SAVONIA

CUSTOMER SATISFACTION IN RESTAURANT BUSINESS

Case study of "Brightpit" Ltd.

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THESIS
Abstract

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Abstract

Nowadays customer satisfaction is one of the most significant aspects of any organization, especially in restaurant business. Competition in catering industry is rapidly growing every year. Thus, the focus moved towards customization. Guest's opinion, needs and wants have become one of the fundamental values for every company. Current research is based on the analysis of Brightpit ltd. as an organization which has two restaurants in operation located in Russia. Based on the reviewed literature, there are four approaches which form several methods for evaluating customer satisfaction such as CSI, Kano model, SERVQUAL and ISO standards. It was also found that customer satisfaction in catering industry consists of several most influential groups of attributes such as food, service and atmosphere. The results of the survey indicated that guest satisfaction is moderate and it requires additional attention from the company's management. Special recommendations were suggested in the form of numerous events and actions in order to increase the level of customer satisfaction from moderate to high.

Keywords
Customer satisfaction, restaurant business, catering industry

CONTENTS

1 INTRODUCTION

Today Russian catering service market is overcoming hard times. Tendencies are rapidly changing and focus of consumers is moving along with the economic situation in the country. Researches from the 2015-2016 indicated a decline in popularity of traditional restaurants, cafes and self-catering restaurants. (Grizenko 2016, Mironov 2016). Same research revealed an upward trend for the fast-food restaurants, coffee shops and bars. Such a trend was still growing in 2017. According to the Russian most popular journal for restaurant news, Restoranoff, compared to 2016, fast-food restaurants share had an increase in 10%. Today 75% of Russian people regularly eat in fast-food restaurants. (Restoranoff 2018.) Traditional restaurants are no longer as popular as before.

The roots of the problem are hiding in the current economic crises in Russia. People have less purchase power. (Myronov 2016). Therefore, additional leisure activities such as going to a restaurant are cutting in value and frequency. Thus, Russians tend to choose cheaper alternatives or even eat at home to save money.

However, financial crises is not the only reason for such a recession. Russian analysts report that there are several trends in the market which are growing in popularity in Russia much slower than in other developed countries. Such tendencies include technological upraise, customization, social trends and other. (Myronov 2016.) For example, online-based shops and delivery services retain people at home and make it unnecessary to go out to eat. Another trend is customization of the goods and services which make Russians' desire for build-your-own type of meals, which is not a specialty of the traditional restaurants. Moreover, a growing trend of vegetarianism, veganism and healthy food frequently puzzle the business owners.

Not all the changes are understood by the organisations. Many of the new trends are not applied in a right time. Therefore, some businesses have a stable profit when the other lose their clients. Therefore, it is crucial to comprehend the needs and wants of the customer and constantly trace the changes. Indeed, to constantly increase the number of visitors and returning guests in the restaurant organisations should identify the current level of customer satisfaction overall and related to each attribute. Based on that knowledge organisation can adapt to the current situation on the market and increase profits.

Customer satisfaction is the assessment of the expectations and real attitude towards the goods and services. (Kotler, 2000.) This concept is growing in popularity in the world and especially in Russia where the restaurant business had evolved into a solid and saturated market only in the recent decades. Indeed, a high level of customer satisfaction facilitate increase of the customer loyalty index, building the brand image and reputation and decrease switching rate. Moreover, satisfied customers usually promote the brand among family and friends.

Nowadays the competition between companies is high and each one strives to increase its customer base and limit the switching rate. The customer and the quality are the key aspects to accomplish that goal. Therefore, many companies work on being customer orientated. (Kotler, 2000.)

Overtime, restaurants operated by Brightpit Ltd. recorded a decrease in visitors. With the development of social media, the restaurant received bad comments online which may be the reason of such a decline. In addition, unsatisfied customers may have spread their experience stories through world-of-mouth which could have made a significant harm in such a small town as Petrozavodsk. New customers appear to be not loyal. Consequently, today restaurants experience crisis. Dissatisfaction of customers may cause a damage to the reputation; loss of the brand image, trust and motivation throughout employees and many others.

Therefore, current research intends to investigate the customer's viewpoint on the services provided by Brightpit Ltd.

Following the discussion from the previous paragraph it is worth to state that customer satisfaction measurement is one of the most relevant concepts for service business. Therefore, current research is aimed to analyze the level of customer satisfaction and level of satisfaction on its attributes in the restaurants owned by "Brightpit" ltd. in order to identify areas which require further changes and development. In addition, the research develops recommendations to improve the restaurant management in order to increase customer satisfaction.

Therefore, the research questions are:

1. What is the level of customer satisfaction among the customers of Brightpit Ltd.?
2. What attributes, which form customer satisfaction in Brightpit Ltd., require improvement?
3. What practices can be applied to tackle the problems which were identified by measuring the level of satisfaction in Brightpit Ltd.?

2   BRIGHTPIT LTD

Brightpit Ltd is a relatively small family organization based in Petrozavodsk, Russia. Brightbit was established in 2015 and was represented by the two restaurants located in different parts of the town.

The first part of the business is a full-service traditional restaurant named "Soloha". The restaurant is located on the suburbs of the town, by the beautiful lake Onega. It has two large floors, 6 private outside rooms and a summer terrace. The restaurant serves Russian and Ukrainian cuisine for the town residents and guests from other districts of Russia. Soloha has its high season in summer when people drive through on their way out for holidays and warm days when the town dwellers come to enjoy the beach. Moreover, the restaurant provides a magnificent atmosphere of a Ukrainian village with its various decorations and style decisions.

The next part of Brightpit is represented by the restaurant called "Gosudar". This is a small restaurant near the city center of Petrozavodsk. The cuisine served is all based on the Russian national recipes. The restaurant provides an atmosphere of the 19th century when rich Russian families use to live in palaces and their rooms were decorated with golden candle holders. The location of the restaurant is geographically near the center but, nevertheless, the area is not saturated with other points of social life or any business hubs either. Therefore, walk-in guests are very rare and Gosudar appears to be more suitable for the people who own a car or for the bookings in advance, dinners and parties.

In this manner, both restaurants are situated in relatively remote locations, they both have different but well-designed atmosphere providing enjoyable and unique experience. Moreover, due to the fact that both restaurants are controlled by the same head office, most of the special offers and concepts are the same. Indeed, both restaurants have a business lunch menu, a banquet and wedding offers and fresh bakery under the request. Those features make restaurants operated by Brightpit to be researched as one solid business and allows further analysis and practices to be recommended to the organization itself rather than to each restaurant separately.

3   THEORY OF CUSTOMER SATISFACTION

This chapter will attempt to define customer satisfaction and its main characteristics. Following paragraphs will identify the key aspects of this concept and their relevance for the companies as well as methods by which satisfaction can be measured. In addition, various components of customer satisfaction of Russian restaurants, which have been introduced, by previous researches will be analysed.

3.1   Key aspects

There is a large number of studies dedicated to the concept of customer satisfaction. Due to that fact it became possible to track the change in the definition throughout the time. Various approaches can be noticed within different authors. Therefore, those changes can be traced and put into a timeline.

Earlier studies define customer satisfaction as the process of evaluation of certain goods and services by the customer after the purchase. (Day 1984, 496-499) Other researchers agree that this process can be characterized as a type of assessment, but customers have more general vision on this subject rather than just evaluating one part of the goods or service. (Bitner, M.J. & Hubbert, A.R., 1994.)

In more recent researches authors develop the new point of view which states that customer satisfaction is counted as a result from comparing experience of the goods or service with the expectations existed before the purchase. (Oliver 1993, 65-85.) In other words, customer

satisfaction can be described as a complex evaluation process of differences between the expectation and actual experience. (Kotler, 2000.)

Currently, the widely accepted belief claims that customer satisfaction contains the variety of approaches of assessing the breach between the initial assumptions and reality. (Han, Back & Barrett 2009, 563-572.)

