>3.3%</td>
<td>18</td>
</tr>
<tr>
<td>Prompt &amp; Quick</td>
<td>A14</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>5.0%</td>
<td>47</td>
</tr>
<tr>
<td>Friendliness</td>
<td>A15</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>.6%</td>
<td>24</td>
</tr>
<tr>
<td>Menu Explanation</td>
<td>A16</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>7.5%</td>
<td>76</td>
</tr>
<tr>
<td>Competence</td>
<td>A17</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>1.1%</td>
<td>51</td>
</tr>
<tr>
<td>Anticipation</td>
<td>A18</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>19</td>
<td>5.3%</td>
<td>59</td>
</tr>
</tbody>
</table>

Service is the third and last element of the antecedents of service quality for this research study. The aim of the service dimension was to determine the perceptions of customers about the excellence of the interaction between the service provider (waiters) and the customer at the Cargo Hold during the service encounter. The average level of agreement for this section is 83.78%.

The results, depicted in Table 4.5 and Figure 4.3, reveal that there is a high level of fragmentation and gaps in the perceptions of customers about the level of excellent service provided by Cargo Hold restaurant. Accuracy in providing what was ordered and employees’ friendliness were the only attributes of the service dimension that scored above 90% on the perception levels of respondents, which ultimately transpire to be service quality.

The major inaccuracy is with “menu explanation”, which had an overwhelming 28.5% of the respondents indicating that the employees neither explained the menu nor explained it clearly to them. Despite menu explanation, a total of 78 respondents (21.6%) felt that the service employees did not anticipate their needs nor checked if they were happy with the service encounter. Moreover, 18% of the respondents did not agree with the promptness and quickness of the service provided by Cargo Hold. These gaps could mean that the restaurant was short-
staffed for the peak season during which the research study was conducted or it might imply the need to review performance standards.

**Figure 4.3: Service dimension**

![Service dimension chart](image)

### 4.4.4. Behavioural intentions

**Table 4.6: Behavioural Intentions**

<table>
<thead>
<tr>
<th></th>
<th>Unlikely</th>
<th>Not Sure</th>
<th>Likely</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Row N %</td>
<td>Count</td>
</tr>
<tr>
<td>Recommendation B1</td>
<td>5</td>
<td>1.4%</td>
<td>27</td>
</tr>
<tr>
<td>Revisit B2</td>
<td>6</td>
<td>1.7%</td>
<td>32</td>
</tr>
<tr>
<td>First choice B3</td>
<td>31</td>
<td>8.6%</td>
<td>105</td>
</tr>
<tr>
<td>Complain B4</td>
<td>50</td>
<td>13.9%</td>
<td>90</td>
</tr>
<tr>
<td>Premium prices B5</td>
<td>125</td>
<td>34.6%</td>
<td>116</td>
</tr>
</tbody>
</table>

The behavioural intentions factor aimed to determine the possible post dining behavioural intentions of the Cargo Hold restaurant customers based on their perceptions of the superiority of food, exquisiteness of the atmosphere and excellence of the service. As can be seen in Table 4.6 and Figure 4.4, the post dining behavioural intentions of the Cargo Hold restaurant customers are alarming as it can impact on sustainability of the operation.
The results illustrate that only 91.1% of respondents are likely to recommend Cargo Hold to their friends, family, colleagues, business partners and other people. A significant 89.5% are willing to visit the restaurant again. Surprisingly, an unconvincing 62.3% and 61.2% of the respondents will consider Cargo Hold as their first choice when dining out and will complain when they experience a problem with a Cargo Hold service encounter, respectively. Furthermore, a significant 66.8% of respondents are not willing to pay higher prices than what Cargo Hold is already charging, which could suggest that the increase in the prices at Cargo Hold restaurant will result in a significant decline in returning customers.

The average level of likeliness to recommend, revisit, first preference, complain and willingness to pay higher prices is 67.5%. This means that a significant 32.5% of the respondents are unlikely to perform these post-dining behavioural intentions. Figure 4.4 below illustrates the higher variation in the items within this factor compared to other factors. The first two items are high and similar; the next two items are low and similar; and the last item has no clear pattern.

**Figure 4.4: Post-dining behavioural intentions**
4.4.5. Customer satisfaction

Table 4.7: Customer satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Dissatisfied</th>
<th>Neither</th>
<th>Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Row N %</td>
<td>Count</td>
</tr>
<tr>
<td>Meal experience C1</td>
<td>11</td>
<td>3.0%</td>
<td>21</td>
</tr>
<tr>
<td>Satisfaction C2</td>
<td>5</td>
<td>1.4%</td>
<td>34</td>
</tr>
</tbody>
</table>

The aim of the customer satisfaction factor is to measure customers’ levels of satisfaction with the service experienced at the Cargo Hold restaurant during their visit. As depicted in Table 4.7 and Figure 4.5, the satisfaction levels are extremely high despite the highly unlikely behavioural intentions to recommend, revisit, first preference, complaining intentions and willingness to pay higher prices discussed in the behavioural intentions factor above. The results could suggest that respondents are satisfied with the service encounter due to the high average in levels of agreement with food, atmosphere and service factors as antecedents of overall service quality.

