

Co-relation as well as connexion between Service Quality and Customer Satisfaction.

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Abstract

There is no industry, which can work efficiently without considering customer satisfaction. Customer satisfaction is customer's reaction to the state of satisfaction and their judgment of own satisfaction level. In today's competitive world, Service Quality has become one of the most strategic tools for measuring customer satisfaction. Hence, this paper aims at analyzing the customer satisfaction level related to KFC and McDonald. It aims at knowing which of the companies (KFC or McDonald) is doing better in terms of service quality and to know which of the companies (KFC or McDonald) is having more overall customer satisfaction. The researchers have used self-administered questionnaire, which is having two sections. First section comprises of statements related to customer satisfaction, derived from Customer Satisfaction Questionnaire (CSQ-8, C. Cilfford Attkisson 1979) and American Satisfaction Customer Index (ASCI, University of Michigan 1944). The second section comprises of statements related to service quality, derived from SERVQUAL statements to collect primary data. The investigator has used ANOVA (Univariate), Descriptive Statistics, correlation and regression, KMO and Bartlett Test and Factor Analysis in order to achieve the research objective. The study reveals that KFC was having better service quality and overall customer satisfaction as compared to McDonald. This paper offers some suggestions for adoption of customer satisfaction techniques pertaining to Fast food Industry. Finally, scope for further research and limitations of this study are also spelt out concisely.

Key Words: Service Quality, Customer Satisfaction, Comparison, Fast Food.

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Introduction

Food and beverage goes hand in hand and this business was in existence form MAYA civilization, attesting that it is not a new concept. However, the way of doing business over the period of time has changed a lot. Fast Food and beverage Industry has shown phenomenal

growth because of innovation, quality control and competitive pricing. Fast food restaurants represent one of the largest segments of the food industry. Approximately, the total income for the food and beverages industry in 2009 was \$919 Billion USD and it is expected to reach \$259 Trillion USD by 2020. The largest contributor to the total income of this industry are restaurants, coffee shops, tea rooms and fast-food restaurants with or without liquor licence. Because of globalisation the way of doing business has changed a lot. Globalisation has influenced many aspects of human activity, including food production and consumption (Wilhelmina et al. 2010). Giddens (1990, p. 64) refers to globalisation as 'the intensification of worldwide social relations, which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa'. As a result of which many countries are considering Food and beverage Industry statistics before making their national economic plans because food and beverage industry is directly affecting employability, foreign exchange, tourism and health Industry. This is one of the main reasons why food and beverage industry is receiving recognition world over. The fast food and beverage industry's economic power has caused a major impact on the human society by not only causing a radical shift in the eating patterns but also fundamentally altering the very way that food is produced. The industry's enormous purchasing power and demand for vast amounts of cheap animal products are among the principle driving forces behind factory farming as well as the massive government subsidies for staple animal feed crops like corn and soy. As a result of the industry's excessive economic influence, gigantic multinational corporations like McDonalds, Pizza Hut, Dominis and KFC make huge profits selling fast food at artificially reduced prices.

Fast food is cheap and easily available to the customers. Although, fast food is not healthy but it is filling and tasty. Moreover, only a few customers know the actual nutritional value of the fast food they consume, as a result of which huge number of people prefer to eat fast food. The ingredients of Fast food are cheap and easily assessable. Moreover, trans fats oils used in the preparation of fast food items can be used again and again increasing the lifespan of the ingredients and also reducing the manufacturing cost of the fast-food products. Researchers have found that fast food items are dry, as majority of the food items are deep fried and are served without gravy. So there is a need for liquid to be served with it in order to make the food more chewable and engulfable. Engendering another opportunity for the fast food restaurants to draw some more profits out of the customers. Fast food restaurants devised contracts with the non alcoholic beverage manufacturers like Pepsi and Coke to

provide them the required drinkables at a suitable rate, place and time. Many combo meals provided by the fast food restaurants include sweetened beverages instead of water because sweetened beverage generates more profits as compared to water.

