Measuring customers' satisfaction at Vietnamese branded restaurant chains

NGUYEN THI HONG NHUNG
Industrial University of Ho Chi Minh City, Ho Chi Minh City, Vietnam
HO NHAT HUNG
Industrial University of Ho Chi Minh City, Ho Chi Minh City, Vietnam
NGUYEN VAN NHON
Industrial University of Ho Chi Minh City, Ho Chi Minh City, Vietnam

Abstract

The results of this study were conducted to analyze the level of customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam. Qualitative and quantitative research methods with a survey of 743 customers, with 35 observed variables were combined in order to assess the level of customer satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam. Through that, the study has also identified the main factors affecting customers' satisfaction towards Vietnamese branded restaurant chains in Ho Chi Minh City, including 05 main groups of factors as follows: (1) Competence, (2) Responsiveness, (3) Access, (4) Tangibles, (5) Reliability. This research result is the basis for Vietnamese branded restaurant chains in Ho Chi Minh City to propose solutions to improve customers' satisfaction in the future.

Keywords: satisfaction, service, service quality, intention, brand

INTRODUCTION

According to Sapo survey at the beginning of 2022, thousands of businesses operating in the restaurant industry said that their revenue in 2021 did not grow, even many businesses decreased by more than 30% because of the large number of businesses. The COVID-19 pandemic has severely impacted the food service industry. However, the year 2022 has very positive changes. According to BCG (2022), experts predict that up to 90% of customers will want to dine outside or at restaurants right after the pandemic due to pent-up spending demand during the past quarantine period. The fact also shows that on the days after restaurants and foodstalls were allowed to open for sale on the spot, a series of restaurants in Ho Chi Minh City and Hanoi were constantly full of customers. The second quarter of 2022 is considered to be the time when the consumption of food has exploded strongly, opening a positive future for the F&B (Food and Beverage) industry in the near future.

Therefore, it is essential for businesses and food service businesses to be flexible in their business methods.

During the 2 years of COVID-19, online food sales have developed very strongly, many "virtual kitchens" have appeared- there was no physical space, only the kitchen area, investment capital and low operation fees depending on order delivery. However, customers in Vietnam still prefer on-site service because they not only buy food, but also buy "minutes of happiness". Eating and drinking has long ceased to be a basic need of Vietnamese people, but it has been upgraded to a form of enjoyment and entertainment. Vietnamese people want to enjoy hot, smoky dishes, experiencing a stylish space, attentively serverved that helps customers feel more clearly about the quality of service.

According to experts, when technology platforms, social networks and the development of brands become busier and busier, restaurants should run in parallel, build a separate sales channel to proactively and gradually target customers to their channels. According to Vu Thanh Hung (2022), CEO of iPOS.vn, the reasonable rate of the number of online orders sold in the F&B industry is currently about 80% on third parties and 20% on self-built channels. The Covid epidemic has changed Vietnamese consumption habits of. Online ordering and shopping will be maintained in the near future. At this time, investing in online channels is considered a sustainable and long-term trend for businesses to adapt to "on-off" statuses at any time. In particular, F&B business will need a more comprehensive and proactive approach. But when restaurants race to open online channels, use application, the market will gradually saturate. The problem for F&B brands now is not only online or not, but also how to do their businesses online and then. How will it continue in the future?

LITERATURE REVIEW & RESEARCH MODEL

Customers' satisfaction is always extremely important and determines the success or failure of any business (Alegre & Garau, 2010). Businesses are becoming more and more aware of their importance to their survival and growth. The relationship between customers' satisfaction and businesses; the maintenance of relationships with customers and their profitability is always intimate (Butnaru, 2011; Cegielski et al, 2004, Coban, 2012). Many businesses have made customers' satisfaction the primary goal of their businesses. There are many definitions of customer satisfaction. Oliver (2018) and Zineldin (2020) assess customers' satisfaction as the emotional response or overall feeling of customers towards service providers on the basis of comparing the difference between what they received compared to previous expectations.

