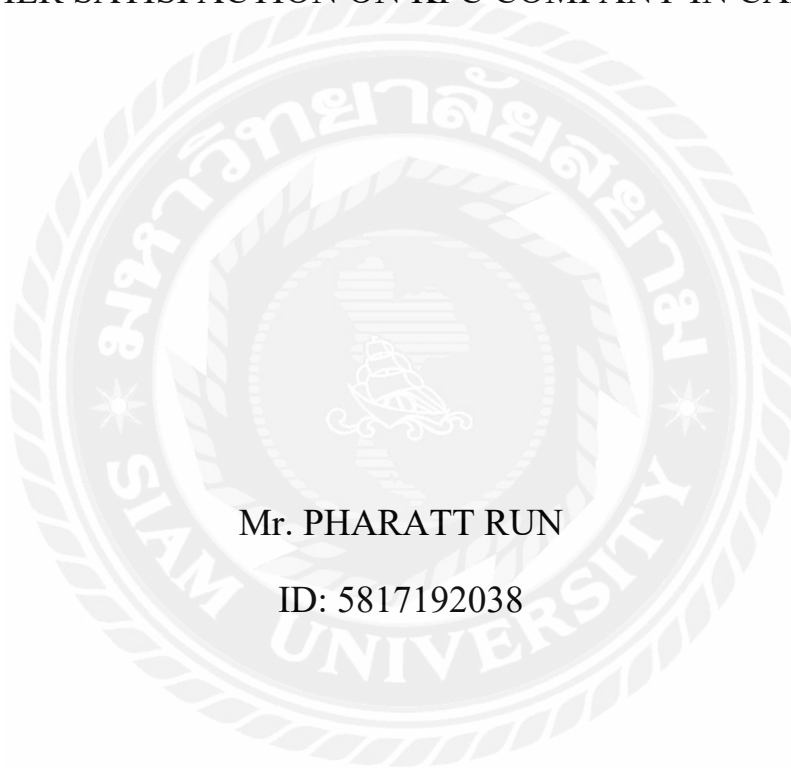CUSTOMER SATISFACTION ON KFC COMPANY IN CAMBODIA

Mr. PHARATT RUN

ID: 5817192038

SUBMITTED IN THE PARTIAL FULFILLMENT OF THE REQUIREMENT
FOR THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION
GRADUATE SCHOOL SIAM UNIVERSITY

BANGKOK, THAILAND 2017

Title of Research : **Customer Satisfaction On KFC CompanyIn Cambodia**
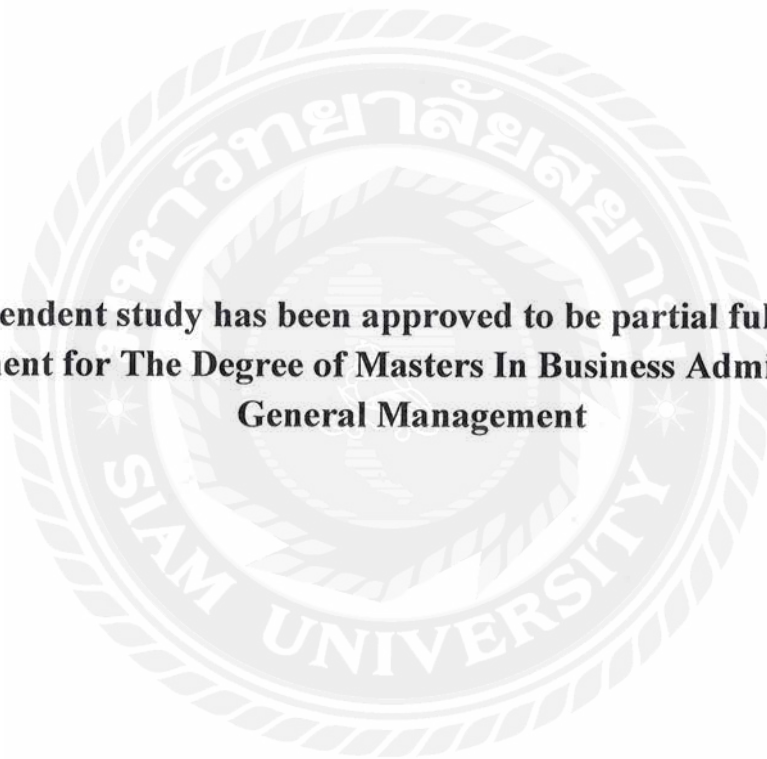
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Major : **General Management**

Degree : **Master of Business Administration (International Program)**

Academic Year : **2017**

**This independent study has been approved to be partial fulfillment of the requirement for The Degree of Masters In Business Administration in General Management**

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**Siam University, Bangkok**

Date........May 28, 2017....

# ABSTRACT

The objects of the study want to understand about customers need. Here are the customers the objective.