It is harrowing to know that the beverages provided with the fast food companies are low in nutritional value and high in carbohydrate value causing obesity in the consumers and attracting all the diseases linked with obesity. Moreover, majority of the customers of the fast food are young children who are ignorant of the after effects of such type of food and beverage items. As a result of this there is a huge demand for organic food among the informed consumers. The governments have also devised food quality maintenance procedures which are not implemented with the same enthusiasm throughout the world. For example the implementation in India is far sluggish as compared to Germany or Spain. This leaves the consumer on their own discretion to select between taste and nutrition.

The research reveals that as the customers are becoming more aware of the facts and the alternatives available, the demand for healthy fast food is on its rise. Big fast food companies like KFC, Mc Donald, KFC and McDonald are working on making their food items more nutritious and tasty. Many countries like USA, European Union, Canada and Australia have already passed resolutions concerning the minimum nutritional value of the fast foods and the beverages offered along with them to the customers. However, India is still lagging far behind in passing and implementing such resolutions. As a result of this the Indian customers are more inclined towards consuming fast food and beverages from international brands like KFC, Mc Donald, KFC and McDonald instead of Indian local fast food vendors. Because of the taste, availability, perception, alleviating economic condition of the customers and improvements incurred by the fast food companies, the fast food business has become more profitable and this has helped it to spread around the globe faster than any other food business.

Customer Satisfaction in Fast Food Industry

Customer satisfaction is actually how customer evaluates the ongoing performance (Gustafsson, Johnson and Roos, 2005). Customer satisfaction is very important in today's business world as the ability of a service provider to create high degree of satisfaction is crucial for product differentiation and developing a strong relationship with customers (Deng et al., 2009). Because of the above reasons the companies consider customer satisfaction as

very important element while devising their core strategies. Moreover, the concept of customer satisfaction gained so much importance that American Customer Satisfaction Index (ACSI) was developed. The American Customer Satisfaction Index is a national economic indicator of customer evaluations of the quality of products and services available to household consumers in the United States. The national index is updated each quarter. The Index was founded at the University of Michigan's Ross School of business. According to the latest ACSI ratings, KFC is the biggest gainer as it ceased an increment of 9% , followed by Papa John's, which got increment of 7% and McDonald, which increased by 5%. Despite rolling out new ingredients that reinvented Domino's pizzas from the crust up, Domino's is still stuck at the same level. It is a surprise to know that McDonald's ACSI rating has dropped by 4% as compared to the previous ratings.

Service Quality and Customer Satisfaction

Service quality and customer satisfaction are undisputedly the two core concepts that are at the crux of the marketing theory and practice (Spreng and Mackoy, 1996). In today's world of intense competition, the key to sustainable competitive advantage lies in delivering high quality service that will in turn result in satisfied customers (Shemwell *et al.*, 1998). The prominence of these two concepts is further manifested by the cornucopia of theoretical and empirical studies on this topic. Therefore, there is no doubt that service quality and customer satisfaction is the ultimate goals of service providers. Service quality is based on comparison of expected service with perceived service. The research literature on service quality has identified numerous models by different researchers across the world. However, the SERVQUAL Modal having a 22-item scale that measures service quality along five factors, namely reliability, responsiveness, assurance, empathy and tangibles, forms the foundation on which all other works have been built (Parasuraman *et al.*, 1988). The same has been incorporated in this study by the researcher.

Review of Literature

Jooyeon Ha and Soo Cheong Jang (2010) have empirically examined the relationship among perceived service quality, satisfaction and loyalty in the Korean ethnic restaurant segment. The researchers have used hierarchical regression analyses to investigate the direct effects of service and food quality on customer satisfaction and loyalty. The study also highlights the significance of the customer perception of atmosphere on the success of the

ethnic restaurants. The study points out that the service and food quality has positive and significant effect on customer satisfaction and loyalty. The study suggests that employee service and food quality are of immense importance for ethnic restaurants. Additionally, this study found that employee service together with ideal restaurant atmosphere effectively increases the satisfaction and loyalty of customers. The study makes important contribution towards understanding the formation of satisfaction and loyalty. From a practical prospective the quality of physical environment is a critical tool for overall organisation success.