Johnson et al. also suggested that customers' evaluation of the difference between their expectations before using and their actual perception after using a product or service is very different. In fact, customers often have certain expectations before using a product or service. If it meets their expectations, they will be satisfied with it (Mohamad, Abdullah, & Mokhlis, 2012). Satisfaction level is highly dependent on the difference between their expectations and perceptions. If actual results are lower than expectations, customers are not satisfied. If actual results match expectations, customers will be satisfied. If the actual results are higher than the expectations, the customer is very satisfied or the satisfaction exceeds the expectations (Piewdang, Mekkamol, & Untachai, 2013). Terrence Levesque and Gordon (1996) also stated that customers' satisfaction is the state or feeling of a customer towards a service provider after using that service.

There are many service quality evaluation models such as Servqual, Servperf. And Servperf service quality evaluation model of Cronin and Taylor has been widely applied in recent decades. The Servperf model of Cronin and Taylor (1992, 1995) inherits the Servqual model of Parasuraman et al. (1985). From the Servqual Model consisting of 10 scales, Cronin and Taylor have systematized a Servperf model with 05 scales for the independent variables according to the flexibility depending on different service sectors such as banking, education, sales. retail, tourism, restaurants, hotels, hospitals, supermarkets, airlines, transportation and other types of services. Since then, this model has been one of the important tools for researchers or businesses to evaluate service quality. Many authors around the world have studied and tested this scale. In this study, once again, Cronin and Taylor's Servperf service quality evaluation model is applied to assess customers' satisfaction with service quality of Vietnamese branded restaurant chains in Ho Chi Minh City (Variable Y) with 05 main factors initially determined including: reliability, responsiveness, service capacity, accessibility and tangible evidences (Variable X).
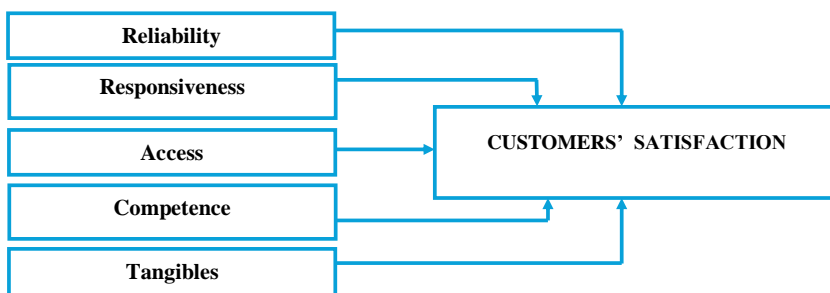
Figure 1.1 – Model of customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam

Research Hypothesis:

H1: "Reliability" affects customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam.

H2: "Responsiveness" affects customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam.

H3: "Access" affects customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam.

H4: "Competence" affects customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam.

H5: "Tangibles" affects customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam.

RESEARCH METHODS

The research results were done through 02 qualitative and quantitative research methods whichhad three phases. Stage 1: Based on the doctrine, the theory and the results of scientific research concerning the above, the authors used qualitative research methods to conduct group discussions, consultation of experts aims to select the variables and variable observation group. Stage 2: Based on the factors affecting customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam, survey questionnaires were designed to collect comments from 743 customers. The model consisted of 5 scales with 35 observed variables (research question), using 5- point Likert scale (Likert scale with a 5- point), Distance value = (Maximum - Minimum) / n = (5 -1) / 5 = 0.8: 1. Completely disagree; 2. Disagree; 3. No opinion / Normal; 4. Agree; 5. Totally agree. Survey results input was used SPSS 20.0 and Cronbach's alpha coefficient to test reliability of the scales. Stage 3, After testing the reliability using Cronbach's alpha coefficient, Exploratory Factor Analysis - EFA was analyzed to shrink and summarize the data of the scale. This method is based on extraction ratio factor (Eigenvalue), under which only those factors having ration (Eigenvalue) greater than 1 will be kept, those smaller than one will not show information better than origin variable because after standardizing, each original variance is 1. The method of extracting the main components (Principal components) and original method of factor rotation (Varimax Procedure) were used to minimize the number of variables that have large coefficients for the same factor, which increases explaining the factors. This result is used to analyze multiple linear regressions for testing assumptions of the model, which consider the impact level of factors, since thenimpact extent of these factors affecting customers' satisfaction for Vietnamese branded restaurant chains in Ho Chi Minh City, Vietnam.

