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Determinants of Fast-Food Customers Loyalty Through the Mediating Role of Customer Satisfaction

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ARTICLE INFO	ABSTRACT

Many people in Pakistan, a country that is rapidly developing but already has an excessive population, go to fast food restaurants on a consistent and irregular basis. Establishing a connection with the customer and providing outstanding service are both essential components of success in the restaurant industry. Within the context of the fast-food industry in Sahiwal, Pakistan, the purpose of this research is to investigate the factors that contribute to consumer loyalty. A descriptive quantitative survey research approach was used for the purposes of this study. Participants in this research were people who often eat in fast restaurants. For the purpose of this study, surveys were administered to customers as they were exiting global fast-food restaurants, local fast-food restaurants, and regional fast-food restaurants. The researcher gathered information from a total of 220 participants, all of whom were chosen based on the item-to-rating hypothesis. The questionnaire for the survey used in this research project has a total of seven parts and 19 questions. According to the results, a significant direct influence on customer satisfaction may be attributed to factors like food quality, service quality, pricing, location, and the physical environment. In addition, the research revealed that the level of customer satisfaction strongly mediates the connection between factors such as food quality, service quality, pricing, location, and the physical environment and food quality.

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Introduction

        In order to successfully develop client loyalty, fast-food restaurants need to have a comprehensive understanding of what motivates people to purchase fast food and how they interact

with customers. Restaurants serving fast food are well aware of the importance that fast food has within the international food service business. Keeping existing customers as clients is of the highest importance. On the other hand, it has not been possible to determine the factors that have an effect on these variables (Namin, 2017). Variations in consumer behaviour may be attributed to differences in cultural, political, legal, and economic factors. Because of the one-of-a-kind nature of customer loyalty and the programmes that came before it, more research that is context-specific is necessary (Carranza, Diaz, and Martin-; Consuegra;, 2018). In addition, research that is particular to the environment in which it will be implemented is required since it is difficult to generalize the conclusions of empirical studies performed in industrialized countries to those undertaken in impoverished ones. There have been very few studies that look at how a wide variety of interconnected elements affect consumer loyalty in the fast-food industry. In addition to this, the research analyses a questionnaire that has reliable scales as well as a structural model in order to accurately forecast customer loyalty in fast-food establishments (Sharma, Singh. and Sharma, 2020).

The industry of fast-food restaurant is one that is in the process of becoming more complex and competitive all over the world. Many people in Pakistan, a country that is rapidly developing but already has an excessive population, go to fast food restaurants on a consistent and irregular basis. Establishing a connection with the customer and providing outstanding service are two of the most important aspects of the restaurant business (Saleem, Hamad & Raja, Naintara., 2016). Due to the immaterial nature of services, it is impossible to weigh or otherwise quantify them. Food is brought out to people who are dining at restaurants. Food services are tied to both the speed of delivery and the reliability of delivery. When it comes to maintaining a customer's loyalty in the market for fast food restaurants, the customer's feelings, perceptions, and expectations are more important than ever. The loyalty of a customer is dependent not only on physical factors but also on intangible ones. The type of food served or the quality of both the food and the service at a restaurant are significant factors in determining whether a client would return.

The majority of earlier research has been carried out in the United States (Unaryo, Indryat, 2019), the United Kingdom (Nguyen, 2018), and Europe (Carranza, 2018). There has been less focus placed on developing an understanding of the factors that drive restaurant loyalty in fast-food restaurants in developing countries (Slack, Neale & Singh, 2020). The manner in which customers behave is profoundly influenced by the many ways in which national economies, political systems, legal systems, and cultural norms vary from one country to the next (Sharma et al., 2020b). In addition, given the context-dependent nature of customer loyalty and the factors that influence it, as well as the challenges associated with extrapolating empirical findings from industrialized nations to developing countries, it is essential to conduct research that is tailored to the specifics of the target environment.