Figure 4.5: Customer satisfaction
### 4.5. Results from structural equation modelling

Variables in the model were tested on cross-sectional correlations using Structural Equation Modelling (SEM). Since this research study specifically seeks to determine the influence of service quality on the post-dining behavioural intentions, with customer satisfaction as a mediating variable, the hypothesised structural paths were tested through a Pearson Chi-square test.

**Figure 4.6: Structural equation modelling paths**

---

The proposed structural model was estimated by structural equation modelling (SEM) Figure 4.6, which included individual tests of the significance of the relationships amongst the constructs. The statistics showed that the model has a chi-square value of 57.32; degree of freedom of 3; and significance chi-square test with p<0.001. The goodness-of-fit for the model was overlooked since the purpose of structural equation modelling for this research study was solely for path analysis.

The model indicated the significant correlations amongst all the variables, except for atmosphere→service quality being the only path with an insignificant relationship. This path analysis had a coefficient value of 0.0764, violating the hypothesised structural relationship. All the other exogenous and endogenous variables satisfied the structural equation modelling requirements of +1 and -1.
### Table 4.8: Correlations

<table>
<thead>
<tr>
<th></th>
<th>Food</th>
<th>Atmosphere</th>
<th>Service</th>
<th>Behavioural Intentions</th>
<th>Customer Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman's rho</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>361</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Atmosphere</td>
<td>Correlation Coefficient</td>
<td>.713**</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>361</td>
<td>361</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>Correlation Coefficient</td>
<td>.592**</td>
<td>.731**</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>361</td>
<td>361</td>
<td>361</td>
<td></td>
</tr>
<tr>
<td>Behavioural Intentions</td>
<td>Correlation Coefficient</td>
<td>.589**</td>
<td>.531**</td>
<td>.608**</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>361</td>
<td>361</td>
<td>361</td>
<td>361</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>Correlation Coefficient</td>
<td>.648**</td>
<td>.548**</td>
<td>.535**</td>
<td>.644**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>361</td>
<td>361</td>
<td>361</td>
<td>361</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

All of the correlations between the dimensions are strong and positive. This means that as one increases, the other also increases, and vice versa.
4.6. Results of hypothesis testing

The proposed hypotheses for the research study were validated using Spearman’s correlation coefficients, presented in Table 4.8, and the structural equation modelling path analysis model, presented in Figure 4.6.

**Hypothesis 1: Food, service and atmosphere are highly and equally important to fine dining restaurant customers.**

As shown in Figure 4.6, the path analysis for paths from antecedents of service quality to the construct of service quality revealed the following results:

(a) from ‘food’ to ‘service quality’, the coefficient was 0.451, with a confidence level ranging between 0.320 and 0.581;

(b) from ‘atmosphere’ to ‘service quality’, the coefficient was 0.076, with a confidence level ranging between -0.061 to 0.214; and

(c) from ‘service’ to ‘service quality’, the coefficient was 0.211, with a confidence level ranging between 0.106 and 0.317.

The path analysis revealed that only ‘food’ and ‘service’ dimensions had a significant impact on service quality perceptions. These result does not support hypothesis 1 which assumed that all three antecedents of service quality construct, atmosphere included, are highly and equally important to fine dining restaurant customers.

**Hypothesis 2a: There is a positive and direct correlation between service quality and behavioural intentions.**

The standardized path coefficient of the relationship between service quality and behavioural intentions (hypothesis 2a) was 0.396, which indicated that service quality was significant in predicting post-dining behavioural intentions. These results support the assumed direct and positive relationship between these constructs. Despite the path coefficient, the Spearman’s correlation coefficients (Table 4.8) depicted significant correlations (0.589, 0.531, and 0.608
respectively) between all the antecedents of service quality and behavioural intentions.

**Hypothesis 2b:** Customer satisfaction mediates the link between these constructs indirectly.

The path analysis support hypothesis 2b, predicting the customer satisfaction construct to be mediating the link between service quality and behavioural intentions only indirectly. The correlation coefficient from service quality to customer satisfaction was 0.313 and the correlation coefficient from customer satisfaction to behavioural intentions was 1.

**Hypothesis 3: Positive overall satisfaction triggers positive post dining behavioural intentions of customers.**

The Spearman’s correlation coefficient between customer satisfaction and behavioural intentions is significant and positive at 0.644. This means that an increase in the level of customer satisfaction will automatically cause an increase in positive behavioural intentions.

**Hypothesis 4: Perceived service quality and customer satisfaction are mutually inclusive.**

An extensive review of the literature dismissed hypothesis 4, predicting customer satisfaction and perceived service quality to be mutually inclusive. Several empirical researchers concurred that these constructs are exclusive and only exist on a linear relationship.