Later researches discovered that there is a relation between customer satisfaction and loyalty, which became a great contribution to the existing problem findings. Those findings also include the establishment of a connection between the satisfaction and returning customers. Satisfied consumers are expected to purchase the same product or service again as well as to trust the supplier in different goods and services. Moreover, those consumers are inclined to recommend the place to their acquaintances.

There are two outcomes of this issue. Firstly, it attracts the new customers, which strengthens the company's position on the market and increase profits. Secondly, customer satisfaction can evolve into customer loyalty, which ensures that the company will have positive financial statement. (Ryu K., Lee H.R., Kim W.G, 2012.)

As a result, the concept of customer satisfaction is closely related to the customer loyalty concept which is one of the most valuable today when a large number or firms are entering the market. Thus, the cost of attracting new customers rises every year. In relation to those issues, the concept of customer lifetime value (CLV) is rising in its significance. CLV is defined as a concept of evaluation of revenues which company can obtain from the customer in the time of their interacting with it. Rust, Zeithaml & Lemon 2000, 32-53). Similarly, customer loyalty which signifies long-term cooperation between a customer and an organization is based on customer satisfaction which stimulates their decision to return. Thus, companies strive to satisfy every customer which can be accomplished by the variety of methods and practices.

There are several central methods of assessing customer satisfaction. One of them can be described as matching the customer expectations from the purchase with the reality or failure. In other words, if customer receives the same level of quality of a product or a service that have been expected or better, the measurement is positive. On the contrary, overestimated expectations indicate an unsatisfied customer. This approach appears to be one of the most uncomplicated, but it has one significant drawback which is the lack of knowledge about the customer preferences. Indeed, a person, who was attracted by the seller or a colourful advertisement, may base their expectations on the source of information. Thus, those assumptions are not personal preferences of the customer. (Oliver, 1980, 460–469.)

The next approach is meant to compare expenditures and revenues. It can also be recognized as a theory of equality. The essence of the theory divides entire expenditures into monetary and transactional. Monetary expenditures indicate the money spent on the product or service whereas the example of transactional expenditures can be time. As a result, a customer is satisfied or does

not depend on the expenditure-result ratio. (Oliver 1989, 372–383.) This is a rational and understandable model from the economical point of view. However, people may be not rational, and their evaluation could be diffused.

The third approach describes a certain set of standards which appear as a base for the customers assumptions. Indeed, a customer can compare the received goods or services to its basic characteristics or description on the website or feedback. In this case, a customer is satisfied if the result matches the standards. (LaTour & Peat, 1979.) This model defines norms to be counted as a supportive information for the company, but the number of those norms is not stated. Therefore, it may demand further research.

The last approach concerns previous experience of the customer which may affect current decisions. Experience, which customer previously had, may be positive or negative and in certain situations will act as a base for the further assumptions. (Tse & Wilton 1988, 203–212.) Explained approach is more subjective from the customer's side than the other three. However, if the company develops the initial experience for the consumer, then satisfaction will remain positive and even increase.

All those four approaches are forming the variety of methods to evaluate customer satisfaction. Mentioned variety, in its order, is classified into two sub-groups. One of them is following the Oliver's approach of matching customer expectation, where the best result reached by the experience correlates with the presumptions. The most common methods of this group are CSI, Kano model, SERVQUAL and ISO standards.

Customer Satisfaction Index or CSI is a measurement which collects the information of satisfaction overall, matching the expectations rate with the distance to ideal the product or service which a customer presumes. However, the result may appear inaccurate because customers may value the attributes differently. More than that, CSI is more applicable for the goods than for services. (Fornell, Johnson, Anderson, Cha & Bryant 1996-10-1, 7-18.)

Kano model is based on three main groups of satisfaction attributes: basic, performance and excitement. The main difference of this model is that it suggests that exciting factors, which exceed customer assumptions about the product or service, are essential to increase the overall satisfaction. (Kano, 1996.)

SERVQUAL, unlike CSI, is widely used by service companies. This method is based on the quality measurement and suggests that customer satisfaction is equal to the quality in services. The measurement itself has a certain framework and following parameters:

- Tangibility
- Reliability
- Responsiveness
- Assurance, and

- Empathy

This model can identify the weak points in the organisation and help focus on the areas which need development. However, the results may differ and depend greatly on the industry because all the parameters are taken as equal by default and do not include cases of deviation. (Parasuraman Zeithaml & Berry 1985, 41-50.)

 ISO standards are international standards in the composition of total quality management. Those standards ensure that the customer gets the basic satisfaction from the goods and services. (Guinée 2001, 255.)

Second sub-group combines the third and the fourth approach by evaluating the set of attributes which describe the goods or services. Here as attributes are the main measurement tools for customer satisfaction. Attributes are factors of customer satisfaction which illustrate the benefit or advantage of the product or service that is valuable for the consumer. (Myers, 1999.) The most used methods falling into this category are multiattribute model and Needs&Gaps maps.

There are several existing multiattribute models. However, the one designed by Fishbein is currently said to be the most relevant and popular. The model suggests a customer to evaluate their overall satisfaction first. Then, the customer rates the satisfaction of various components – attributes. The main difference here is that Fishbein defines attitude, belief, norm and behaviour differently. The method helps not only to understand where the business needs to improve but it also shows the importance of each attribute compared to the overall satisfaction. (Bettman, Capon & Lutz 1975, 1–15.)

Needs&Gaps maps is the most uncomplicated tool among the perceptual maps. Those maps are designed to place the brands in the map according to the customers preferences, beliefs and attitudes. The customers are to evaluate various attributes in two criteria: satisfaction and importance. Then the figures are placed into the coordinate map. (Matushin, 2005.)

Reichheld (2006) is arguing that it is enough for the organisations to collect the customers' opinion on the question: "How likely would you recommend our company?". The answers will form the Net Promoter Score. (NPS) is a coefficient which is usually separated from the two groups mentioned above. The index calculated in the company is compared to the global industry index to measure customer satisfaction.

There is another group of methods which are frequently used by companies to collect and analyse data. Those methods include surveys, focus groups and in-depth interviews. Surveys are the most important part

A survey in case of customer satisfaction is the key. This is a foundation of customer satisfaction measurement (CSM). Due to the changes of technology, trends and overall differences between

organisations there is no single approach to design this survey. Here it is essential to comply with values, objectives and characteristics that company produces. Hence, creating a useful customer satisfaction questioner is not a simple task with a single framework. Myers (1999) discusses all the variety of possible structures. He satiates that many companies just pick one most popular scale which may not be fully applicable for them. This is the reason for learning the main features of each scale and create an understanding for further developing such an important thing as a survey.

In-depth interviews and focus groups are the main source for the detailed information about motives, preferences and needs of the customers. However, those methods can be very subjective because of the possible bias and differences in personalities. (Myers 1999.)

Taking everything into consideration, this chapter summarised available information related to customer satisfaction and its measurement. In addition, the main approaches were discussed and divided into four groups. From those groups there were two sub-groups explained containing certain methods. Also, additional methods of the customer satisfaction measurement were discussed.

3.2 Customer satisfaction in the catering industry

This chapter will investigate the different methods of customer satisfaction measurement which can be applied in the catering industry.

Catering industry and especially restaurant business have their customer satisfaction as an initial goal. This statement can be explained in the number of reasons. Satisfied customers are proved to return more frequently which ensures the financial stability of the business. Also, guests at the restaurant tend to spend more money if they are satisfied and recommend the place to their friends and acquaintances. Therefore, customer satisfaction should be measured and analysed.

Catering market include food and beverage dimension. In this dimension there are several variations of restaurants as well. Current research will analyse available information concerning full-service restaurants.

