

Review

Customers' retainership in the eatery subsector in Kwara State: the TQM option

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Abstract

The eatery sector is experiencing a boom in Kwara State. This is because it has taken over the informal cafeterias with the aesthetic beauty that is being added to the service. The emergence of eateries has reduced unemployment in a way. But, recently there has been "customers swapping" as new eateries emerge. The proliferation of eateries in Nigeria has created a class distinction between the formal and informal sector of the food industry. The emergence of new entrant eateries has placed a threat on the existing ones and hence rationing the market shares among the old and the news. This paper seeks to investigate how Total Quality Management can be used to retain customers who have hitherto been dissatisfied with the services of the eateries. A total of 350 questionnaires were distributed among the 7-functional eateries in Ilorin. A Likert scale of 5-points was used to measure the degree of respondents' responses to the 18 service quality factors. Frequency counts and ANOVA were used for data analysis. The ANOVA was used to test whether there is a significant difference in application of the 18 service quality factors among the 7 eateries. The data revealed that there is a significant difference in application among the 7 eateries. The paper concludes that based on the relationship of the 18 service quality factors, Security, Responsiveness, Functionality and Courtesy should be focused upon for retainership of their customers.

Keywords: TQM, customers' retainership, eatery, service factors.

INTRODUCTION

One of the major factors responsible for business failure and insolvency is the inability to ensure continuous customer's satisfaction leading to customers' retainership. The proliferation of eateries in Nigeria has created a class distinction between the formal and informal sectors of the food industry. The emergence of new entrant eateries has placed a threat on the existing ones and hence retaining the market shares among the old and new has created cut-throat competition to the advantages of the customers.

Lee et al (2006) identified two approaches to measure quality. They are SERVQUAL model (Parasuraman et al 1988) and SERVPERV model (Cronin and Taylor, 1992). According to him most measurement approach focus on measuring the level of customers satisfaction derived

from service or the perception of how well the service is been performed. They were of the opinion that customers who did not have good service experience will not only be dissatisfied, they might not patronize the establishment again and might also discourage friends and relatives from doing so too. The word of mouth is a powerful medium of transmitting good news, meaning that the impact of poor service on the organization could be much greater than just the loss of an unhappy customer. The ripple effects of such deficient service in the eatery sub sector may be great, such that; it could affect the revenue base and consequently the staff welfare.

Customers' retainership therefore determines the continuity of the enterprise as well as the quality of life of employees in terms of welfare package.

Ness et al. (2001) were of the opinion that, it might be cheaper to retain customers than to attract new ones.

According to them companies such as Xerox and Polaroid embraced this thinking and developed "loss

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sales models” for evaluation (Ittner, 1999).

Using such an approach to measure impact of customers’ satisfaction gives insight into customers’ loyalty and loss, thereby bringing added urgency to management on the need to improve deficient service areas

The Total Quality management has become one of the competitive strategies during the 1990s and has been widely adjudged as a magic wand to stem declining business for improvement. There is a widespread concensus that TQM is a way of managing an organization to improve its over all effectiveness to complete globally (Easton, 1993; Handfield, 1993; Hendricks and Swivgaht, 1997; Kanji and Tambi, 1999; Lemmink, 2000).

This paper seeks to investigate how total quality management is used by eateries to retain customers who patronize the eateries in Ilorin metropolis in order to retain their market shares.

Literature review

Plek (1995) describes TQM as a cooperative form of doing business which relies on the talents and capabilities of both labour and management to improve quality and productivity continually using teams. In the service industry, the attitudes of the services go a long way to determine whether or not the corporate objectives of the organization will be achieved or not. If according to Plek, both labour and management determine the quality of service, organization at the point of hiring must ensure that they hire labour that will work in consonance with the goals and objectives of the organization before they are employed.

Three key words are paramount in this definition:

- (a) Participative management
- (b) Continuous process improvement
- (c) The use of teams

The quality goals of the organization or eatery must be communicated to all the staff members at the point of entry.

Every organization member must be informed that there is room for improvement and that failure in any quality process by an individual is failure of all the participants in the process must ensure that they act well their parts.

Zeithmal et al., (1990) conducted a series of four – group interviews with respondents who had engaged in one or more transactions with a particular service companies within the previous three months. The services in question were retail banking, credit cards, securities brokerage and product repair and maintenance. The findings from the interviews revealed as follow:

- (a) All respondents supported the motion that service quality is meeting or exceeding what customers expect

from the service. Whether service quality is high or low depends upon the extent of discrepancy between customers’ expectations or desires and their perceptions.

