

# Impact of Servicescape of Casual Dining Restaurants on Customer Satisfaction

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#### Abstract

Purpose: This paper highlights the concept of servicescape in casual dining restaurants. It brings forth the elements, importance and role of servicescape in restaurants.

Research methodology: The research methodology is secondary study with data collected from various published papers, white papers and well sourced websites.

Result: The paper highlights that because of the intangible nature of services, customers need some tangible hint to measure the service according to their parameters. With the growing competition in the F&B industry, relying just on the taste of food is not sufficient for the restaurant owners, they need to differentiate themselves on the basis of tangible cues, i.e. servicescape. The paper also concluded that elder people might not pay attention to their surroundings, but for youth, the surroundings form an influencing basis of their judgment.

Key words: Servicescape, restaurant industry, casual dining restaurant, atmospherics

## I. INTRODUCTION

Hospitality industry is one of the most customer centric industry as it involves direct interaction of the company with the customers. Earlier, restaurants were referred to as the place where one could comfortably sit at one place and be served by a waiter. However, there has been a tremendous increase in number and volume of fast food and takeaway restaurants. Schneider and White (2004) classified restaurants as high-contact services as the customer is present when the service is produced and also emphasized on the importance of the interactions between customers and the other parts of the restaurant offering. Due to the customers' presence at the restaurant, the interactions between the people present i.e. employees, customers and co customers becomes visible for both the firm and customers. (Lovelock, 1983). Food industry is booming with the rise in demand of food outlets especially by youngsters. With the increase in standard of living and change in the life style, people are now willing to try out various types of esculent delights. The increasing trend of eating out at restaurants has led to the growth of the restaurant industry. With cut throat competition, food served at every restaurant is more or less same. So, distinguishing a restaurant from the other just on the basis of food is not the only parameter left. Also, with more and more home delivery options available, it is becoming difficult for the restaurants to offer beyond the obvious and ordinary. This is where the concept of servicescape comes in.

Going to a restaurant is not about having good food at reasonable prices, it has now become an experience. People go out to eat with their family, friends and colleagues to have a nice experience which includes fairly priced good food, nice ambience, music, lighting, quick and quality service to name a few. With increasing globalization and exposure to western culture, not only are the businesses are changing their ways but also there is a major shift in the tastes and preferences of the consumers. They now seek a 'dining experience'.

## What is servicescape?

Booms and Bitner (1981) defined Servicescape as "the environment in which the service is assembled and in which the seller and customer interact, combined with tangible commodities that facilitate performance or communication of the service". Servicescape is usually termed as 'atmospherics' and consumers perceive it in the form of aural, visual, tactile and olfactory factors. It is the service environment as a whole in which the consumers interact with various elements during the service encounter along conditions(Kotler, 1973). Servicescape with ambient comprises of interior and exterior spaces, tangible and intangible things and because of the presence of tangible element, the role of servicescape becomes strategically important. (Lovelock and Wirtz, 2004).

# II. SERVICESCAPE IN CASUAL DINING RESTAURANTS

The environment of the restaurant is as important as the taste of the food. Businesses now distinguish themselves with the experience they provide to the customers in the form of ambiance, lighting, music, comfortable chairs, attractive cutlery, colors, service quality etc. All this is done to give the customers the 'feel' of the place where



they are experiencing and relishing their food. Part reason all this is done is because consumers demand attributes that engage all their senses to make it a more gratifying experience (Topping, 2007). To achieve the repatronage intentions and recommendations, the restaurants need to produce feelings of excitement and pleasure through their settings (Kirk L. Wakefield and Jeffrey G. Blodgett 1994). Thus, multi-sensory elements like olfactory, visual, aural, tactile and gustative factors (Kotler, 1973) play an important role in creating an extraordinary experience for the consumers.

With the fast changing needs and demands of the consumers, restaurants have begun to adapt to the new requirements to attract and retain more and more customers. Restaurant industry has transformed itself into various setups during the course of time. What started from a food van has now reached and transformed to fine dining restaurants. However, the concept of casual dining restaurants is not very new. The casual dining restaurant industry started growing in 70s & 80s. This industry is perceived to be a less expensive version of fine dining restaurants. Casual dining restaurants are majorly used for partying or celebrating any occasion with family or friends (Muller and Woods, 1994). These restaurants usually attract customers by creating a theme to give them a feel good experience. They serve food which is moderately priced in a casual ambience or atmosphere, provide table service and have a separate bar section (Sinha, 2012).

The 7<sup>th</sup> P in service mix is physical evidence which lets the customer judge the services he/she experiences. Since the basic nature of services is intangibility, customers depend on the supporting tangibles to evaluate and judge the services (Levitt 1981). Servicescapes are tangible cues which help in creating an immediate perceptual image in the minds of the customers about the service provider (Kotler, 1973). Also referred to as service setting or experience rooms (Ute Walter, Bo Edvardsson 2012),it includes both exterior and interior attributes of a service facility. Components like décor, painting, furnishings, ambient conditions, exterior designs and other tangibles etc are believed to instigate emotional and cognitive responses in consumers. Servicescape are the tangibles which help in not only creating the company's image but also influences customers' experiences and expectations (Rapoport, 1982). It differentiates the experiences of the customers when they enter the service setting. For example, an experience of a customer in a fast food restaurant will be different from a fine dining one not just in terms of food but also in terms of ambience, décor, lighting etc.. Businesses these days are investing a lot in setting up the servicescape strategically which not only attracts the target customers (Shostack, 1977) but also influences the purchase decision of the customers (Kotler, 1973).