Some researchers highlight two aspects about customer satisfaction in the restaurants. First of all, as was already mentioned above, customers are probably satisfied if they return to the restaurant again. This is the reason for actions focused to provide the best possible service and food, meet all the needs. However, recent studies argue that a customer can be over satisfied and loose the interest in the restaurant. More disappointing is the fact that those customers could change their preferences and leave to explore new places. The research was based on some economic theories which confirmed that there is a certain turning point. After some calculated number of visits to the restaurant guests change their preferences and everything that they were satisfied with before reverse into displeasure and even annoyance (Line, Hanks & Kim 2016, 143-153).

Another research on different influencers on the customer decision of the restaurant was conducted by Jung etc. (2015). They found that guests value good service and food and are willing to pay more for the better quality. Food quality appeared as the most significant factor for majority of guests when they make their restaurant choice. The second importance factor is the service, and guests can be loyal to assess it. Thus, the more customer is satisfied with the attributes that they value, the grater will be the NPS. If the guest is not satisfied with some factors which were rated low, it will not dramatically change the overall satisfaction. (Jung, Sydnor, Lee & Almanza 2015, 88-98.)

Based on the information from these two researches the following conclusion can be drawn: the most adequate measurement of customer satisfaction should be based on detection and evaluation of the possible attributes which form the actual customer need. Thus, looking at all the different models described, the most efficient and useful is the multiattribute model. Many researchers agree on this model as the most relevant. (Han, Back & Barrett, 2009; Jung, Sydnor, Lee & Almanza, 2015; Kang, Jun & Arendt, 2015; Line, Hanks & Kim, 2016; Ryu & Han, 2010; Ryu & Han, 2011; Ryu & Lee, 2012.)

Talking about food and beverage industry, studies highlight several groups of attributes which form the satisfaction of guests of full-service restaurant. There are several main attributes forming customer satisfaction in the restaurant that researchers distinguish: food, physical environment and service. (Ryu & Han 2010, 310-329.) All these categories can be further divided into two main groups of attributes. The first group is technical components of the restaurant which include food and design of the surroundings. The second group of factors include services which are claimed to be a functional part of the restaurant. (Line, Hanks & Kim, 2016.)

These three categories include many other attributes to measure customer satisfaction. However, for each restaurant those factors will be different due to the objectives and values. For example, when measuring satisfaction in food category researchers distinguish the taste, recipes, the look of the dish, special ingredients and many others. (Line, Hanks & Kim, 2016.) Currently, in food and beverage industry there is a trend of vegetarianism and veganism which form a new attribute (Kang, Jun & Arendt 2015, 12-21). According to Ryu & Han (2011) physical environment factors include: room design, ambiance, the layout, table settings and staff appearance. Service factors which are known as functional and describe its quality include: friendliness, responsiveness, knowledge of the menu, the time to take the order and serving the table, cleaning (Line, Hanks & Kim, 2016).

More extensive research on the topic of attributes which customers in a restaurant value the most was conducted in Russia. (Nikiforova, 2017). Findings showed that the functional factors, or service factors, can be divided in two types. The first type illustrates the attributes of satisfaction related to the communication with administrator and hostess in the restaurant. Such attributes include:

- Politeness and friendliness

- Problem-solving
- Booking related procedures

The second type concerns the guest-waiter relationship. Its factors include:

- Competence of waiter
- Efficiency
- Friendliness and Politeness

Findings show which components contribute mostly to the technical factors. Following attributes concerns the food section:

- Taste of food
- Creative presentation of food
- Diversification of the menu
- Frequency of the menu refreshment
- Size of the portion
- Presence of the requested positions from the menu
- Price-Quality ratio
- Price-Portion size ratio
- Compliance with the declared cuisine of the restaurant
- Adaptive cuisine
- High-ranked and famous staff members
- Choice of non-alcoholic and alcoholic beverages

The attributes contribute to the physical environment:

- Compliance of the decorations with the declared theme of the restaurant
- Compliance of the staff uniform with the declared theme of the restaurant
- Compliance of the staff behaviour with the declared theme of the restaurant
- Layout
- Additional premises
- Open kitchen
- Menu design

Besides functional and technical factors the study explains additional attributes which are as significant as the major groups:

- Quantity of the personnel in the restaurant
- Stability of the offered services
- Popularity of the restaurant
- Location

- Communication with host/chief
- Entertainment
- Loyalty programmes
- Online services
- Activities for children
-

3.3 Characteristics of consumer behaviour in Russia

Several Russian studies highlighted some basic features concerning consumers in Russia. Most of them are applicable to the restaurant business. To begin with, food and beverage industry is relatively new in Russia. It started to grow extensively only in 20th century.

Current situation shows that the full-service restaurant market is saturated enough. This leads to the new trend of fast-food restaurants, bars and cafes which is rapidly growing. (Manych, 2014.)

Different researchers agree that today Russian people value the atmosphere more than the design, the layout and the quality of the service. People tend to meet and relax together after the long day and demand enjoyable experience. (Manych, 2014; Demydov, 2009.) Depending on the purpose of the visit, people tend to value different attributes. Thus, a quick lunch choice will be based on the monetary value, evening with friends and relatives must be accompanied by a preferable atmosphere and banquets are usually held in places with the best quality of food and great menu choice. (Manych, 2014.)

More recent researches found that the internet presence is growing in its value among Russian people. Costumers tend to read reviews online, order delivery of food from the best-rated restaurants and follow social media of their favourites. However, still 50% of people base their decision on the feedback they share with their friends and relatives throughout world-of-mouth. (Pwc, 2018; Demydov, 2017.)

Moreover, today service is playing a significant role in developing the brand image. Thus, good service is raising the prestige of the restaurant which attracts customers and increase loyalty because Russian people tend to put high value on those two qualities. (Demydov, 2009.)

Taking everything into consideration this chapter includes the analysis of the previous research topics related to customer satisfaction and its measurement. The main outcomes combining all the gained knowledge can be divided into three aspects.

Firstly, customer satisfaction measurement is most effectively done by defining the main attributes related to the topic. Such a model helps successfully divide what forms customer satisfaction into component parts and measure these parts separately to understand where the effort is needed the most.

Secondly, in full-service restaurants there are two main groups of attributes: technical and functional. These groups include food, physical environment and services.

Finally, all the three groups contain various sub-groups some of the main ones were defined by the recent Russian research.

The other researches on consumer behaviour highlight the main trends among Russian people. These trends include the value of atmosphere, growing interest to the social-media and online features as well as the increased value of the brand image of the restaurant. Understanding the mentioned features in combination with theoretical knowledge and main attributes considered the most valuable for the restaurant business is crucial for the survey design.

4   METHODOLOGY

In order to successfully measure customer satisfaction in researched organizations the combination of quantitative and qualitative approaches was utilized.

The qualitative approach incorporates various numerical, statistical, mathematical and analytical techniques. In other words, it is based on numbers and its evaluation in order to draw a conclusion between the theoretical findings and numbers. This type of research is suitable for the current study as it provides a larger number of responses on the same survey which was designed to measure customer satisfaction in Brightpit. The statistical analysis which follows the data collection illustrates the current situation among the sample of guests in the restaurant. Common behaviors, needs and wants were derived from the the quantitative data to create an overall picture among the visitors.

A tool that has been used to implement the quantitative part of the research is a survey. The survey was designed by taking into consideration the basic theoretical knowledge about the main attributes of the customer satisfaction in the restaurant as well as consumer behavior in Russia. In addition, several positions were added to suit the specialty of the business.

4.1   Limitations

The research has two main limitations which were identified in the beginning of the research.

Firstly, the information gathered in the theory base was produced by foreigner authors which may not fully comply with the real situation in Russia due to different levels of development. The information on the Russian market which was collected to conduct the current research might also not comply with the real picture on the specific market in Petrozavodsk due to the great geographical, ethical and national differences between the regions of Russia. The choice of the resources was made based on the most general and popular information about the topic because there were no specific documents applied to Petrozavodsk found.

