Factor Affecting Positive & Negative Word of Mouth in Restaurant Industry

Praveen Moyal, Dr. Swati Mishra[#]

[#]Associate Professor
Gyan Vihar International School of Business Management,
Suresh Gyan Vihar University, Jaipur, Rajashthan, India

ABSTRACT

Part of relationship Restaurant with restricted advancement spending plans depend for the most part on informal universe of mouth among clients. WOM appears to be especially essential to the promoting of administrations. This is on account of administrations are experiential in nature and hard to survey before buy. In the eateries setting there is little research on universe of mouth. The reason for this paper is to look at the variables that may impact visitors' universe of mouth about eateries suggesting on the basic quality

Purpose A far reaching writing survey is led to recognize the main considerations affecting Word of mouth with regards to eatery industry. The investigation uses self-controlled poll review and the objective populace are the clients who have alluded to the eateries of Tehran, Iran. An accommodation examining approach was used to gather an example of 326 clients. An auxiliary condition demonstrating system is connected to the examination of the predecessors of Word of mouth.

The paper found that sustenance quality, individual association quality, physical condition quality, and saw esteem impact WOM conduct of client in an aberrant path through relationship quality.

INTRODUCTION:

In the marketing literature, it is well established that consumer word of mouth has a significant influence on an organization's ability to attract new customers as well as retain current customers (e.g., Lam, Lee,and Mizerski, 2009) with positive word of mouth being influenced heavily by high levels of customer satisfaction (deMatos, Alberto, and Rossi, 2008) and negative word of mouth being impacted directly by lower levels of customer satisfaction (Johnston, 1998). Past studies have indicated that, depending on the product, word of mouth is a primary factor associated with 20-50% of all purchase decisions (Bughin and Doogan, 2010). Thus, measures aimed at promoting positive consumer word of mout hand minimizing go eliminating those factors that may lead to negative word of mouth are important elements of an organization's overall marketing strategy. Previous studies have found that such variables as quality of rapport with customers (Macintosh,

2009), customer loyalty (Ashley and Varki, 2009; Katicci and Dortvol, 2009)), perceived customer switching costs (Lee and Romaniuk, 2009), difficulty of customers being able to lodge complaints with entities (Oh, 2006), and perceived levels of product quality (de Matos et. al., 2008) are all significant predictors of word of mouth behavior of customers.

Moreover, individual characteristics including attitudes toward complaining (e.g., Wright, 1996), gender (Naylor, 1999), and degrees to which individuals seek social approval (Naylor and Klesier, 2000) also influence degrees to which customers are likely to engage in positive or negative word of mouth regarding a product or an organizational entity. Thus, it is clear that consumer

word of mouth is influenced by a large and complex variety of factors. While a large number of general predictors of positive and negative word of mouth have been investigated in research contexts, relatively little is known regarding how levels of

customer satisfaction with specific attributes of goods or services on offer by an organizational entity might impact degrees to which customers engage in positive or negative word of mouth. This situation is true regarding factors contributing to positive and negative word of mouth behavior by university students. As the market for higher education continues to become more competitive (e.g., Wright, Palmer, Eidson, and Griswold, 2010) it is imperative that those individuals responsible for recruitment and retention of students obtain a better understanding of factors leading to both positive and negative word of mouth.

PURPOSE:

he purpose of this study was to examine potential relationships between student satisfaction with various attributes of the university experience and the extent to which students engage in positive and negative word of mouth behavior. Unlike many past studies that examined these relationships based on general criteria, this study focused on the potential impacts of satisfaction with specific attributes on word of mouth behavior

OBJECTIVE OF THE RESEARCH

1. To attract the person on her behavior.
2. Improve the personality on the word of mouth.
3. World of mouth in that it is actively influenced or encourage to by organization.
4. Word of mouth has been suggested as a counterweight to commercially motivated world of mouth.

LITERATURE OF REVIEW:

1. Verbal (WOM)

Word of mouth, or viva voce, can be characterized the going of data from individual to individual by oral correspondence, which could be as simple as telling someone the season of day.

Informal likewise can be characterized as customer to purchaser correspondence about products and enterprises. It is a capable convincing power, especially in the dispersion of data about new item

(Dean and Lang, 2008). As indicated by Ennew (2000) WOM is utilized to depict verbal communication either positive or negative between groups, for example, the item supplier, autonomous specialists, family and companions and the genuine or potential customer. Katz and Lazarsfeld (1995) found.

2. Service quality:

Service quality has been defined by researchers in many different ways. Bitner, Boms and Mohr (1994) define service quality as the consumers overall impression of the relative inferiority or superiority of the organization and its services. As stated by Gronroos (1984), service quality is the outcome of an evaluation process, where the consumer compares his expectations with the service he has received.