**Table 4.9: Summary of hypothesis testing**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Food, service and atmosphere are highly and equally important to fine dining restaurant customers.</td>
<td>Not supported</td>
</tr>
<tr>
<td>H2a: There is a positive and direct correlation between service quality and behavioural intentions.</td>
<td>Supported</td>
</tr>
<tr>
<td>Hypothesis</td>
<td>Result</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>H2b: Customer satisfaction mediates the link between these constructs indirectly.</td>
<td>Supported</td>
</tr>
<tr>
<td>H3: Positive overall satisfaction triggers positive post dining behavioural intentions of customers.</td>
<td>Supported</td>
</tr>
<tr>
<td>H4: Perceived service quality and customer satisfaction are mutually inclusive.</td>
<td>Not supported</td>
</tr>
</tbody>
</table>

### 4.7. Conclusion

This chapter presented the statistical analysis and findings from the sample respondents. Firstly, the response rate was illustrated, followed by the reliability test and factor analysis for the modified version of the DINESERV, which satisfied all the requirements for the reliability and validity of the modified scale. This chapter also presented biographical data and the results of the modified scale. The final section of the chapter analysed and interpreted the statistical data from the Spearman’s correlation coefficients and structural equation modelling (i.e. the results of the hypothesis of the study). The next chapter, chapter 5, will provide a summary of this research study; a discussion of findings; both the theoretical and practical implications of the research study; recommendations; and limitations.
Chapter 5

Conclusions and Recommendations

5. Introduction

The previous chapter provided an analysis and interpretation of the primary data obtained from 361 respondents in order to confirm the proposed hypothesis and ultimately, the structural paths in the proposed model. The analysis of data was undertaken using the statistical software package (SSPS 23.0 and 24.0), whilst the interpretations were made in conjunction with the reviewed literature. As a summary of the research study, this chapter restates the problem statement which was the catalyst for this research; presents a brief summary of the research study; discusses the findings from both the literature review and empirical investigation; and presents the implications and limitations of the research study. Lastly, it outlines the researchers’ recommendations for future research and concluding remarks.

5.1. Restatement of the problem

The restaurant industry is a complex business with a high failure rate due to the lack of ability to secure repeat patronage by customers. In order to remain competitive, restaurants need to tender a service that meets the expectations of customers as perceived service quality affects post-dining behavioural intentions (Prayag, Khoo-Lattimore and Sitruk 2015: 27). Despite the growth of the restaurant industry during these tough economic times, the fine dining restaurant segment appears to be continuously declining.

The National Restaurant Association (2014 as cited in Ruggless 2014: 20) stated that the fine dining restaurant segment achieved only 10% of the total industry revenue, indicating a serious lack in the restaurant industry market share. The poor performance of the fine dining restaurant segment propels restaurateurs
and academia to devise strategies and improvement plans to rescue and revive the sinking fine dining restaurant concept, hence this research study.

5.2. **Summary of the research**

This research study investigated the influence of service quality on the post-dining behavioural intentions of customers in a fine dining setting. Customer satisfaction, which was predicted to be mutually inclusive of perceived service quality (PSQ), was assumed to be a variable mediating the link between service quality and behavioural intentions indirectly.

Results by Perez *et al.* (2007); Qin and Prybutok (2008); Kim *et al.* (2009); Salazar *et al.* (2010); Jeong and Jang (2011); Al-alak and El-refae (2012); Yu and Ramanathan (2012); Khan and Fasih (2014); and Ali (2015) revealed the significant influence of service quality on customer satisfaction, which has a direct and favourable impact on behavioural intentions. The results of this research study are in agreement with previous results, especially in noting that the correlations between these constructs are not a linear correlation.

A theoretical model was developed and its paths tested through path analysis using structural equation modelling in the fine dining restaurant segment. This research study extended the research of these three constructs and contributes to an understanding of the correlations between these constructs in a fine dining restaurant setting.

The research study modified a DINESERV scale to obtain primary data from the respondents. The modified DINESERV attained a high reliability and validity score. It was further subjected to confirmatory factor analyses and all the KMO and Bartlett’s requirements for factor analysis were satisfied. The reliability and validity of the modified DINESERV was consistent with findings by Liu and Jang (2009: 342); Kim *et al.* (2009: 11); Marković *et al.* (2011: 247); and Cheng *et al.* (2012: 1157), who applied the modified DINESERV instrument to investigate restaurant’s service quality and received good empirical evidence.
Primary data was collected through self-administered questionnaires at the Cargo Hold restaurant after agreement was reached with the management team. The convenience sampling method of data collection was applied. Hence, diners were only given the questionnaire upon their consent to participate in this research study. The total amount of questionnaires distributed was 400, and 361 were deemed suitable for assessment. These 361 usable questionnaires represent a 90.25% response rate for this research study.

Hypotheses were tested on a hybrid of structural equation modelling path analysis and Spearman’s correlation coefficients. The hybrid structure excluded hypothesis 4 (H4), which was studied through the review of literature to verify the inclusivity of customer satisfaction and perceived service quality. Having discussed the abovementioned, the next section focuses on the crucial findings of the research study.