This study provides useful insights from both a theoretical and management perspective. Research model will be supported by the theory of reasoned action (TRA). By expanding via the intervening function of customer happiness, indicating the influence on human behavior by evaluating customer loyalty patterns, knowledge is supplied. In addition, the present study

conducted in a developing nation to bring fresh insights into evaluating consumer behavior utilizing local and international fast-food chains in the setting of a developing nation. This gives crucial characteristics that operate as predictors of customer happiness and increase customer loyalty; this is an additional theoretical contribution to the current research on fast-food consumers. The present study is giving various tips for enhancing consumer loyalty in fast-food restaurants operating in emerging nations. It emphasizes the critical variables, such as food quality, brand image, and brand trust, which contribute to consumer happiness and keep them loyal to a certain chain. The findings indicate that fast-food businesses and marketers must build suitable branding to mitigate the negative impact of the physical environment on customer satisfaction in fast-food restaurants. This is increasing brand loyalty and credibility.

Objectives of the Study

The initial motive of this study is to discover the influencing elements of customer loyalty in the fast-food restaurant business in Pakistan. The specific objectives are as follows:

a) To identify the impact of food quality on customers' satisfaction.
b) To identify the impact of Price on customers' satisfaction.
c) To identify the impact of Service Quality on customers' satisfaction.
d) To identify the impact of Location and Environment on customers' satisfaction.

To identify the mediating impact of Customer satisfaction between food quality, Price, Service Quality and Location and Environment on customer loyalty of fast-food restaurant

2. Literature Review

The definition of a loyal customer is "one who maintains a favorable attitude toward the service provider or continues to recommend it and who will always purchase the same service from the same source". According to the research, brand loyalty is crucial for increasing purchase frequency via pleasant voice communication as well as cost reduction via new customer acquisition (Abu-Alhaija, 2018). Food quality is another issue that influences customer pleasure. In the food service sector, there are two degrees of customer satisfaction: intangible and concrete. If service quality has addressed the intangible dimension, food quality would address the concrete dimension. The notion of food quality relates to the customer-acceptable standard of food. Food quality is one of the most influential factors in customer food perception and food selection, while another researcher finds that food quality is a prerequisite for meeting customers' requirements and expectations (Grunert, 2005).

Price has been seen as a crucial component in understanding customer behavior. It refers to "what the customer paid for the goods or service". It is a powerful and compelling tactic used to convince clients to purchase a certain brand. Similarly, researchers saw pricing as an indicator of the product's value for the customer. Customers typically judge the worth of a product or service based on its price (Javed, 2021). Empirical research investigated the relationship between pricing and customer satisfaction and repurchase intent. Researchers viewed pricing as a precursor to customer pleasure. They also noted that it is crucial for the customer to compare his or her current payment to his or her anticipation, determining if the real compensation is more or lower than what

he or she anticipates. If the customer perceives a satisfactory price-to-value ratio, he or she is likely to be satisfied with the restaurant's facilities.

Some research on the Physical Environment has classed the physical environment according to styles, colours, lighting, floor plans, furnishings, and atmosphere. Physical environment positively influences brand loyalty. Consequently, physical environment may be viewed as a factor in determining brand loyalty in the service business. The ambiance of a restaurant has a considerable influence on its financial performance, customer retention, and customer pleasure. In recent years, the trend of dining in premium and healthier settings has increased in popularity. This problem highlights the importance of the physical environment for service-based organizations. In order to serve consumers with high-quality services, service firms must be sturdy and competitive. Customers may therefore utilize the physical environment as a tangible signal for evaluating both the concrete and abstract components of service delivery in the service industry (Ozdemir Guzel, 2020).

Customer satisfaction is an event-based review, whereas perceived service quality is an evaluation of a product or service over the course of time that takes into account the whole system. Higher levels of customer satisfaction are linked to more favourable evaluations of the service's overall quality. The phrase "the discrepancy between customers' expectations and actual execution" accurately describes the concept of "perceived service quality." There is a positive association between contentment and the perception of having experienced quality concerns in a sector that is focused on providing services. One of the research studies investigates the connections between high levels of service quality, high levels of customer happiness, and a strong willingness to make a purchase. They came to the conclusion that the level of service provided is a crucial factor in determining how satisfied customers are.

