

INTERIOR DESIGN IN CUSTOMER SATISFACTION AND RETENTION IN THE RESTAURANT INDUSTRY IN TAMALE METROPOLIS

Bernard Edem Dzremedo¹, Appiah Enestina Asantewaa², Chapirah Justina³

¹Department of Family and Consumer Sciences, Faculty of Agriculture, University for Development Studies, Tamale, Ghana

ABSTRACT: *In recent years, competition in the restaurant industry in the world is increasing thereby, giving customer's variety to choose from. With this continuous growth of competition in the world including Ghana, especially in the Tamale Metropolis; exterior and interior environments of the restaurant has become a key marketing tool in the industry. The study therefore sought to find the role of interior design in customer satisfaction and retention in restaurants within the Tamale Metropolis and if it influences growth or otherwise of the restaurant business. The study used a multi-purpose sampling to sample 224 respondents from 10 restaurants across the city. Questionnaires were administered and data was analyzed using Microsoft Access Application Program interfaces by Visual Basic for Application (VBA). The results revealed that interior design has an influence on customer satisfaction. Also, most customers visit a particular restaurant based on a combination of factors as interior design, quality meal service, and quality customer service. Despite this, restaurant management in the city do not consider interior design important to customer satisfaction hence do not have policies and plans to improve on the interior design of their restaurants.*

KEYWORDS: interior design, customer satisfaction, retention, restaurants

INTRODUCTION

The restaurant industry has become one of the largest employer and part of the profitable industries in Africa and the world. International and local restaurants are finding ways to satisfy the demand of customers in diverse ways and with ranges of products and services (Lewis, 1999, Ariffin et al, 2011). The development of restaurant industry in Africa has become a complex form of change, accounting for several factors which basically are categorized into internal and external environmental factors (Lewis, 1999). In Ghana, the restaurant industry is greatly gaining grounds as Ghana can boast of a wide range of both local and international restaurants across the length and breadth of the country, providing a range of goods and services (Ghana Tourism Authority, 2010).

The Ghanaian food service sector which consists of hotels, resorts, restaurants and the institutional contract was valued at \$ 1 billion in recent times (Ashitey, 2008). The sector is expected to grow further, as convenience fast food and local Ghanaian cuisine restaurants, continue to expand. This consistent growth is partly triggered by the general outlook of the hospitality facilities and specifically the interior design of the restaurants, which improves customer satisfaction within these facilities (Ashitey, 2008). Creating a successful restaurant would be difficult unless multiple

factors balance with each other. These factors include design, energy saving, good cuisine, intimacy and restaurant displayed. To achieve these factors, creating a good layout design is necessary as these factors together create the overall concept of the restaurant (Piotrowski, 2007). According to a study by Walter and Edvardsson (2010), a frequent driver of customers in the physical environment is directed toward the interior and exterior environment of the restaurant. The exterior environment is important because it is the first contact that customers have with the restaurant, and also the last contact when they are leaving, but the more frequent driver is interior design both in favourable and unfavourable experiences. In today's restaurant market, an entrepreneur has to be innovative and stand out from what the market has to offer, to provide not only good product and service but also a unique dining environment to contribute to the overall customer satisfaction (Liu and Jang, 2009). A customer has to get a proper compensation for the price that he or she is willing to pay for the meal and the best way to provide that, besides food and service is through a good interior design as this could seduce customers to want to come back (Sabherwal, 2011).

Interior design as a factor influencing customer satisfaction has to be considered by restaurant owners and managers so as to design and deliver the right products (Andaleeb and Conway, 2006). Several researchers found out that interior design and atmospherics directly affect customer satisfaction. The influence of a restaurant's interior design and atmospherics on customer satisfaction is mediated by emotions and perceived value (Liu & Jang, 2009). Nevertheless, other researchers found that interior design does not affect consumer satisfaction directly and Chang, (2000) reported that interior outlook had no significant and on return intentions in a direct way; rather, its influence was found to be mediated through consumer satisfaction. Another important aspect of restaurant internal design is the perceived restaurant quality as several studies have shown that, the internal design of a restaurant does not only shape expectations but also underlie judgments regarding the quality of a restaurant, which suggest that the restaurant interior environment has a major influence on customer satisfaction (Wall and Berry, 2007).