Victor P. Lau, Thamis Wing-chun Lo, Zhenquan Sha and He Yun (2007) in the research on “Service quality in restaurant operations” have proposed and tested a conceptual model of service quality with the help of structural equation modelling. Using data from two large full service restaurants in southern China, the researchers have investigated the relationships of service quality, customer satisfaction, and frequency of patronage. The results of the study supported significant relationship between service quality and customer satisfaction, service quality and repeat patronage. However, the relationship between customer satisfaction and repeat patronage was found insignificant and could not be supported. For the model under study researchers also provided important insights into some of the additional dimensions of service quality that are significant in the field of restaurant operations. The researchers have also necessitated the development of strategies which have the fusion of the elements of service quality, customer satisfaction and repeat patronage in order to elevate the overall sales turnover of the restaurants.

Cuma Akbay, Gulgun Yildiz Tiriyaki and Aykut Gul (2007) have investigated the relationship among consumers’ attitudes, socio-economic characteristics and fast food consumption frequency. The researchers have used Chi-square test of independence to compare the consumers’ fast food consumption frequencies. The researchers have developed an empirical model that signifies on the basis of consumer the consumption frequency of fast food products using the random utility framework. The empirical model was estimated by using an ordered probit approach to obtain the coefficients that are applied to the calculation of marginal effects and probabilities. The sign and significance of coefficients and marginal effects were used to ascertain consumer characteristics, which are important to study the frequency of fast food consumption. The results of the study indicate that demographics such as age, income, education, household size, presence of children along with other behavioural factors, such as consumer attitude towards the price of fast food, health concerns and children preference, significantly influence the frequency of fast food consumptions

M.OmerAzabagaoglua and Yasemin Oramana (2011) have analysed customer expectations in food sector from province Istanbul, Ankara and Izmir after 2008 world economic crisis. The researcher has applied theory of reasoned behaviour. The measurement of customer attitude towards food products have taken into consideration the product features, effect of preference group, past behaviour and behavioural intention variables. The Variables which influencing consumers' purchase intention have been tested with the help of GLM model. The research model for the study indicate that respondent's attitude toward the particular food product had influence on their purchase intention. With other variables in the model, price was not statistically significant as a determinant of purchase intention. After the 2008 global economic crisis, surveys on food shopping behavior indicates consumer tend to decrease food expenditure, prefer cheaper brands and cheaper retailers.

Wen-Bao Lin (2007) has presented an innovative model for understanding customer satisfaction and used the nonlinear fuzzy neural network for testing the model. The result of the empirical research illustrates that in functional quality, the interpersonal based service encounter is better than the technology based service encounter. Moreover, when it comes to technical quality the technology based service encounter is better than the interpersonal based service encounter. The study reveals that the functional quality has a positive and significant effect on customer satisfaction, the service quality has a positive and significant effect on service value, the service value has a positive and significant effect on customer satisfaction. The service encounter has a positive and significant effect on relationship involvement and the relationship involvement has a positive and significant effect on customer satisfaction.

Ying-Feng Kuo, Chi-Ming Wu and Wei-Jaw Deng (2009) have analysed the relationships among service quality, perceived value, customer satisfaction, and post purchase intentions in the fast food industry. The researchers have used structural equation modelling and multiple regression to analyze the data collected from students of 15 major universities in Taiwan. The study reveals that service quality positively influences both perceived value and customer satisfaction whereas, perceived value positively influences both customer satisfaction and post purchase intention. However, the study depicts that the service quality has a negative influence on post purchase intentions. The study suggests that in order to increase the customer satisfaction the business organisation must focus on increasing the perceived value and service quality.