1. To determine a demographic profile of the selected KFC Food customers in Cambodia.

2. To identify perceptions among customers toward the selected KFC Food.

3. To determine factors that influence repeat customers.

The questionnaire has been used as the tool to collect the data, the researcher collected the data during September 2016 to October over the period of four weeks. The sample size of 147 was used to study. Data was entered and analyzed by the Statistical Package for the Social Sciences (SPSS), it is exceptedonly the open-ended question. Basic descriptive statistics (Mean, Standard Deviations) and frequency distribution were computed for each variable. In this study, t-test analysis and F-ratio have been done by the researcher.

The result of this study show us that the significant factors regarding the demographic nature of the targeting market as well as the consumers perceptions toward the selected KFC food in Cambodia and the result also show us the main three factors that consumers buy the KFC food and comeback to buy KFC food again :

1. Quality of food have 110 respondents is 24.9 percent

2. Price or Value have 98 respondents is 22.2 percent

3. Variety of food selection have78 respondents is 17.7 percent

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# ACKNOWLEDGEMENT

# TABLE OF CONTENTS

# CHAPTER I

# INTRODUCTION

## 1.1 Background

Globally, fast food make money of over $570 billion - that is much more than the economic value of most countries. Only in the United States the fast food can make the revenue $200 billion in 2015 – it is growth a lot since the 1970 revenue of $6 billion. The fast food industry hope that annual will growth of 2.5% for the next several years.

The KFC (Kentucky Fried Chicken) is the one of fast food company that was founded by Colonel Harland Sanders. In during the depression, Colonel Harland Sanders start doing the business by sell the fried chicken on the roadside outlet in Carbin, Kentucky. Colonel Harland Sanders start to noticed about the powerful of franchising of his restaurant then in 1952, Colonel Harland Sanders has started to open the first franchise of KFC (Kentucky Fried Chicken) in Salt Lake City, Uth. Chicken has been used as the main raw material of KFC food. The KFC company try to satisfy their customers by made the dominance of humburger. Branding himself "Colonel Sanders", the founder became a prominent figure of American cultural history, and KFC advertising always use his image. For manage the rapid expand of company it is difficult for him to control so he sold the KFC company to the group of investors that manage by John Y. Brown, Jr. and Jack C. Massey in 1964.

KFC (Kentucky Fried Chicken) was the first fast food chain. It is expanded internationally. KFC started open the franchise outside the USA in middle 1960 that countries are Jamaica, Mexico and England. During the 1970s to 80s, KFC experienced mixed success domestically, as we know KFC company allow the people can be the owner of KFC restaurant even they have a little or no experience in the restaurant business. KFC was sold the spirits distributor Heublein to the R.J. Reynolds food and tobacco conglomerate in the early 1970s, which later sold the chain to PepsiCo. The chain is growing the expansion in around the world. In 1987 KFC started to open their franchise in China, so KFC became the first Western restaurant chain that open in China.

PepsiCo spun off its restaurants division in 1997, as Tricon Global Restaurants has been changed the name to Yum! Brands in 2002. Yum has proved a more focused owner than Pepsi, and in US there are so many outlets of KFC have declined, but company is growing in Asia, South America and Africa. The KFC company have 18,875 restaurants in 118 countries and territories, only in China it have 4,563 outlets that is KFC's largest market.

For growth market strategy of KFC company to the world in March 2008, KFC stablished in Cambodia.in Monivong Boulevard, Phnom Penh is the first KFC restaurant in Cambodia. Royal Group of Campanies Ltd (The Royal Group) has a lot of company,.the KFC is one of them, It has the partnership with the Malaysian QSR brands and Rightlink Corporation. In Cambodia the Royal Group is so famous and it is also the largest conglomerates in Cambodia. The media, telecommunications, banking, education, property development and trading in Cambodia have been invested by The Royal Group.

In Cambodia KFC have 13 franchise

1). KFC Monivong Boulevard (Open hour 10:30am to 9:30pm)

2). KFC Sovanna (Open hour 10:00am to 9:00pm)

3). KFC Norodom Boulevard (Open hour 9:00am to 10:00pm)

4). KFC Ratana Plaza(Open hour 10:00am to 9:00pm)

5). KFC Kampuchea Krom (Open hour 10:00am to 10:00pm)

6). KFC Riverside(Open hour 10:00am to 10:00pm)

7). KFC Chbar Ampov(Open hour 11:00am to 9:00pm)

8). KFC Attwood business Center(Open hour 9:00am to 9:00pm)

9). KFC Toul Tompoung (Russian Market) (Open hour 9:00am to 9:00pm)

10). KFC Siem Reap(Open hour 10:00am to 10:00pm)

11). KFC  AEON Mall (Open 10:00am to 10:00pm)

12). KFC BKK   (Open 09:00am to 10:00pm)

13). KFC KPS (Shihanuvill )  (Open 09:00am to 10:00pm)

Economically, Cambodia is a country in ASEAN that its GDP has high growth rates during the past decade. During in 2000 to 2010 Cambodia economic performance had positive statistics the average of GDP growth of 8.2% , and 2011 to 2013 its GDP had average growth 7.4%. By [MEF's statement on 22 July 2013] GDP per capita of Cambodian is US$1,036 if we compared to the year 1992 is US$200. As we see now, Cambodia's economic status has became a low Middle Income Country. When Cambodian have more money in their hands they want try taste of western fast food one of fast food they like is KFC fast food company.

