

Midocean University
Faculty of Management
Project Management

Project Title

"Exploring the impact of service quality on customer satisfaction: A case study of a group of Al Baik restaurants in the Kingdom of Saudi Arabia".

Student Name:

Hadi Aldalooj

2021205519

Graduation project - 1:

Faculty .of Management, Midocean University

Supervisor:

Dr. Mona Moustafa Elashry

Midocean University -Faculty of Management - Faculty member

First semester- 2024

Content

Introduction:.....	3
Research Problem:	5
Research Significance:.....	7
Research Questions:.....	8
Research Objectives:.....	9
Research Hypotheses:	10
Research Model:	11
Research Methodology:	12
Empirical Study:	14
References:.....	15

Introduction:

Customer satisfaction is a critical aspect of service-oriented businesses, with service quality being a key determinant of overall satisfaction. In the context of the restaurant industry, customer satisfaction hinges on various factors, among which service quality plays a pivotal role. Service quality encompasses the delivery of timely, accurate, and courteous service, along with factors such as cleanliness, ambiance, and responsiveness to customer needs. In this study, we aim to explore the impact of service quality on customer satisfaction, specifically focusing on a group of Al Baik restaurants in the Kingdom of Saudi Arabia. *Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2006).*

Previous research has extensively examined the relationship between service quality and customer satisfaction in various industries. Scholars such as Parasuraman, Zeithaml, and Berry (1985) have proposed the SERVQUAL model, which emphasizes the importance of meeting customer expectations in service delivery. Additionally, studies by Cronin and Taylor (1992) and Zeithaml, Berry, and Parasuraman (1996) have provided further insights into the dimensions of service quality and their effects on customer satisfaction. While these studies have contributed significantly to understanding the dynamics of service quality and customer satisfaction, there remains a need to investigate these relationships within the specific context of fast-food restaurants, such as Al Baik, in Saudi Arabia. *Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985).*

Despite the plethora of research on service quality and customer satisfaction, there exists a notable gap in the literature regarding the application of these concepts to the fast-food industry in Saudi Arabia, particularly within the context of Al Baik restaurants. While studies have examined similar constructs in other cultural contexts and service industries, the unique characteristics of the Saudi Arabian market warrant further investigation. Therefore, this study seeks to address this gap by

providing empirical evidence on the relationship between service quality and customer satisfaction in the specific context of Al Baik restaurants. *Cronin, J. J., & Taylor, S. A. (1992).*

The research problem at hand revolves around the need to ascertain the extent to which service quality influences customer satisfaction at Al Baik restaurants in Saudi Arabia. While it is widely acknowledged that service quality plays a crucial role in shaping customer perceptions and experiences, the specific impact of service quality dimensions on overall satisfaction remains unclear, especially within the fast-food sector. Identifying and understanding these relationships is essential for restaurant managers and policymakers to devise strategies aimed at enhancing customer satisfaction and loyalty. *Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996).*

This study holds significant implications for both theory and practice. From a theoretical standpoint, it contributes to the existing body of knowledge by shedding light on the nuanced relationship between service quality and customer satisfaction within the context of fast-food restaurants in Saudi Arabia. Practically, the findings of this study can inform managerial decision-making processes, enabling Al Baik and similar establishments to optimize their service delivery strategies and ultimately enhance customer satisfaction levels, thereby fostering long-term success and competitiveness in the market. *Czepiel, J. A. (1990).*

Research Problem:

Short Introduction to the Problem:

The restaurant industry, particularly in Saudi Arabia, faces the challenge of ensuring high levels of customer satisfaction amid increasing competition and evolving consumer preferences. In this context, service quality emerges as a critical factor influencing customer satisfaction, with Al Baik restaurants being prominent players in the market. Understanding the impact of service quality on customer satisfaction at Al Baik restaurants is essential for enhancing overall business performance and maintaining competitiveness. *Bukhari, S. (2015).*

Theoretical Gaps:

While previous studies have extensively examined the relationship between service quality and customer satisfaction in various industries, there remains a notable gap in the literature concerning the specific context of fast-food restaurants, particularly within the Saudi Arabian market. Existing research has often focused on general service industries or Western cultural contexts, overlooking the unique dynamics of the fast-food sector in Saudi Arabia. As a result, theoretical frameworks and findings from previous studies may not fully capture the intricacies of service quality and customer satisfaction at Al Baik restaurants. *Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985).*