Service quality is one of the vital factors of consumer satisfaction and it will directly affect the organizational success especially in the service industry such as restaurant industry (Tat et al, 2011). In addition, Shock and Stefanelli (1992) advocated that service quality, the place, the products, and the prices all affected restaurant operation. In line with that, Zeithamal, Berry, and Parasuraman (1996) proposed that service quality was only one aspect of consumer satisfaction, and the measurement of consumer satisfaction includes other criteria.

3. Food quality

Food quality is rated as the most important attribute influencing restaurant decisions in many studies on consumers' restaurant selection behavior (Soriano, 2002) and directly correlated with consumers' satisfaction (Bitner & Hubbert, 1994). It is considered the core element to fulfill consumer needs (Peri, 2006). According to Namkung and Jang (2007) presentation, health options, taste, freshness, variety, and temperature are some of the factors which relatively agree with food quality.

Good quality of food and beverages can be influential in satisfying and retaining the consumers who most probably enjoy eating delicious food. According to Voon (2011), food quality is also familiar as a one of the key factor for consumer satisfaction and loyalty.

METHODOLOGY:

he data collection methodology for this study was survey research. Specifically, a total of 109 students enrolled in undergraduate business courses

at a small Midwestern university completed a questionnaire consisting of Likert scaled items that asked respondents to express their levels of satisfaction with fifteen different attributes of the university experience (i.e., 1 = Very Dissatisfied to 5 = Very Satisfied). Attributes encompassed such areas as satisfaction with the quality of and interactions with faculty members, university housing and infrastructure, student activities, and various student support services. Students were also asked to indicate the number of acquaintances and/or relatives not living in their households with whom they had discussed a positive experience at the university. They were then asked to provide information on the number of acquaintances and/or relatives with whom they had discussed a negative experience at the university. Correlation analysis was utilized in order to assess relationships between levels of satisfaction with various attributes of the university experience and the frequency of both positive and negative word of mouth behavior. Results of this analysis are provided.

STUDY METHODS:

Information

We directed our exact examination utilizing client WOM information from Dianping.com as it is one of the main eatery control sites in China. This site additionally actualizes a five-star rating framework, making it less demanding to survey the positivity of client WOM and clients' impression of different properties. As an outsider site, Dianping.com endeavors to guarantee honest to goodness audits by expecting clients to enlist through a substantial email deliver and to post surveys in the wake of signing in. It presently offers more than 20 million free customer assessments of around 1,200,000 eateries scattered crosswise over 2,300 Chinese urban communities.

The Xicheng District of Beijing was haphazardly picked as the objective area. Data about eateries around there was gathered from Dianping.com in two days (15 August, 2011 and 16 August, 2011). We acquired every posted audit for every eatery. From each audit, we removed the client's general rating of the eatery, his or her quality appraisals for sustenance taste, physical condition and administration, and in addition cost per capita (see Figure 1). The general rating is viewed as clients' WOM of an eatery, and the rating of a characteristic is viewed as property execution or client saw quality for that trait (Zhang et al., 2011). We disposed of audits that did not give a general rating, and afterward examined eateries that had no less than 10 surveys each and had in excess of five audits with a cost. This limited our investigation to 1,542 eateries and 168,262 client surveys.

RESULT:

Descriptive statistics for all variables are provided in Table 1. Results indicated that, overall, students were most satisfied with attitudes of faculty members, the quality of business school faculty, content of courses, and athletic facilities. Students were least satisfied with the quality of food services, parking, residence halls, and tutorial services. Results of the correlation analysis indicated that levels of satisfaction with 7 of the 15 attributes were predictors of positive word of mouth by students (See Table 2). These attributes included quality of business school faculty, availability of instructors, attitude of faculty toward students, quality of residence halls, parking, tutorial services, and athletic facilities. As expected, signs of all coefficients were positive. Results of the analysis also indicated significant negative correlations between levels of satisfaction with 5 of the 15 attributes and negative word of mouth by students (See Table 3). These attributes included overall quality of faculty at the university, quality of residence halls, food services, student activities, and tutorial services available to students. Interestingly, only two of the 15 attributes (quality of residence halls and tutorial services) had statistically significant correlations with both positive and negative word of mouth.