All I mention in above that why I want to study about customers satisfaction on KFC company in Cambodia for to know how much level that Cambodian satisfaction on KFC company on product, service.

1.2 **Objective Of Study**

In conducting this research, the researcher had the follow objectives:

1. To determine a demographic profile of the selected KFC Food customers in Cambodia.

2. To identify perceptions among customers toward the selected KFC Food.

3. To determine factors that influence repeat customers.

1.3 **Conceptual Framework**

The follow diagram presents the relationship between independent variables and dependent variables.

| Independent Variables | Dependent Variables |
|---|---|
| Age | Product |
| Sex | Service |
| Income | Cleanliness |
| level of education | Dining Environment |

1.4 **Hypothesis**

- The difference in sex, age, Income, level of education affect the difference in customer's satisfaction on KFC product in Cambodia.
- The difference in sex, age, Income, level of education affect the difference in customer's satisfaction on KFC service in Cambodia.
- The difference in sex, age, Income, level of education affect the difference in customer's satisfaction on KFC Cleanliness in Cambodia.
- The difference in sex, age, Income, level of education affect the difference in customer's satisfaction on KFC Dining Environment in Cambodia.

1.5 **The limitations of this study**

We have a few of limitations to this study

- The survey was limited to the customers who live in Phnom Penh, Cambodia during a specific time period.
- The survey was conducted in only a few selection location in Phnom Penh, Cambodia that were selected based on people who bought KFC Food .
- This study was conducted by selecting a sample population randomly. This provided a clustered sample.
- The data was collected during the month of September 2016 to October over the period of four weeks.

# CHAPTER II

# LITERATURE REVIEW

In this chapter reviews the concepts and theories for major constructs of the study. The chapter have 2 sections with are the related theories, literature to support of this study, and related research.

**1.      The Related Theories**

    **1.1      Consumer Behaviors**

        **1.1.1      Definition and important**

        **1.1.2      Model of nature of consumer behavior**

        **1.1.3      Consumer behaviors in service firm**

            **1.1.3.1 Model of Stages of Consumer Decision Making and Evaluation of service**

            **1.1.3.2 Demographics Segmentation**

            **1.1.3.3 Social Stratification**

    **1.2      Consumer Perception**

        **1.2.1      Definition and Important**

        **1.2.2      Model of nature of consumer perception**

    **1.3      Segmenting Consumer Marketing**

    **1.4      Marketing Positioning**

    **1.5      Service Marketing Strategy**

        **1.5.1      Marketing Strategy for service firm**

        **1.5.2      Understand pricing in service firm**

    **1.6      Motivation in consumer behavior**

    **1.7      Phnom Penh**

    **1.8      Customer tendencies**

**2.      Related research**

## 1. The Related Theories

### 1.1 Consumer Behaviors Definition

The consumer Behaviors means the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society (Hawkins, Best, Convey, and Koch 2004).

In this view of consumer behavior is broader than the traditional one, which focused much more on the buyer and the immediate antecedents and consequences of the purchasing process. This view will lead to examine in direct influences on consumption decisions as well as consequences that involve more than the purchaser and seller (Hawkins, Best, Convey, and Koch 2004).

#### 1.1.1 The important of consumer behavior

The important of consumer behavior is to apply our understanding of consumer behavior in order to develop an effective marketing strategy, to regulate a marketing practice, or to cause socially desirable behavior. Successful marketing decisions by commercial firms, nonprofit organizations, and regulatory agencies require extensive information on consumer behavior. Knowledge of consumer behavior is critical for influencing not only product purchase decisions but decisions about which college to attend, which charities to support, how much recycling to do, or whether to seek help for an addiction or behavioral problems.

