

Factors Affecting Customers' Repeat Patronage of Fast-Food Restaurants in Southwest Nigeria

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Abstract

The study examined the factors affecting customers' repeat patronage in Southwest Nigerian fast-food restaurants. Primary data were source through questionnaire administration. Six hundred copies of questionnaire were distributed to customers of selected fast-food restaurants using purposive and systematic random sampling techniques. Interviews were also conducted with selected front line staff of the restaurants. Data collected were analyzed using descriptive statistical methods. The results showed that the factors enhancing customers' repeat patronage of fast-food restaurants in Southwest Nigeria were food quality, restaurant location, and convenience of reach as well as a secured environment. The study concluded that fast-food restaurant owners should take advantage of these factors for enhanced performance.

Index terms— fast-food restaurants, patronage, customers, quality.

1 Introduction

The idea of fast and convenient food is not new in the Nigerian cultural environment. Traditionally several food vendors and hawkers offer different types of 'ready to eat' and 'take away' meals and snacks. However, Mr. Biggs, owned by a conglomerate in Nigeria (United African Company, UAC) is the first modern fast-food outlet in Nigeria (Fakokunde, Iwarere & Mustapha, 2014). The outlet became operational in 1986 in Lagos state, and the brand has expanded to over a hundred and seventy outlets in almost fifty different Nigerian cities and towns. The success story of these new quick-service restaurants has attracted and transformed several indigenous and international brands resulting in hundreds of brands in the country today with the Southwest zone playing host to most of them. Fastfood business in Southwest Nigeria was initially known for sales of snacks, pastries and, other intercontinental foods but, with the gained acceptance, the business offering expanded to offering traditional cuisines. Mustapha, Fakokunde, and Awolusi, (2014) identified the fast-food business in Nigeria as a promising venture that is bound to give good profit despite any unpredictable economic, political, or social occurrence.

The emergence of new entrants into the Nigerian fast-food market is changing the face of competition in this sector. Also, the influx of international brands, increase in franchises, and recent listing of some indigenous brands on the floor of the Nigerian stock market may also be responsible for the amplified expectations from customers. As new entrants are registered, some existing FFRs are closing down, and others are struggling for survival haven become a shadow of their past in terms of patronage and popularity. Fast-food restaurants need therefore to promote repeat patronage. Studies have identified that patronage is influenced by different factors, and identification of those factors will determine customers' choices ??Nyakweba, Wesonga & Bosire, 2015). Customers of fast-food restaurants (FFRs) are diverse in their cultural, economic, and social backgrounds and, as such, differences in their desires and expectations. It also means that they have different criteria and factors guiding their choices and decisions for patronage. Restaurants that will thrive in this competitive market must of necessity, understand the nature and characteristics of these desires and expectations and utilize it in providing services to retain existing customers and attract new ones. This paper, therefore, examined the factors affecting customers' repeat patronage of Southwest Nigerian fast-food restaurants.

2 II.

3 Literature Review

Many studies have examined factors causing and affecting customer's patronage and repeat patronage of food outlets. A study by Vijayvargy (2014), determined the influence of quality attributes on customer's revisit decisions in chain restaurants, revealed that tangibles, convenience and empathy most significantly influenced repeat patronage. This finding shows that the physical facilities, equipment, employee appearance mostly influenced repeat patronage. It was followed by convenience of location, the knowledge and courtesy displayed by employees, and their competence in demonstrating trust and confidence. Yuksel and Yuksel (2002) found that all the five SERVQUAL dimensions of service quality significantly influenced customer's subsequent visits. In other words, customers will repeat patronage because of the tangibility, responsiveness, empathy, assurance, and reliability of the services. Contrary to this, Gagic, Tesanovic & Jovicic (2013) opined that the relationship between perceived service quality and repeat patronage was insignificant while Ismail, Ridzuan, Rose, Abdullah, Rahman & Francis (2013) observed that only two of the five dimensions (responsiveness and assurance) were significant for repeat patronage.

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Many other studies have identified food quality as the most essential factor customers consider for patronage (Namkung & Jang, 2007). Other studies suggested that the physical surrounding of a service firm is a key factor for selection. Ahmad, Ghazali, and Othman (2013) stated that the physical environment and quality of service and food are the most influencing factors towards customer's behavior toward patronage and loyalty while Sefian, Jaini, Sharudin and Abdullah (2013) found that perceived value and the quality of the food, service, and atmosphere are the factors influencing repeat patronage. According to Pride and Ferrell (2012), customer's repeated patronage of Burger King, the second leading FFR in the world, is first as a result of high-quality food and also as a result of the restaurant's good value and dependable service.