Importance of the Study

Fast food business has recently started in India. Therefore this industry is immature and there is dearth of research pertaining to important issues in fast food industry related to the relationship between service quality and customer satisfaction. Furthermore the research will help to bridge the gap between the theory and practice. The research gap has been identified in a number of studies as well as has been surfaced in various forms, more commonly in terms of dissatisfaction of academicians and industrial people with each other. The study holds importance due to its empirical nature in the area of consumer behaviour in fast food industry, especially in the Indian context, as a little has been done in the same. According to the consumer reports on eating the food prices increased only an average of about 2 percent per year. This increase in the food prices is a result of increased consumption. This study is a contribution to the literature on consumer behaviour in fast food industry. In addition, it has also favourable implications for academicians, industry people and students.

Statement of the Problem

Indeterminate satisfaction level of customers of KFC and McDonald.

Objectives of the Study

1. To identify which of the fast food companies (KFC or McDonald) are doing better in terms of service quality.
2. To recognise which fast food company KFC or McDonald is performing better when it comes to customer satisfaction level.

Hypothesis

H1:KFC is having better service quality as compared to McDonald.

H2:KFC is having higher customer satisfaction level in comparison to McDonald.

Reach Methodology

Data Sources

The intention of the study is to observe consumer behavior in the fast food industry in Delhi. The study is based on the following dimensions; customer satisfaction and service quality. For this reason the study is based both on primary data as well as secondary data.

Primary data

The sampling method used by the researcher in this study is Stratified random sampling. Where the data was collected from the customers of fast food restaurant chains like KFC and McDonald located in the Delhi region. The data was amassed by personally distributing the questionnaire to the customers of the above specified fast food restaurants. From each of the fast food restaurant chains approximately 125 respondents were requested to fill the questionnaire by selecting the alternate choices available in it. After preliminary examinations, out of 367 filled questionnaires only 350 questionnaires were found to be complete and valid, this constituted 95.36 percent response rate for the study.

Secondary data

The secondary data has been taken in the form of various websites, doctoral thesis, research papers, books and research articles related to the topic.

Instrument Development

The questionnaire comprises of 2 sections namely section 1 and 2. Out of these segments section 1 is structured where as section 2 is self administered. The study aims to investigate the behaviour of customers of fast food restaurants on five point Likert scale. Where for each item, 1 represents strongly disagree, 2 as disagree, 3 represents neither agree nor disagree, 4 for agree and 5 represents strongly agree. The first part of questionnaire contains customer satisfaction. In order to study the satisfaction level of customers in fast food industry, a 30 statement questionnaire was developed by the researcher keeping in view Customer Satisfaction Questionnaire (CSQ-8, C. Clifford Attkisson 1979), American Satisfaction Customer Index (ASCI, University of Michigan 1994), along with the factors, considering scope of research in the study area. Apart from the 30 identified items, one additional

statement has been inducted as a measure of overall customer satisfaction. Second part contains service quality statements. To study the Perception of Service Quality of customers in relation to fast food industry, a 22 statement SERVQUAL (A. Parasuraman, 1985) questionnaire was implemented by the researcher. In addition to the questionnaire the last statement studies the overall service quality satisfaction score.

Comparison of Customer Satisfaction Level of KFC and McDonald

In order to understand the satisfaction level of the customers of McDonald and KFC the researcher has used ANOVA and descriptive statistics which is explained in Table 1.0 and Table 1.1

| S.No. | CHAIN | Mean Satisfaction | Standard Deviation | Rank |
|-------|----------|-------------------|--------------------|------|
| 1 | McDonald | 4.037 | .345 | 2 |
| 2 | KFC | 4.298 | .294 | 1 |

Table 1.0 Satisfaction level of the customers of KFC and Mc Donald

From the above table it is evident that the highest customer satisfaction is of KFC ($\bar{x}=4.298$) followed by McDonald ($\bar{x}=4.037$). Because the value of standard deviation is less than 0.5 the researcher concludes that the values of the mean satisfaction have less dispersion and are accurate.