Table 1 Descriptive Statistics of Variables

Variable	All Restaurants (N=1542)		Low-end (N=1 047)		Mid-to-high-end (N= 495)	
	Mean	SD	Mean	SD	Mean	SD
Positive WOM	0.565	0.201	0.537	0.206	0.624	0.176
Negative WOM	0.097	0.097	0.099	0.100	0.091	0.089
Taste	2.144	0.469	2.114	0.492	2.208	0.411
Environment	1.813	0.578	1.623	0.495	2.214	0.534
Service	1.840	0.540	1.739	0.530	2.055	0.497
Price	56.770	82.931	26.020	12.839	121.810	121.913

Table 2 Regression Output for Positive and Negative eWOM in All Restaurants

	Variable	Coefficient	Standard Error	t-value	Sig.
Positive WOM (Adjusted R^2 =0.808)	*Constant*	-0.279	0.014	-20.318	0.000
	Taste	0.318	0.007	46.304	0.000
	Environment	0.051	0.008	6.092	0.000
	Service	0.033	0.009	3.564	0.000
	Lg*Price*	0.007	0.007	0.949	0.343
Negative WOM (Adjusted R^2 =0.467)	*Constant*	0.366	0.011	33.005	0.000
	Taste	-0.131	0.006	-23.615	0.000
	Environment	-0.020	0.007	-3.051	0.002
	Service	0.003	0.007	0.346	0.729
	Lg*Price*	0.028	0.006	4.787	0.000

Table 3 Regression Output for Positive and Negative eWOM in Low-end Restaurants

	Variable	Coefficient	Standard Error	t-value	Sig.
Positive WOM (Adjusted R^2 =0.817)	*Constant*	-0.244	0.020	-12.524	0.000
	Taste	0.327	0.008	41.092	0.000
	Environment	0.046	0.010	4.440	0.000
	Service	0.028	0.011	2.546	0.011
	Lg*Price*	-0.024	0.011	-2.165	0.031
Negative WOM (Adjusted R^2 =0.476)	*Constant*	0.334	0.016	20.680	0.000
	Taste	-0.131	0.007	-19.951	0.000
	Environment	-0.016	0.009	-1.834	0.067
	Service	0.004	0.009	0.419	0.676
	Lg*Price*	0.046	0.009	4.936	0.000

DISCUSSION:

Discoveries of this investigation outline that understudy satisfaction (or the deficiency in that department) with certain attributes of the college encounter were more probable than others to have an impact on positive and negative word of mouth conduct. This specific finding was nosurp rise. Nonetheless, a more significant finding was that ascribes that were identified with positive expression of mouth conduct were by and large not the same as those attributes that were identified with negative verbal. This observing is by all accounts reliable with double factor models suggesting that "satisfiers" and "dissatisfiers" are basically two unique arrangements of characteristics In this examination, understudy disappointment with properties including understudy exercises, sustenance serv frosts, and the general nature of employees were critical identified with negative informal conduct. However, fulfillment with

these properties did not come about. In more positive verbal conduct. These findings recommend that the traits were seen by understudies as being essential desires, or as Herzberg labeled them, "cleanliness factors".

Interestingly, understudy fulfillment with characteristics Including nature of business college staff, availability of educators, state of mind of employees toward stuscratches, stopping, and athletic offices were all associated with positive informal conduct, yet were most certainly not identified with negative verbal conduct. Therefore, these credits appear to be fundamentally the same as what Herzberg named "inspiration factors". In this situation, levels of value that surpassed some fundamental level of anticipateation brought about positive verbal conduct.

An understood supposition would likewise appear to be that respondents for the most part felt that essential desire levels for these traits were being met and, henceforth, did not bring about making huge levels of negative expression of mouth conduct.

Limitations and Directions for Future research:

order to gain further insight into identifying factors contributing to both positive and negative word of mouth behavior by students, this type of study should be replicated at other types of institutions. Respondents in this study were predominately full-time, traditionally aged students who were generally active in extracurricular activities such as athletics and student organizations. Thus, student levels of engagement in campus life were generally high. As a result, the emphasis that these students placed on various attributes may vary from those that older, part-time students place on attributes. Future studies may also wish to consider a host of additional attributes that may influence word of mouth behavior by students. For example, attributes such as satisfaction with financial aid services, tuition rates, and perceived reputation of institutions may influence word of mouth as well. Moreover, it may be instructive for future research to also incorporate individual characteristics of respondents, such as age, gender, full or part-time status, and general attitudes toward complaining into predictive models. In this manner, researchers can begin to gain a richer understanding of additional dynamics that may influence word of mouth behavior.

CONCUSION:

Informal exchange has an imperative impact on expend buy choices. The choice to go to a specific organization of advanced education is no exception and, given the high exchanging costs once an individual enlists in a specific foundation, word of mouth impacts may play a much more significant part in an individual settling on such buy choices. This would appear to be especially valid if expression of mouth data was gotten from a source saw as hello there ghlytenable, for example, a dear companion or relative.

Subsequently, it is critical that personnel, directors and staff of establishments distinguish and guarantee enhancements to factors that may impact positive expression of mouth the most and, in the meantime, take measures to make strides execution on factors that may advance negative word of mouth by understudies.

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