In a service sector, it has been shown that there is a statistically significant link between service quality and customer satisfaction. The moment a customer receives or uses a good or service, they immediately form an opinion on its quality, which is based on a comparison between their actual experiences and the expectations they had for such encounters. A person's level of happiness or discontentment is influenced by a number of factors, including their perceptions of service quality, their expected service levels, and the gap that exists between the two (Carranza, Diaz, and Martin-; Consuegra;, 2018).

Customer satisfaction is the outcome of a customer's appraisal of a service and subsequent actions done in response to that evaluation. Customer satisfaction as the notion that a client's experience met his or her intended expectation. Customer satisfaction from a transaction-specific standpoint mentioned that the customers' ratings of their most recent purchase experience. In the service business, customer satisfaction is more challenging than in other industries. Service quality is the customer's opinion of the service provided, and as a result, a number of events or service interactions might result in customer discontent. For instance, a client who had a bad encounter in the restaurant's parking lot may link such incidents with the restaurant (Muhammad & Kayani, 2020).

Conceptual Framework
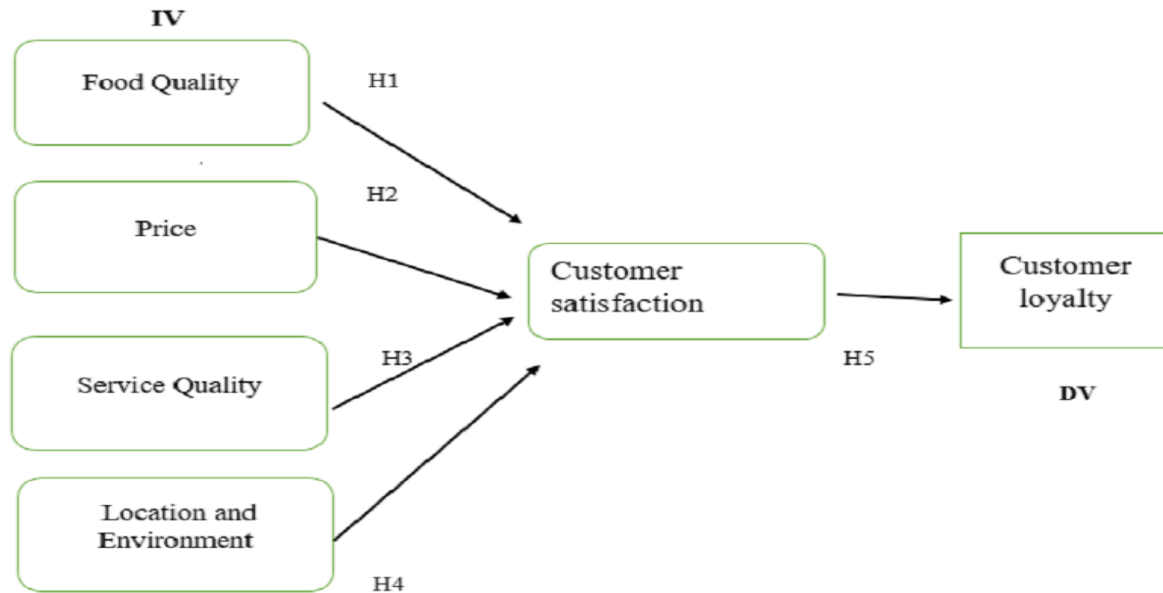
Methodology

The research design of any study is what establishes the groundwork for the gathering of data and the subsequent analysis. A descriptive quantitative survey research approach was used for the purposes of this study. Quantitative research is defined as a technique to data collection that makes use of numerical data to investigate the connection between variables, which is then evaluated via the use of a method that is statistically based (a statistical method). In Sahiwal, data was collected from fast-food restaurant customers. When exiting fast-food establishments, customers were stopped and questioned. This study's demographic comprised of fast-food restaurant customers. Researchers describe fast food as "a broad phrase for a restricted menu of items that lend themselves to assembly-line procedures; suppliers tend to specialize on goods like hamburgers, pizzas, chicken, and sandwiches." This research surveyed customers of global fast-food restaurants (such as McDonald's and KFC), local fast-food restaurants, and regional fast-food restaurants (such as Fry Chicks and Pizza Online etc.). This study's survey questionnaire consists of six sections and 19 items. Part 1 includes six demographic questions. Part 2 includes food quality (5 items) (Jang, Soocheong & Namkung, Young, 2009), price (3 items) (Xia, Lan & Monroe, 2004), service quality (3 items) (Jang, Soocheong & Namkung, Young, 2009), and Location & Environment (3 items) (Jang, Soocheong & Namkung, Young, 2009), as well as customer satisfaction (3 items) (Kim, Taehee, 2008) and customer loyalty as (2 items) (Sohrabi, Shahla & Rahimi, Pouria, 2021). The researcher used regression analysis through SPSS software to test the hypothesis of the study.