Secondly, due to the size of the town in which researched organization is situated, the number of potential visitors is not great. Moreover, taking the current crises in the organization into consideration the number of real visitors is relatively low. There are 20 to 30 customers which each restaurant operated by Brightpit Ltd. receives daily. Out of that number 15 to 20 people are regular customers. Therefore, the data to measure customer satisfaction was collected throughout various channels: paper leaflets and online survey. This broad variation ensures the number of participating customers to be as high as possible.

5   SURVEY RESULTS

Brightpit Ltd. has two restaurants in operation. The differences and similarities between the two have been already discussed in the previous sections. A survey was designed based on the gained knowledge about customer satisfaction, organization individual features and the basic rules for building an effective questioner. The same survey was split in two and distributed to the each restaurant. The content remained the same for both. It has been in operation for two weeks. During this time paper copies were given to the guests in the restaurants and an inline link was open in social media pages.

5.1   Overall results

The following table illustrates an overall number of answers from guests which have been collected in the end of two-week period. The table also shows a breakdown of the answers from the two sources used for data collection.

	Restaurant "Soloha"	Restaurant "Gosudar"
Online answers	18	11
Paper answers	11	28
Total	29	39
Total from both restaurants	68	

Out of the abovementioned table the following facts can be derived at this stage of the analysis. There are more answers in Gosudar. The reason for this could be a low season in Soloha or poor distribution of paper copies. More interesting fact is that those numbers in Soloha are inversely proportional to the ones in Gosudar. Such a difference could possibly indicate that:

1. Guests in Soloha are more acquainted with social media and technology than guests in Gosudar and fall to a category with more up-to-date knowledge of communication and information search.
2. Soloha has better online presence and more active followers than Gosudar.
3. The guests in Soloha are in more relaxed state and do not like to be bothered with questions. For that reason, they prefer to answer online after they come home. Consequently, the guests in Gosudar are in a more working state of mind and are able to take an additional effort to work with papers.

5.2   Analysis by question

There are two main sections in the survey. The first one asks the guest to provide some personal information such as age, occupancy, frequency of eating out, frequency of visiting the restaurant of the survey topic, how they knew about it and the overall level of customer satisfaction in the scale from 1 to 10.

The second section is divided into three main categories of positions to be graded in the scale from 1 to 10. These categories indicate the three main dimensions of the restaurant qualities that customers value the most which were explored in the previous sections. They include food, service and the atmosphere.
The following sections of this study summarize and analyze the answers received from the participants.

Collected data was placed into the bar-charts to make the representation quick and effortless to follow. The vertical part of the charts indicates the number of answers and the horizontal line includes all the answer options. Some questions offer the text option, and some suggest grading given element from 1 to 10. Latter questions include a number in the brackets indicating the average grade which was given by the guests to that section. An average was counted separately for the each restaurant.

Although the total answered surveys is 68, in some of the questions the total number of answers can be less than an overall number of participants. It happened because some of the guests preferred to skip the question or, in case of the paper surveys, did not notice the back side of the paper.

5.2.1 Personal Information

Personal information in the current survey includes some basic questions such as age, occupation, frequency of eating out and using the services of the Brightpit Ltd. restaurants. The section also asked the guests how they found out about the particular restaurant and what is their overall mark. This section helps to understand who guests in the restaurant are, how loyal they are to the restaurant and their general opinion of the experience.
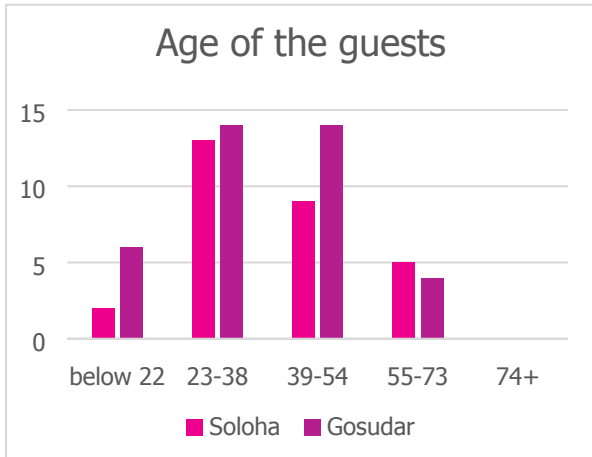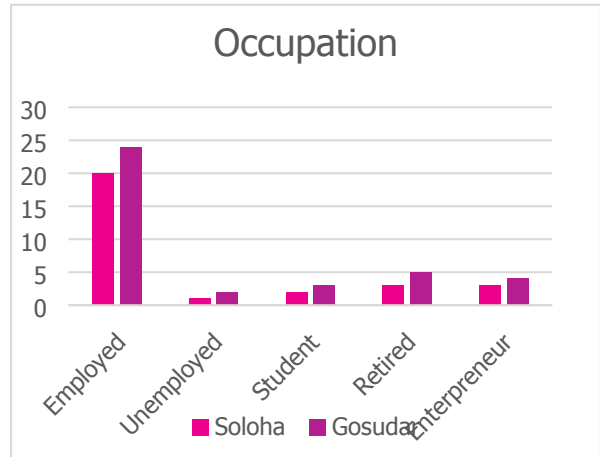
Age of the guests

Figure 1

Occupation

Figure 2

Frequency of eating out

Figure 3

Frequency of visiting the restaurant

Figure 4

How did you know about the restaurant

Figure 5

Overall satisfaction level
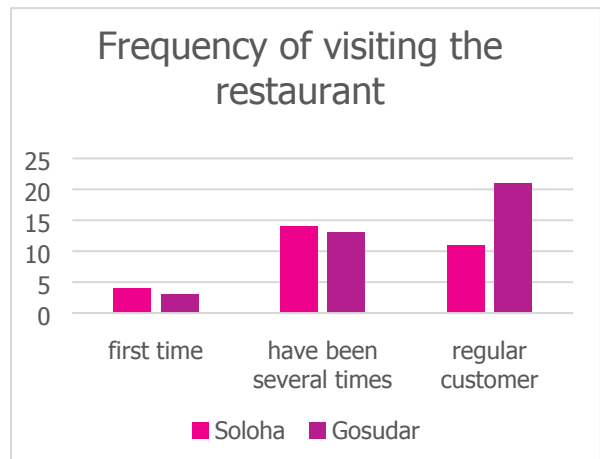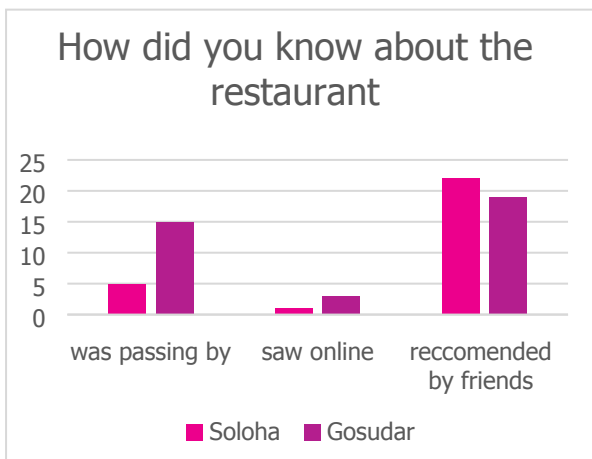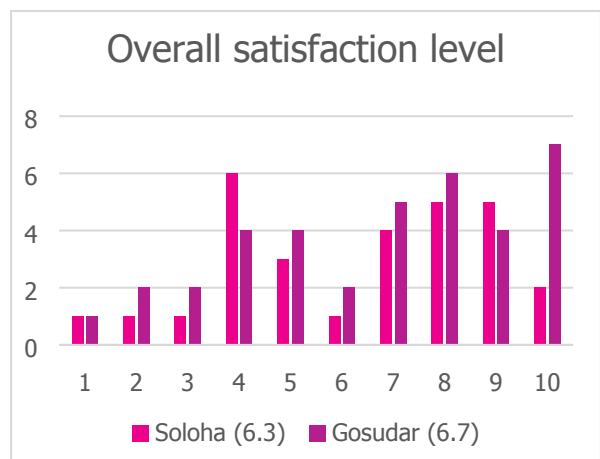

Figure 6

The first chart shows that the most common age of the guests in both restaurants is between 23 and 38. The second popular age is 39-54 which means, the overall age of the participants mostly vary from 23 to 54. In is also worth mentioning that there are slightly more people below 22 years old in Gosudar than in Soloha. This can be a result of the differences in distance. Gosudar is located in the city, which means young people without a car can use convenient public transport or walk. Figure 2 indicates the answers on the question about occupation. Survey found out that in both restaurants the majority of the visitors are currently employed.