Empirical Gaps:

Empirical research focusing on the effect of service quality on customer satisfaction at Al Baik restaurants within the Saudi Arabian context is limited. Despite the widespread popularity of Al Baik and its significant presence in the market, there is a scarcity of empirical studies examining the specific factors driving customer satisfaction at these establishments. Furthermore, studies conducted in other geographical areas may not accurately reflect the preferences and expectations of customers

in Saudi Arabia, necessitating localized empirical research to address this gap. *Sadi, M. A., & Saricimen, T. (2010).*

Research Significance:

Short Introduction to the Significance:

The significance of this research lies in its potential to provide valuable insights into the relationship between service quality and customer satisfaction within the context of Al Baik restaurants in Saudi Arabia. By understanding the factors influencing customer satisfaction, restaurant managers can implement targeted strategies to enhance the overall dining experience and maintain competitiveness in the market. *Bukhari, S. (2015).*

Theoretical Gaps:

Previous studies have identified gaps in the literature concerning the application of theoretical frameworks to the fast-food industry, particularly within the Saudi Arabian context. This research seeks to address these gaps by proposing new concepts and frameworks that account for the unique cultural and market dynamics of Al Baik restaurants. By integrating existing theories with localized insights, this study contributes to the advancement of theoretical knowledge in the field of service management and consumer behavior. *Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985).*

Empirical Gaps:

The findings of this research hold significant implications for practitioners and decision-makers in the restaurant industry. By identifying the specific factors driving customer satisfaction at Al Baik restaurants, managers can tailor their service delivery strategies to meet customer expectations more effectively. Additionally, policymakers and stakeholders can use the empirical evidence generated by this study to inform regulatory decisions and initiatives aimed at improving service quality standards across the industry. Ultimately, the practical implications of this research extend beyond Al Baik restaurants to benefit the broader hospitality sector in Saudi Arabia. *Sadi, M. A., & Saricimen, T. (2010).*

Main Research Question:

What is the effect of service quality on customer satisfaction at Al Baik restaurants in the Kingdom of Saudi Arabia?

Research Sub-Questions:

1. What specific aspects of service quality have the greatest impact on customer satisfaction at Al Baik restaurants in Saudi Arabia?
2. How does the cleanliness of Al Baik restaurants influence customer satisfaction compared to other dimensions of service quality such as timeliness and courtesy of service?
3. What role does the responsiveness to customer needs play in shaping overall satisfaction levels at Al Baik restaurants in the Kingdom of Saudi Arabia?
4. How do factors such as ambiance and atmosphere contribute to customer satisfaction at Al Baik restaurants, and how do they compare to other service quality dimensions?
5. In what ways do cultural and societal factors unique to Saudi Arabia influence customer perceptions of service quality and subsequent satisfaction levels at Al Baik restaurants?

Research Objectives:

General Objective:

Investigate the impact of service quality on customer satisfaction at Al Baik restaurants in the Kingdom of Saudi Arabia.

Sub-objectives:

1. Identify the key dimensions of service quality that contribute significantly to customer satisfaction at Al Baik restaurants.
2. Evaluate the cleanliness, timeliness, courtesy of service, and responsiveness to customer needs as factors influencing overall satisfaction levels.
3. Assess the role of ambiance and atmosphere in shaping customer perceptions of service quality and satisfaction.
4. Explore the cultural and societal factors unique to Saudi Arabia that affect customer satisfaction at Al Baik restaurants.
5. Examine strategies to enhance service quality and customer satisfaction based on the findings of the study.

Research Hypotheses:

Main Hypothesis (H1):

There is a significant relationship between service quality and customer satisfaction at Al Baik restaurants in the Kingdom of Saudi Arabia.