RESEARCH RESULTS

Table 1: Checking the reliability of the scales

	Code	Factors	Cronbach's Alpha
Independent variables	REL	Reliability	0.809
	RES	Responsiveness	0.863
	ACC	Access	0.815
	COM	Competence	0.843
	TAN	Tangibles	0.906
Dependent variables	GES	General assessment	0.798

(Source: The researcher's collecting data and SPSS)

The criteria in the study were used when assessing the reliability of the scales: observed variables with small total correlation coefficients (less than 0.3) were excluded. Nunnal & Burnstein (1994) mentioned that variables with variable correlation coefficients - sum less than 0.3 are considered nonsense variables. The criteria for choosing a scale is when Alpha reliability is greater than 0.6. Thus, in this study, the reliability coefficient of Cronbach's Alpha scale has a value greater than or equal to 0.6 and the correlation coefficient of the Corrected Item-Total Correlation has a larger value or 0.3, that scale is reliable enough to perform the next analysis steps.

Exploratory Factor Analysis

The results of factor analysis show that there are 35 observed variables grouped into 5 factors. The variables with factor loading are all greater than 0.5, so the observed variables are all important in the factors, they have practical significance. KMO coefficient = 0.630 > 0.5, so the EFA analysis is consistent with the data. Bartlett's test has a significance level of 0.000 < 0.05, so the observed variables are correlated with each other on the overall scale. Eigenvalue = 1,063 > 1 is satisfactory, 35 observed variables are grouped into 5 factors. The extracted variance is 65.351%, indicating that 5 factors are explained 65.351% of the variation of the research data. The 5 factors formed after EFA analysis have Cronbach's Alpha values > 0.6, so these 5 scales are satisfactory when analyzing in the next steps.

The results of factor analysis for the dependent variable show that there are 3 observed variables grouped into 1 factor. The variables with factor loading are all greater than 0.5, so the observed variables are important in the dependent variable factor, they have practical significance. KMO coefficient = 0.456 > 0.5, so EFA analysis is consistent with the data. Bartlett's test has a significance level of 0.000 < 0.05, so the observed variables are correlated with each other on the overall scale. Eigenvalue = 2.420 > 1 satisfactory, 3 observed variables are grouped into 1 factor. The extracted variance is 54.526%, indicating that the dependent variable explains 54.526% of the variation of the research data. The factor formed after

EFA analysis for the dependent variable has a value of Cronbach's Alpha >
0.6, so this scale is satisfactory when analyzing in the next steps.

Table 2. Exploratory Factor Analysis

		N	Mean
RS01	The restaurant always has many delicious dishes updated weekly		
RS02	The restaurant serves many high-quality delicacies	743	4.69
RS03	The restaurant serves many unique and different delicacies	743	3.90
RS04	The restaurant has a professional consultant team	743	3.66
RS05	The restaurant has an extremely professional delivery team	743	3.91
RS06	The restaurant has a very attentive customer care team	743	3.57
RS07	The restaurant has a good service implementation process	743	4.75
AC01	Location is convenient and favourable for customers	743	3.59
AC02	Service time is easy and convenient for customers to transaction	743	3.94
AC03	The forms and means of payment are varied and flexible	743	3.63
AC04	The transaction are diversified, flexible and good	743	3.61
AC05	Receiving and transaction process in selling of the business are very quick and professional	743	3.57
AC06	It's easy to find information about our products and services at our restaurant, website and poster	743	3.83
AC07	Website interface is good, impressive and easy using	743	3.92
AC08	It's easy to find information about our products and services on the website and the sales channel by network	743	3.88
AC09	Propaganda activities on the social network are very good	743	4.52

(Source: The researcher's collecting data and SPSS)