Customer satisfaction is very important for every organization; either they are service sector or the private sector (Kotler, 2003). Several studies (Tam 2000; Leal and Pereira, 2003; Umbrell, 2003) indicated that there is a close link between service quality, interior design and customer satisfaction as they found the quality of services and interior design to significantly increase customer satisfaction and loyalty. In addition, service quality and interior design have been well recognized for playing a crucial role in improving organizational profits because it is directly related to customer satisfaction, and customer loyalty (Baker and Crompton 2000; Leal and Pereira, 2003; Zeithaml and Bitner, 2000). Major research findings have indicated food quality, interior design, service quality, price, and culture as important determinants which influence customer satisfaction in the restaurant industry (Kim et al. 2009; Liu and Jang, 2009). Food quality is amongst the important determinants of customer satisfaction in the restaurant industry (Sulek and Hensley 2004) as it is an essential requirement to satisfy the needs and expectations of restaurant customers (Peri, 2006).

Ghanaian consumers' expectation for quality food is on the rise, therefore, owners of restaurant ought to treat fairly the issue of customer satisfaction with the utmost importance it deserves and

from the perspective of the consumer (Ghana Tourism Authority, 2010) as the customer is the final arbiter of how much to spend, where, when and what to eat (Andaleeb and Conway, 2006).

As such, studies have shown that customer retention is not only based on delicious foods and customer services provided by the restaurant but equally in the atmospheric environment of the restaurant. However, in Ghana especially within the Tamale metropolis, a preliminary survey of some restaurants environment and interaction with management show they do not place any importance in the atmospheric environment which is mainly related to the interior designs as a major factor in determining customer satisfaction and retention. They seem not to know the importance of interior design in customer satisfaction and thus pay little attention to it. Most of the restaurant owners and/ or managers have no policies in line with the interior design of the restaurant. And thus, the researcher seeks to identify the role of interior design in customer satisfaction and retention in the restaurant industry within the Tamale metropolis.

METHODOLOGY

Study Area: The study was conducted in the Tamale Metropolis. The area size of the metropolis is 750km square (289.58 sq. mi). It has a projected population of 360,579 (Ghana population and housing census 2010) and is also known as the fastest growing city in West Africa. According to Ghana Tourism Authority, as at 2010 there were 51 hotels and 58 restaurants in the Metropolis.

Study design: Cross-sectional design was used for the study. A pre-tested semi-structured questionnaire was used to collect data at one point in time from April to May 2017. This design was used because it saved time and it is cost effective.

Study population, sample size, and sampling: The study included all customers and managers of hotels and restaurants within the Tamale metropolis. Eligibility included the willingness of sampled respondents to participate. The selection of the restaurants followed a multi-stage sampling technique. In the first stage, various restaurants were stratified into 'restaurants within hotels' where 5 samples were selected and 'restaurants without a hotel' where 5 samples were selected, making a total of 10 restaurants that were randomly selected based on the type of restaurant. From these, 224 respondents were conveniently selected to assist in answering the questionnaires based on their willingness to participate in the study. 204 questionnaires were admitted to customers from the sampled restaurants and hotels while the remaining (20) questionnaires were administered to the management.

The basis of the study was explained with the help of a translator to the respondents and a thumb-printed informed consent obtained before the survey was conducted. Permission was also obtained from the managers of participatory restaurants and hotels. Participation in the survey was voluntary, and respondents had the choice of declining to respond to any specific questions or the entire questionnaire if they did not want to participate; however, none opted out of the survey. All data were kept confidential and protected.

Data Collection Procedure: Pre-tested semi-structured questionnaires were used to collect data on the role of interior design in customer satisfaction and retention within the restaurant. Two sets

of questionnaires were used to interview customers and hotel/restaurant management/stuff respectively. The customer's questionnaire was divided into two parts

Section A: This part of the questionnaire asked respondents about their demographic characteristics and general reasons why they have to choose a particular restaurant over the other.

Section B: A five-point Likert Scale of satisfaction, the likelihood of occurrence, and importance was used to collect data on customer's satisfaction of services, a likelihood of returning to the restaurant again and how important was the exterior and interior design of a restaurant.

Data Analysis: All the responses to the questions were fed into and were analysed with a Microsoft Access Application Program interfaces by Visual Basic for Application (VBA). After the analyses from the Microsoft Access Application, tabular and chart outputs were generated for relevant statement/questions using Microsoft Excel Functionality. The interpretations of these outputs were made and a conclusion was drawn.

RESULT AND DISCUSSION

Population Characteristics: the results in (Table 1) indicates that a little over half of the respondents were males (61.5 %) and a majority of them were between the ages of 31- 45 years (41.8%) followed by 15-30 years (40.0%). Also, about 72.1% of the respondents were gainfully employed and are Ghanaian nationals. The results also shows that, about 41.1% often visit the restaurant, 22.2% went there very often whilst 13.4% visited the restaurant rarely and always respectively. About 9.8%, however, indicated that it was their first time at the restaurant.