(b) Factors influencing expectations such as word-of-mouth communication from other customers, the personal needs of each individual customer; the customer’s past experience of the service and external communication to the suppliers underlying these factors is the question of price; there seems to be a link between price levels and expectation level.

Evans and Lindsey (1996) opined that 60 – 90 percent of the costs of total quality are difficult to control by management alone. When workers themselves are committed to delivering quality, they take greater initiative towards meeting product and process specifications, detecting and eliminating bottlenecks improving product and process design and setting realistic goals foster productivity.

Eatery according to Thesaurus is a building where people go to eat. The European food information council (2005) identified the key drivers for eating. The council recognizes six determinants of food choices. These include:

- (i) Biological determinants such as hunger, appetite and taste
- (ii) Economic determinants such as cost, income and availability
- (iii) Physical determinants such as access education, skills (e.g. cooking) and time
- (iv) Social determinants such as culture, family, peers and meal pattern
- (v) Psychological determinants such as mood, stress and guilt
- (vi) Attitudes, beliefs and knowledge about food.

These six factors will determine the patronage of the eateries.

Johnston and Clark (2001) identified 18 quality factors which try to capture the totality of service quality. These 18 factors according to them may not be exhaustive but they serve as the starting point to help us define, deliver and measure service quality.

- (1) A = Access: That is physical approachability of the service location and the ease and clarity of route
- (2) B = Aesthetics: The extent to which the components of the service package are agreeable or pleasing to the customers including then service environment
- (3) C = Attentive/helpfulness: The extent to which the content staff either provide or help the customers or give the impression of being interested in customers
- (4) D = Availability: The availability of service facilities staff and goods to the customers in the case of contact staff, it means staff/customer ratio.
- (5) E = Care: The care, consideration, sympathy and patience shown to customers
- (6) F = Cleanliness/tidiness: The cleanliness, neat and tidy appearance of the tangible component of the

Table 1. Service quality factors

EATERIES	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	TOTAL
Mr Biggs	2	1	3	2	2	1	3	2	1	3	4	3	3	4	4	4	4	4	50
Gomola	2	3	4	1	2	3	2	4	2	1	2	3	2	2	3	4	5	5	50
Chicken Chiles	3	1	2	2	3	4	2	1	3	2	2	3	4	2	3	3	6	4	50
Eat Well	4	3	2	2	2	1	3	3	2	2	3	1	2	4	4	4	4	4	50
Friends	4	4	3	2	4	3	4	3	2	1	4	2	2	3	1	3	3	2	50
Royal	3	3	2	2	2	4	1	2	2	3	2	3	2	4	3	4	4	4	50
Tantalizer	1	2	3	4	3	2	3	4	2	2	3	3	3	3	3	3	3	3	50
Total	19	17	19	15	18	18	18	19	14	14	20	18	18	22	21	25	29	26	350

Source: Questionnaire Administration 2012

service package including the service environment, facilities, goods and contact staff

(7) G = Comfort: The physical comfort of the service environment and facilities

(8) H = Commitment: Staff's apparent commitment to the work including the pride and satisfaction they derive from the job

(9) I = Communication: This includes the clarity, completeness and accuracy of both verbal and written information (e.g. menu list)

(10) J = Competence: The skills expertise and professionalism with which the service is extended

(11) K = Courtesy: The politeness, respect and propriety shown by the service

(12) L = Flexibility: A willingness on the part of the service worker to alter the nature of service in order to please and meet the need of the customers.

(13) M = Friendliness: The warmth and personal approachability of the service particularly of comfort staff including cheerful attitudes, the ability to make the customers feel welcome.

(14) N = Functionality: This refers to product quality service facilities and goods

(15) O = Integrity: The honesty, justice fairness and trustworthiness with which customers are treated by the service organization

(16) P = Reliability: The reliability and consistency of performance of service facilities, goods and staff

(17) Q = Responsiveness: Speed and timeliness of service delivery. This includes the speed of throughout and the ability of the service to respond promptly to customer service request.

(18) R = Security: Personal safety of the customer and his/her possession while participating or benefiting from the service process

These quality factors to a very large extent will determine whether each of the 7 eateries will be able to retain their customers or not.

