

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**CUSTOMER SATISFACTION AND BEHAVIORAL INTENTION**  
**OF SHWE TET LU TEA AND FOOD SHOP**

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**ACADEMIC YEAR (2016-2019)**

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“This thesis is submitted to the Board of Examiners in partial fulfillment of  
the requirement for degree of Master of Business Administration”

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# ACCEPTANCE

This is to certify that this thesis entitled “**Customer Satisfaction and Behavioral Intention of Shwe Tet Lu Tea and Food Shop**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

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**DECEMBER, 2019**

## **ABSTRACT**

The main objectives of the study are to analyze the factors affecting the customer satisfaction of Shwe Tet Lu Tea and Food Shop and to determine the effect of customer satisfaction on behavioral intention at Shwe Tet Lu Tea and Food Shop. The data are collected from 350 customers of Shwe Tet Lu Tea and Food Shop by using a structured questionnaire. The findings of the study indicate that all factors – food quality, service quality, location and physical evidence – except price leads to higher customer satisfaction at Shwe Tet Lu Tea and Food Shop. The results also show that among factors influencing customer satisfaction, physical evidence has the highest influence over customer satisfaction. The results indicate that customer satisfaction have strongly influence on behavioral intention of customers at Shwe Tet Lu Tea and Food Shop. According to the analysis, this study recommends that the shop should maintain the food quality and their physical appearance, and furthermore, the employees should be trained more effectively and efficiently to enhance customer satisfaction and thereby, promote their behavioral intention.

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# **CHAPTER 1**

## **INTRODUCTION**

Customer satisfaction is an essential element of every organization's existence. The sector of the restaurant business is one of the competitive sectors where they try different experiments with respect to meet customer satisfaction towards delivered services. The restaurant business is highly depended on their customer experience and engagement. In the business cycle, customer satisfaction is the core part of the growth of organization. The level of client satisfaction during a numerous time part with numerous terms and conditions are ever-changing continuous measure of satisfaction level is. Figure one below shows the theoretical framework of the study. (Kotler & Keller, 2012)

Moreover, satisfied customers are always loyal to the product and business. The business always set the targets of growing the business in the competitive market by providing the product and services as per the needs of customers, whereas consumers are known as service receivers. Both parties enjoy the element which is known as services and products. For a vendor, the customers are the stem body for the business which accelerates the motivation of the vendor and makes it liable to produce and give a qualitative service as per the wants, needs, and demands delivered by the company. Additionally, the business should always be responsible to provide the qualitative services to make their valued customer satisfied by quenching their demands. The meet of demand and expectations of the customer is the primary target of the business which results from the happy and satisfied customers regarding their paid price for the product and services. There is a supply and demand relationship between the company and customers in terms of products and services offered to the customers by the company. (Szwarc, 2005)

As the time phase passes and brings the change in the life cycle of modern people, the business of the restaurant has become more popular among those people. Through the restaurant services, most of the people are seeking for the save of valuable time for them. As this sector became competitive, numerous restaurants are offering healthy and delicious meals to quench the satisfaction level of valuable customers. Thus, more and more restaurants are bringing different offers and options to fulfill the demand and needs of the customers.

The most popular view of customer satisfaction in academia is that customer satisfaction is the judgment is borne out of the comparison of pre-purchase expectations with post purchase evaluation of the product or service experience (Oliver, 1997). Customer satisfaction may result from any dimension (whether or not it's quality-related) and its judgments might arise from non-quality problems (e.g. needs, equity, perceptions of 'fairness') and need expertise with the service or supplier (Taylor and Baker, 1994). Strong linkages have been apparent between service quality dimensions (for example speedy responses to inquiries) and overall customer satisfaction (Anderson and Sullivan, 1993).

Customer satisfaction is the outcome of purchase and use resulting from the comparison of the rewards and costs vis-à-vis customers' expectations and actual performance of the product purchased in relation to the expected consequences (Anderson et al, 1994). Customer satisfaction is a measure of the extent the existing bank is fulfilling the general expectations of a customer and how far and/or close does the existing bank come back to the customer's ideal bank in his mind (Beerli et al, 2004). client satisfaction also can be viewed because the future intentions of consumers towards the service supplier, that is additional or less associated with the perspective (Levesque T et al, 1996). Recently, there has been a keen interest, especially in banking, where banks are looking at the lifetime value of the customer base rather than focusing on the cost of transactions. Customers understand services in terms of the standard of the service and the way glad they're overall with their experiences. Satisfaction is that the consumer's fulfillment response (Oliver, 1999). Customer satisfaction is influenced by value, product quality; service quality and complete image (Wirtz, 2003).

## **1.1 Rationale of the Study**

The growth of the culinary industry, especially the restaurant and cafe business in Myanmar has increased over the period from 2002 to now, that influenced increasing of competition among restaurant and cafe business competitors to attract visitors. In order to increase competition, each of companies could be a leader of competition by showing their own best products and being able to meet consumer's wants which always change dynamically (Kotler, 2005). If companies are not accustomed to being sensitive to market changes and to be innovative by creating new creative ideas of products or services, they could not survive in the tough competitions.

Customers are the keyway of running business successful and satisfied customers are the base of the business for the growth in profitability and in the competitive business market. From era and era, it's been thought-about that client satisfaction is that the core component for each style of business. By this component, business will create spectacular goodwill, market and profit growth and improvement in commission quality still.

In order to maximize the effectiveness of sales and attracting a lot of customers, utilizing a collection of governable selling tool, or selling combine on the target market is an essential a part of a business strategy (Kotler, Armstrong, Wong, & Saunders 2008). One in all the selling mix's objective is to assist the business in shaping their selling components, so strengthening the business' positioning within the market and enhancing their customer's satisfaction (Shahhosseini & Ardahaey 2011; Suprihanti 2011). James Balda as a Chief selling and Communications Officer of the National edifice Association aforementioned that to success within the edifice trade, the businesses ought to be ready to notice and applied the proper selling combine (Association, N. R., 2012).

The purpose of this study is to establish factors that influence customer satisfaction in Shwe Tet Lu Tea and Food Shop. Customer satisfaction, a term often utilized in selling, may be a live of however product and services equipped by an organization meet or surpass client expectation. Customer satisfaction is outlined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds such as satisfaction goals." It is seen as a key performance indicator inside business and is commonly a part of a balanced card. In a competitive marketplace wherever businesses compete for customers, customer satisfaction is seen as a key somebody and progressively has become a key of part business strategy.

Based on the above discussion, it is obvious that there still exists research to be done on customer satisfaction and behavioral intention and it would be interesting to investigate how customers in Myanmar are satisfied and motivated. This gains additional dimension when it is pointed out that researches and thesis on customer satisfaction and behavioral intention are mostly carried out for large companies and brands while small and medium-sized traditional tea shops like Shwe Tet Lu Tea and Food Shop are often neglected.

The findings of this study maybe used Shwe Tet Lu Tea and Food Shop management team and interested stakeholders in the designing, review and implementation of appropriate mechanisms and policies to ensure that the Shwe Tet Lu Tea and Food Shop

customers are satisfied with the product and services provided by the shop. Other players in the restaurant sector can also examine the factors that influence customer satisfaction and the improvement of customer satisfaction as to apply at their shop.

Although Shwe Tet Lu Tea and Food Shop is a local traditional tea shop, the growth of the shop is quite promising as it can open four branches in the last three years and there are total of seven branches across Yangon area. Moreover, the shop always tries to maintain the food quality unlike other traditional tea shops who reduce food quality after a couple of years. In addition, most of Shwe Tet Lu Tea and Food Shop branches are located at strategic locations which are easily accessible and convenient for the customers. Last but not least, the shop management always train employees on how to serve customers with proper manner. All of the above reasons make Shwe Tet Lu Tea and Food Shop a good choice to carry out this study.