#### 1.1.2   Model of nature of consumer behaviors

The model to capture the general structure and process of consumer behavior.
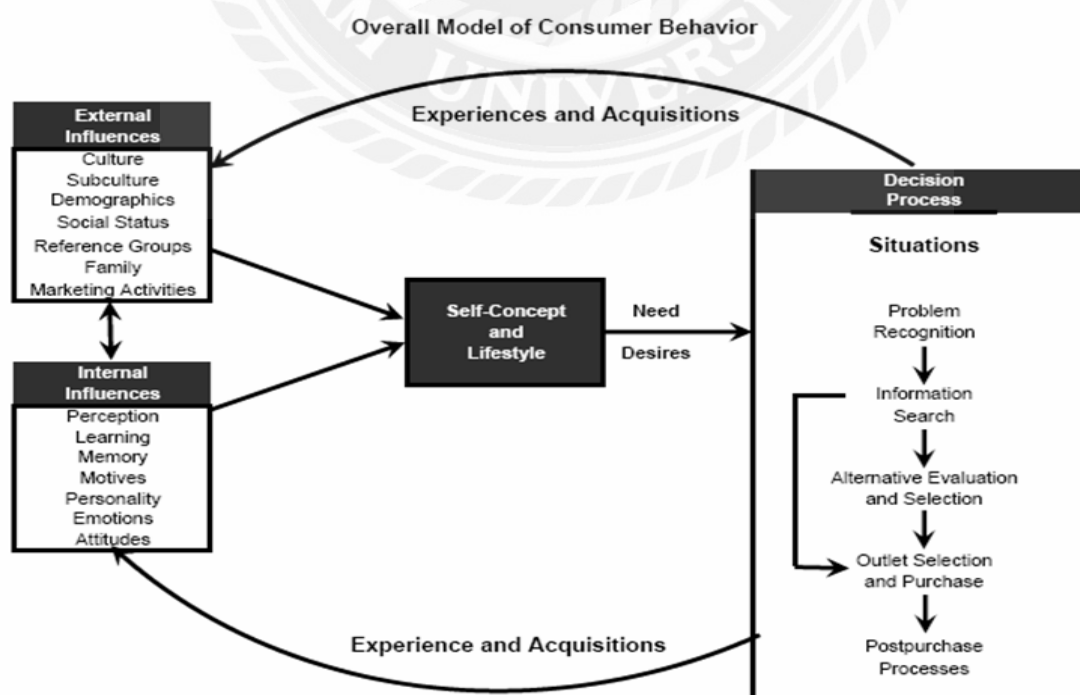


Overall Model of Consumer Behavior

Figure 2.1: The nature of consumer behavior

Sources: Consumer Behavior Building Marketing Strategy (Hawkins, Best, Convey, and Koch 2004)

Figure 2.1 presented overall model of consumer behavior is a conceptual model. It does not contain sufficient detail to predict particular behaviors; however, it does reflect the beliefs about the general nature of consumer behavior. Individuals develop self-concepts and subsequent lifestyles based on a variety of internal (mainly psychological and physical) and external (mainly sociological and demographic) influences. These self-concepts and lifestyles produce needs and desires, many of which require consumption decisions to satisfy. As individuals encounter relevant situations, the consumer decision is activated. This process and the experiences and acquisitions it produces in turn influence the consumers' self-concept and lifestyle by affecting their internal and external characteristics. This model is both conceptually sound and intuitively appealing. Each of persons has a view of themselves (self-concept), and people try to live in a particular manner given the resources (lifestyle). The view of themselves and the way people try to live cans determined by internal factors (such as our personality, values, emotions, and memory) and external factors (such as our culture, age, friends, family, and subculture). People view of themselves and the way they try to live results in desires and needs that they bring to the multitude of situations they encounter daily. Many of these situations will cause to consider a purchase. Their decisions, and even the process of making it, will cause learning and may affect many other internal and external factors that will change or reinforce their current self-concept and lifestyles (Hawkins, Best, Convey, and Koch 2004).

### 1.1.3 Consumer Behavior in Services

The object for service provider and marketer is develop and offering satisfaction to customer want and expectation, but they have to survival all so. If service provider want to achieve their goal, they have to understand the customer behavior, how they experience, choose, evaluation the service have been offer. Normally customer evaluation process the result have to be good, if the service that they have got is not good the customer will not satisfy .For to make customer satisfy at least they have got the service at what they have been thought or experience.

The buyer have difficult to evaluating and choosing the service .As we know the service is intangible thing and all so close intertwine with product. These characteristics lead to differences in customer evaluation processes for services and products in all stages of the purchasing process.

The framework for isolating differences in evaluation process between services and product is classification of properties of giving proposed by economists. Search, Experience, and Credence Properties Figure 2.2
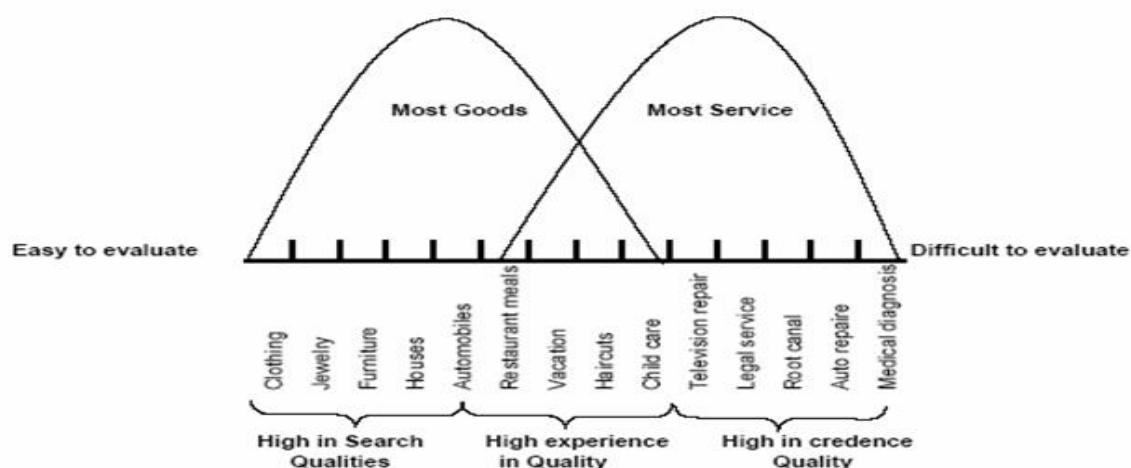
Figure 2.2 Continuum of Evaluation for Different Types of products Source: Service Marketing Integrating Customer Focus Across the Firm (Hawkins, Best, Convey, and Koch 2004)