5.3. Discussion of the findings

An analysis of quantitative data collected through survey questionnaires revealed the following findings:

- **Hypothesis 1: Food, service and atmosphere are highly and equally important to fine dining restaurant customers.**

In a full-service restaurant, excellent service, superior food and exquisite dining atmosphere were postulated as antecedents of service quality which leads to customer satisfaction (Heung and Gu 2012: 1175). The results revealed that the three antecedents of service quality in the fine dining restaurant setting are not highly and equally important to restaurant customers. The structural path analysis between service quality and atmosphere had a correlation coefficient of 0.077, which demonstrated that this path is statistically insignificant. This finding is inconsistent with Noone and Mattila (2009) who found dining atmosphere to be an important component of the experience in a hedonic nature.
- **Hypothesis 2a**: There is a positive and direct correlation between service quality and behavioural intentions.

- **Hypothesis 2b**: Customer satisfaction mediates the link between these constructs indirectly.

Ozdemir and Hewett (2010: 46) emphasised evidence from previous studies which show positive correlation between service quality and behavioural intentions. Consistent with previous studies, this research study supported hypothesis 2a which assumed that there is a positive and a direct (0.398) correlation between service quality and behavioural intentions. Ladhari (2009: 322) found service quality to have both direct and indirect impact on behavioural intentions through emotional satisfaction. The indirect impact of service quality on behavioural intention through satisfaction was also proved significant in this research study. Thereby supporting an indirect link proposed in hypothesis 2b.

- **Hypothesis 3**: Positive overall satisfaction triggers positive post dining behavioural intentions of customers.

Yu and Ramanathan (2012: 491) posited that customer satisfaction makes a relationship between service quality perceptions and behavioural intentions stronger. In the present research study, a relationship from customer satisfaction to behavioural intentions had a correlation coefficient of 1.000 on a path analysis of a structural modelling equation. This proved to be the strongest relationship of the model and is consistent with previous studies. Therefore, a positive effect of customer satisfaction to behavioural intentions was supported, that is hypothesis 3.

Overall, the correlation between service quality and behavioural intentions proved significant, with customer satisfaction being an intervening variable on a non-linear relationship. Positive customer satisfaction did prove to have a positive and strong influence on the post-dining behavioural intentions of customers. Both superior food and excellent service had a significant impact on service quality perception.
5.4. Implications of the research

This research study provides empirical evidence that there is a strong correlation between service quality and post-purchase behavioural intentions, with customer satisfaction channelling the link between these two constructs indirectly. This evidence has utmost relevance and pivotal importance to academia and equivalently so to restaurateurs. The theoretical and practical implications of the research study are discussed below.

5.4.1. Theoretical implications

The research study provides a major contribution to the existing theoretical framework. These contributions are:

Firstly, the proposed research model has never been investigated nor tested before. Hence, the positive structural paths in the model are unique and provide a new basis for further investigation. Although literature exist concerning the constructs that are being studied, this research study is the first to examine them in one comprehensive model in a fine dining restaurant setting within a state-owned entity. The insignificant correlation between service quality and atmosphere implies that exquisite atmosphere is not a strong antecedent of service quality perception, but is rather a primer that shapes customers’ expectations of service (Hooper et al. 2013: 277).

Secondly, the SERVQUAL and DINESERV boost five service quality attributes that concurs with the North American school of thought. However, this research study confirmed the three dimensional constructs as the antecedents of service quality in the restaurant industry. These are consistent with the Nordic school of thought. A modified DINESERV for this research integrated both the North American and Nordic schools of thought to produce an instrument with a high reliability score (Cronbach’s alpha 0.941) and factors which satisfied all Kaiser-Meyer-Olkin Measure of Sampling Adequacy value requirements. Furthermore,
this research study expands on service quality research literature by examining these antecedents in the hedonic nature using structural equation modelling.

Previous studies used the behavioural intentions battery developed by Zeithaml et al. (1996) to measure post purchase behavioural intentions. This research study modified the behavioural intentions battery by omitting those items which were considered insignificant in measuring genuine intentions in a restaurant setting. Additionally, a review of literature revealed the “complaint” item as an important item in measuring behavioural intentions and it was therefore included in this research study. This factor also received a high reliability score.

Finally, there is major confusion in literature when it comes to perceived service quality and customer satisfaction constructs. Ham (2003: 22) further postulates that practitioners use the terms perceived service quality (PSQ) and customer satisfaction (CS) interchangeably. Hence:

*Hypothesis 4 (H4): Perceived service quality (PSQ) and customer satisfaction (CS) are mutually inclusive.*

Ha and Jang (2010: 522) postulate that the major confusion between perceived service quality and behavioural intentions can be linked to the disconfirmation paradigm which measures both the constructs using the same model. Several empirical researchers (Gronroos 2000: 80; Gonzalez et al. 2007: 154; Ladhari 2009: 324; Hossain and Islam 2012: 172; Marković and Janković 2013: 160; Khan and Fasih 2014: 332) concluded that perceived service quality is an antecedent of customer satisfaction and the relationship between these constructs exist on a semantic and linear sequence.