According to the study's findings, customers are particularly interested in the
"responsiveness" and "accessible" scales. The results of this study are
consistent with practice in Vietnam. After a long time living with the
epidemic, people have begun to pay more attention to their health, the
requirements for food quality and home delivery are higher than ever. In
particular, making reservations in advance has been becoming more crucial
today than ever to ensure a limited number of guests at a time; customers
make sure to wear masks and keep their distance, order once or use set-menu
instead of ordering multiple times to reduce contact between staff and
customers. Besides, the accompanying values such as space and decoration
have also changed, customers are no longer as demanding as before. The time
of the epidemic has also witnessed a shift in payment needs from offline to
online, the customer experience is now more focused on safe and convenient
payment. Applications of online sales and delivery platforms rule the realm.
However, the fact that the sales intermediary applications require quite high
commission discounts and strict censorship makes it not easy for sellers to
appear regularly, and it is not easy to get orders. Therefore, many restaurant
owners now choose to build their own sales channels, most commonly building
websites or social networking sites. Nowadays, the situation of the COVID
epidemic in Vietnam has improved, the government has set a "new normal"
trend for the citizens to live and work "normally". Consequently, F&B

businesses also need to take measures for rationally change their business model to adapt to the new situation.

The results of this study also show that Vietnamese people make significant online payments, which is consistent with reality because a YoGov survey (9/2021) found that the proportion of Vietnamese people who do not use cash has been increasing at an astounding rate. 51% of consumers in Vietnam have switched from cash on delivery to prepaid since COVID-19 appeared. Therefore, it is imperative that restaurants encourage prepaid payment via a card or e-wallet rather than cash. To gain a competitive edge for future growth, F&B enterprises must actively adopt new trends and equip the appropriate platforms.

Table 3. Pearson's correlation analysis table

		SAT	REL	RES	ACC	TAN	COM
SAT	Correlation coefficients	1	.730**	.779**	.724**	.467**	.728**
	Sig Level of significance		.000	.000	.000	.000	.000
	Total	333	333	333	333	333	333
REL	Correlation coefficients	.730**	1	.712**	.629**	.385**	.566**
	Sig Level of significance	.000		.000	.000	.000	.000
	Total	333	333	333	333	333	333
RES	Correlation coefficients	.779**	.712**	1	.721**	.375**	.585**
	Sig Level of significance	.000	.000		.000	.000	.000
	Total	333	333	333	333	333	333
ACC	Correlation coefficients	.724**	.629**	.721**	1	.378**	.576**
	Sig Level of significance	.000	.000	.000		.000	.000
	Total	333	333	333	333	333	333
TAN	Correlation coefficients	.467**	.385**	.375**	.378**	1	.382**
	Sig Level of significance	.000	.000	.000	.000		.000
	Total	333	333	333	333	333	333
COM	Correlation coefficients	.728**	.566**	.585**	.576**	.382**	1
	Sig Level of significance	.000	.000	.000	.000	.000	
	Total	333	333	333	333	333	333
**. Correlation is significant at the 0.01 level (2-tailed).							

(Source: The researcher's collecting data and SPSS)

The results of Pearson correlation analysis in Table 3 show that all independent variables are correlated with the dependent variable at 1% significance level with 99% reliability. The dependent variable SAT has the strongest correlation with the independent variable RES (Pearson coefficient = 0.682) and the weakest correlation with the independent variable is TAN (Pearson coefficient = 0.522). This close correlation is expected because it is the tight, linear relationships between the variables explaining the influence on the model results. Therefore, these independent variables can be included in the regression analysis to explain the influence on the results of the research model. There is also a strong correlation between some independent variables at 1% significance level, corresponding to 99% reliability. Therefore,

it will be wise to account for the possibility that multicollinearity may develop
in the model affecting the analysis results.

Table 4. The results of multivariable regression analysis by Enter method

Model	Unnormalized coefficients		Normalized coefficient	t	Sig.	Collinear Statistics	
	B	Standard deviation	Beta			Acceptability	Variance magnification factor
Constants	-.062	.921		-.434	.205		
REL (Reliability)	.305	.051	.180	2.546	.000	.139	1.281
RES (Responsiveness)	.302	.043	.382	8.10	.000	.151	3.706
ACC (Access)	.260	.051	.290	4.003	.000	.206	1.300
TAN (Tangibles)	.009	.098	.087	1.256	.001	.708	1.250
COM (Competence)	.221	.050	.255	8.058	.000	.067	1.722
R	0.676						
R Square	0.613						
Adjusted R Square	0.766						
Durbin Wastson	1.521						
F (213,205)	Sig. = 0.000						

The results in Table 4 show that the R coefficient has a value of 0.676,
showing that the relationship between the variables in the model is closely
related. The model's regression results report shows that the R2 (R Square)
value is equal to 0.613, which means that the model's relevance is 61.3% or in
other words 61.3% of the variation of the satisfaction variable in the model is
explained by 5 factors. The adjusted R2 value (Adjusted R Square) more
accurately reflects the fit of the model compared to the overall, an adjusted R
value of 0.843 (or 84.3%) with the F Change test, Sig $\leq$ 0.05 means that
between satisfaction and the five contributing elements, there is a linear
regression model.