Table 1.1 ANOVA table.

ANOVA

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|----------------|----|-------------|---------|------|
| Between Groups | 108.347 | 12 | 117.852 | 164.381 | .000 |
| Within Groups | 37.521 | 45 | 78.657 | | |
| Total | 145.868 | 57 | | | |

The above table explains that the significance value is less than 0.05 and the F value is 164.381 which is more than 1, which implies that the calculated value of F is more than the tabulated value of F statistic. Therefore, the researcher can assume that there is significant difference in variances of groups and this difference is not caused by chance. Hence, the second hypothesis stands accepted.

Customer Satisfaction

In order to study the satisfaction level of customers in fast food industry, a 30 statement questionnaire was developed by the researcher keeping in view Customer Satisfaction Questionnaire (CSQ-8 and CSQ-30, C. Clifford Attkisson 1979), American Satisfaction Customer Index (ASCI, University of Michigan 1994), along with the factors, considering scope of research in the study area. Apart from the 30 identified items, one additional statement has been inducted as a measure of overall customer satisfaction. Where for each statement the respondents used 5 point Likert scale to express their opinion related to the concerned statements. According to the Likert scale 1 represents strongly disagree, 2 as disagree, 3 stands for neither agree nor disagree, 4 for agree and 5 represents strongly agree.

Adequacy and Scale Purification

Checking sampling adequacy and sphericity is essential before conducting Factor Analysis. In order to analyse if the data collected is fit for conducting Factor Analysis, KMO (Kaiser Meyer Oklin) test was executed on the available data.

Table 1.2 KMO and Bartlett's test

| | | |
|----------------------------|--------------------|---------|
| Adequacy | | 0.826 |
| Barlett's Test of Spherity | Approx. Chi-square | 196.102 |
| | df | 250 |
| | Significance | 0.0001 |

Here, as the value of KMO is 0.826 the researcher has concluded that there is no multicollinearity in the data. Moreover, when the data will be subjected to factor analysis there will be no or little multiple loading in the rotated factor loading table hence, the data is fit for factor analysis.

Factor Analysis of Customer Satisfaction

Factor analysis was conducted on 30 statement of customer satisfaction questionnaire. Table 1.5 determines the results.

Table 1.3 Factor Analysis of Customer satisfaction statements.

| Name of the factor | Factor wise Dimensions | Mean Satisfaction | Factor loading | Communalities | Eigens | % of Variance |
|--|---|-------------------|----------------|---------------|--------|---------------|
| Solving problems appropriately. (SPA) | The staff listened to your complaints and gave prompt resolutions. | 3.861 | .873 | .780 | 8.032 | 26.774 |
| | You feel that the staff can resolve your complaint in time. | 3.943 | .668 | .602 | | |
| | The staff had good interaction with you while solving your complaint. How satisfied are you with the amount of help you have received. | 3.914 3.745 | .667 .685 | .684 .580 | | |
| | The staff was able to satisfy your query. | 3.692 | .701 | .635 | | |
| | You are satisfied with the quality of the product serviced. | 3.946 | .745 | .617 | | |
| Appropriate Product delivery (APD) | The products were delivered to you on time. | 3.785 | .844 | .754 | 3.390 | 11.300 |
| | You feel that the way of the product servicing was good. | 3.795 | .781 | .655 | | |
| | The product delivered to you was well packed. | 3.918 | .602 | .721 | | |
| | The level of the need fulfilment form the product or service was in accordance with your expectations. | 3.925 | .655 | .547 | | |
| Well mannered staff (WMS) | You believe that the serving staff was well mannered. | 3.842 | .841 | .685 | 2.599 | 8.662 |
| | The staff members conducted themselves in a professional manner. | 3.814 | .734 | .629 | | |
| | Employees seem to understand how you feel. | 3.922 | .629 | .598 | | |
| | The staff was courteous to you. | 3.985 | .691 | .604 | | |