## **1.2 Objectives of the Study**

The objectives of this study are:

- (1) To analyze the factors affecting customer satisfaction of Shwe Tet Lu Tea and Food Shop;
- (2) To determine the effect of customer satisfaction on behavioral intention at Shwe Tet Lu Tea and Food Shop.

## **1.3 Scope and Method of the Study**

This study focuses on the influencing factor of customer satisfaction and behavioral intention of Shwe Tet Lu Tea and Food Shop. A survey questionnaire is designed to collect data from 350 customers. The data are collected using a questionnaire consisting of 35 items to measure food quality, price, service quality, location, physical evidence, customer satisfaction and behavioral intention. This study focuses only on consumer experience for Shwe Tet Lu Tea and Food Shop. Both descriptive and analytical research method are used. The primary data are collected by interviewing and discuss with a customer by using a structured questionnaire. Secondary data are obtained from relevant texts, company's periodical reports, previous MBA thesis, research papers, and articles from internet websites.

#### **1.4 Organization of the Study**

This paper is organized into five different chapters. Chapter one is an introduction concerning with rationale of the study, objectives of the study, scope and method of the study and organization of the study. Chapter two deals with the theoretical background of compensation and benefits. Chapter three contains profile and factors influencing customer satisfaction of Shwe Tet Lu Tea and Food Shop. Chapter four discusses the analysis of the influencing factor of customer satisfaction on customer satisfaction and behavioral intention at Shwe Tet Lu Tea and Food Shop. Chapter five is the conclusion together with finding and discussions, suggestions, and need for further research.

## **CHAPTER 2**

### **THEORETICAL BACKGROUND**

This chapter provides a review of pertinent literature in relation to the factors influencing customer satisfaction and behavioral intention. It contains five parts. The first part contains the factors influencing customer satisfaction, followed by the definition of customer satisfaction and behavioral intention. Then the relationship between customer satisfaction and behavioral intention is described and a previous study is also described. Finally, the conceptual framework comes.

#### **2.1 Factors Influencing Customer Satisfaction**

Satisfaction is the feeling of pleasure or disappointment of someone who emerges after comparing the performance of the thought product to the expected performance (or outcome). If performance is below expectations, then the customer is not satisfied. If performance meets expectation, then the customer is satisfied. If performance exceeds expectations, then the customer is very satisfied or happy. There are a number of factors that have influence upon customer satisfaction which are described below.

##### **2.1.1 Food Quality**

It is another core part for the customer satisfaction. The merchandise is that the combined part of products and services. A correct product forever includes style of product, quality, options packaging, warranties, brand etc. That helps to quench the satisfaction of the shoppers. We are able to realize a product during a sort of tangible or intangibles. Through this stage, customer area unit buying the merchandise for his or her advantages. Within the second stage, it's named as actual product within which product contains quality, brand, color, fashion, style etc. And customer area unit shopping for it for his or her advantages. The name of ultimate stage of product is increased product that has the mix and options of each 1st and second stages of product (Kotler, 2000). A edifice that delivers a food are often evaluated in their food quality facet (Sulek & Hensley, 2004). Gagic, Tesanovic and Jovicic (2013) state that the food quality should cowl the facet of freshness,

taste, presentation, texture, color, variety, temperature, smell, alimentary worth, and therefore the innovation facet. Pettijohn and Luke (1997), Mattila (2001), and Sulek and Hensley (2004) additionally explicit in their studies that food quality tends to possess the very best result among different variables.

### **2.1.2 Price**

Price is related to what things/efforts are given up or sacrificed to obtain a product. Price and service quality are closely associated with the customer satisfaction and service providers, as proven by the study which examining the direct influences of price and service quality on the business' profits and market share as well as a study regarding the customer purchasing behavior (Zeithaml, 2000). Pricing leads to determining the final price of a product, which makes managers should have all the information about the pricing objective, demand curve, to the probable quantities regarding every possible price and competitors' costs, prices, and offers (Štefko, Gburova, & Jurkova, 2011). The selected pricing method and the final price could be divided into several categories: overprice (price with a higher possibility of losing a sale which otherwise would be more profitable at a lower price), underprice (price which is more likely to create an unprofitable sale), and the right price whereas possessing a high probability of appropriately making both sale and profit (Štefko, Gburova, & Jurkova, 2011). One of the most frequently utilized price adjustment strategies is the revisiting price strategy because pricing strategy has the ability to directly influencing the customer satisfaction (Štefko, Gburova, & Jurkova, 2011). Kotler and Lane (2008) suggests that there is a positive relationship between perceived price fairness and satisfaction which ultimately affecting the customer's overall satisfaction.

### **2.1.3 Service Quality**

It is indispensable to be able to provide a service of high quality if the firm wants to make the client highly satisfied. The perceived service quality is one of the key factors in achieving the desired level of customer satisfaction (Zeithaml, Berry, & Parasuraman, 1996). Appearance of physical facilities, equipments, personnel and communication materials are the essential parts in the service sector which are often enjoyed by valued customer to ensure service quality. Ability to perform the promised service dependably and accurately is also an essential aspect of the service in which the company can achieve an

impression from customers. It carries long term phases in achieving the valuable trusts and loyalty of the valued customers (Parasuraman, Zeithaml, and Berry, (1988).

In business cycle, organizations face risks in different time intervals but if a company able to ensure about reliability while making contacts with their customers then such organization will be successful. Willingness to help customers and provide prompt service. It is necessary that company should be alert and take steps promptly with the matters connected to customers could be customers complaint, customer feedback, questions etc.

Organization should give the priority to the opinions provided by their valued customers and ensure to make the standardize service and product delivered to them. Customers are happy when customer's recognition is done by the company. This helps to feature positive impact within the feelings of customers as they are going to assume that company has enforced their feedback whereas creating the choice.

#### **2.1.4 Location**

In order to heighten the customer satisfaction, the location of the dining place is an aspect of importance (Hyun, 2010). Which is why, in the modern times the location of a restaurant offers a more crucial value for the customers, specifically in terms of the cost to visit and the environment, as well as how the restaurant is capable to fulfill the customer's demands (Brocato, 2007). Suhud, U. and Wibowo, A (2016) state that for some restaurant, location can be one of most crucial aspect to increasing the restaurant's attractiveness to the customer. Indicators of the situation in keeping with Tjiptono (2002: 92) the choice of physical location needs careful thought of the subsequent factors:

- Access, like the situation of the pass or straightforward to succeed in public transportation.
- Visibility, i.e. a location or place that can be seen clearly from a normal viewing distance.
- Traffic (traffic), concerning two main considerations: The number of people who pass-by can provide great opportunities for the occurrence of buying, namely purchasing decisions that often occur spontaneously, without planning, and or

without through special efforts. Traffic density and congestion can also be an obstacle.

- Spacious, comfortable and safe parking lot for both two-wheeled and four wheeled vehicles.
- Environment, i.e. the surrounding area that supports the services offered.