4.0 Results
Reliability Analysis

Table 4.1 Reliability Statistics

Cronbach's Alpha	N of Items
.809	6

Table 4.2 Reliability Analysis of the Tool

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Food Quality	18.2794	10.297	.337	.828
Service quality	18.3052	9.638	.540	.785
Price	18.5056	8.818	.678	.753
Location & Environment	18.2782	8.937	.580	.776
Customer satisfaction	18.3341	9.129	.651	.761
Customer loyalty	18.2435	8.783	.646	.760

The reliability analysis illustrates the instrument's dependability, with the statistics of the aforementioned table explaining the collective response of Cronbach's Alpha value of the scales employed in the study. Since the value of 0.809 is more than 0.7, the tool is dependable for performing research. In addition, table 4.5 explains that the Cronbach's Alpha if Item Deleted values for all variables are more than 0.70, indicating that all variables' items are trustworthy for further analysis.

4.2 Correlation Matrix

Table 4.3 Correlations

		FQ	SQ	Price	L&E	CS	CL
Food Quality	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	173					
Service quality	Pearson Correlation	.575**	1				
	Sig. (2-tailed)	.000					
	N	173					

Price	Pearson Correlation	.170[*]	.398[**]	1			
	Sig. (2-tailed)	.025	.000				
	N	173	173				
Location & Environment	Pearson Correlation	.198[**]	.358[**]	.627[**]	1		
	Sig. (2-tailed)	.009	.000	.000			
	N	173	173	173			
Customer satisfaction	Pearson Correlation	.176[*]	.375[**]	.602[**]	.432[**]	1	
	Sig. (2-tailed)	.020	.000	.000	.000		
	N	173	173	173	173		
Customer loyalty	Pearson Correlation	.204[**]	.278[**]	.604[**]	.492[**]	.737[**]	1
	Sig. (2-tailed)	.007	.000	.000	.000	.000	
	N	173	173	173	173	173	

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

[*]. Correlation is significant at the 0.05 level (2-tailed).

The correlation between the quality of the food and the quality of the service is statistically significant and positive, as shown by the value of r, which is .575, and the value of sig, which is 0.000. In addition, the value of r is lower than 0.80, which indicates that there is no need to be concerned about multi-collinearity between the variables. In addition, there is a significant correlation, in a favourable direction, between the quality of the food and its cost, as shown by the fact that the r value is 0.17 and the sig value is 0.02. In addition, each of the other components has a robust and positive association with each of the other factors.

4.3 Regression Analysis (Model 4)

4.3.1 Model Summary

R	R-sq	MSE	F	df1	df2	p
.7797	.6079	.3036	51.7902	5.0000	167.0000	.0000

The R-square number explains the prediction ability of the model. According to the preceding table, the R square value is .6079. It indicates that 61 percent of outcome variables can be explained by all independent variables.