METHODOLOGY

For the purpose of this study, 7 formal functional eateries

were selected from the existing ones. These are; Mr Biggs, Chicken Chilies, Gomola, Eatwell, Royal, Friends, Tantalizer in order of arrival and establishment.

A total of 350 customers of the eateries and 70 employees were served the 18 factors questionnaire. A Likert scale of 5 – points was used to measure the level of agreement and disagreement by the respondents. The responses format is as follows:

SA - Strongly Agree

A - Agree

N - Not Sure

D - Disagree

SD - Strongly Disagree

Frequency distribution and ANOVA were used to analyzed the data

DATA ANALYSIS

The responses of the respondents were captured using frequency counts and percentages.

With reference to the table 1 above, about 59% of the respondents were males while about 41% are females. The reason for the increase in numbers of males is born out of the fact that men generally have apathy to cooking. The 41% of the female who patronize the eateries are professionals such as bankers, company workers and career civil servants.

About 72% of the sampled customers fall within the age range of 36 – 55 years. In other words, the bulk of customers that patronized the eateries are youth who have frenzy for outings with the opposite sex. 1 percent of the sampled customers are 55 years and above. The reason for low patronage of this age group may be for health reasons as they are ageing.

The singles and divorced put together gives about 60.1%. The explanation that could be deduced from this is that, the bulk of customers that patronized these eateries are either singles or divorcees.

The table shows that 63.02% of the customers of the eateries are educated. About 65.4% loved solid and semi-solid while the remaining 34.6% loved snacks (Table 2).

Table 2. Rankings of Service Quality Factors

Service Quality Factors	Q	R	P	N	O	K	A	C	H	F	G	L	M	E	B	D	I	J
Rank	1	2	3	4	5	6	7	7	7	10	10	10	10	14	15	16	17	18

Source: Questionnaire Administration 2012

Table 3. ANOVA TABLE

Source	D.F	SS Mean SF.	F-ratio
Among Column	17	2751.23	161.83 5.06
Error (within	125	3998.00	31.98
Total	142	6749.23	

From the above rank order, the responsiveness of the employees of the eateries to customers on time rank first followed by the security of the customers as well as their property. This is true as the first impression in terms of responsiveness to customers lingers for so long in the memory of customers and could be the basis for continuous patronage. Also, the security factor is also important as most of the customers, because they are the elites in the society, come with their cars and would want to ensure safety of their property before coming in.

The skills and expertise and professionalism which were labeled as competence (J) ranked least.

Hypothesis Testing

The only hypothesis tested in this paper is to examine whether there is a significant difference in the application of service quality factors among the 7 eateries.

H_0 : There is no significant difference in the application of service quality factors among the eateries (Table 3)

From the ANOVA table above, the calculated F-ratio in the table is 5.06 while the tabulated F-ratio is 1.67. Since $F_{\text{calculated}}$ is greater than $F_{\text{tabulated}}$, we reject the null hypothesis that there is no significant difference in the application of service quality factors among the seven eateries and accept the alternative hypothesis that there is significant difference in the application of service quality factors. Hence, the mode of application of the 18 identified quality factors among the eateries determines the extent of retainership of customers.

RECOMMENDATION

From the research carried out, we recommend as follows;

1. The speed and the number of channels at which

2. customers are served could reduce the traffic or queue at peak periods. In other words, the management, after careful study of the peak periods may hire more casual workers to fill in the inadequacy gap.

3. Each of the eateries in an attempt to maintain their share of the eatery sector should ensure the security of customers in terms of parking space and availability of security guards for the safety of their customers.

4. When any new eatery is established, customers in general in Ilorin shift base to have a taste of the new eatery offers. But unfortunately, many new entrant eateries do not consistently maintain the quality with which they started. Hence, we recommend that new eatery should ensure that there is continuity in the quality of services rendered.

5. Facilities available at the eateries should be such that is modern and usable.

6. Courtesy and respect shown by the staff ushering in the customers is very important in customers' retainership.

CONCLUSION

This paper has argued that it is one thing to have a customer, it is another thing to retain the customer. If these eighteen service quality factors are worked upon by the management of the 7 eateries in Ilorin, their individual market shares will be preserved. This paper also noted that, customers will go to where Security (R), Responsiveness (Q), Reliability (P), Functionality (N) and Courtesy (K) are available.

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