The F test used in the analysis of variance is a hypothesis test about
the fit of the overall linear regression model to consider the dependent
variable that is linearly related to the entire set of independent variables.
Looking at the table (ANOVA) it is sen that the F statistic is calculated from
the full non-zero R2 value, which has Sig value. = 0.000 (< 0.05) is very small,
showing that the used model is suitable for the data set and the variables all
meet the acceptance criteria (Tolerance > 0.0001).

From the above analysis, it can be concluded that the theoretical
model is suitable with research data, there are 5 factors affecting customers'
satisfaction, and the order of impact is as follows: (1) Responsiveness (β_{RES}=
0.382), (2) Access (β_{ACC}= 0.290), (3) Competence(β_{COM}= 0.255), (4)
Reliability (β_{REL} = 0.180), & (5) Tangibles (β_{TAN}= 0.87). This result is an
significant basis for Vietnamese branded restaurant chains in Ho Chi Minh
City to propose solutions improving customers' satisfaction and intention
coming back to Vietnamese branded restaurant chains in the near future.

CONCLUSIONS AND SOLUTIONS

The study shows that there are 05 factors affecting the customer's satisfaction towards Vietnamese branded restaurant chains in Ho Chi Minh City and the degree of influence of each factor is different. The level of impact of the factor "Responsiveness" is the strongest (β_{RES}= 0.382) and the factor "Tangibles" is the lowest (β_{TAN}= 0.87). This will serve as a crucial foundation for Vietnamese restaurant companies to think about future development plans. Following are some management implications for Vietnamese branded restaurant chains based on the research's outcomes.

First, in order to increase revenue, traditional food service restaurants need to take advantage of the existing system to offer more packaged or bottled drinks and pre-made meals. Popular products of this kind include Pizza 4P's canned goods with guaranteed packaging and quality, which are simple for clients to purchase and take home to enjoy "normal" meals whenever they choose. In addition, to limit exposure at the restaurant and save on labor costs, the operation procedure must also switch from "table service" to "self service." In the future, the restaurant should prioritize establishing private space or VIP rooms compared to the current close-to-dining design model. The need for home parties will rise in the future as people become more concerned about public safety, which will encourage Vietnamese restaurants to offer "catering" services (serving parties at the requested place of customers) to adjust to the demands of the new circumstance

Secondly, more and more restaurants and shops are using handheld vending machines, which can both order and print invoices, and receive online orders. The electrical menu is for guests to scan the QR code on the table and choose the dish and then pay with their own phone without the need for a waiter assistance. If improved techniques are widely used by Vietnamese food and beverage businesses, fewer servers and cashiers will be employed at restaurants. F&B enterprises could streamline their staffing systems and operational costs by, for example, lowering the number of employees at the store and training personnel to multitask in order to use resources more effectively. Employees can arrange to work "elective shift", "broken shift" such as 4 hours in the morning and 4 hours in the evening and receive hourly wages.

Thirdly, in the past, many cafes and restaurants in Vietnam spent too much money renting out huge spaces because they were too concerned with the aesthetics of the setting, which reduced their chances of making a profit. With the current trend, food service businesses should reduce the space just enough to be reasonable. Instead, a restaurant/cafe can create a highlight in a small space with a different design, Instead, a restaurant/cafe can create a highlight in a tiny area with a different design, exquisite details, etc.

because the cost of renting space should be only 10-15% of revenue to
maintain the businesses efficiency. Vietnamese restaurants and cafes should
expand their company facilities now that rent is at an all-time low following
the Covid-19 epidemic. It is wise to choose the location carefully. To maximize
access to as many customers as possible, it is not advisable for cafes and
restaurants to cluster in central area, but rather create a network of stores
dispersed over a large area across multiple districts, cities, and towns. The
open network not only makes it convenient for customers to dine in their own
homes, but it also covers a large area for the delivery and takeout network
and and helps businesses create their brand awareness.