Figure 2.2 presented frameworks for the isolating differences in evaluation processes between services and products is a classification of properties of giving proposed by economists (Nelson, 1970). Before buying the goods by the economists we have to know the properties of that products first. We can do it by search information about qualities and attributes of the products. For experience qualities and attributes we will be know only after purchase or during purchasing. For search qualities of products include style, color, price, feel, fit, smell and hardness, For experience qualities of products include wear and taste ability. Goods of furniture, clothing, automobile, and jewelry are the high in search qualities because these attribute we can do evaluation before buy. The goods of vacations and restaurant meals are the high in experience qualities because these attributes we do not know until we buy and are being purchasing. A third category, credence qualities, includes characteristics that the buyer may find can not to evaluate even after buy and consumption (Darby and Krani, 1973).

### 1.1.3.1 Model of Stages in Consumer Decision Making and Evaluation of services

For the first important area of consumer behavior that marketers are concerned with is how customers choose and make decisions and the steps that lead to the purchase of a particular service. In this process is similar to that used for goods in some ways and different in others. Customers follow a logical sequence, including need recognition, information search, evaluation of alternatives, and purchase.

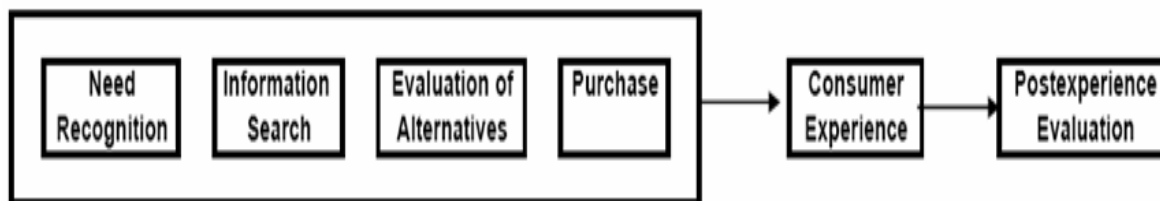Stages in Consumer Decision Making and Evaluation of Services



Figure 2.3 Stages in Consumer Decision Making and Evaluation of services Sources: Service Marketing, (Zeithaml, Bitner, and, Gremler 2006).

Figure 2.3 presented stages in consumer decision making and evaluation of services which explain each item in figure as follows:

### (1) Need Recognition

In the process of buying service begins with the recognition that a need or want exists. According to Maslow's hierarchy which specifies five need categories arranged in a sequence from basic lower-level needs to higher-level needs. Services can fill all these needs, and they become increasingly important for higher-level social, ego, and self-actualization need (Zeithaml, Bitner, and Gremler 2006). Physiological needs are biological needs such as food, water, and sleep. Safety and security needs include shelter, protection, and security. Social needs are for affection, friendship, and acceptance. Ego needs are for prestige, success, accomplishment, and self-esteem. Self-actualization involves self-fulfillment and enriching experience.

### (2) Information search

Once customers recognize a need, consumers get information about goods and services that might satisfy this need. For seeking information may be an extensive, formalized process if the service or good is important to the consumer or it represents a major investment. In other cases, the information search may be quick and relatively automatic (for example, a restaurant for a quick lunch, or a station for gasoline fill-up). Consumers use both personal sources (such as friends or experts) and non personal sources (such as mass of selective media and websites) (Berthon, Pitt, Katsikeas, and Berthon, 1999) to gain information about goods and services. Seeking information is away of reducing risk, helping consumers feel more confident about their choices. And can complaint websites. Some customer complaint even targets a specific firm's current and prospective customers, offering unsolicited information (Ward, and Ostrom, 2004).

### (3) Evaluation of Service Alternatives

For the evoked set of alternatives-that group of products that a consumer considers acceptable options in a given product category—is likely to be smaller with services  than

with goods. One reason involves differences in retailing between goods and services. To purchase goods, consumers generally shop in retail stores that display competing products in close proximity, clearly demonstrating the possible alternatives. To purchase services, on the other hand, the consumer visits an establishment (such as a bank, a dry cleaner, or a hair salon) that almost always offers only a single "brand' for sale. A second reason for the smaller evoked set is that consumers are unlikely to find more than one or two businesses providing the same services in a given geographic area, whereas they may find numerous retail stores carrying the identical manufacturer's product. A third reason for a smaller evoked set is the difficulty of obtaining adequate prepurchase information about services. Faced with the task of collecting and evaluating experience qualities, consumers many simply select the first acceptable alternative rather than searching many alternatives. Internet has the potential to widen the set of alternatives and already has done so in some industries.     This trend is most notable in airlines and hotels where comparable information is available through providers such as Travelocity, Orbitz, and Expedia (Zeithaml, Bitner, and Gremler, 2006).