Drawing from the aforementioned literature, *H4 was dismissed.* Perceived service quality and customer satisfaction are not mutually inclusive. They are separate construct on a linear relationship. For example, Ladhari (2009) confirmed that cognitive evaluation precede emotional responses, which implies that the customer will form a quality perception before he forms a satisfaction
analysis. This is the first research study to examine the interchangeability of these constructs.

**5.4.2. Implications for restaurateurs**

The findings of this research study embrace some implications for restaurateurs in the fine dining segment, especially for the Cargo Hold restaurant.

Ha and Jang (2010) postulated that superior food is important where dining environment is not satisfactory. This is evident in this research study as the overall superiority of the food overwhelmed an insignificant correlation between service quality and atmospherics. However, restaurateurs need to note that an exquisite atmosphere plays a significant role that can change the degree of impact of quality perception on consumption behaviours (Ha and Jang 2010: 527). It is therefore recommended that the fine dining restaurant organisations pay attention to the atmospheric dimension, since it is also a basis from which customers preconceive the whole service encounter.

Having used a modified version of a DINESERV instrument, this research study obtained a high reliability and validity score and ultimately, good empirical evidence. This implies that restaurateurs need to pay special attention to those items within the dimensions of service quality which matter most to their specific segments. For example, the attributes of excellent service may differ amongst the different restaurant segments, i.e. the eating market as opposed to the dining market. As a strategy to obtain which attributes matter most within a specific setting, restaurateurs should use the importance-performance gap analysis (IPGA) to obtain a clear picture of which items need special attention.

Service excellence dimension of service quality perceptions achieved an overall score of 83.78%, the lowest compared to both the food and atmosphere dimensions. This implies a need to focus on the process quality. Restaurateurs should engage in internal marketing strategies whereby employee satisfaction will be a basis for customer satisfaction. This can be achieved through good human resource practices such as attracting, maintaining and developing a
capable and committed workforce through recruitment policies; good reward systems; and constant training and development workshops.

Service quality is concerned with restaurateurs’ output whereas customer satisfaction measures customers’ outcomes. Restaurateurs should focus more on the outcome of service quality to determine the probable post dining behavioural intentions of customers. Qin and Prybutok (2008) established that service excellence directly correlates with customer satisfaction. Most empirical research studies revealed that customer satisfaction has a stronger direct and positive impact on behavioural intentions compared to service quality. This further implies that Cargo Hold and other restaurateurs should focus more on outcome quality to enhance the probability of positive post dining behavioural intentions.

5.5. Limitations

There are a couple of limitations to this research study. Therefore, limitations ought to be given some consideration when results are interpreted. These limitations are:

- The most significant limitation for this study has to do with the sample. The sample for this research study was chosen on the basis of convenience sampling. Therefore, the research study was deprived of its probability of representativeness.

- Behavioural intentions are futuristic in nature and require longitudinal studies to trace the actual behaviour. However, the cross-sectional enquiry into data collection was used in this research study due to time and research constraints.

- The results obtained are based on a fine dining restaurant in a state owned entity. Therefore, the results might not hold true for other restaurant segments, indicating the lack of substance for generalization.

- The structural equation modelling analysis was only used as a basis for path analysis and did not measure the goodness-of-fit for the model.
5.6. Direction for future research

Additional research is needed to replicate the empirical findings of this research study and expand it to industries other than the restaurant industry. It is obvious that the findings cannot be generalised. Therefore, replication is necessary to verify the findings. It is recommended that the proposed model be tested in both industries of a hedonic and utilitarian nature to determine the divergence between these industries.

A further recommendation is the development of an additional model which will depict atmosphere as an antecedent of service quality from which expectations are formed about the imminent service encounter, rather than an antecedent of service quality perceptions. This recommendation is consistent with most studies which applied the North American viewpoint and discovered *tangible dimension* of SERVQUAL to be the least important in measuring customers’ perceptions of service quality.

Researchers can also extend the results by asking respondents to answer questionnaires to identify food, atmosphere and service items which they consider important when visiting the restaurant industry. Those items can then be rotated on a factor analysis to construct segment-specific items for fine dining restaurant. Rotated items can then be used to construct a FINESERV- a performance/outcome-based service quality and satisfaction survey instrument that could be used in the global context to measure the service quality performance of fine dining restaurateurs.

Finally, this research study can also be replicated in different context to obtain a cross-cultural analysis perspective which can be used to formulate a new body of knowledge for the proposed model. Additionally, the goodness-of-fit for the proposed model can be tested using a longitudinal study for data collection. Both the direct and indirect impact of customer satisfaction on service quality to behavioural intentions can be verified. This can actually yield rich information which will be useful to revitalise the declining fine dining restaurant segment.
5.7. Concluding remarks

The main aim of this research study was to investigating the influence of service quality on the post-dining behavioural intentions of the Cargo Hold restaurant customers. Several objectives were identified as key instruments to attain the main aim. Those objectives have been met, as outlined through testing the hypotheses using statistical software, ultimately confirming that the research aim has been met.