### **2.1.5 Physical Evidence**

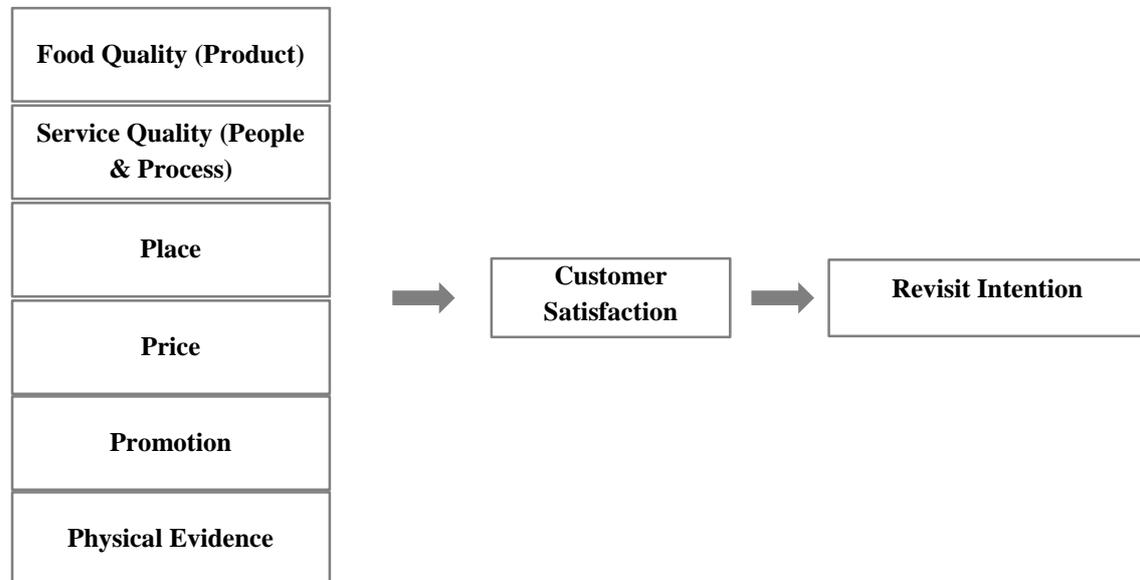
According to Palmer (1998), one of the marketing mix factors that requiring a higher focus to be successful in-service industries is none other than the physical evidence. Physical proof includes physical facility, atmosphere concerned in services deliver between service suppliers and shoppers that act and also the different elements that facilitate the offered appearances (Zeithaml & Bitner 1996). Per Hoffman and Bateson (1997), physical proof is split into three classes like exterior facilities, interior facilities, and physical communications that objective is to make a neater activity flow among the services. Customers get a perceived quality from the physical environment (Baker, et al., 1994; Nguyen & Leblanc, 2002) and the service quality (Lai, et al., 2009) that have the ability to significantly influencing the image of the restaurant, which leading to the customer's satisfaction as well as the loyalty of the customers (Lai, et al., 2009; Patterson & Spreng, 1997; Prendergast & Man, 2002; Ryu, et al., 2008).

## **2.2 Behavioral Intention**

Intention is simply defined as how hard persons are willing to try and how much determinations they are planning to use towards performing a behavior. Behavioral intention is defined as a person's perceived likelihood or "subjective probability that he or she engages in a given behavior" (Medicine, 2002). Withal Ajzen (1991) argued that behavioral intention reflects how hard a person is willing to try, and how motivated he or she is, to perform the behavior. Malhotra and McCort (2001) argued that prompting a better understanding of consumers' behavioral intention remains to be a primary concern for marketing researchers.

### 2.3 Previous Studies

There are several studies which analyze the influencing factors of customer satisfaction on customer satisfaction and behavioral intention. Cibro & Hudrasyah (2017) studied the factors that influence customer's intentions to revisit café based on the case



study of Siete Café in Bandung. Their conceptual framework is described as follows:

**Figure (2.1) Factors Influencing Customer's Intention**

Source: Cibro & Hudrasyah (2017)

Their research approach was quantitative and both primary and secondary methods were used to analyze the data. The sample size was 184 customers who had visited Siete Café.

The result showed that the factor of quality food, place, price and promotion does not have a significant effect towards customer satisfaction in Siete Cafe. While the quality of service and physical evidence has a significant impact on customer satisfaction in Siete Cafe value.

### **2.3.1 Customer Satisfaction**

Customer satisfaction is defined as a summary of responses which is created based on the customer's experience upon trying out a product or services. Yan and Chau (2013) have researched that a customer satisfaction can also be referred as a combination of customers' feelings about services in different dimensions whereas the customer compares the actual profit and customer cost with the customer's own expected level of profit to see their satisfaction. The importance of measuring and monitoring customer satisfaction, as the highly valuable and critical information for developing customer purchase intention is sourced from the result of measuring and monitoring the customer satisfaction level (Baker & Crompton, 2000), as well as predicting the customer's revisit and repurchase intention (Jang & Feng, 2007; Petrick, Morais, & Norman, 2001). Oliver and Burke (1999), mentioned the positive association between the intention to get back with the customer satisfaction. Consequently, the customer satisfaction is commonly considered one among the foremost vital aspects to induce the customer's get back intention toward a restaurant. The customer's satisfaction level has the tendency to be strongly associated with both customer's repeat purchase intentions and returning the purchase.

### **2.3.2 Relationship between Customer Satisfaction and Behavioral Intention**

Customer satisfaction is a platform or tool to acquire the better measurement of the customer's expectations through the products or services delivered by the company and customer's level of satisfaction results in the customer loyalty within the competitive business market. Customer satisfaction and Customer Loyalty are those two-strong pillars of business which helps to gain the long-term revenues from the delivered services\products. Moreover, it helps to contend with the competitors in business market yet. The level of customer's satisfaction increases significantly when the costumers find themselves in comfortable and highly satisfied from the product\service where as if the customer loyalty is affected negatively through product\service then the level of customer satisfaction drops in a rapid way.

As indicated by Burton et al. (2003), client experience is connected with behavioral intentions. In addition, service excellence has additionally an influence on behavioral intention as indicated by Keng et al. (2007). Customer satisfaction is a key determinant of customer behavior in future long term. Word-of-mouth communication is the most

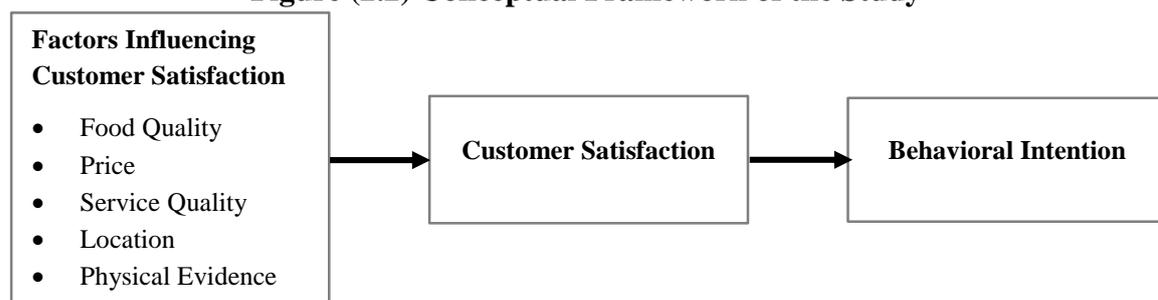
prominent indicator to improve and shape the practices and frames of mind of future customers. There are oral, individual to-individual communication include in WOM in order to be between a receiver and a communicator whom the recipient sees as non-business, with respect to a brand, product or service (Buttle, F.A, 1998).

The service quality and satisfaction direct influence on conduct goals are explored with a few looks into. In this way, service quality and satisfaction from research has an immediate association with WOM and ready to pay more. (Ladhari, R. 2009, Hanzabee, K.H and J.O. Shojaei, 2011). At that point, past specialists offered to confirm that perceived quality and moreover consumer satisfaction influences intentions to carry on in positive manners (Chang et al., 2010).

## 2.4 Conceptual Framework of the Study

A conceptual framework is developed in this study based on previous academic review and literature review. This conceptual framework shows how food quality, price, service quality, location and physical evidence influence customer satisfaction and behavioral intention. The conceptual framework of this study is shown in Figure (2.2).

**Figure (2.2) Conceptual Framework of the Study**



Source: Own Compilation (2019)

In the conceptual framework of this study, three major sections are involved. The first section is about factors influencing customer satisfaction. This section includes food quality, price, service quality, location and physical evidence. The second part is customer satisfaction and the last one is behavioral intention.