Table 1: Demographic Characteristics of Respondents

Variable	Overall (n=244)
Gender	
Male	150(61.5%)
Female	94(38.5%)
Age range	
15-30	98(40.2%)
31-45	102(41.8%)
46-60	40(16.4%)
Above 60	4(1.6%)
Profession	
None	4(1.6%)
Students	44(18.1%)
Workers	176(72.1%)
Management staff	20(8.2%)
Nationality	
Ghanaian	176(72.1%)
Foreigner	68(27.9%)
How frequently do visit the restaurant?	
Always	30(13.4)
First time	22(9.8)
Often	92(41.1)
Rarely	30(13.4)
Very often	50(22.3)

Unless otherwise stated, values are frequencies and percentages. None, customers who were unemployed, Foreigner referred to a non-Ghanaian citizen who was included in the study.

Source; field survey, May 2019

Factors that impact the Growth of Restaurants

The results indicated that about 29.5% of the respondents combine interior design, customer service and meal service as their determinant for choosing a particular restaurant while about 25.8% consider the interior design and customer service being reasons for their visits to restaurants. Customer service and meal service received the lowest score of 19.7%. Again, the response of customers indicated that a little over half (51.0%) choose to patronize a restaurant because of the quality of food served at the restaurant (Table 2). While about 46% indicated that, the interior attracts them, 18.0% and 16% of them chose quality customer services and entertainment respectively. The study further examined what customers first look out for when they visit a restaurant and the results indicated that, most customers looked at the hygienic environment (46.6%) while about 24.1% and 11.6% looked at the interior outlook and customer service respectively.

According to Sulek and Hensley (2004), restaurant owners and managers consider food/meal service as the most important when setting up their business. The finding of this study indicates that, food services, customer's satisfaction, and interior design are jointly important to customers in their choice of restaurant. This is in conformity with Schwartz and Davis (1991) who stated that all the three elements are equally important to the growth of the restaurant. Our study revealed that, quality food had the most critical impact in determining customer's visits to restaurants as also reported by Kim et al., (2009). Interior design was also shown to determine customer's visits to a particular restaurant. This result confirmed Choi et al., (2007) who reported that interior design plays an integral role in customer visits to restaurants. According to the results of this study, quality customer service influenced their visits to the restaurant'. This finding is similar to Gronroos (2000), who reported that customers' perception of quality meal services in restaurants influence their patronage levels.

The present study shows that majority of customers at restaurants first look out for the neatness and the hygienic condition of the place. This conforms to Bitner (1992) who reported that the visual clues such as neatness and hygienic features create an exception of the dining experience even before the customer is served and determines the type of dining experience of the customer. The finding also revealed that the interior outlook of the restaurant could cause customers to return to the facility. This agrees with that of Leahy (2006) and Cuffaro et al., (2002) who reported that good design influenced customer's experience and are important elements in customer assessment of the restaurant and their decision to return. Although customer service recorded the lowest response in our study, Kim et al., (2009) reported that quality customer service plays an important role in customer's visits to restaurant and it also increases return intentions to the restaurant.

Table 2: Factors that influence customer's choice of Restaurant

Variable	Overall (n=224)
What informed your choice of restaurant?	
Interior design and customer service	58(25.9)
Interior design and meal services	56(25.0)
Interior design, customer service and meal service	66(29.5)
Customer service and meal service	44(19.6)
Reasons for patronizing restaurants	
Entertainment	30(13.4)
Quality customer services	36(16.1)
Interior design	46(20.5)
Experience	8(3.6)
Food quality	104(46.4)
First look out of customers at the restaurant	
Customer services	26(11.6)
Food services	24(10.7)
Hygiene	104(46.5)
Interior design	54(24.1)
Price	16(7.1)
Is interior design an important part of customer satisfaction	
No	22(9.8)
Yes	202(90.2)
Is interior design a marketing tool for attracting customers	
No	12(5.4)
Yes	212(94.6)
Is interior design necessary for maintaining customer's loyalty	
No	12(5.4)
Yes	212(94.6)
Which kind of atmosphere do you prefer in a restaurant?	
Colourful	42(18.7)
Dark	6(2.7)
Natural	124(55.4)
Romantic	52(23.2)
How likely would you return to the restaurant based on the atmosphere	
Very likely	94(42.0)
Likely	102(45.5)
Neutral	16(7.1)
Unlikely	6(2.7)
Very unlikely	6(2.7)

How likely would you recommend this restaurant to someone base on its interior designs?	
Very likely	88(39.3)
Likely	108(48.2)
Neutral	16(7.1)
Very unlikely	6(2.7)
Unlikely	6(2.7)
How likely would the interior design of a restaurant make you pay for more?	
Very likely	46(20.5)
Likely	70(31.3)
Neutral	54(24.1)
Very unlikely	42(18.8)
Unlikely	12(5.4)
What factors informed your time spend at the restaurant?	
Customer services	44(19.6)
Quality food	66(29.5)
Interior design/atmosphere	114(50.9)

Unless otherwise stated, values are frequencies and percentages.