In a study on factors influencing customer patronage of the quick casual restaurants in Malaysia, Rozekhi et al. (2014) found that all service quality dimensions significantly enhanced customer's predisposition to re-patronage, but the atmospheric environment had the highest influence. Nyakweba, Wesonga, and Bosire's (2015) study on the analysis of factors influencing consumer patronage of bars in Kenya observed that the restaurant and bar clientele were status inclined and to satisfy and retain customers, managers must provide for the different niches. The study identified seven factors in literature; they include brand image, quality of services offered, supportive systems, variety of services, convenience, cost of service, and social factor balance. Deivanai, (2016) observed that for customer's preference of fast-food restaurant and purchase decision in India, food product quality, internal and external environment, and price were more significant while other variables like employee co-operation, service quality, the convenience of restaurant and product variety were poor in their effects. Similarly, Kim, Ng, and Kim (2009) found that food quality, atmosphere, service quality, convenience, price, and value all influences repeat patronage customers of university restaurants in China.

Bhagat's (2016) study on factors enhancing satisfaction and patronage in five international FFR brands in India employed product taste, healthy food products, menu variety, availability of promotional activity, brand name, price and employee services. The study concluded that the factors for repeat patronage in Indian fast-food restaurants were price, brand name, employee services, and taste. The submission of Ali, Ahmed, Nazir, Zafar, Zahid (2014) revealed that Indian FFR customers who visited for family celebrations were less influenced by price than by quality environment, good security and quality employee services. It shows that customers were more concerned with an exciting and secure environment for celebrations than the high prices of the FFRs. Similarly, customers who repeated patronage for business reasons were influenced by the physical environment and quality than the price of food products. The study further showed that contrary to this, a customer whose reason for repeated patronage was for the daily meal will often look for a low priced outlet and be ready to forfeit other quality factors. Another identified factor influencing repeat patronage is the ease and location of the restaurant (Njoku, Kalu & Okeke, 2015). According to Porter, (2000) location comprised of the convenience of reach and availability of parking spaces and sitting areas in restaurants showing that customers would disregard food quality and environmental quality for a conveniently located restaurant.

According to Ahmad, Ghazali, and Othman (2013), physical surroundings, service quality and food quality were the dominant factors identified by most authors as influencers of customer behavioral intention. Sefian, Jaini, Sharudin and Abdullah (2013) in their study included perceived value in addition to the three identified by Ahmad, Ghazali and Othman (2013) while Nezakati, Kuan and Asgari (2011) proposed that product quality, customer satisfaction, and brand trust were the attributes driving customers of FFRs. Other identified factors affecting young customer's preference of FFR brands include the brand name, reputation, cost, convenience, consistency, and quality. The study further revealed that these factors had a significant relationship with respondent's characteristics like age, gender, and income level. The results of Akbar and Alauddeen's (2012) investigation on factors influencing customer's choices of Malaysian full-scale restaurants showed that food quality had the most influence. Furthermore, customers placed high priorities on other factors like restaurant trustworthiness, service quality, price, environment, and lastly, location for full-service restaurant selection. It

revealed that Malaysian customers gave high regard to halal status and Islamic values when compared to other races for evaluation and consequent selection of restaurants.

A study by Sefian, Jaini, Sharudin, and Abdullah (2013) carried out to examine factors influencing customer's intention for repeat patronage in a locally home-grown fast-food chain restaurant known as Radix Fried Chicken (RFC). The findings showed that customer's intention for repeat patronage was hinged on the food quality and perceived value offered by RFC. Customers were highly concerned about halal factors, health and appeal of the menu. These studies further prove that patronage is affected by service type and the culture of service provider. Other attributes like a reasonable price and positive mood display of the restaurant positively contributed to good patronage experience and depicted an indirect influence on repeat patronage. Ibrahim and Vignali (2005)

5 Methodology

The study utilized primary data; these were acquired from customers of fast-food restaurants located in the capital cities of three Southwest Nigerian states; Ikeja (Lagos), Abeokuta (Ogun) and Ibadan (Oyo). Two hundred copies of questionnaires were distributed in each city, totaling six hundred. Ten fastfood restaurants were selected in each city, and the first twenty consenting customers in each restaurant were selected using a systematic sampling technique. As a result, six hundred copies of the well designed and properly structure questionnaires were administered. From the review of literature, factors identified include; brand name, restaurant reputation and trustworthiness, location and convenience of reach, physical outlook, promptness of transaction, secured environment, experience and opinion of friends and family, food quality, menu variety and types, price and employee appearance and behavior. These factors were presented in a percentage rating scale style.

Five hundred and seventy-five copies of questionnaires were retrieved, giving a 95.83% response rate and a good representation for data analysis and interpretation. The data obtained were analyzed using descriptive statistics such as simple percentages and frequency count with the help of Statistical Package for Social Sciences (SPSS).

6 IV.

7 Results and Discussions

In presenting the results of this study, the paper first examined the socio-economic characteristics of the respondents. Subsequently, it analyzed the factors enhancing repeat patronage in fast-food restaurants in Southwest Nigeria, and the restaurant attributes for repeat patronage were ranked.