Fourthly, it is necessary for F&B businesses to innovate their
business models because innovation brings a lot of value to businesses.
Customers may buy more conveniently and save time thanks to innovation,
and businesses can improve sales as a result. Innovation in business is a
necessary condition for businesses to survive and develop. In particular, it is a
requirement to help businesses boost brand awareness in order to compete
with heavyweight industry in a thriving market and at the same time, attract
investment capital. F&B industry is an industry following market trends,
outdated business models will be difficult for customers to approach and
attract customers./.

REFERENCES

1. Alegre, J., & Garau, J. (2010). Tourist satisfaction and dissatisfaction. *Annals of tourism research, 37*(1), 52-73.
2. AlKahtani, S. J. H., Xia, J. C., Veenendaaland, B., Caulfield, C., & Hughes, M. (2015). *Building a conceptual framework for determining individual differences of accessibility to tourist attractions*. Tourism Management Perspectives, *16*, 28-42.
3. Butnaru, G.-I. (2011). *Comparative analysis on the clients' perception of the quality of tourist products and services*. International Business and Management, 3(1), 63-76.
4. Cegielski, M., Espinoza, M., May, C., Mules, T., & Ritchie, B. (2004). *Canberra 2000 visitor satisfaction evaluation*: CRC for Sustainable Tourism.
5. Coban, S. (2012). *The effects of the Image of Destination on Tourist Satisfaction and Loyalty: The case of Cappadocia.* European Journal of Social Sciences, 29(2), 222-232.
6. Foster, D. (1999). *Measuring customer satisfaction in the tourism industry.* Paper presented at the Third International & Sixth National Research Conference in Quality Management.
7. Khuong, M. N., & Ha, H. T. T. (2014). *The Influences of Push and Pull Factors on the International Leisure Tourists' Return Intention to Ho Chi Minh City, Vietnam—A Mediation Analysis of Destination Satisfaction*. International Journal of Trade, Economics and Finance, 5(6), 490.
8. Lai, W. H., & Vinh, N. Q. (2013*). How Promotional Activities and Evaluative Factors Affect Destination Loyalty: Evidence from International Tourists of Vietnam*. International Journal of Marketing Studies, 5(1), p70.
9. Lee, T. H. (2009). *A structural model to examine how destination image, attitude, and motivation affect the future behavior of tourists*. Leisure Sciences, 31(3), 215-236.
10. Marin, J. A., & Taberner, J. G. (2008). *Satisfaction and dissatisfaction with destination attributes: Influence on overall satisfaction and the intention to return*. Retrieved December, 18, 2011.

11. Mohamad, M., Abdullah, A. R., & Mokhlis, S. (2012). *Tourists' evaluations of destination image and future behavioural intention: The case of Malaysia*. Journal of Management and Sustainability, 2(1), p181.

12. Ngoc, K. M., & Trinh, N. T. (2015). *Factors Affecting Tourists' Return Intention towards Vung Tau City, Vietnam-A Mediation Analysis of Destination Satisfaction*. Journal of Advanced Management Science Vol, 3(4).

13. Oliani, L. G. N., Rossi, G. B., & Gervasoni, V. C. (2011). *What are the attractiveness factors that influence the choice of a tourist destination–a study of Brazilian tourist consumer*. Chinese Business Review, 10(4), 286-293

14. Park, D. B., & Nunkoo, R. (2013). *Relationship between destination image and loyalty: developing cooperative branding for rural destinations*. Paper presented at the Conference: 3rd international conference on international trade and investment, University of Mauritius.

15. Piewdang, S., Mekkamol, P., & Untachai, S. (2013). *Measuring Spiritual Tourism Management in Community: A Case Study of Sri Chom Phu Ongtu Temple, Thabo district, Nongkhai province, Thailand*. Procedia-Social and Behavioral Sciences, 88, 96-107.

16. Pike, S., & Page, S. J. (2014). *Destination Marketing Organizations and destination marketing: A narrative analysis of the literature*. Tourism Management, 41, 202-227.