According to conceptual framework of the study, the independent variables such as food quality, price, service quality, location and physical evidence are linked with the dependent variable, customer satisfaction. The relationship between these independent and

dependent variables are studied by this conceptual framework. Furthermore, this conceptual framework also emphasis the effect of customer satisfaction on behavioral intention.

# **CHAPTER 3**

## **PROFILE AND CUSTOMER SATISFACTION OF SHWE TET LU TEA AND FOOD SHOP**

Firstly, in this chapter, the profile of Shwe Tet Lu Tea and Food Shop is presented. Then, the research design, the reliability test and the demographic profile of the respondents are presented. Finally, in the last section of this chapter, the descriptive explanation of the factors influencing customer satisfaction based on the questionnaire results is discussed.

### **3.1 Profile of Shwe Tet Lu Tea and Food Shop**

Shwe Tet Lu Tea and Food Shop is a Myanmar traditional tea shop which serves hygienic and affordable food to many local residents. The very first shop of Shwe Tet Lu Tea and Food Shop was opened in Hlaing Thar Yar Township in 2000 years with the objective of providing hygienic food to many Myanmar citizens. The second and third shops were opened in 2004 and 2006 respectively. Now, there are seven shops in total throughout the Yangon area.

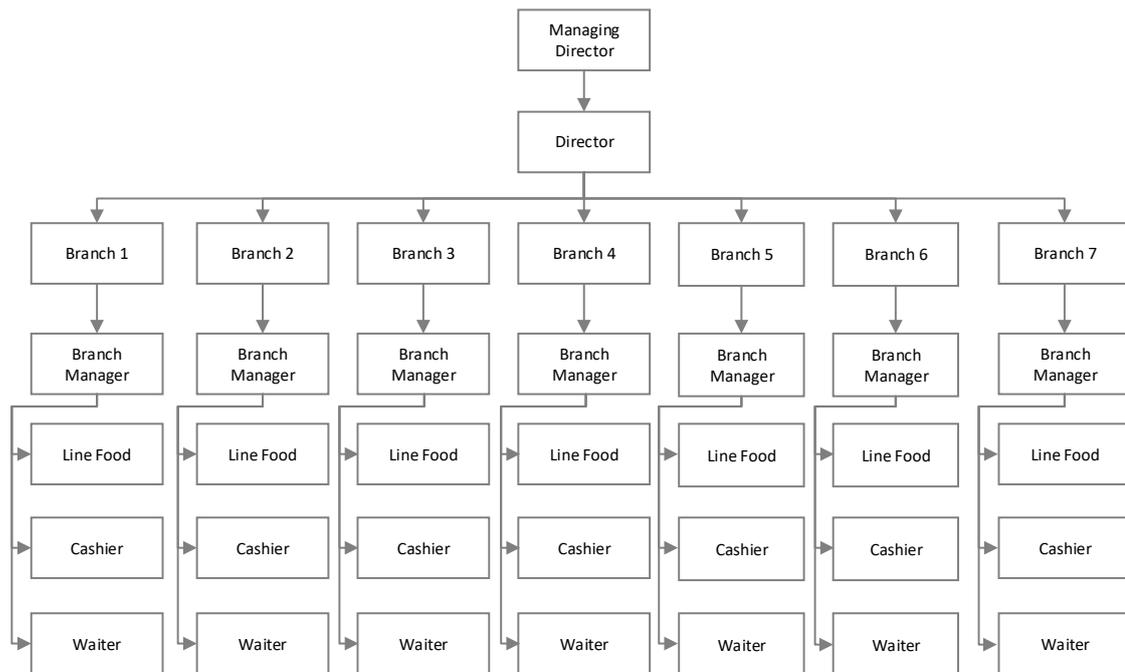
The vision statement of Shwe Tet Lu Tea and Food Shop is “To be number one provider in Myanmar traditional tea and hygienic food with affordable price.”

The mission statement is “To open 20 more shops in the next three years.”

#### **3.1.1 Organization Structure**

According to the organization structure, at the top of the organization is Managing Director who is most responsible for implementing the business goals and objectives. Under his supervision, there is Director. Under top management, there are seven branches. Branch manager manage the branches which include line food, cashier and waiter. The organization structure of Shwe Tet Lu Tea and Food Shop is illustrated in the Figure (3.1).

**Figure (3.1) Organization Structure of Shwe Tet Lu Tea and Food Shop**



Source: Shwe Tet Lu Tea and Food Shop (2019)

There are four branch managers in each and every branch of the shop. Being the shop opened 24/7, the branch managers rotate their assignments by shifting day and night in managing the employees as well as the overall management of the shop. The managers have to report daily to their immediate supervisor, the director. The managers have to take responsibility to manage the supervisors of line foods, cashiers and waiters. There are four main types of foods such as Chinese foods, Shan foods, Myanmar traditional foods, and coffee and tea special. In each line, the experienced chefs take responsibility for their special line of foods.

Concerning the manpower of Shwe Tet Lu Tea and Food Shop, the hierarchical level and number of employees is described in Table (3.1).

**Table (3.1) Manpower in Hierarchical Level of Shwe Tet Lu Tea and Food Shop**

<b>SN</b>	<b>Position Level</b>	<b>Number of employees</b>	<b>Percentage of total employees (%)</b>
1	Managerial	28	10.45
2	Non- Managerial	240	89.55
<b>Total employees</b>		<b>268</b>	<b>100.00</b>

Source: Admin and Human Resource Department of Shwe Tet Lu Tea and Food Shop (2019)

Among 268 employees, it can be seen that 24 employees are in managerial level and 240 employees are in non-managerial level. Therefore, the percentages of staffs in executive level and above in this organization are 10.45% and that of non-managerial level are the remaining 89.55% of total employees.

**Table (3.2) Number of Employees at Shwe Tet Lu Tea and Food Shop**

<b>SN</b>	<b>Departments</b>	<b>Numbers of Employees</b>	<b>Percentage of total employees (%)</b>
1	Line Food	75	31.25
2	Casher	16	6.67
3	Waiter	149	62.08
<b>Total</b>		<b>240</b>	<b>100.00</b>

Source: Shwe Tet Lu Tea and Food Shop, 2019

There are 240 non-managerial employees working at Shwe Tet Lu Tea and Food Shop. Among them, the number of waiters comprises the major portion with 62.08% while the number of cashier portion is the least with only 6.67%. The remaining 31.25% are line food.

### **3.2 Research Design**

This study seeks to analyze various factors affecting the satisfaction level of the consumers of Shwe Tet Lu Tea and Food Shop, to determine the relationship between customer satisfaction and customer perceived at Shwe Tet Lu Tea and Food Shop, and to

study the consumer satisfaction level of Shwe Tet Lu Tea and Food Shop. A survey questionnaire was distributed to convenience sampling of 350 customers who have visited Shwe Tet Lu Tea and Food Shop. The descriptive research method and linear regression method are applied to this study. Convenience sampling method is used for the selection of respondents among the customers. The data collection period is November, 2019.

After collecting primary data, the survey data are entered in SPSS to analyze the results and test the reliability analysis. SPSS (Statistical Package for the Social Scientists) is a data management and statistical analysis tool for researchers. In SPSS, variables are created first before data value is entered into respective variables.

The questionnaire consists of three parts – factors influencing customer satisfaction which in turn is subdivided into food quality, price, service quality, location and physical evidence; customer satisfaction; and behavioral intention. The questions in section 1 is multiple choices closed questions. The other questions are asked with a five-point Likert scale ranging from strongly disagree to strongly agree (1 = strongly disagree to 5 = strongly agree). The reliability analysis of the questionnaire is in next section.