Source: field survey, May 2019

Importance of Interior Design on Customer Satisfaction, Patronage, and Retention

The results in (Table 2) indicates that interior design was key to customer satisfaction (90.2%), it is also a vital tool in restaurant marketing as 94.6 % of respondents stated that interior design was considered in maintaining customer's loyalty in the restaurant industry. This result was expected as restaurants today have become fashionable and customers expect to have outstanding interior outlooks when they visit restaurants (Sabherwal,2011). Also, several studies (Leal and Pereira, 2003, Choi et al., 2007) showed that interior design was a significant factor in increasing customer satisfaction, loyalty and customers tend to be motivated by the interior design. Nevertheless, other researchers found that interior design does not affect consumer satisfaction directly and Chang (2000) reported that interior outlook had no significant influence on return intentions of customers directly; rather, its influence was found to be mediated through consumer satisfaction.

The study again examined the kinds of atmosphere preferred by customers in the restaurant (Table 2) and the results indicated that about 55.4% of respondents preferred a natural serene atmosphere while about 23.2%, 18.8% and 2.6% preferred romantic, colourful and dark atmosphere respectively. The results indicated that, most customers (57.1%), (52.6%) were likely and very likely to return to the facility whilst (2.7%) were very unlikely and likely to visit the facility again base on the atmosphere environment respectively. Also, a majority of respondents (48.2%) and (39.3%) indicated that they were very likely and likely to recommend someone to the facility and again added they are likely(31.3%) to pay more due to enhanced interior design of the facility. The study further revealed that majority(50.9%) of customers spend more time at the restaurant due to the interior design/atmosphere of the restaurant which are factors that influence satisfaction in the restaurant from the atmospheric environments element. Our findings therefore confirmed

the role interior designs play in customer satisfaction as Schwartz and Davis (1991) and Liu and Jang, (2009) reported that the efficiency and effectiveness of the restaurant partly depends on interior design and is important to the growth and development of the restaurant.

Generally, we found that most of the customers and managers were satisfied with the interior attributes of the restaurants in the Tamale metropolis and indicated that, the interior design influenced the customer's perception about their patronage of any particular restaurant. This is similar to the findings of Walter and Edvardsson (2012), which says that the frequent driver of customers in the physical environment is directed toward the interior and exterior environment of the restaurant.

Strengths and Limitations of the Study

Some limitations were considered when interpreting our present. The main limitation was that the study used a cross-sectional design which did not offer chances to other customers of the sampled restaurants to be interviewed. Nevertheless, the current study has some captivating strengths. Firstly, the findings of this study have thrown more light on the role of interior design in customer satisfaction and retention within the Tamale metropolis. Also, this study was the first to evaluate the role of interior design in customer satisfaction and retention within the northern sector of Ghana.

CONCLUSION AND RECOMMENDATIONS

The study findings suggest that interior design in the restaurant industry plays an important role in achieving customer satisfaction. Also, the customers patronize the restaurant because of the combination of interior/exterior design, quality customer service and quality food/meal services and hygienic nature; thus the absence of any of these factors could negatively affect the patronage and retention of customers in a restaurant.

Therefore, there is the need for restaurant management to ensure that, steps are taken to improve on the interior design of restaurants to achieve customer satisfaction and retention by paying attention to colour details, furnishing, music and ambience of the environment. Restaurants should be clean and neat at all times since the first things customers look out for is the hygienic condition of the place.

Acknowledgments: The authors would like to thank the respondents who willingly participated in this survey. We also wish to acknowledge and thank all the hotel/restaurants management for their support during the survey.

REFERENCES

- Andaleeb, S. S., & Conway C. (2006). Customer satisfaction in the restaurant industry: an examination of the transaction-specific model. *Journal of Services Marketing*, 20 (1), 3-11.
- Ariffin, H.F., Bibon, M.F., & Raja, A. (2011). Restaurant's atmospheric elements: What the customer wants. *Journal of Asian Behavioral Studies*, 1 (2), 33-43.