| | | | | | | |
|---|---|-------|------|------|-------|---------------|
| Timely customer service. (TCS) | The staff served you in appropriate time. | 4.026 | .839 | .709 | 2.555 | 8.518 |
| | The staff was available when you wanted. | 3.713 | .628 | .614 | | |
| | The staff told you the status of your order while it was in progress. | 3.941 | .677 | .599 | | |
| | You waited a short period of time to get help after you asked for it. | 3.939 | .633 | .539 | | |
| Confidence in staff (CIS) | The staff was trust worthy and honest. | 3.737 | .718 | .598 | 1.973 | 6.578 |
| | The staff kept their promise given to you. | 3.852 | .641 | .520 | | |
| | If you want to get same service you will come back to the same place. | 3.811 | .622 | .569 | | |
| Monetary transactions with staff. (MTS) | The staff collected money form you in an appropriate manner. | 3.865 | .603 | .588 | 1.698 | 5.661 |
| | The staff communicated with you properly while giving bills. | 3.852 | .650 | .525 | | |
| | You feel that employees are concerned about extra money in form of tips. | 3.824 | .643 | .539 | | |
| Restaurant's promotional activity. (RPA) | Employees gave you any sales or advertising gifts or material. | 2.847 | .728 | .619 | 1.404 | 4.681 |
| | If a friend needs same service or product you will recommend the same restaurant to him/ her as well. | 3.712 | .561 | .608 | | |
| Understanding of staff. (UOS) | Staff members understand your needs. | 3.945 | .633 | .599 | 1.253 | 4.175 |
| | The level of the quality of the product was as per your expectation. | 3.699 | .656 | .512 | | |
| Appropriate knowledge of work. (AKW) | The employees had knowledge of the restaurant products. | 3.711 | .611 | .622 | 1.048 | 3.493 |
| | The staff has enough knowledge of what they are doing. | 3.723 | .619 | .509 | | |
| CUMULATIVE PERCENTAGE OF VARIANCE | | | | | | 79.840 |

Considering the above table the first factor that is, 'Solving problems appropriately' it comprises of 6 statements. This factor explains 26.774% of 79.840% of cumulative variance. The second factor which is, "Appropriate Product Delivery" comprises of 4 statements and this factor explains 11.300% of 79.840% of cumulative variance. The third factor is, "Well Mannered Staff" comprising of 4 statements and explaining 8.662% of 79.840% of cumulative variance.

Fourth factor is, "Timely Customer Service" comprising of 4 and 8.518% of 79.840% of cumulative variance is explained by this factor. "Confidence in the Staff" is the fifth factor comprising of 3 statements explaining 6.578% of 79.840% of cumulative variance. The sixth factor is, "Monetary Transactions With the Staff" comprising of 3 statements and explaining 5.661% of 79.840% of cumulative variance. Seventh factor is "Restaurant's Promotional Activity". This factor comprises of 2 statements explaining 4.6% of 79.840% of cumulative variance. The eighth factor is "Understands of Staff". This factor explains 4.175% of 79.840% of cumulative variance. Finally the last factor is "Appropriate Knowledge of Work" comprising of 2 statements. Moreover, this factor explains 3.493% of 79.840% of cumulative variance.

Service Quality

To study the Perception of Service Quality of customers in relation to fast food industry, A 5 statement SERVQUAL (A. Parasuraman, 1985) questionnaire was implemented by the researcher. The Cronbach's alpha was found to be .904 which ensures that the questionnaire is a good instrument for the research purpose. In addition to the questionnaire the last statement studies the overall service quality satisfaction score. For each statement the respondents used 5 point Likert scale to express their opinion related to the concerned statements. According to the Likert scale 1 represents strongly disagree, 2 stands for disagree, 3 as neither agree nor disagree, 4 for agree and 5 represents strongly agree.