### (4)Service Purchase

In the following consideration of alternatives (whether an extensive process or more automatic), consumers make the decision to purchase a particular service or to do it themselves.  One of the most interesting differences between goods and services is  that most goods are fully produced (at the factory) prior to being purchased by consumers. Thus, consumers, prior to making their final purchase decision, can see  and frequently try the exact object that they will buy.  For services, much is still  unknown at the point of purchase. In many cases, the service is purchased and produced almost simultaneously—as with a restaurant meal or live entertainment. In other cases, consumers pay all or port of the purchase price up-front for a service they will not fully experience until it is produced for them much later. This situation, long- term contracts for services (such as payroll, network integration, or landscaping) may be singed prior to anything being produced at all. Because of the inherent risk in the purchase decision for services, some providers offer "free" (or "deeply discounted) initial trials or extensive tours of their facilities (for example, prospective student and parent tours at universities) in order to reduce risk in the final purchase decision. In business-to-business situations, trust in the  provider is paramount when customers sign long-term  service  contracts, and frequently the contracts themselves spell out in detail the service level agreements and penalties for non performances (Zeithaml, Bitner, and Gremler, 2006)

### (5)Consumer Experience

Because the choice process of services is inherently risky with many unknowns, the experience itself often dominates the evaluation process. As noted, services are high in experience and believe qualities relative to goods; thus, how consumers evaluate the actual experience of the service is very critical in their evaluation process and their decision to repurchase later. In fact, noted customer experience experts have stated that "that experience is the marketing (Gilmore and, Pine II, 2002). About customer experiences and their

important role in influencing consumer behavior. Goods and services companies alike are being admonished to create "memorable experiences for their customers" (Gilmore and, Pine II, 2002).

The customer experiences and experience management have become the foundations for important corporate strategies. According to Bern Schmitt at Columbia University, customer experience management can be defined as the process of strategically managing customers' entire experience with a product—from how they learn about it, to how they consume it, to how they relate to the company that produces it. Firms across industries from health care to airlines and cosmetics to automobiles are developing strategies around providing meaningful customer experiences. Although experience management applies to goods and services, it is particularly relevant for services, given their process nature. Services are experiences. Whether they are managed strategically or not is a choice to be made. "The experience is the marketing," as noted authors James Gilmore and Joseph Pine have said.

### (6)Services as Processes

It is the combination of steps, the flow of activities, or the "experience" that is evaluated by the customer. In many cases, the customer's experience compromises interactions with multiple, interconnected organizations, as in the case of medical services, automobile insurance, or home buying. Diverse sets of experiences across the network of firms will likely influence consumers' overall impressions of their experience (Dellande, and Graham, 2004). Whether or not the provider acknowledges it or seeks to control this experience in a particular way, it is inevitable that the customer will have an experience-good, bad, or indifferent.

### (7)Service Provision as Drama

The skill of the service actors in performing their routines, the way they appear, and their commitment to the "show" are all essential to service delivery. Although the most service performance present by service actors and their importance improve in three conditions:

1. First, service actors are critical when the degree of direct personal contact is high. Consider the difference between a visit to Denny's and a trip to a Japanese restaurant like Benihana. In some cases buyers went to Japanese steak restaurants as much as for show of food. They want to see the chef of twirls the knives, flip the shrimp onto customers' plates and joke with customers.

2. Second, condition in which service actors' skills are critical is when the services involve repeat contact. Favorite waiters, nurse in hospitals or tennis pros in resorts or captains on cruises are very essential characters in Service Theater and their individual performances can make or break the success of the services. So we can say the skill of staff who give the service very important.

3. Third, condition in which contact personnel are critical, is when they have discretion in determining the nature of the service and how it is delivered. When we think the

quality of the education students get from university, they paid attention so much while their professor teaching. In education is the same other services like medical and legal services, the professional is still the main factor in the performance. Physical Setting of the service can be likened to the staging of a theatrical production, including props, scenery, and other physical cues to create need impressions. Among a setting's features that may influence the character of a service are the colors or brightness of the service's surroundings; the volume and pitch of sounds in the setting movement; the smells, freshness, and temperature of the air; the use of space; they style and comfort of the furnishings; and the setting's design and cleanness.

The drama metaphor offers a good way to improve service delivery. Selection of personnel can be viewed as auditioning the actors. An actor's staff appearance, manner, facial expression, personality, gestures, and demographic profile can be determined in large part in the interview or audition. Training of personnel can be come rehearsing. Clearly defining the role can be seen as scripting the performance. Creation of the service environment involves setting the stage. Finally, deciding which aspects of the service should be performed in the presence of the customer (onstage) and which should be performed in the back room (backstage) help define the performances the customer experience.