From the Figure 3 it is obvious that the visitors of Gosudar usually go out to eat several times a week. To Soloha the guests usually go less than once a month. Nevertheless, the numbers show that most of the guests in Soloha have been there already several times. In the meanwhile, guests in Gosudar report themselves as regular customers. This means that most of the customers of both restaurants operated by Brightpit, no matter how frequent they go out, are loyal to the restaurant of their choice. This fact is linked with the next question about the source of information where they learned about the restaurant represented in the Figure 5. In both cases, "family and friends" was the most popular answer. Supposedly, guests visit restaurants together with them. In Gosudar a high percentage of the visitors first discovered the restaurant while they were passing by. Those guests are usually the regular customers because they work in the same building.

The last question of this section has to do with the overall level of satisfaction. The scale was from 1 to 10. The answers in the Figure 6 are quite spread out. The average grade given by guests is 6.3 in Soloha and 6.7 in Gosudar. Such a grade can be interpreted as relatively low level of customer satisfaction. However, from the other point of view, in both restaurants the number of guests who have chosen higher grades (from 7 to 10) is greater than the sum of people chosen the lower ones. The grade is affected by the number of people answered the question.

5.2.2 Category evaluation

Food:

The food is a big category in general in which customers value different constituents. Originally there are a lot more influencers than these 4 that have been asked from customers of Brightpit Ltd. but for uprising percentage of the answered the survey and minimizing the time taken to complete it only the main sub-categories were left.
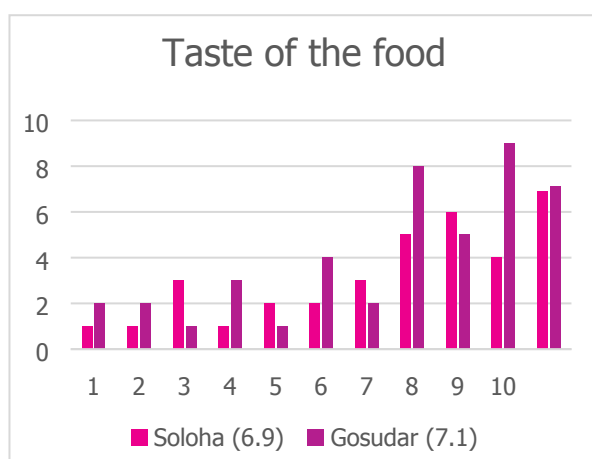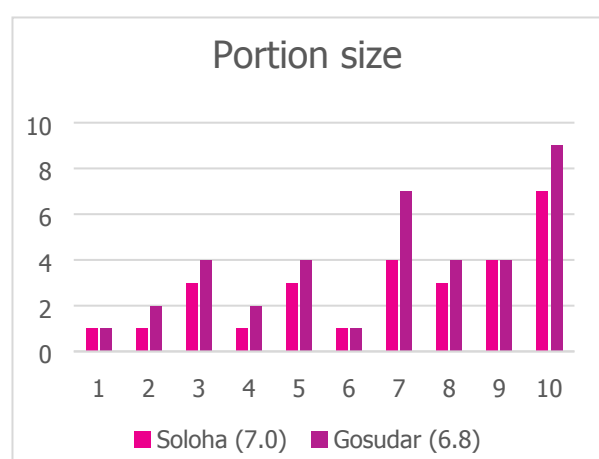
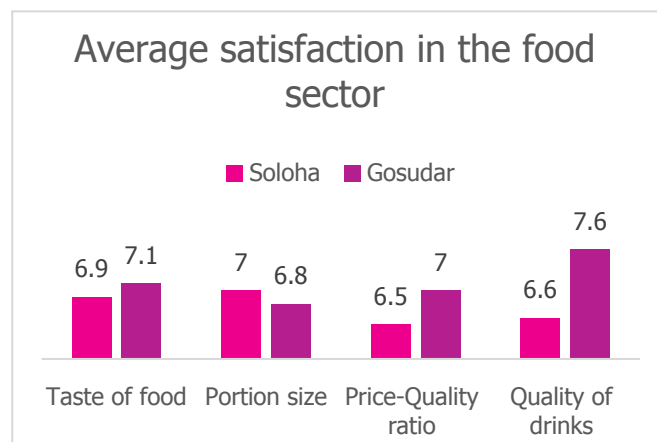

Figure 7

Figure 8

Figure 9

Figure 10

Figure 11

In the food section Gosudar has better results than Soloha. The element which is graded the highest there in average is the quality of drinks. The taste of food follows with the average grade 7.1 which indicates a high satisfaction with the element. The guests in Gosudar are satisfied with the price-quality ratio a little lower. In the meanwhile, the portion-size has the lowest satisfaction level from the whole category.

The Soloha's guests are more satisfied with the size of the portions and taste of the food in the restaurant. The satisfaction level of the food section for Soloha needs improvement, especially the price-quality ratio which got the lowest grade.

Service:

The service is a large category which involves many different elements. For the survey conducted for Brightpit Ltd. those 8 aspects were chosen as the most relevant ones.
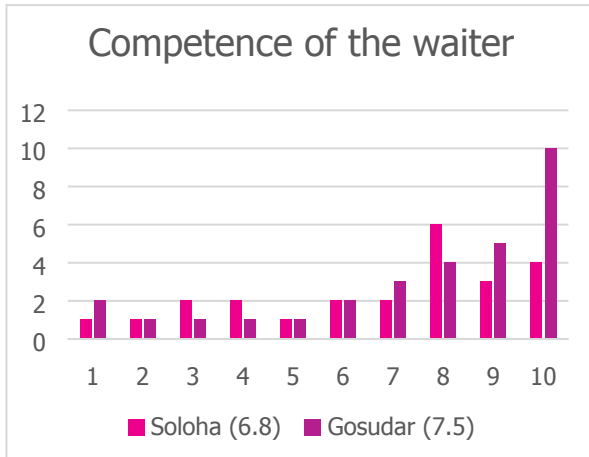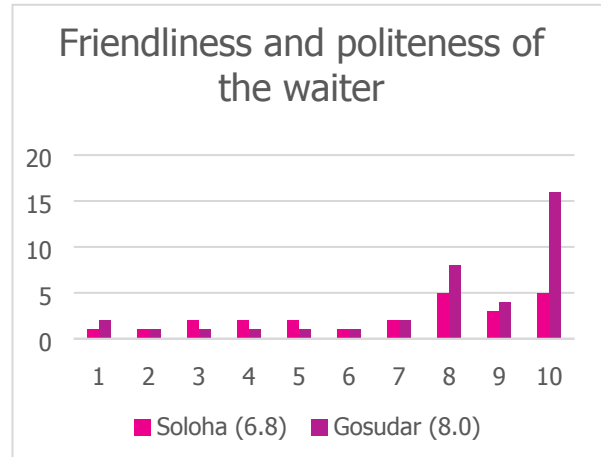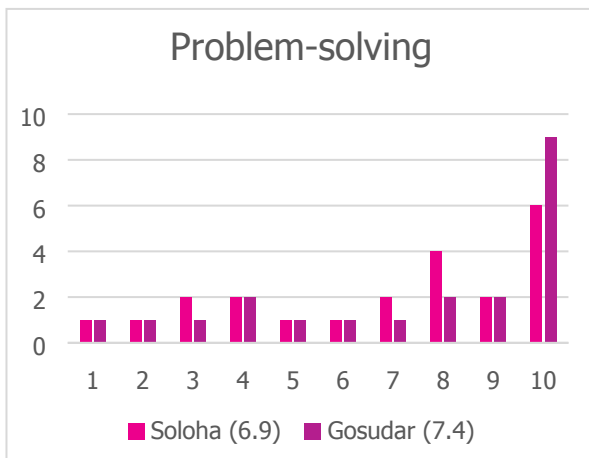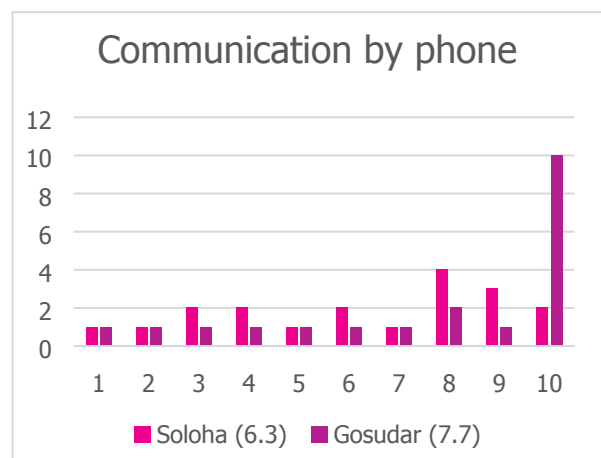
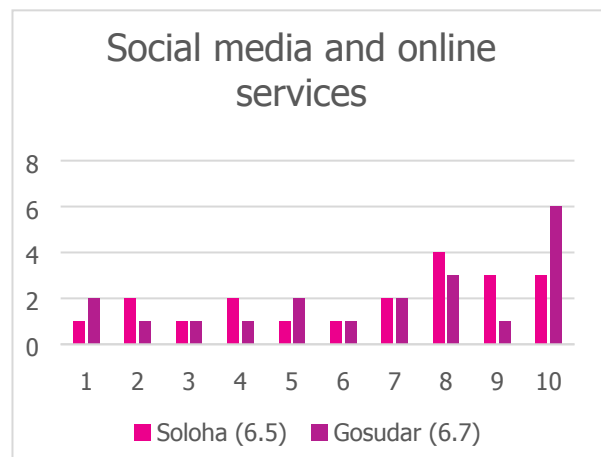Figure 12

Figure 13

Figure 14
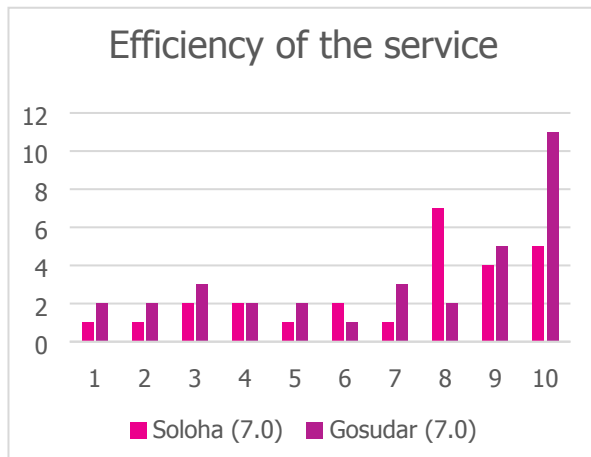

Figure 15

Figure 16

Figure 17

Figure 18
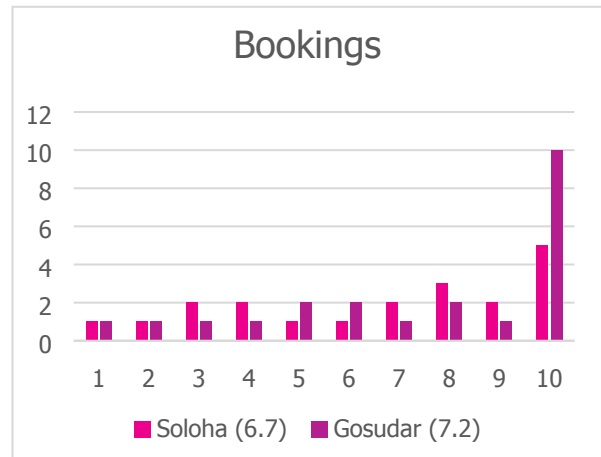
Figure 19
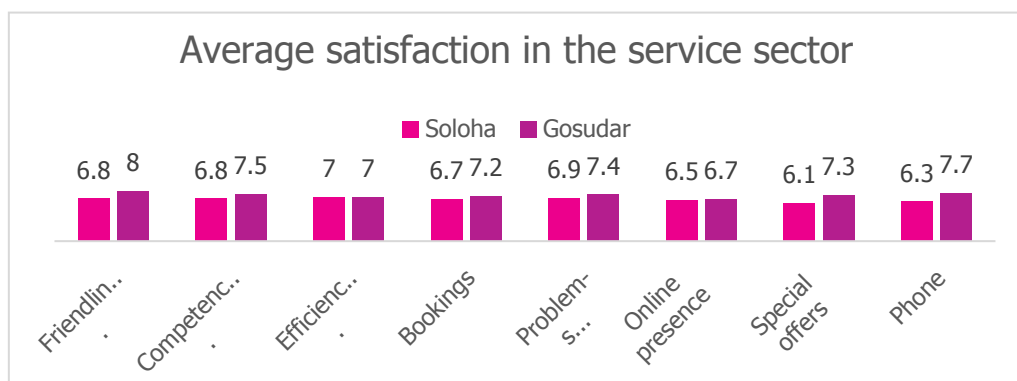
Figure 20

The service section repeats the trend of the food section among the restaurants. The grades in Gosudar are higher than in Soloha. Both restaurants are graded higher in friendliness and politeness of the waiter.

Some differences appear in the following sections. According to the table, in this category Soloha has its strongest points in efficiency of the service and problem-solving. The weakest elements in the restaurant in services category are special offers and communication by phone.

Gosudar has better grades in friendliness and politeness of the waiter and communication by phone. The lowest level of satisfaction got social-media and online presence.

Atmosphere:

The atmosphere is the category which includes physical objects and feeling inside the restaurant. Reported survey included 6 main elements.
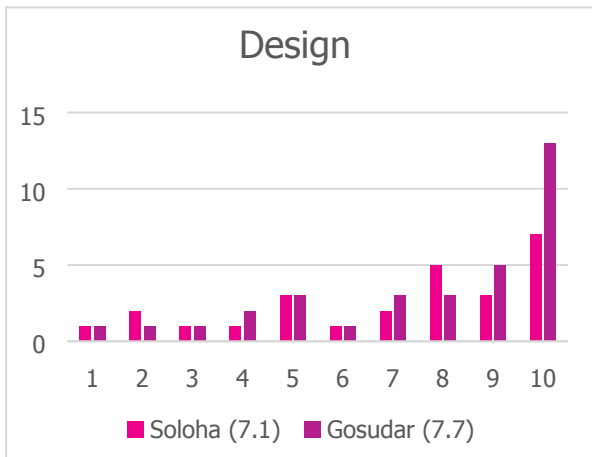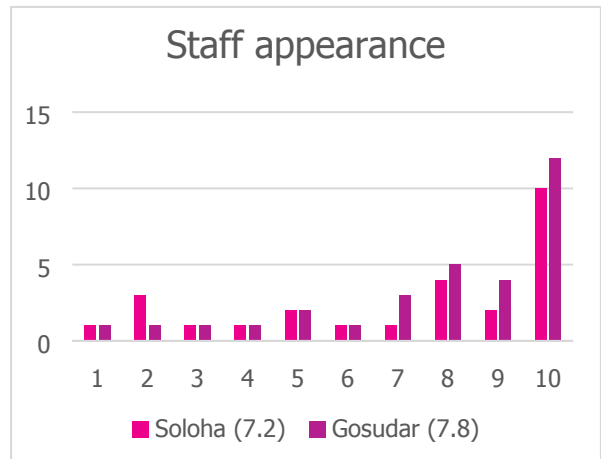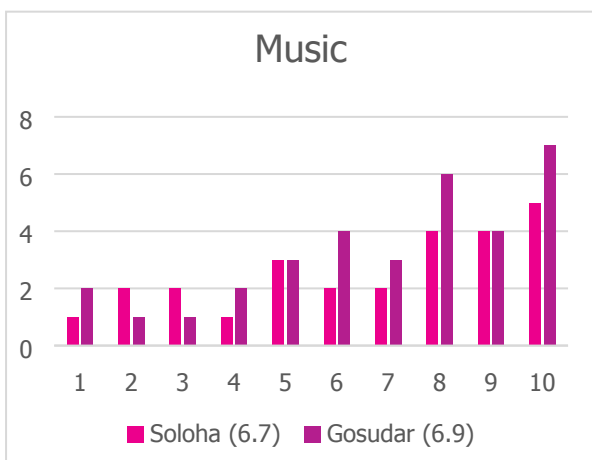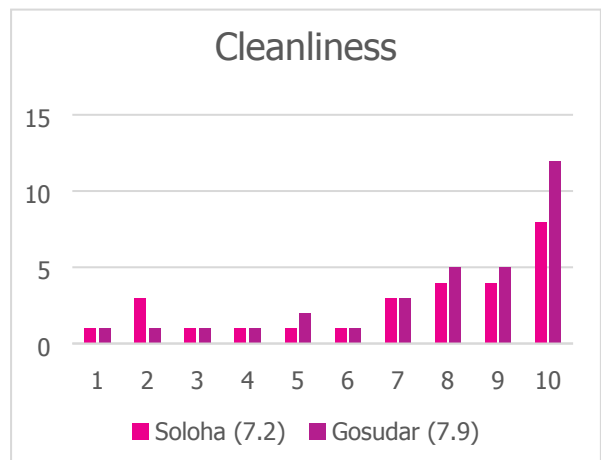
Figure 21

Figure 22

Figure 23

Figure 24
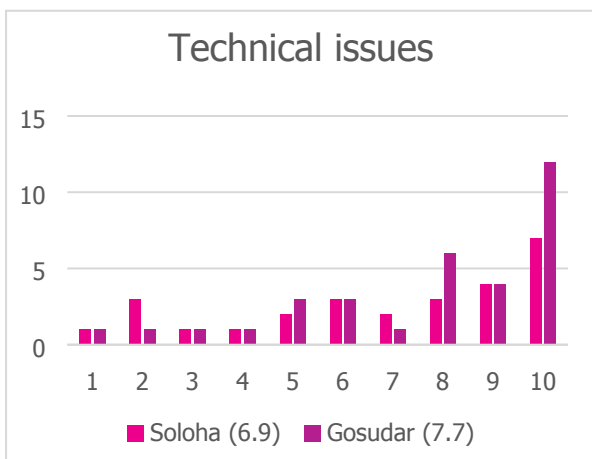
Figure 25
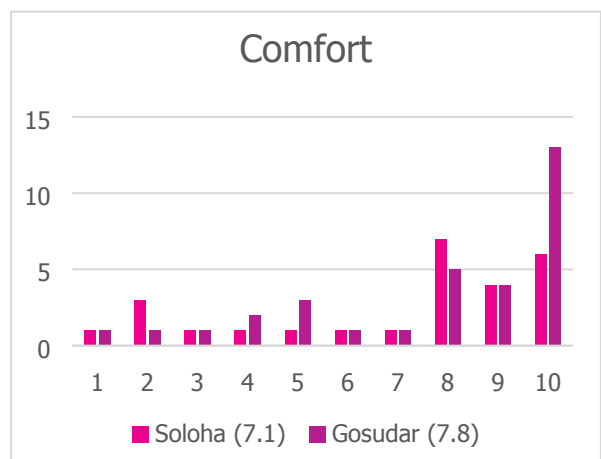
Figure 26
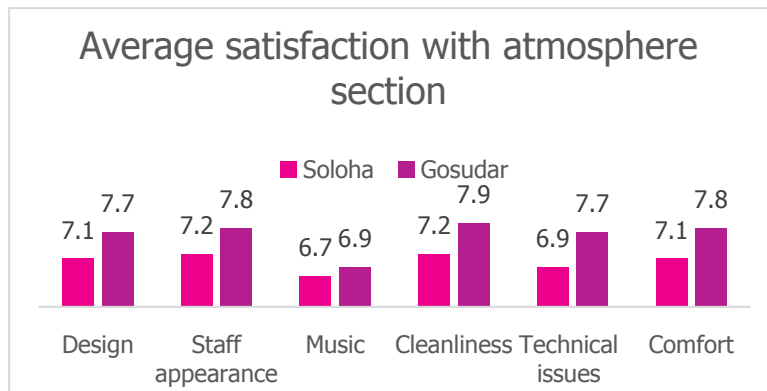
Figure 27

This category received the greatest grades of all three. Both restaurants have their highest grades in cleanliness. Other categories in Gosudar, except music, obtained a little lower but still an appropriate level of satisfaction. In the meanwhile, both restaurants got their lowest grades in the music section. The highest score in Soloha received staff appearance and cleanliness.

5.2.3 Open question analysis

The last question of the survey was an open question. Guests were asked what they would like to see in the restaurant. Following table summarizes all the variety of answers and organize them into several bullet points:

Soloha	Gosudar
• New menu	• More efficient service
• Life music	• New menu
• Upgrade quality of food	• Upgrade wi-fi
• New interesting design	• Hookah
• Improve the quality of wi-fi	• Upgrade internet presence
• Delivery services	• Life music
	• Tables for 2 people

Firstly, the guests agree that both restaurants require a new menu, fresh ideas and dishes. The relevance of the suggestion is supported by the survey answers. Special offers were graded lower that other elements by the guests in both restaurants. Secondly, the guests had troubles with the Wi-Fi and reported on it in the open question because there was no separate question about it in the survey. However, the technical issues relate to the Wi-Fi as well. Indeed, this aspect received lower grades than other subjects in the section. Life music was mentioned quite often in both places as well. Survey grades for the music were the lowest in the atmosphere section. The same situation occurred with the efficiency in Gosudar. Therefore, those aspects should be taken into consideration.

Some interesting ideas include delivery services in Soloha and hookah in Gosudar. There was no question in the survey which supports such intentions by other participants. However, those ideas could be useful for the company in the future development.

Guests in Gosudar mentioned tables for two people to be put in the inside area of the restaurant. This recommendation is relevant because currently there are no such tables and usually people coming together would like to have some privacy.

5.3   Summary

The survey results showed a number of aspects that can be applied to the restaurants operated by Brightpit Ltd. in order to develop the weak areas and support the strong ones. It is crucial for the organization to understand who their customers are and create links between their personalities and preferences. Survey showed that the guests in the restaurants of Brightpit Ltd. are mostly millennials and people from generation X. However, Gosudar has more visitors from generation Z. The majority of the customers visited the restaurant because of their friends and/or relatives' advice and/or with them. This aspect can be seen as one of the main reasons for the high loyalty among the guests. In addition to that, in Gosudar guests, who work in the same building, have no more lunch choice, therefore, they are loyal as well.