- Ashitey, E. (2008). Ghana's food service sector. *GAIN Report*. USDA Foreign Agricultural Service. Number: GH8008
- Baker, D., & Crompton, J. (2000). Quality, satisfaction, and behavioral intentions. *Annals of Tourism Research*, 27(3), 785-804.
- Bitner, M. J. (1992) Servicescapes: the impact of physical surroundings on customers and employees. *Journal of Marketing*, 56(2), 57-71.
- Chang, D. (2000). The impact of restaurant noise on customers' dining experience in Kowloon, Hong Kong. *International Journal of Hospitality & Tourism Systems*. 3(1), 80-85.
- Choi, J. K., Silkes, C. A. & Adler, H. (2007). An examination of consumer behavior in restaurant wine purchases. Proceedings of 2007 Euro Council on Hotel, Restaurant, and Institutional Education Annual Conference (EuroCHRIE) Dubai, United Arab Emirates,
- Cuffaro, M., Payne, A. & Ballantyne, D. (2002). *Relationship Marketing: Bringing Quality, Customer Service and Marketing Together*, Butterworth-Heinemann, Oxford
- Ghana Tourism Authority, (2010) Ghanaian Dishes Food, Dining and Restaurants <http://touringghana.com/dining.asp> accessed on 12-04-17
- Grönroos, C. (2000). *Strategic Management and Marketing in the Service Sector*. Cambridge: Marketing Science Institute
- Kim, W. G. K., Ng, C. Y. N. & Kim, Y. (2009). Influence of institutional DINESERV on customer satisfaction, return intention and word-of-mouth. *International Journal of Hospitality Management*, 28, 10-17.
- Kotler, P. (2003) Atmospherics as a marketing tool. *Journal of Retailing*, 49(4), 2003-2004.
- Leahy, S. (2006) Impact of color on marketing. *Management decision*. 44(6), 783-789.
- Leal, R. P., & Pereira, Z. L. (2003). Service recovery at a financial institution. *International Journal of Consumer Research*, 14(3), 495-507.
- Lewis, B. R. (1999). "Quality in service sector: A Review," *Internal Journal of Hospitality Management* vol,7 issues: 5, pp4-12
- Liu, Y. & Jang, S. (2009). Perceptions of Chinese restaurants in the U. S.: What affects customer satisfaction and behavioral intention? *International Journal of Hospitality Management*, 28, 338-348.
- Parasuraman, A., Berry, L. L., & Zeithaml, V. A. (1991). Understanding customer expectations of service. *Sloan Management Review*, 32(3), 420-450.
- Peri, C. (2006). The universe of food quality. *Food Quality and Preference*, 17 (1-2), 3-8.
- Piotrowski, J. (2007). Effects of atmospherics on revenue generation in small business restaurants. *Journal of Business and Entrepreneurship*, 18(2), 79-87.
- Sabherwal, V. (2011). Restaurants have become outlets for some of the most creative interiors in the world. *Architecture + Design*. 28(5), 94-100.
- Schwartz, H. M. & S. M. Davis (1991). "Matching Corporate Culture and Business Strategy." *Organizational Dynamics*, 59, 91-98.
- Sulek, J. M. & Hensley, R. L. (2004). The relative importance of food, atmosphere and fairness of wait. *The Cornell Hotel and Restaurant Administration Quarterly*, 45 (3), 235-247.
- Tam, J. L. M. (2000). The effects of service quality perceived value and customer satisfaction *the frontier*, Sage, Thousand Oaks, CA.
- Umbrell, C. (2003). Gold star service, *American-Gas*, 85(4), 14-16.

- Walker, J. R. (2011). *The Restaurant: From Concept to Operation*. Hoboken, New Jersey: John Wiley & Sons, Inc.
- Wall E.A., Berry, L.L. (2007). The combined effects of the physical environment and employee behavior on customer perception of restaurant service quality. *Cornell Hotel Restaurant Adm Q* 48: 59-69.
- Walter, U., & Edvardsson, B. (2012). The physical environment as a driver of customers' service experiences at restaurants. *International Journal of Quality and Service Sciences*, 4(2), 104-119.
- Walter, U., Edvardsson, B., & Öström, Å. (2010). Drivers of customers' service experiences: a study in the restaurant industry. *Managing Service Quality*, 20(3), 236-258.
- Zeithaml, V. & Bitner, M. J. (2003). *Services Marketing: Integrating customer focus across the firm*. 3rd edition. New York: McGraw-Hill.