### (8)Service Roles and Scripts

The combinations of social cues is the roles that can direct and guide of customers (Solomon, Surprenant, Czepiel, and, Gutman,1985). as there are roles in service delivery and there are roles in dramatic performances,. The success of any service performance depends in part on how well the role is performed by the service actor and how well the team of players—the "role set" of both service employees and customers—act out their roles (Ibid, 2004). The service employees have to perform their roles according to the expectations of the customer; but if they do not, the customer may be frustrated and disappointed. If customers are informed and educated about their roles and if they cooperate with the provider in following the script, it will be successful service. The script is very powerful of roles performed that is the logical sequence of events expected by the consumers, involve them as the observers or the participants (Abelson, 1976). The Service script has the consequence action related with actors and goals by involve consumers again and find what is the consumers need ( Smith and Houston in 1982)

### (9)The Compatibility of Service Customers

There are not the same of consumes want because of their different in value, beliefs, abilities to pay, experience, age, gender, health, income, education and their appearance. For service providers have to understand of these difference that will be easy for them to deal with different consumers. The service provider can bring the different consumers together when increase price to consumers (Ibid,2004). The consumers compatibility is a factor that influences consumers satisfaction, particularly in high-contact services.

**(10) Customer Co-production**

The service customers also play a co production role that can have profound influence on the service experience (Bendapudi and Leone, 2003), For example, counseling, personal training, or educational services have little value without the full participation of the client, who will most likely have extensive work to do between sessions. In the sense, the client co produces the service. In business-to-business contexts in consist of consulting, architecture, accounting, and almost any outsourced service, customers also co produce the service (Dellande, Gilly, and Graham, 2005) It has been suggested that customers therefore need to understand their roles and be "trained" in ways that are similar to the training of service employees, so that they    will have the motivation, ability, and role clarity to perform (Bettencourt, Ostrom, Brown and Roundtree, 2002).

For the idea of customers as "partners" in the co creation of products is gaining ground across all industries, not just services. Postmodern consumer behavior experts propose an even broader interpretation of this idea. They suggest that a fundamental characteristic of the postmodern era is consumers' assertiveness as active participants in creating their world—often evidenced in their demands to adjust, change, and use products in customized ways (Firat and Venkatesh ,1995).

**(11) Mood and Emotion**

Before we do the service delivery the service provider have to understand the words mood and emotion that is better for them to understand the consumer and make them give the better service to consumers. The words mood and emotion are not the same. For mood is transient feeling that happen in specific situation and specific time, but emotion more stable, intense and pervasion.

Normally the mood can affect the consumers' behavior on service. For the good mood of consumers  can make them buy more service or more products, for example in a restaurant that have beautiful music and have good of temperature can make consumers buy more food. For the bad mood of consumers make them buy less products or service. Mood and emotions amplify and enhance experiences can make the consumer more good or more bad than they might have seen in the absence of the emotions and moods (Tomkins, 1980).

The last one , emotions and moods can affect  information about service that is absorbed and retrieved in memory. The memory about the  service are encoded by the customers , the feelings related with encounter become an inseparable part of the memory. Because emotions and moods play the very important roles in influencing buyers experiences, [organizations have to control the emotional component of experiences as they control of product and service functionality.] (Bettencourt , Ostrom, Brown and Roundtree, 2002) Organizations focus on consumers' emotional give back and then make them improve their emotions.

**(12)Post experience evaluation**

For following the service experience, customer forms an evaluation that determines to a large degree whether they will return or continue to patronize the service organization. Historically within the field of marketing, much more attention has been paid to prepurchase evaluations and consumer choice.   Yet, post purchase and    post experience evaluations are typically most important in predicting subsequent consumer behaviors and repurchase, particularly for services. Post experience evaluation is captured by companies in measures of satisfaction, service quality, loyalty, and sometimes emotional engagement.

**(13) World-of-Mouth Communication**

Post experience evaluations will significantly impact what consumers tell others about the service. Because service consumers are strongly influenced by the personal opinions of the others, understanding and controlling word-of-mouth communication becomes even more important for service companies. The best way to get positive  word of mouth is to create memorable and positive service experience.   When service that gave to customer   is dissatisfactory, it is critical to have an effective service recovery strategy to curb negative word of mouth.

**(14) Attribution of Dissatisfaction**

When the consumers are disappointed with purchases—because the products did not fulfill the intended needs, did not perform satisfactorily, or were not worth the price— they may attribute their dissatisfaction to a number of different sources, among them the producers, the retailers, or themselves. Because consumers participate to a greater extent in the definition and production of services, they may feel more responsible for their dissatisfaction when they purchase services than when they purchase goods.