8 a) Demographic and Patronage Characteristics of Respondents

Analyses of results, as shown in table ??1, revealed that 54.9% of the respondents were female, giving a good gender representation. The table further revealed that most of the respondents aged between 21-30 years (52.4%) and unmarried (78.2%). It implies that most of the participants were 'singles'; and reflects probable perspectives of fast-food restaurants as a source of readily available and perhaps cheaper meals. Concerning educational status, 49.3% of the customers had post-secondary education, while 23.4% have postgraduate qualifications.

The customers' patronage experience showed a representation of the different categories of customers spanning the old and new. As many as 41.4% of customers revealed that they had patronized fast-food restaurants for the duration of 3-5 years, while only 11.4% of the respondents claimed to have patronage experience of less than a year. It implied a measure of loyalty towards fast-food restaurants. Concerning the frequency of respondent's visits to FFRs, the highest category of customers had monthly patronage (39.2%), but by implication, the findings revealed that the majority of the respondents' visit fast-food restaurants at least once quarterly (Cum % =71%).

Information in Table ??1 further shows the primary reasons for customers visiting a fast-food restaurant. This was a multiple response question, that is, customers could pick more than one item. A little over half (52.9%) of the respondents identified outing with friends as the reason for visiting fast-food restaurants; this choice was closely followed by 51.5% respondents who said they visited fast-food restaurants to have personal meals and snacks. It showed that adoption of this style of living has increased, as expressed by the flourishing inclination to dining out as a way of relaxation and celebration. It further showed that fast-food restaurants patronage was for both utilitarian (functional) and hedonic (pleasure/leisure) purposes. Analysis of respondents on factors enhancing repeat patronage of fast-food restaurants is presented in table 2as frequency of percentage influence of the identified attributes. From the table, the 61-80% influence category had the highest frequency count for all eleven attributes. Furthermore, the summation of 61-80% and 81-100% influence categories had over half of the responses in all eleven restaurant attributes. It shows that all the factors examined would influence customer's repeat patronage suggesting the importance of all the identified factors.

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Table 2 showed that food quality had the highest total scaled frequency value and, as such, commanded a great influence on repeat patronage in fast-food restaurants. It suggests that food quality is the most important factor

in revisit intentions. The customer tends to carefully examine all elements of the food offered since they are indicators in determining whether to repurchase and to recommend. One possible explanation is that from a customer's perspective, the fast-food restaurant products represent the core benefit of the organization, while other factors are supporting factors assisting the delivery of the core benefit. From the table, food quality was closely followed by the location and convenience of reach and then secured environment. It suggests that the customer's decision to revisit a fast-food restaurant depends not just on ease of accessibility but also the neighborhood in which it is sited. It means a safe and secure environment is of paramount importance when locating a fast-food restaurant. As shown in table 3, the price was ranked fourth, followed by brand reputation and trustworthiness. Despite being identified as a key attribute for patronage, the results showed that customers of fast-food restaurants in southwest Nigeria would consider other factors before the price for repeat patronage. The table further revealed that the attribute with the least total scaled frequency is the brand name. The study opined that customers put a high priority on the trustworthiness of a restaurant and not the brand name. Although from the customer's perspective, the factor with the least measure of influence for repeat patronage as shown in table 3 is the brand name, the interviewed employees of fast-food restaurants seemed to have an opposite opinion. Fast-food restaurant employees, particularly those in the chain restaurants perceive that brand name is kept highly on the customer's list of factors for repeat patronage. This result further shows that customers tend to carefully examine, highlight, and record individual restaurant's reputation and trustworthiness and not necessarily get carried away by the brand name of a restaurant.

10 Conclusion and Recommendations

The study concluded that the factors enhancing customers' repeat patronage of fast-food restaurants in Southwest Nigeria were food quality, restaurant location and convenience of reach, secured environment, price, and restaurant reputation and trustworthiness. Customers tend to carefully examine, highlight and record individual restaurant's reputation and not necessarily get carried away by the brand name of a restaurant.

As a result, fast-food restaurants should endeavor to provide quality food at a considerable price. They should also consider the convenience of reach and security when locating fast-food restaurants while also ensuring the restaurant maintains a good reputation and trustworthiness.

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demographics were dominant attributes influencing

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suggested that
image factors, customers' values of eating-out, and
opinions about the globalization or localization of
international fast-chain and customer
food

Figure 1:

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[Note: b) Factors Enhancing Repeat Patronage in Fast-food Restaurants]

Figure 2: Table 4 . 1 :

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Figure 4: Table 3 :

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²© 2020 Global Journals 20. Vijayvargy (2014): Measuring Service Quality Using SERVQUAL: A Case of Restaurant Chain:

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