In this chapter, the problem statement which was the catalyst for this research has been restated, a brief summary of the research study has been presented, and the findings from both the literature review and empirical investigation have been discussed. Moreover, the theoretical and practical implications have been presented and the limitations of the research study have been described. Lastly, this chapter outlined recommendations for future research direction.
Appendix A

Customer consent to participate
Dear Participant

Consent to participate in service quality research

My name is Thobelani Nxumalo. I am a student at Durban University of Technology under supervision of Dr. E.M. Mnguni and Prof. N. Dorasamy. I am conducting a study that seeks to determine the influence of service quality on the post-dining behavioural intentions of customers. I invite you to kindly participate in my research which will enable me to complete my studies in fulfillment of Master’s Degree in Hospitality and Tourism.

The title of my thesis is: “Investigating the influence of service quality on post dining behavioural intentions of customers.” The completion of the questionnaire is expected to cause some inconvenience to you (not more than 10 minutes of your time), nonetheless; the completion will be based on your consent to complete the questionnaire. However, I can assure that there is no risk whatsoever involved by completing this questionnaire. The findings of this study is expected to contribute to service quality improvement plan in both theoretical and practical manner in the context of Ushaka Marine setting.

It is our intention to abide by anonymity protocols, therefore; the questionnaire does not ask you to identify yourself. This guarantees the anonymity and confidentiality of your responses. However, to a certain degree, I do require some personal information for the purpose of the study. The information provided will be kept confidential. I encourage you to seal the questionnaire in the envelope provided once you have completed. No information will be made available to anyone except through the aggregated results of this research.

Your decision whether or not to participate will not prejudice your future relations with Durban University of Technology. If you decide to participate, you are free to withdraw your consent and to discontinue participation at any time without prejudice. If you give me your consent by completing this questionnaire, I plan to disclose the research data to my supervisors, the institutional research examination board and Cargo Hold without violating the confidentiality of the participants. The participants (you as the customers) will strictly remain anonymous.

Before you complete this questionnaire, you are free to ask questions on any aspect of the study that is unclear to you. If you have any additional questions later, Dr. E.M. Mnguni can be contacted at 031-373-5507 or email erasmus@dut.ac.za and/or Prof. N. Dorasamy at 031-373-5508 or email nirmala@dut.ac.za, they will be happy to assist.

Thank you so much for your time.

Kind regards,

Thobelani Nxumalo
Cell : 0732301851
Office : 0313735530
Email : thobelanin@dut.ac.za
Appendix B

Research Survey Questionnaire
Service Quality Survey

Section A

For each of the following statements, please indicate your level of agreement, as they apply to your perception about the service you experienced at Cargo Hold restaurant. There are no wrong or right answers, just circle [0] the box that truly reflects your genuine feeling. If you think the restaurant does **much worse** than expected select 1. If you think the restaurant does **much better** than expected select 5. If your feelings are **not strong enough**, circle one of the **numbers in the middle**. Circle only one box per statement and please remember to answer all questions.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neutral</td>
<td>Agree</td>
<td>Strongly Agree</td>
<td></td>
</tr>
</tbody>
</table>

**Section A: Perception of Service Quality**

1. Menu offers variety in choices of food.  
2. Food presentation and appearance met my expectations.  
3. Food served is fresh and nutritious.  
4. Menu items are fairly priced.  
5. Food taste is good.  
6. Food is served at the correct temperature.  
7. Service staff are neatly and professionally attired.  
8. Dining area is comfortable and relaxing.  
9. All the restaurant facilities are thoroughly clean.  
10. Dining area is visually attractive and pleasing to the eye.  
11. Menu is easy to read and understand.  
12. Service is provided within the promised time frame.  
13. Food is served exactly as ordered, including special requests.  
14. Waiters provide prompt and quick service.  
15. Waiters are friendly and make you feel welcome.  
16. Waiters clearly explained the menu.  
17. Waiters seem well trained and competent.  
18. Waiters anticipate your needs and check if you are happy.
**Section B**
For each of the following statements, please circle one box to indicate your post dining behavioural intentions regarding the perceived level of service you received at Cargo Hold restaurant.

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most Unlikely</td>
<td>Unlikely</td>
<td>Not Sure (neutral)</td>
<td>Likely</td>
<td>Most Likely</td>
</tr>
</tbody>
</table>

**Section B: Post Dining Behavioural Intentions**

1. Recommend Cargo Hold to friends and others.
2. Visit Cargo Hold restaurant again.
3. Consider Cargo Hold as a first choice when dining.
4. Complain if you experience a problem with service.
5. Willing to pay higher prices for Cargo Hold service.

**Section C**
For each of the following statements, kindly indicate your level of satisfaction with the perceived service quality you experienced at Cargo Hold's restaurant.