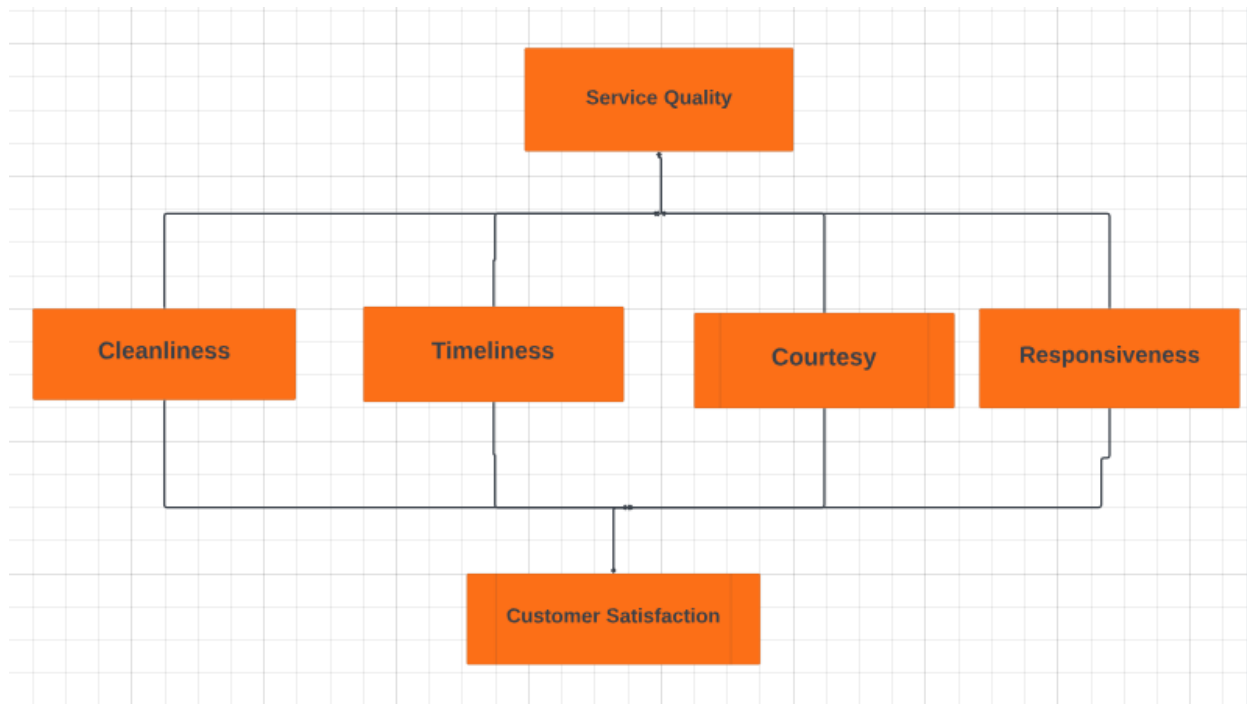
Sub-hypotheses:

- 1. H1a:** The cleanliness of Al Baik restaurants positively influences customer satisfaction.
- 2. H1b:** Timeliness of service significantly affects customer satisfaction levels at Al Baik restaurants.
- 3. H1c:** Courtesy of service has a positive impact on customer satisfaction at Al Baik restaurants.
- 4. H1d:** Responsiveness to customer needs contributes positively to overall satisfaction levels at Al Baik restaurants.
- 5. H1e:** The ambiance and atmosphere of Al Baik restaurants play a significant role in shaping customer perceptions and satisfaction.
- 6. H1f:** Cultural and societal factors unique to Saudi Arabia influence customer satisfaction at Al Baik restaurants.
- 7. H1g:** Strategies aimed at enhancing service quality positively affect customer satisfaction levels at Al Baik restaurants.

These hypotheses are based on the research questions and are formulated to predict the expected relationships between service quality dimensions and customer satisfaction at Al Baik restaurants.

Research Model:

The following figure illustrates the relationship between service quality dimensions and customer satisfaction at Al Baik restaurants in the Kingdom of Saudi Arabia:



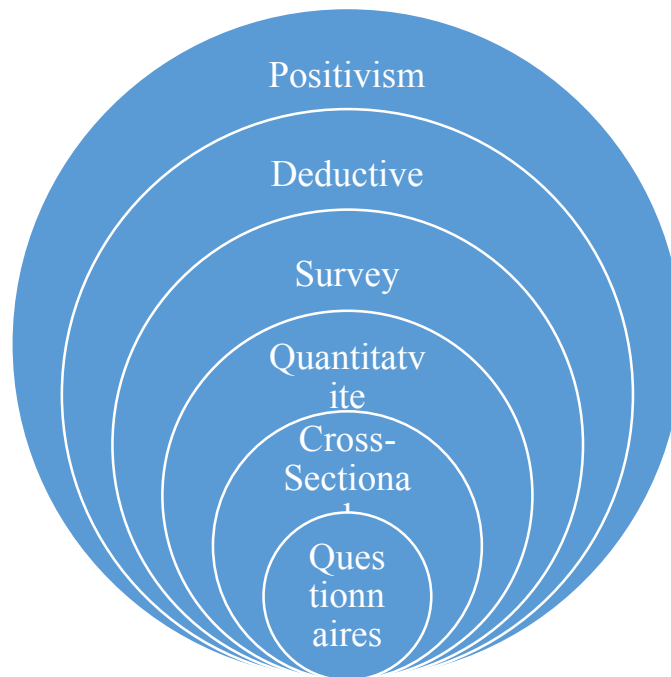
The suggested project model source the student.