Comparative Analysis of Service Quality Among the Selected Organisations.

Table 1.4 Comparative analysis of service quality among the selected organisations.

| S No. | Statement | MEAN SATISFACTION VALUE | |
|-------|---|-------------------------|-------|
| | | McDonald | KFC |
| 1 | The infrastructure of the restaurant had good physical appearance. | 3.064 | 4.652 |
| 2 | Employees gave you prompt service. | 4.285 | 4.028 |
| 3 | Service provided by employees instils confidence in you. | 4.754 | 4.377 |
| 4 | Employees gave you individual attention. | 4.190 | 4.250 |
| 5 | Employees delivered exactly same service as they promised you. | 4.021 | 3.124 |
| 6 | You are satisfied with the overall service quality of the restaurant. | 4.134 | 4.421 |

1=

Strongly

disagree, 2= Disagree, 3 Neither Agree nor Disagree, 4=Agree and 5=Strongly Agree.

Service instils confidence(assistance) was rated highest value (\bar{x} =4.754) followed by prompt customer service (responsiveness) (\bar{x} =4.285), employee giving individual attention (empathy) (\bar{x} =4.190), employee delivered promised service (reliability) (\bar{x} =4.021) and appearance of infrastructure(tangibles) has been rated the lowest value (\bar{x} =3.064) by the customers of McDonald. Moreover, the mean value of all other variables was observed above mid value ($d=3$) and less than 5 on 5 point scale. As the overall satisfaction with regards to service quality is (\bar{x} =4.134) it implies that when it comes to service quality, the customers of McDonald are satisfied with it.

The customers of KFC have rated the physical appearance of infrastructure the highest value(\bar{x} =4.652) followed by Service instils confidence (assistance) (\bar{x} =4.377), employee giving individual attention (empathy) (\bar{x} =4.250), followed by prompt customer service

(responsiveness) ($\bar{x}=4.028$), and delivery of promised service (reliability) the lowest value ($\bar{x}=3.124$). The overall satisfaction with regards to service quality stood at ($\bar{x}=4.421$). The mean value of all other variables was observed above mid value ($d=3$) and less than 5 on 5 point scale, implying that the customers of KFC are satisfied with its service quality. However, the customers of KFC are more satisfied with service quality as compared to McDonald. Hence, the first hypothesis stands accepted.

Results and Discussion

From the data analysis done above it has been found that both the hypothesis stands accepted and KFC have an edge above McDonald. Bearing in mind Customer satisfaction and service quality of the customers KFC has outperformed McDonald.

Suggestions

1. The study highlights that behaviour of staff towards customers has got the least satisfaction score. Therefore, the business organisations should focus their efforts to improve the behaviour of staff towards customers by providing individualised training programmes and connected appraisal policy for the employee.
2. The customer satisfaction is affected by the location and the ergonomics of the restaurant outlet. Therefore the companies should open their outlets at right places and maintain good ergonomics.
3. Service quality directly affects the customer satisfaction hence, the companies should put every effort to increase and maintain high level of service quality.
4. Fast food companies should have direct contract with the local farmers as this will reduce the delinquency carried out by the middle men and also avail fresh raw material for the restaurants.
5. The fast food companies should conduct regular audits and surveys to enhance their abilities to deliver better services.
6. Companies in the fast food industry can reduce the service quality gap by the induction of technology and tension reducing ergonomics.

Scope for Further Research

The study is equally useful for students, academicians and the people related to the food industry. Moreover, the scope of the study is open for the future research. The researcher has made the following proposals for the same.

1. A separate study can be conducted to know the effect of pricing policy on brand loyalty in the fast food industry.
2. An analysis can also be performed to evaluate the effect of demographics on the pricing policy and perceived service quality in the context to fast food industry.
3. A comparative study can be done among fast food restaurants, street food vendors and conventional restaurants to find out their respective competency differences and similarities.

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