### **3.3 Reliability Test**

Reliability was undertaken in order to test the internal consistency of the variables in the questionnaire. Cronbach's alpha is a measure of internal reliability of the questionnaire. Cronbach's alpha is selected to conduct the reliability test as it is the most common tool for internal consistency reliability coefficient in particular psychometric measurement. The reliability test is a process of measuring the consistency or repeatability of the scale. Cronbach's alpha test to see if multiple question Likert scale surveys are reliable. These questions measure latent variables – hidden or unobservable variable like: a person's conscientiousness, openness. Cronbach's alpha tells if the test is accurately measuring the variable of interest. (Tavakol and Dennick, 2011).

**Table (3.3) Reliability Analysis of Variables**

<b>Factor</b>	<b>No. of Items</b>	<b>Cronbach's Alpha</b>	<b>Interpretation</b>
Food Quality	5	0.738	Acceptable
Price	5	0.833	Good
Service Quality	5	0.757	Acceptable
Location	5	0.775	Acceptable
Physical Evidence	5	0.777	Acceptable
Customer Satisfaction	5	0.869	Good
Behavioral Intention	5	0.904	Excellent

Source: Survey Data (2019)

Table (3.3) shows that the Cronbach's Alpha all items based on survey data. Cronbach's Alpha value should be in the range of 0.0 to 1.0 but for research purpose, some researchers suggested that the minimum standard for reliability should be 0.70 or higher. According to survey data described in Table (3.3), the Cronbach's Alpha value of all variables are above 0.7. Therefore, it can be interpreted that the data is considered to be reliable and valid.

### **3.4 Demographic Profile of the Respondents**

In this study, demographic profile of respondents is analyzed with their gender, age, occupation and monthly income. This demographic profile of respondents is shown in Table (3.4).

**Table (3.4) Demographic Profile of Respondents**

SN	Demographic Factor	Number	Percentage (%)
	Total	350	100.0
1	Gender		
	Male	245	70.0
	Female	105	30.0
2	Age (year)		
	Under 25	175	50.0
	25 - 34	83	23.7
	35 – 44	77	22.0
	45 and above	15	4.3
3	Occupation		
	Student	45	12.9
	Company Employee	138	39.4
	Government Officer	5	1.4
	Non-Working	9	2.6
	Other	153	43.7
4	Monthly Income (MMK)		
	Less than 300,000	108	30.9
	300,001 to 500,000	84	24.0
	500,001 to 700,000	13	3.7
	700,001 to 900,000	35	10.0
	More than 900,000	110	31.4

Source: Survey Data (2019)

Demographic profile analysis is made on their gender composition, age level, and educational level. By the information of the gender composition, Table (3.4) shows that survey includes 245 males and 105 females. In term of percent, male respondents share with 70% with the most and female respondents shares 30% in the study.

The second analysis is made on their age level compositions. Age is one of the most common demographic questions asked in surveys. The maturity of age level more share upon correct experiences with focus of the survey. In the analysis of age of respondents, their age levels have been grouped into four: under 25 years, 25 – 34 years, 35 – 44 years

and, 45 and above. Table (3.1) shows that survey includes 175 respondents in the age group under 25 years, 83 respondents in the age group between 25 to 34 years, 77 respondents in the age group between 35 to 44 years, and 15 above 45 years old. In term of percent, respondents with age level under 25 years includes higher participants with 50%, and lowest participants by respondents is found as with the age group above 45 years with only 4.3%.

In the occupation analysis, it is analyzed by grouping into five groups: student, company employee, government officer, non-working and other. The above table shows that 45 customers are students, 138 are company employee, 5 are government officer, 9 are non-working and the rest 153 are other. The most participants are found as company employee and other with 39.4% and 43.7% respectively.

In terms of monthly income, respondents are grouped into five different groups: less than 300,000 MMK, 300,001 MMK to 500,000 MMK, 500,001 MMK to 700,000 MMK, 700,001 MMK to 900,000 MMK and more than 900,000 MMK. According to survey results, customers with monthly income above 900,000 comprises the largest portion with 31.4% followed by less than 300,00 monthly incomers with 30.9% and 300,001 to 500,00 monthly incomers with 24.0% respectively. Customers with monthly income between 700.001 to 900,000 possess the second smallest portion with 10.0% followed by the monthly incomers between 500,001 to 700,000 being the smallest group with only 3.7%.

### **3.5 Customer Satisfaction**

This section is to analyze the customer satisfaction of Shwe Tet Lu Tea and Food Shop. It contains five statements Likert scale questions which are asked to 350 respondents. Each item has scale of 1 to 5 (1 = strongly disagree to 5 = strongly agree). This survey result is shown in Table (3.5).

**Table (3.5) Customer Satisfaction**

<b>SN</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Delightful taste of food and drinks from restaurant.	3.97	0.868
2	Reasonable food prices	3.97	0.689
3	Being convenient to go to restaurant.	3.98	0.706
4	Feeling pleasant by the services provided by the employees from restaurant.	3.73	0.882
5	Very satisfied with my overall experience at this restaurant.	4.08	0.621
Overall Mean		3.95	

Source: Survey Data (2019)

According to survey results from Table (3.5), the highest mean value from question no. 5 indicates that customers agree that they are very satisfied with their overall experience at the restaurant. The second highest mean value shows that the restaurant is conveniently located for the customers to go to the restaurant. The question no. 1 and 2 have the same mean value of 3.97 which indicate that customers are delighted by the taste of food and drinks from the restaurant and the food prices are reasonably set. The lowest mean value of 3.73 from question no. 4 shows that customers feel pleasant by the services provided by the restaurant. Overall mean score of customer satisfaction is above neutral and it can be interpreted that customers are really satisfied with the marketing mix factors of Shwe Tet Lu Tea and Food Shop.

## CHAPTER 4

### ANALYSIS ON CUSTOMER SATISFACTION AND BEHAVIORAL INTENTION AT SHWE TET LU TEA AND FOOD SHOP

This chapter describes the customer satisfaction of Shwe Tet Lu Tea and Food Shop and their behavioral intention, and the effect of factors influencing customer satisfaction on customer satisfaction and behavioral intention by using linear regression method.

#### 4.1 Analysis on Factors Influencing Customer Satisfaction

In this study, factors influencing customer satisfaction of Shwe Tet Lu Tea and Food Shop are studied. For factors influencing customer satisfaction, food quality, price, service quality, location and physical evidence with five different questions each are asked to collect data. The collected results are as follows:

##### 4.1.1 Food Quality

This section is to analyze the perception of customer on food quality provided by Shwe Tet Lu Tea and Food Shop. It contains five statements which are asked to 350 respondents. Each item has scale of 1 to 5 (1 = strongly disagree to 5 = strongly agree). This result is shown in Table (4.1).

**Table (4.1) Food Quality**

SN	Items	Mean	Std. Deviation
1	Being suitable from hygiene perspective	3.91	0.767
2	A variety of menu items at the restaurant	4.15	0.709
3	Being tasty and delicious	3.99	0.586
4	Use fresh ingredients in preparing the food	3.98	0.751
5	Visually appealing food presentation	3.89	0.735
Overall Mean		3.98	

Source: Survey Data (2019)

The mean value of each question on food quality of Shwe Tet Lu Tea and Food Shop is presented in Table (4.1). The overall mean is higher than neutral which shows that food quality has positive influence on customer perception. The highest mean value means that customers agree that there are a wide variety of menu items at the shop. The second and third highest mean values indicate that food are mostly tasty and delicious, and customers believe that the shop uses fresh ingredients in preparing the food. The two lowest mean values show that the food are hygienic and well presented to be visually appealing.

Therefore, the findings can be interpreted that food quality from Shwe Tet Lu Tea and Food Shop is great. As a tea and food shop that customers regularly visit and enjoy the food, it is very important for the food to be hygienic, tasty, fresh and visually attractive, and Shwe Tet Lu Tea and Food Shop can deliver the food quality that meets the customers' expectation.