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<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Dissatisfied</td>
<td>Dissatisfied</td>
<td>Neither (neutral)</td>
<td>Satisfied</td>
<td>Extremely Satisfied</td>
</tr>
</tbody>
</table>

**Section C: Satisfaction**

1. Overall meal experience 1 2 3 4 5
2. Overall satisfaction 1 2 3 4 5
**Section D**

For each of the following statements, please tick [✓] one box to indicate your biographical information. Your identity is not asked and the questionnaire will be kept completely confidential. Please be as honest as possible in answering the questions below:

<table>
<thead>
<tr>
<th><strong>Section D: Customer Demographics</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
</tr>
<tr>
<td><strong>Age</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Status</strong></td>
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<tr>
<td></td>
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<tr>
<td></td>
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<tr>
<td><strong>Visit to restaurants</strong></td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
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<tr>
<td><strong>Income per month</strong></td>
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<td></td>
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<tr>
<td></td>
</tr>
<tr>
<td><strong>Place of residence</strong></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>
Appendix C

Letter for permission to conduct research
Dear Cargo Hold Restaurant Management Team

**Consent to conduct a research study on service quality**

My name is Thobelani Nxumalo. I am a student at Durban University of Technology under supervision of Dr. E.M. Mnguni and Prof. N. Dorasamy. I am conducting a study that seeks to “investigate the influence of service quality on the post dining behavioural intentions of customers”. Please kindly grant me the permission to conduct the research at your restaurant which will enable me to complete my studies in fulfillment of Master’s Degree in Hospitality and Tourism. Cargo Holds has been identified as the perfect sample for this study since it is a fine dining restaurant at the centre of the largest aquarium in the continent. This research believes that Cargo Hold restaurant will yield valuable results for this study.

Provided you give me an opportunity to conduct my research at your restaurant, I will bring the questionnaires which will be completed by your customers whilst they are dining. The questionnaires will be handed over to customers together with their consent to participate in the study. I am intending to have 200 questionnaires completed, therefore; I have hypothetically estimated that the study will run over a period of 4 weeks (average). The completion of the questionnaires is expected to inconvenience the customers, nonetheless; the completion will be based on the customers’ consent to fill the form.

Previous studies on service quality have recognized the change in employee behaviour when the service quality is being evaluated at their workplace. It is assumed that your employee will change for the best as they would love positive feedback concerning their behaviour and service. It is also assumed that customers would always want to provide feedback on their dining experience. This research will allow them to explicitly express their feelings about the service encounter with your restaurant. The feedback is thus expected to help you to improve your service quality plan. However, I cannot and do not guarantee or promise that you will receive the above mentioned benefits from this study.

Your decision whether or not to participate will not prejudice your future relations with Durban University of Technology. If you decide to participate, you are free to withdraw your consent and to discontinue participation at any time without prejudice. If you give me your consent by signing this document, I plan to disclose the research data to my supervisor, the institutional research examination board and yourself (Cargo Hold restaurant) without violating the
confidentiality of the participants. The participants (your customers) will strictly remain anonymous.

Before you complete and sign this consent form, you are free to ask questions on any aspect of the study that is unclear to you. If you have any additional questions later, Dr. E.M. Mnguni and Prof. N. Dorasamy will be happy to answer them.

**Response from management**

I acknowledge that I have read and understood the implication of my signature below.

Name: __________________________

Date: __________________________

Place: __________________________

Accept/Decline:

Stamp:

Thank you so much for your time.

Kind regards,

Thobelani Nxumalo
Cell: 0732301851
Office: 0313735530
Email: thobelanin@dut.ac.za

**Supervisor’s contact details**
Name: Dr. E.M Mnguni
Office: 0313735506
Email: erasmus@dut.ac.za

**Co-supervisor’s contact details**
Name: Prof. N. Dorasamy
Office: 0313736862
Email: nirmala@dut.ac.za
Appendix D

Customer biographical data
### Appendix D:

**Biographical Data**

#### Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>211</td>
<td>58.4</td>
<td>58.4</td>
<td>58.4</td>
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<tr>
<td>Male</td>
<td>150</td>
<td>41.6</td>
<td>41.6</td>
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<tr>
<td>Total</td>
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<td>100.0</td>
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</table>

#### Age

<table>
<thead>
<tr>
<th>Age Category</th>
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<th>Valid Percent</th>
<th>Cumulative Percent</th>
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<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 18 years</td>
<td>19</td>
<td>5.3</td>
<td>5.3</td>
<td>5.3</td>
</tr>
<tr>
<td>18-29 years old</td>
<td>127</td>
<td>35.2</td>
<td>35.2</td>
<td>40.4</td>
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<tr>
<td>30-39 years old</td>
<td>98</td>
<td>27.1</td>
<td>27.1</td>
<td>67.6</td>
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<tr>
<td>40-49 years old</td>
<td>74</td>
<td>20.5</td>
<td>20.5</td>
<td>88.1</td>
</tr>
<tr>
<td>50-59 years old</td>
<td>27</td>
<td>7.5</td>
<td>7.5</td>
<td>95.6</td>
</tr>
<tr>
<td>60 years old and above</td>
<td>16</td>
<td>4.4</td>
<td>4.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>361</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
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</table>