#### **III.** COMPONENTS OF SERVICESCAPE

Dimensions of servicescape	Author
Ambient conditions; Spatial layout	Bitner (1992)
and functionality; and Signs,	
symbols, and artifacts.	
Ambient factors, Design factors,	Baker (1987)
and Social factors of the store	
environment.	
Ambient, Design sub divided into	Hightower (1997)
Aesthetic and Functional factors,	
and Social factors including	
Customer and Employee factors.	
Visual cues: colour, lighting, space	Lin (2004)
and function, personal artifacts,	
layout and design; Auditory cues:	
music and noise; and Olfactory	
cues: odors and scents.	
Layout Accessibility, Facility	Wakefield and Blodgett (1994)
Aesthetics, Electronic Equipment,	
Seating Comfort, and Cleanliness	
factors in leisure services.	
seating Comfort, Ambient	Lucas (2003)
Conditions, Interior Décor,	
Cleanliness and Layout of a slot	
floor in the casino environment.	
DINESCAPE- Facility Aesthetics,	Ryu (2005)
Ambience, Lighting, Service	
Product, Layout, and Social Factors	
in upscale restaurants.	
General Interiors, Social	Tripathi and Siddiqui (2007, 2008)
Dimensions, Internal Display	
Facilities and Exterior Facilities	
dimensions of shopping mall.	
Cleanliness, Signage, Ambient	Michaelia (2008)
Condition, Functionality, Layout	
and General Facilities of exhibition	
center Servicescape.	
Festivalscape: Program Content,	Lee, et. al., (2008)
Staff, Facility, Food, Souvenirs,	
Convenience, and Information.	
interior, ambient conditions and	Paninchukunnath (2009)
other tangibles	
Experienscape: Sensory,	Pizam and Tasci (2019)
functional, social, natural, cultural,	
hospitality cultural component	
Aesthetic quality, functionality,	Lockwood and Pyun (2019)
atmosphere, spaciousness,	
physiological conditions	
Facility Attractiveness, Ambient	Line et al (2018)
Conditions, Seating Comfort,	
Layout, Perceived Demographic	
Similarity, Perceived	
Psychographic Similarity	

Bitner (1992) described Servicescape as "the man-made physical environment in which the delivery of service products takes place". **Facility aesthetics** (K Ryu, S Jang; 2008), **music** (Milliman 1986, Young Namkung and SooCheong (Shawn) Jang; 2007 ), **design including décor and artefacts** (Joanne M. Sulek And Rhonda L. Hensley; 2004, Young Namkung and SooCheong (Shawn) Jang; 2007), Heesup Han & Kisang Ryu 2009), **cleanliness** (Nelson Barber, Raymond J Goodman, Ben K Goh; 2011), **appealing food presentation, tasty food, spatial seating arrangement** (Young Namkung and SooCheong (Shawn)



Jang; 2007), aroma (Michael Morrison, Sarah Gan, Chris Dubelaar, Harman Oppewal; 2011), perceived congruency (Ingrid Y. Lin & Anna S. Mattila; 2010) constitute the servicescape or the physical tangibles which are used to assess the service. An attractive atmosphere is a key factor for attracting, satisfying and retaining customers, thus, has gained more attention and importance from the hospitality managers (Han and Ryu, 2009). To achieve customers' perception of comfort and positive word of mouth intentions, adequate physical environment needs to be created (Ryu et al., 2012). Higher the customers' perceptions of the physical environment, higher their perceptions of achieving higher value which will create a better image of the service providers in their mind. Before making any notable investment in the redesigning, the restaurateurs who plan to redesign their facilities should assess customer perceptions of facility aesthetics (e.g., ceiling/wall décor, carpeting/flooring, paintings/pictures, plants/flowers, furniture, and color)(Kisang Ryu and Heesup Han; 2010).

# IV. SERVICESCAPE AND CUSTOMER SATISFACTION

Satisfaction refers to a pleasurable consumption related fulfilment which a product or service along with its features provide Oliver (1997). It a fulfilment response which a consumer uses to judge his/her experience. Consumer experience results in an attitude change which might lead to consumer satisfaction. (Oliver, 1981). Satisfaction leads to repeat purchase of products abd services which in turn leads to positive feedback Gibson (2005). Hence, understanding what influences consumer satisfaction can help business owners and managers design and deliver appropriate offers that cater to market demand.

A restaurant's image is determined by servicescape along with food and service. It significantly impacts sales, time spent in the environment, patronage, impulse purchases, perceived value, pace of shopping, brand choice, brand switching and customer satisfaction (Turley and Milliman, 2000). When customers seek out to experience pleasure, fun and excitement, Servicescape may be a major determinant of their satisfaction and behavioural intentions (Wakefield & Blodgett, 1994). These factors affect the satisfaction level of the customers which in turn impacts the behavioral intentions which can be positive and negative. (Kisang Ryu, Hye-Rin Lee , Woo Gon Kim 2012).

## V. CONCLUSION

With the growing competition among the restaurant owners to retain their customers, they are trying everything possible to attract, interest, satisfy and retain their customers. Services being intangible cannot be measured, which is why the concept of tangible cues comes in. Servicescape are the man made tangible cues which can be used in assessment of services. Making customers' sensory experience great is now the main aim of marketers. They have to ensure that all the senses of the customers are in use. With many other contributing factors to the satisfaction of customers, servicescape is one such important factor.

#### VI. SUGGESTION AND SCOPE

The servicescape components are limited to just physical and sensory domains, however, social and interactive component affecting the service experience can be considered for future research. Service experience dimension can also be explored in future.

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