#### 4.1.2 Price

This section is to analyze the perception of customer on pricing set by Shwe Tet Lu Tea and Food Shop. It contains five statements Likert scale questions which are asked to 350 respondents. The result is shown in Table (4.2).

**Table (4.2) Price**

<b>SN</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Offering the best possible price plan	3.97	0.777
2	Reasonable price	3.95	0.738
3	Attractive price compared to other restaurants.	3.93	0.693
4	Fair cost at this restaurant.	3.88	0.786
5	Superior pricing options compared to other restaurants	3.89	0.722
Overall Mean		3.92	

Source: Survey Data (2019)

According to Table (4.2), the overall mean value of 3.92 indicates that customers generally agree that pricing of Shwe Tet Lu Tea and Food Shop positively influences the customer perception. The top three highest mean values show that the restaurant offers the attractive and best possible price plan which is superior when compared to other restaurants. The two lowest mean values indicate that most of the customers agree with the fact that the price charged by the restaurant is reasonable and the cost is fair at this restaurant.

Overall, it can be concluded that the price at Shwe Tet Lu Tea and Food Shop is attractive, fair, reasonable and it offers the best possible price plan. As a restaurant targeting to all segments of customer, it is the price set by the shop needs to be attractive and reasonable for all types of customers.

### 4.1.3 Service Quality

This section is to analyze the perception of customer on service quality provided by Shwe Tet Lu Tea and Food Shop. Five statements Likert scale questions are asked to 350 respondents. The result is shown in Table (4.3).

**Table (4.3) Service Quality**

SN	Items	Mean	Std. Deviation
1	Not long waiting time for order and delivery.	3.71	0.712
2	Polite and courteous employees.	3.82	0.786
3	Serving with a smile.	3.65	0.839
4	Being ready to respond to customers' requests or complaints.	3.83	0.720
5	No error bill.	4.06	0.759
Overall Mean		3.81	

Source: Survey Data (2019)

According to the survey results from Table (4.3), the overall mean value of 3.81 means that most of the customers perceive the service quality of Shwe Tet Lu Tea and Food Shop to be reliable. The highest mean value shows that most of the customers encountered

no error bill due to the error from the shop side. The second and third highest mean values indicate that the employees are polite and courteous in addition to being ready to respond to customers' complaints. The last two questions with the mean values slightly higher than neutral shows that in general, the waiting time is not long during order and delivery, and employees wear a smile while serving the customers.

In general, the survey data regarding to service quality can be interpreted in a way that service quality of Shwe Tet Lu Tea and Food Shop is quite reliable and responsive. As a retail food shop, it is very important to maintain the service quality of the shop in order to make the customers satisfied.

#### 4.1.4 Location

This section is to analyze the perception of customer on location of Shwe Tet Lu Tea and Food Shop. 350 respondents are asked with five statements Likert scale questions. The result is shown in Table (4.4).

**Table (4.4) Location**

<b>SN</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Easily accessible location	4.35	0.749
2	Enough space for car parking	4.31	0.915
3	Clean and good surrounding	4.03	0.724
4	Accessible by public transport	4.14	0.859
5	Located near main roads which makes buying food ease and comfortable.	4.28	0.647
Overall Mean		4.22	

Source: Survey Data (2019)

According to survey results from Table (4.4), the overall mean value of 4.22 indicates that the choice of restaurant location is convenient and comfortable for the customers. The two highest mean values show that the location is easily accessible for customers and car parking space is wide enough. The third and fourth highest mean values

describe the fact that the restaurant location makes buying food ease and comfortable for customer and the customers can get to the restaurant by public transport. The lowest mean value shows that customers generally agree with the fact that the restaurant is located at clean and good surrounding.

As a tea and food shop, the choice of location is one of the major factors that hugely influence the satisfaction of customers. According to the results, Shwe Tet Lu Tea and Food Shop is located at places where the customers can easily access and buy foods, and near the clean and good surrounding.

#### 4.1.5 Physical Evidence

This section is to analyze the perception of customer on physical evidence of Shwe Tet Lu Tea and Food Shop. This result is shown in Table (4.5).

**Table (4.5) Physical Evidence**

SN	Items	Mean	Std. Deviation
1	Well dressed, and neat and tidy appearance of the employees	4.00	0.694
2	Visually attractive interior design	3.97	0.687
3	Lighting creates a comfortable atmosphere.	3.93	0.689
4	Clean and tidy interior environment	3.84	0.634
5	A pleasant environment within compound.	3.75	0.702
Overall Mean		3.90	

Source: Survey Data (2019)

In terms of physical evidence of Shwe Tet Lu Tea and Food Shop, the overall mean value of 3.90 indicates that the physical evidence of the restaurant creates a nice, comfortable and pleasant environment for the customers who visit the restaurant. The highest mean value shows that most of the customers agree with the fact that employees are well-dressed and have neat appearance. The second and third highest mean values indicate that interior design is visually attractive and lighting creates a comfortable atmosphere for the customers. The lowest two mean values mean the interior environment is clean and tidy, and the environment within compound is also pleasant for the customers.

Physical evidence is one of the major factors that influence the satisfaction level of the customers. As per the survey results from Table (4.5), the interior decoration, lighting, employees and restaurant environment can create a comfortable and pleasant feeling for the customers.

#### 4.1.6 Effect of Factors on Customer Satisfaction

This section finds out the effect of factors influencing customer satisfaction on customer satisfaction. In this study, linear regression is used to test the relationship between independent variables—food quality, price, service quality, location and physical evidence and dependent variable – customer satisfaction. The survey results are shown in Table (4.6).

**Table (4.6) The Effect of Factors on Customer Satisfaction**

Variables	Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.	VIF
	B	Std. Error	Beta			
(constant)	-.848	.166		-5.105	.000	
Food Quality	.238***	.048	.192	4.970	.000	1.935
Price	.023	.056	.019	.407	.684	2.883
Service Quality	.159***	.051	.140	3.137	.002	2.589
Location	.116**	.045	.108	2.562	.011	2.278
Physical Evidence	.683***	.057	.550	12.040	.000	2.702
R	0.857					
R Square	0.734					
Adjusted R Square	0.730					
F Value	189.860***					
Durbin-Watson	1.922					

Source: Survey Data (2019)

Note: \*\*\*Significant at 1% level, \*\*Significant at 5% level, \*Significant at 10% level

According to Table (4.6), the model can explain 73.4% about the variation of the customer satisfaction of the respondents since the value of R square is 0.738. The model can explain 73% about the variance of the independent variables (food quality, price, service quality, location and physical evidence) and dependent variable (customer satisfaction) because adjusted R square is 0.730. The value of F-test, the overall significance of the models, turned out highly significant at 1% level.

The value of R is 0.857 which lies between 0 and 1. It indicates that both independent variables and dependent variable are correlated. All VIFs (Variance Inflation Factor) of independent variables are less than 10, so there is no problem of multicollinearity (correlation between independent variables). The value of Durbin-Watson is closed to 2 (1.922) which indicates that there is no auto correlation in the sample.

According to the results, food quality, service quality and physical evidence are highly significant at 1% level while location has the highly significant coefficient value at 5% level. All four variables have the expected positive signs which mean that the increase in each variable lead to higher customer satisfaction. A unit increase in each of the aforementioned variables results in 0.192, 0.140, 0.550 and 0.108 increase in customer satisfaction respectively.

Being a food shop, the quality of food is indispensable for consumers. The consumers main interest is that they need the hygiene food. Not only the foods that are good for health but also the foods satisfied the taste of consumers are prerequisite for the quality service in food industry. Thus, the quality of food has become the main factor for satisfying the consumers.

Today, consumers have become more and more sensible in quality of service. Offering a quality of service to consumers is necessary to the shops. In this regard, service quality highly effects the customer satisfaction of the shop. The result of the study proves that service quality is a positively significant factor for the customer satisfaction of the shop.