Table 4.4 Coefficient

	Coeff	se	t	p	LLCI	ULCI
Constant	.2782	.2676	1.0396	.3000	-.2501	.8064
Food Quality	.1224	.0608	2.0140	.0456	.0024	.2424
Custom_1	.6489	.0681	9.5347	.0000	.5145	.7832
Service Quality	.1565	.0723	-2.1653	.0318	.2991	.0138
Price	.2053	.0745	2.7546	.0065	.0581	.3524
L & E	.1356	.0610	2.2240	.0275	.0152	.2560

4.3.2 Outcome of Customer Satisfaction

The hypothesis that customer satisfaction plays a substantial mediating effect between food

quality, service quality, pricing, and firm location was tested using regression analysis in Table 4.4. The results suggested that meal quality (=.1224 and P value .0456), service quality (=.1565 and P value.0318), pricing (=.2053 and P value.0065), and location (=.1356 and P value.0275) had a substantial indirect effect on the mediating variable customer satisfaction.

Table 4.5 Model

	Coeff	se	t	p	LLCI	ULCI
Constant	1.2398	.2879	4.3071	.0000	.6716	1.8081
Food Quality	.1130	.1689	1.1894	.0500	.1490	.1230
Service_	.1634	.0810	2.0189	.0451	.0036	.3232
L & E	.1556	.1690	1.8057	.0216	.0806	.1918
Price	.4752	.0761	6.2433	.0000	.3249	.6254

Outcome of Customer Loyalty

The hypothesis that customer loyalty has a significant direct influence in the relationship between food quality, service quality, pricing, and location and the company's service quality was tested using regression analysis in Table 4.8. The results demonstrated that each variable has a direct and significant influence on consumer loyalty. Therefore, the researchers conclude that mediation is present in this study and that it is partial mediation.

5.0 Discussion and Conclusion

This study confirms that food quality, staff service quality, and pricing fairness have a substantial beneficial impact on customer satisfaction in a fast-food restaurant context. These data indicate that fast-food restaurant meal quality, staff service quality, and price satisfy consumers' functional demands, resulting in customer satisfaction. However, contrary to earlier research, the physical environment of fast-food restaurants does not substantially affect consumer satisfaction (Carranza, 2018). On the basis of the above explanation, it can be inferred that the researchers reject the null hypothesis by asserting that fast food restaurant customer satisfaction is positively affected by food quality. A fast-food restaurant's customer satisfaction is positively influenced by the level of service provided. A fast-food restaurant's pricing has a favorable influence on customer satisfaction. Location and restaurant have a beneficial influence on the consumer satisfaction of fast-food restaurants (Ozdemir Guzel, 2020).

Consistent with past research, it was discovered that customer satisfaction positively influences customer loyalty (Slack, Neale & Singh, 2020). This conclusion implies that fast-food companies must assure consumer satisfaction with their complete experience in order to earn client loyalty. In addition, this conclusion implies that for customers to remain loyal to a fast-food restaurant, the restaurant must achieve customer satisfaction by matching their expectations, being dependable, and trustworthy. According to the previous explanation, researchers reject the null hypothesis by asserting that customer satisfaction has a strong positive effect on customer loyalty. Results from this research shed light on the interconnected effect of antecedents involved in building customer loyalty for fast-food restaurants.

The results indicated that fast-food restaurateurs and marketers need to establish suitable

branding to overcome the lack of influence of fast-food restaurants' physical environment and service quality on customer satisfaction, which might also boost the customer loyalty. The results of this study might be replicated in future research using random sampling methods, which would enable statistical conclusions to be drawn about the whole group. Second, this research did not differentiate between the various kinds of fast-food restaurants, such as those that are local, regional, or worldwide. Therefore, other research can attempt to duplicate this study using a wider variety of quick-service dining establishments.

Qasim Shahbaz: literature search, study design, data collection
Danish Munir: Literature search, Methodology
Muhammad Saqib: Drafting and data analysis, proofreading and editing

Conflict of Interests/Disclosures

The authors declared no potential conflicts of interest w.r.t this article's research, authorship, and/or publication.

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