In this model:

- Service quality is the independent variable, comprising dimensions such as cleanliness, timeliness, courtesy, and responsiveness.
- Customer satisfaction is the dependent variable, influenced by the various dimensions of service quality.
- Arrows indicate the direction of influence, demonstrating how each dimension of service quality affects customer satisfaction.

This model visually represents the theoretical framework of the study, highlighting the relationship between service quality and customer satisfaction at Al Baik restaurants in Saudi Arabia.

Research Methodology:



The image represents a hierarchical model of the research methodology, with "Questionnaires" at the core, indicating that data collection will be conducted through surveys or questionnaires.

The next level is "Cross-Sectional," suggesting that the data will be collected at a specific point in time, providing a snapshot of the phenomenon under study.

Moving outward, the "Quantitative" level indicates that the study will employ a quantitative research approach, involving numerical data and statistical analysis.

The "Survey" level reinforces the use of a survey method for data collection, which aligns with the "Questionnaires" at the core.

The "Deductive" level suggests that the study will follow a deductive approach, where hypotheses or theoretical propositions will be tested based on empirical observations or data collected through the survey.

Finally, the outermost level of "Positivism" implies that the study adheres to the positivist philosophy of scientific research, which emphasizes objective observation, measurement, and the testing of theories or hypotheses.

In summary, the image represents a quantitative research methodology based on a deductive approach, where data will be collected through questionnaires or surveys in a cross-sectional manner. The study will employ statistical techniques to analyze the numerical data, with the aim of testing hypotheses or theoretical propositions within a positivist research paradigm.

This methodological framework aligns with the research objectives and research questions outlined in the document you provided, which aim to investigate the impact of service quality on customer satisfaction at Al Baik restaurants in Saudi Arabia.

Empirical Study:

The empirical study focuses on the fast-food industry in the Kingdom of Saudi Arabia, with specific attention to Al Baik restaurants. Al Baik is a well-established fast-food chain known for its fried chicken and other popular menu items. The variables of the research, service quality, and customer satisfaction, are integral components of Al Baik's operations and customer experience.

Al Baik restaurants pride themselves on providing high-quality service to customers, which includes aspects such as cleanliness, timeliness of service, courtesy of staff, and responsiveness to customer needs. These dimensions of service quality directly impact customer satisfaction, influencing factors such as overall dining experience and likelihood of repeat patronage.

Through theoretical exploration, this study aims to examine the relationship between service quality and customer satisfaction at Al Baik restaurants in Saudi Arabia. By understanding the dynamics of service delivery and customer perceptions, the study seeks to provide insights into strategies for enhancing customer satisfaction and maintaining competitiveness in the fast-food industry.

References:

- Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2006). Services marketing: Integrating customer focus across the firm. McGraw-Hill/Irwin. References - Scientific Research Publishing. (n.d.). <https://www.scirp.org/reference/referencespapers?referenceid=2050900>
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of marketing*, 49(4), 41-50.
- Cronin, J. J., & Taylor, S. A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing*, 56(3), 55-68.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31-46.
- Czepiel, J. A. (1990). Service encounters and service relationships: implications for research. *Journal of business research*, 20(1), 13-21.
- Bukhari, S. (2015). Consumer Loyalty in Fast-Food Restaurants in Saudi Arabia (Doctoral dissertation, Université d'Ottawa/University of Ottawa).
- Sadi, M. A., & Saricimen, T. (2010). Value factors determining consumer satisfaction at full-scale restaurants in Saudi Arabia. *Journal for Global Business Advancement*, 3(4), 285-294.