In terms of location, the business in this study take places in the strategic locations which offer the customers ease and convenience. Location of the shop also defines the customer satisfaction level while there are a lot of food shops. This is a competitive

advantage to other competitors. The business meets this requirement and thus, it can be seen that location factor is also an influencing factor to meet the customer satisfaction.

Among the five independent variables, physical evidence has the highest standardized coefficient (Beta) which means that physical evidence has greater contribution than other independent variables to increase customer satisfaction of Shwe Tet Lu Tea and Food Shop. The survey results demonstrate that customers of Shwe Tet Lu Tea and Food Shop come to the shop because the shop has pleasing interior and external environment in addition to the neat and well-dressed employees. The management team of Shwe Tet Lu Tea and Food Shop carefully prepares every aspects of shop physical evidence to enhance the satisfaction level of customers.

#### **4.2 Analysis on the Effect of Customer Satisfaction on Behavioral Intention**

In this section, the behavioral intention of the customers is described in mean value table. Furthermore, the relationship between customer satisfaction and behavioral intention is analyzed by using linear regression method.

##### **4.2.1 Behavioral Intention**

This section is to analyze the customers' behavioral intention of Shwe Tet Lu Tea and Food Shop. Five statements Likert scale questions regarding with behavioral intention are asked to 350 respondents. This result is shown in Table (4.7).

**Table (4.7) Behavioral Intention**

<b>SN</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Revisit to this restaurant in the future.	3.94	0.743
2	Recommend this restaurant to friends and family members.	4.07	0.750
3	Top choice to eat next time.	3.96	0.763
4	Intended to become regular customer of this restaurant.	3.98	0.779
5	Will eat in another branch of this restaurant if available when customer go to other places.	3.96	0.830
Overall Mean		3.98	

Source: Survey Data (2019)

According to data from Table (4.7), the highest mean value from question no. 2 indicates that customers are willing to recommend Shwe Tet Lu Tea and Food Shop to their friends and family. The question no. 4 with the second highest mean value shows that customers intend to become regular customer of Shwe Tet Lu Tea and Food Shop. Question no. 3 and 5 have the same mean value of 3.96 which indicates that the restaurant is the customer top choice the next time they consider to eat and they eat in another branch when they go to other places. The lowest mean value from question no. 1 shows that customers are intending to revisit the restaurant in the future. The overall mean value of 3.98 indicates that customers are intending to become a loyal customer by revisiting and recommending the restaurant.

#### 4.2.2 Effect of Customer Satisfaction on Behavioral Intention

This section finds out the effect of customer satisfaction on behavioral intention. In this study, linear regression is used to test the relationship between customer satisfaction and behavioral intention. The results are shown in Table (4.8).

**Table (4.8) The Effect of Customer Satisfaction on Behavioral Intention**

Variables	Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.	VIF
	B	Std. Error	Beta			
(constant)	0.580	0.135		4.285	0.000	
Customer Satisfaction	0.862***	0.034	0.807	25.453	0.000	2.986
R	0.807					
R Square	0.651					
Adjusted R Square	0.650					
F Value	647.866***					
Durbin-Watson	1.906					

Source: Survey Data (2019)

Note: \*\*\*Significant at 1% level, \*\*Significant at 5% level, \*Significant at 10% level

According to Table (4.8), the model can explain 65.1% about the variation of the behavioral intention of the respondents since the value of R square is 0.651. The model can explain 65% about the variance of the independent variables (customer satisfaction) and dependent variable (behavioral intention) because adjusted R square is 0.650. The value of F-test, the overall significance of the models, turned out highly significant at 1% level. The value of R is 0.807 which lies between 0 and 1. It indicates that both independent variables and dependent variable are positively correlated. The value of Durbin-Watson is closed to 2 (1.906) which indicates that there is no auto correlation in the sample.

According to the results, customer satisfaction has the expected positive sign and highly significant coefficient value at 1% level. The positive relationship means that the increase in customer satisfaction leads to better behavioral intention. A unit increase in customer satisfaction results in 0.807 increase in customers' behavioral intention.

The standardized coefficient (Beta) of customer satisfaction means that customer satisfaction has contribution to increase behavioral intention of Shwe Tet Lu Tea and Food Shop. Studies found that the more satisfied the business in service industry, the more likelihood of revisit intention of the customer is.

The survey results show that customers are prone to revisit Shwe Tet Lu Tea and Food Shop mainly because of the fact that they have a certain level of satisfaction with the food, service, location and physical evidence of the shop. Customer satisfaction offers not only the revisit intention of the customers but also becoming regular customers of the shop. This, in turn, supports the possibility of expanding further branches of the shop. Therefore, it is crucial for the shop to maintain and improve these factors in order to enhance the customer satisfaction level and their behavioral intention.

## **CHAPTER 5**

### **CONCLUSION**

This chapter consists of three main parts. The first part the findings and discussions from the previous chapters. It summarized the findings from mean tables and regression analysis tables from the previous chapters. The second part is suggestions and recommendations. In this section, the researcher suggests and recommends things that Shwe Tet Lu Tea and Food Shop should follow in order to improve the customer satisfaction and behavioral intention. The last part is the needs for further research in which the researcher presents the limitations of this study and what further studies should focus on.

#### **5.1 Findings and Discussions**

This study is based on the factors influencing customer satisfaction and how they influence over customer satisfaction and their behavioral intention. Under factors influencing customer satisfaction, there are food quality, price, service quality, location and physical evidence are included. Both primary and secondary are utilized in this study. To analyze the study, a sample of 350 customers are asked to take in the survey. To collect primary data, structured and self-administered questionnaires were used and Likert five-point scale was applied.

The first part of the study explores the factors influencing customer satisfaction and the survey results found that customers of Shwe Tet Lu Tea and Food Shop are pretty satisfied with the quality of the food especially due to the variety of menu items available. In terms of price, most of the customers agree that the price is fair, reasonable and competitive when compared to other restaurants. When it comes to service quality, the majority of the customer agree that the service provided by Shwe Tet Lu Tea and Food Shop is reliable. The customers collectively agree that the location of Shwe Tet Lu Tea and Food Shop is easily accessible and have clean and good surrounding. Finally, the physical evidence dimension can create comfortable for the customers with a pleasant environment and attractive interior design.

The second part explores the level of customer satisfaction of Shwe Tet Lu Tea and Food Shop. According to the survey results, most of the customers are satisfied with their overall experience at the restaurant. The customers are satisfied with Shwe Tet Lu Tea and Food Shop because the restaurant location is convenient for the customers to go to the restaurant which is further reinforced by the food and pricing offered.

In the last part, customer behavioral intention is studied by examining how they behave in the future. The survey results show that most of the customers are willing to recommend Shwe Tet Lu Tea and Food Shop. Moreover, the restaurant became their top of mind when they plan to eat next time and customers plan to revisit to this restaurant in the future.

The regression analysis on the effect of factors influencing customer satisfaction on customer satisfaction shows that all factors positively influence customer satisfaction. Increasing the level of food quality, service quality, location and physical evidence also increase that of customer satisfaction. Another regression analysis on the effect of customer satisfaction on their behavioral intention shows that the level of customer satisfaction positively influence their behavioral intention. Therefore, it can be included that providing food, service, location and physical evidence with same or lower price improve both customer satisfaction and their behavioral intention.

## **5.2 Suggestions and Recommendations**

The survey results found that providing a wide variety of menu items is the most prominent factor and it is one of the reasons customers are satisfied with Shwe Tet Lu Tea and Food Shop so it is recommended to keep introducing new menu items regularly to maintain the customers' satisfaction level.