#### Status

<table>
<thead>
<tr>
<th>Status</th>
<th>Frequency</th>
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<th>Valid Percent</th>
<th>Cumulative Percent</th>
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</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>221</td>
<td>61.2</td>
<td>61.2</td>
<td>61.2</td>
</tr>
<tr>
<td>Self Employed</td>
<td>66</td>
<td>18.3</td>
<td>18.3</td>
<td>79.5</td>
</tr>
<tr>
<td>Student</td>
<td>49</td>
<td>13.6</td>
<td>13.6</td>
<td>93.1</td>
</tr>
<tr>
<td>Retired</td>
<td>7</td>
<td>1.9</td>
<td>1.9</td>
<td>95.0</td>
</tr>
<tr>
<td>Pensioner</td>
<td>8</td>
<td>2.2</td>
<td>2.2</td>
<td>97.2</td>
</tr>
<tr>
<td>Unemployed</td>
<td>10</td>
<td>2.8</td>
<td>2.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>361</td>
<td>100.0</td>
<td>100.0</td>
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</tbody>
</table>
### Visit to restaurants (Frequency of dining)

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>at least once or more in 15 days</td>
<td>156</td>
<td>43.2</td>
<td>43.3</td>
</tr>
<tr>
<td>at least once per month</td>
<td>73</td>
<td>20.2</td>
<td>20.3</td>
</tr>
<tr>
<td>at least once in 3 months</td>
<td>34</td>
<td>9.4</td>
<td>9.4</td>
</tr>
<tr>
<td>at least once per year</td>
<td>9</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>at least once per year</td>
<td>38</td>
<td>10.5</td>
<td>10.6</td>
</tr>
<tr>
<td>first time dining here</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>360</td>
<td>99.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Missing System</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>361</td>
<td>100.0</td>
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</table>

### Income per month

<table>
<thead>
<tr>
<th>Frequency</th>
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<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZAR 0.00-4999.99</td>
<td>40</td>
<td>11.1</td>
<td>14.5</td>
</tr>
<tr>
<td>ZAR 5000.00-9999.99</td>
<td>13</td>
<td>3.6</td>
<td>4.7</td>
</tr>
<tr>
<td>ZAR 10000.00-19999.99</td>
<td>46</td>
<td>12.7</td>
<td>16.7</td>
</tr>
<tr>
<td>ZAR 20000.00-29999.99</td>
<td>50</td>
<td>13.9</td>
<td>18.2</td>
</tr>
<tr>
<td>ZAR 30000.00-39999.99</td>
<td>33</td>
<td>9.1</td>
<td>12.0</td>
</tr>
<tr>
<td>ZAR 40000.00-49999.99</td>
<td>32</td>
<td>8.9</td>
<td>11.6</td>
</tr>
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<td>ZAR 50000.00-59999.99</td>
<td>16</td>
<td>4.4</td>
<td>5.8</td>
</tr>
<tr>
<td>ZAR 60000.00 and above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>275</td>
<td>76.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Missing System</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>361</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Appendix E

Structural equation modelling statistics
### Structural equation modelling statistics

|        | Robust Coef. | Robust Std. Err. | z      | P>|z| | [95% Conf. Interval] |
|--------|--------------|------------------|--------|-----|---------------------|
| (1)    | [BehaviouralIntentions] CusSatis = 1 |                  |        |     |                     |
| BehaviouralIntentions <- | ServiceQuality | 0.3962822 | 0.0488533 | 8.11 | 0.000 | [0.3005314, 0.492033] |
|        | CusSatis _cons | 1 (constrained) | 0.7428939 | 0.2188777 | 3.39 | 0.001 | [0.3139015, 1.171886] |
| ServiceQuality <- | Food | 0.4510913 | 0.0664157 | 6.79 | 0.000 | [0.3209189, 0.5812636] |
|        | Atmosphere | 0.0765084 | 0.0702685 | 1.09 | 0.276 | [-0.0612153, 0.2142321] |
|        | Service _cons | 0.2118139 | 0.053979 | 3.92 | 0.000 | [0.1060171, 0.3176108] |
|        | _cons | 1.154742 | 0.2378996 | 4.85 | 0.000 | [0.6884674, 1.621017] |
| CusSatis <- | ServiceQuality | 0.3136645 | . | . | . |                      |
|        | var(e.CusSatis) | 0.2481194 | 0.0372367 | . | [0.1848912, 0.3329702] |
|        | var(e.BehaviouralIntentions) | 0.2083372 | . | . | . |                      |
|        | var(e.ServiceQuality) | 0.2502273 | 0.0184432 | . | [0.216569, 0.2891167] |
List of references


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Hwang, J. and Ok, C. 2013. The antecedents and consequence of consumer attitudes toward restaurant brands: A comparative study between casual and


Wall, E. A. and Berry, L. L. 2007. The combined effects of the physical environment and employee behaviour on customer perception of restaurant