The overall satisfaction, which guests evaluated in the beginning of the survey, appears to be much lower than the average satisfaction derived from all the elements. This may happen because some customers used extremes for their grades. They graded non-important for them or well-done in their opinion elements the highest possible and unsatisfying ones with the lowest grade. In addition, areas that they graded low affect their overall opinion about the restaurant so much that it covers the aspects they are satisfied with.

Table 1

	Gosudar
Overall reported satisfaction	6.7
Friendliness	8
Cleanliness	7.9
Staff appearance	7.8
Comfort	7.8
Phone	7.7
Design	7.7
Technical issues	7.7
Quality of drinks	7.6
Competence	7.5
Problem-solving	7.4
Special offers	7.3
Bookings	7.2
Taste of food	7.1
Price-Quality ratio	7
Efficiency	7
Music	6.9

Portion size	6.8
Online presence	6.7
Average satisfaction	7.4

Table 2

	Soloha
Overall reported satisfaction	6.3
Staff appearance	7.2
Cleanliness	7.2
Design	7.1
Comfort	7.1
Efficiency	7
Portion size	7
Technical issues	6.9
Problem-solving	6.9
Taste of food	6.9
Friendliness	6.8
Competence	6.8
Bookings	6.7
Music	6.7
Quality of drinks	6.6
Online presence	6.5
Price-Quality ratio	6.5
Phone	6.3
Special offers	6.1
Average satisfaction	6.8

These two tables indicate the elements with the average level of customer satisfaction from the highest to the lowest. The green area indicates the high level of customer satisfaction. The orange area is considered as moderate and the red area indicates low customer satisfaction. The areas are colored for each restaurant according to the contest within it.

The green area in both cases consists mostly of the elements of atmosphere section, indicating that this aspect in the most satisfying of all. In Gosudar this area supplements friendliness and politeness of the waiter and communication by phone. It is very interesting that the competence of the waiter is in the orange area which requires more control. This means that waiters are polite and friendly to the guests but fail to do their job the best they can.

The lowest satisfaction level requires an additional attention from the organization side. Those aspects are the first ones to be improved. The guests in Gosudar are least satisfied with social-media and the information online according to the survey. However, in the open answer question guests mentioned improving efficiency more than anything else.

6 RECOMMENDATIONS

The analysis of the operations in the restaurants revealed the weak points in the restaurants. According to the desirable level of contribution Brightpit Ltd. should apply certain procedures to improve the areas which are not satisfying enough for the customers. Those areas are marked red in the Tables 1 and 2.

Although the areas, that have to be improved, have similarities, the recommendations are going to be given to each restaurant separately to improve the quality of offers.

6.1 Gosudar

The social media and information online have got the lowest satisfaction level in Gosudar. In order to increase this level, the most obvious procedure will be to start posting more information online. The quality of the information should also be improved. This includes better photos, layout, writing of the text, time concern, orientation on customer preferences.

Many complaints were received about the music. Playlists in the restaurant should be enriched with songs which support the theme (Russian, classic, secular). Also, the music should fit the preferences of the age group: millennials and generation Z. If possible, life music sessions could be introduced in the restaurant. This may attract new customers and change the mood in the restaurant.

In order to increase the level of customer satisfaction with efficiency Brightpit Ltd. is recommended to optimize the process of delivering the food to the guest. This includes two aspects: kitchen and personnel. One of the practices that can be applied for this aspect is increasing the number of staff members on duty or only for the time of the busy hours.

The last three elements which guests graded the lowest are portion size, price-quality ratio and the taste of food. All of them relate to the food category and have to be reviewed together because they are connected. The following procedures can be administrated:
- Review the preparation techniques
- Update the menu

6.2 Soloha

The guests in Soloha are least satisfied with the special offers. Brightpit Ltd. should employ more engaging offers for the customers. Here are some suggestions:
- New Year offers and sales
- Government holiday packages
- Sales related to some big sports events, music events or other
- Cooperation with celebrities in town
- Loyalty offerings

Beneficial to satisfaction level in phone communication in Soloha staff members should be trained accordingly. The simplest action to be taken is educating them online or by delivering scripts for different occasions and questions. In addition, it is recommended to increase the answer time and minimize missed calls.

The price-quality ratio is an aspect which can be improved by either lowering the price or enhancing the quality of the food. Since the taste does not have high satisfaction level it can be considered as a component to improve. Similar to Gosudar, it can be achieved by changing the menu and reviewing the process of preparation carefully.

Online presence in Soloha includes only one social-media page. Additional online services can include:
- Instagram page
- Website
- Facebook page
- Telegram channel

Drinks in Soloha include basic spirits and juices, water, tea, coffee and homemade fruit-drink. Out of the mentioned options guests may be not satisfied with tea, coffee and homemade drink. More research should be done on what drinks have the lowest satisfaction. For the time being, Brightpit Ltd. should establish more control over the preparation of tea, coffee and fruit-drink.

Finally, the element which guests in Soloha find unsatisfying is music. In order to increase its quality playlists should be picked up according the theme of the restaurant (Ukrainian, cheerful, simple). Also, songs should match the age category in the restaurant: millennials and generation Z.

7 CONCLUSION

Taking everything into consideration, customer satisfaction is a crucial aspect which shouldn't be neglected by any organization. Understanding which aspects customers value the most and which they consider as satisfying can help the business to maintain and develop loyalty, attract new customers. Many researchers agree with this point of view and develop practices to reveal necessary attributes, analyzation formulas and methods.

Brightpit Ltd. has two restaurants with similar problems. Both restaurants have to improve several sections to increase the level of satisfaction. The current level of satisfaction is 7.4 for Gosudar and 6.8 for Soloha. In the scale from 1 to 10 it is not critical point yet when people are not satisfied at all, but the numbers tell that organization should pay more attention to some processes and features of its restaurants. The most important issues which must be corrected and developed in contemplation to the customer satisfaction are online presence, music, menu improvement as well as efficiency in Gosudar and phone calls in Soloha.

Abovementioned attributes could be improved by employing several practices. For example, the cheapest and most effective recommended arrangements could be creating and promoting social media pages, improving the quality of content by researching the interests of the guests, changing playlists in both restaurants and introducing new positions in menu.

Specifically, Gosudar it is recommended to optimize the process of delivery the order to the client by training personnel, adding extra work force for busy hours. Soloha has to focus on the quality of food and drinks by training the personnel to follow the food and drink preparation steps right, control product quality as well as training staff members to answer the phone appropriately and come up with more special offers for guests.

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APPENDIX: SURVEY

	1	2	3	4	5	6	7	8	9	10
Overall satisfaction:										

Personal information

Age:

☐ under 22

☐ 23-38

☐ 39-54

☐ 55-73

☐ 74+

Occupation:

☐ employee

☐ entrepreneur

☐ student

☐ no occupation

☐ retired

How often you go out to eat?

☐ less than once a month

☐ couple of times in a month

☐ couple of times a week

☐ every day

How often do you eat in Gosudar /Soloha?

☐ first time guest

☐ have been several times

☐ regular guest

How did you know about Gosudar/Soloha?

☐ Family and friends

☐ Online

☐ Was passing by

Food:

Rate your satisfaction	1	2	3	4	5	6	7	8	9	10
Size of portions										
Price-Quality relation										
Beverages										
Taste										

Service:

Rate your satisfaction	1	2	3	4	5	6	7	8	9	10
Friendly waiter										
Competent Waiter										
Your problem solved										
Bookings										
Efficiency										
Social media and										

information online										
Special offers										
Communication by phone										

Physical environment:

Rate your satisfaction	1	2	3	4	5	6	7	8	9	10
Design										
Staff look										
Comfort										
Music										
Clean										
Technical issues										

What would you improve in the restaurant?

_____