Enhancing the quality of food is a prerequisite for the business people who run a food shop. According to the analysis, the food quality is a highly influencing factor of customer satisfaction on behavioral intention. This study, therefore, strongly recommends that the quality of food currently serving to the customers should be maintained and the management level of the shop should keep the progress of the food quality to keep pace with the others competitors.

Among the influencing factors on customer satisfaction of the shop, service quality is the least contributing factor and furthermore, the better service by the waiters are

suggested to be improved. Thus, this study highly recommends the shop to provide effective and efficient trainings to the front-line employees like waiters regarding how to provide higher quality service to customers.

According to the analysis of the study, it is found that the location of Shwe Tet Lu Tea and Food Shop is one of the highest contributing factors on customer satisfaction. This study, therefore, highly recommends the shop to select the strategic location for further branches.

When it comes to physical evidence, creating pleasant environment is very influential on customer satisfaction level. In this connection, the shop is highly recommended to providing clean, tidy, comfortable and visually attractive environment for customers. This also should be a trademark of the shop, which will be attractive to more customers.

As can be seen from survey results, human factor is very important for business like Shwe Tet Lu Tea and Food Shop, and thus, it is suggested that the senior management should enhance provision of benefits, rewards and incentive to better motivate employees in serving the customers.

### **5.3 Needs for Further Research**

This study focuses only on the influencing factors of customer satisfaction and how they influence customer satisfaction and their behavioral intention. However, this study excludes the effect of other factors on customer satisfaction and behavioral intention. Therefore, further studies should observe not only on marketing mix such as food quality, price, service, physical evidence, etc. but also other factors such as market competition and investigate the significance of their effects on customer satisfaction and behavioral intention. This study collected the survey data and analyzed for 350 respondents so further studies that collect and analyze from larger sample size will be beneficial not only for Shwe Tet Lu Tea and Food Shop but also for other restaurants in the industry. Further studies should be conduct more detail on examining the effect of influencing factors on customer satisfaction and behavioral intention to be able to better understanding of the customer's desire and satisfaction. This study excludes the effect of promotion on customer satisfaction and behavioral intention, and therefore, further studies should include the influence of promotion mix on customer studies and behavioral intention.

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**APPENDIX A**  
**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**ONLINE MBA PROGRAM**

**Survey Questionnaires for Customer Satisfaction and Behavioral Intentions at Shwe Tet Lu Tea and Food Shop**

Dear Respondents,

My name is Aung Kyaw Moe and I am a student of the Yangon University of Economics, studying Master in Business Administration. I am working on the thesis on the topic of “Customer Satisfaction and Behavioral Intentions”.

I would really appreciate if you could spend a few minutes of your time filling in this survey. Your cooperation is greatly appreciated and obtained information will be treated strictly confidential and anonymously, and only be used for research purpose.

I kindly requested to answer all of the questions to the best knowledge of your understanding.

Thank you for your kindly cooperation,

Sincerely,

Aung Kyaw Moe

Roll No. – 161006

OMBA

## Customer Satisfaction and Behavioral Intentions of Shwe Tet Lu Tea and Food Shop

Please tick the box that correspondent to your answers.

### Part ( A)

#### Gender

- Male  Female

#### Age

- Under 25  25 – 34  
 35 – 44  45 and above

#### Occupation

- Student  Company Employee  
 Government Officer  Non-Working  
 Other.....

#### Monthly Income (Kyats)

- Under 300000  300001 – 500000  
 500001 – 700000  700001 – 900000 years  
 More than 900000

Please read each statement carefully and decide if you ever feel this way about your work and please choose how much you agree or disagree with each statement by crossing One number for each statement.

**Part (B)**

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Food Quality</b>						
1	The food is suitable to have from hygiene perspective					
2	There are a variety of menu items at the restaurant					
3	Most of the food are tasty and delicious					
4	Fresh ingredients are used in preparing the food					
5	The food presentation is visually appealing					

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Price</b>						
1	This restaurant offers the best possible price plan that meets my needs					
2	The price charged by the restaurant is reasonable					
3	The price is attractive when compared to similar restaurants					
4	The value for price in terms of taste					
5	Overall, this restaurant provides superior pricing options compared to other restaurants					

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Service</b>						
1	I encountered no error bill					
2	The waiting time is not long during order and delivery					
3	Employees are polite and courteous					
4	Employees always serve with a smile					
5	Employees are ready to respond to customers' requests or complaints					

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Location</b>						
1	The location is easily accessible					
2	The restaurant has enough space for car parking					
3	It is located at clean and good surrounding					
4	I can get to the restaurant by public transport					
5	The restaurant is located near main roads which makes buying food ease and comfortable					

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Physical Evidence</b>						
1	Employees are well dressed and have neat appearance					
2	The interior design is visually attractive					
3	Lighting creates a comfortable atmosphere					
4	Interior environment is clean and tidy					
5	It has a pleasant environment within compound					

Please read each statement carefully and decide if you ever feel this way about your work and please choose how much you agree or disagree with each statement by crossing One number for each statement.

**Part (C ) – Customer Satisfaction**

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Customer Satisfaction</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Delighted by the taste of food and drinks from restaurant.					
2	The food prices are reasonably set.					
3	It is convenient to go to restaurant					
4	Feel pleasant by the services provided by the employees from restaurant					
5	Very satisfied with my overall experience at this restaurant					

Please read each statement carefully and decide if you ever feel this way about your work and please choose how much you agree or disagree with each statement by crossing One number for each statement.

**Section ( D ) – Behavioral Intentions**

1= Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Sr.	Statement	Significant Level				
		1	2	3	4	5
<b>Behavioral Intentions</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	I would like to revisit to this restaurant in the future					
2	I will recommend this restaurant to my friends and family					
3	This restaurant will be my top choice when I consider to eat next time					
4	I intend to become regular customer of this restaurant					
5	If available, I will eat in another branch of this restaurant when I go to other places					

Thanks You!

## APPENDIX B

### STATISTICAL OUTPUTS

#### (1) The Effect of Factors Influencing Customer Satisfaction on Customer Satisfaction

##### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.857 <sup>a</sup>	.734	.730	.31971	.734	189.860	5	344	.000	1.922

a. Predictors: (Constant), Food Quality Mean, Price Mean, Service Quality Mean, Location Mean, Physical Evidence Mean

b. Dependent Variable: Customer Satisfaction Mean

##### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	97.029	5	19.406	189.860	.000 <sup>b</sup>
	Residual	35.161	344	.102		
	Total	132.190	349			

a. Dependent Variable: Customer Satisfaction Mean

b. Predictors: (Constant), Food Quality Mean, Price Mean, Service Quality Mean, Location Mean, Physical Evidence Mean

##### Coefficient<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.848	.166		-5.105	.000		
	Food Quality	.238	.048	.192	4.970	.000	.517	1.935
	Price	.023	.056	.019	.407	.684	.347	2.883
	Service Quality	.159	.051	.140	3.137	.002	.386	2.589
	Location	.116	.045	.108	2.562	.011	.439	2.278
	Physical Evidence	.683	.057	.550	12.040	.000	.370	2.702

a. Dependent Variable: Customer Satisfaction Mean

#### (2) The Effect of Customer Satisfaction on Behavioral Intention

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.807 <sup>a</sup>	.651	.650	.38958	.651	647.866	1	348	.000	1.906

a. Predictors: (Constant), Customer Satisfaction Mean

b. Dependent Variable: Behavioral Intention Mean

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	98.327	1	98.327	647.866	.000 <sup>b</sup>
	Residual	52.816	348	.152		
	Total	151.144	349			

a. Dependent Variable: Behavioral Intention Mean

b. Predictors: (Constant), Customer Satisfaction Mean

### Coefficient<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.580	.135		4.285	.000		
	Customer Satisfaction	.862	.034	.807	25.453	.000	1.000	1.000

a. Dependent Variable: Customer Satisfaction Mean