**(15) Positive or Negative Biases**

The research and personal observation suggest that it is easier for consumers to remember the negative service experiences they have than to think of the many routine or even positive, experiences. There is also a long stream of research that says that customers will weigh negative information about a product attribute more heavily than positive information in forming their overall brand attitudes. Yet some very interesting and recent research suggestion "positive bias" for services (Berry, Carbone, and Haeckel, 2002). The research showed that consumers tend to infer positive qualities for the firm and its employees if they have a good experience with one service employee. When individual service providers are regarded positively, customers' positive perceptions of other service providers in the company are also raised. On the other hand, customers who have a negative experience with one employee are less likely to draw a negative inference about all employees or the firm. That is, customers' are more likely to   attribute that negative experience to the individual provider, not the entire  firm.  Although this study is just one piece of research, the results and implications are very intriguing (Zeitham, Bitner, and Gremler, 2006).

**Brand Loyalty**

The difficult to find information on services means buyers do not know about other alternatives service or substitutes service for their brands, or may be not sure  about the ability of alternatives service that can be  increase the customer satisfaction over present brands. The cost of service or products is very important of brand switching in the first visit; dentists sometimes need the new x rays machine and health clubs normally charge  for membership fees at the outset to get  long-term commitments from consumers.

There are two side of the brand Loyalty. First, a service provider have provide what is the customers want. Second, service provider have to create special challenges. They can do it by provide information to customers that their service is better and cheaper than their compettitors. The marketers can also facilitate switching from competitors' services by reducing switching costs.

## (16) Understanding differences among consumers

For the global is differences: The word culture tell us the common norms, values and behaviors of specific group of people and we know it with ethnicity or nations. Culture of one group of people have been learned and shared from one generation to other generation. For learn and understanding differences of culture is very important in service industry because it can effects on customers evaluate and use the company services. When the company understand the culture of one nation so they can do the marketing well. especially for multination companies have to study detail of that country they will doing business with, for some country one nation have multicultural.

The research show us the believable evidence that in one country there are difference on perceive of service because of difference culture. Let see the case study in Taiwan that study of service quality perceptions it showed us, there are much greater emphasis on the interpersonal  of service than studies in U.S. of customers (Imrie, Cadagan and McNaughton, 2002).

The Attitudes and Values are different across culture in one country , it help to know the group that culture think , what is  important, right and their need. Because behaviors of customers out of attitudes and values. So the service providers that want their services popularity in all  cultures have to know these differences.

The Customs and Manners show us about their culture. To monitor about differences customs and manners is very important because it can effect on the service. Eastern and Central Europeans so afraid by Western expectations that when workers is not happy have to put the happy face to customers. Here is the McDonald case that need their employees to smile when they deal with customers. We can say the company force them to be artificial and insincere. The giant fast food encourage managers in Poland have been learned to help their employee problems and give the problem workers to work in the kitchen instead of work in food counter (Watson, 1994).

Aesthetics tell about cultural ideas about good taste and beauty. We can see aesthetics in art, music , dance, and drama as well as about  form and color.

The Social Institutions and Educational the both have been affect by culture. The functioning and structure have been  influenced by the culture. Culture prove itself in the people-to-people contact of social institutions. The same in health care provide systems about doctor and patient interactions that reflect cultural differences. In the United States the patients have been asked questions and give second opinions about medical care. By marketing research the innovation of health care services are developing. In japan the health care system doctors are important than the patients. As we can see now day the health care system of Japanese deliver the best longevity statistics in the world is relate to unresponsive to concern of patients.

### (17) Customer Decision

The consumer decision process, normally intervenes by the marketing strategy and the outcomes. For the outcomes of company marketing strategy have to determine with the customer decision process. The company can be successful if that company can solve of problem of customers. The decision that is the best for solution and proceed to buy the products that will be satisfied to customer.

### (18) Firm Outcomes

The Product Position The most basic outcome for a firm of marketing is its product position-an image of the product or brand in the consumer's mind relative to competing products and brands. This image consists of a set of beliefs, pictorial representations, and feelings about the product or brand. It does not require purchase or use for it to develop. It is determined by communications about the brand from the firm and other sources, as well as by direct experience with it. Most marketing firms specify the products and position they want their brands to have and measure these positions on  an ongoing basis. This is because a brand whose position  matches the desired  position of a target market is likely to be purchased when a need for that product arises (Hawkins, Best, and, Convey 2004).

### 1.1.3.2 Demographics Population Size and Distribution

### (1) Population Size and Distribution

Regions of the country serve as subcultures whom members (residents) have tastes, attitudes, and preferences that are unique to that region. The unique regional lifestyles create tremendous marketing opportunities for those who understand the needs of people in rapidly growing regions (Mitchell, 1995).

### (2) Occupation

The occupation is strongly associated with education (which to some extent determines occupation) and income (which to some extent is determined by occupation). One's occupation provides status and income. In additions, they type of work one does and

the type of individuals one works with over time also directly influence one's values lifestyle, and all aspects of the consumption process. (Hawkins, Best , Convey, and Koch, 2004).

### (4) Education

The education is increasingly critical for a "family wage" job. The traditional high-paying manufacturing jobs that required relatively little education are rapidly disappearing. High paying jobs in the manufacturing and service sectors today require technical skills, abstract reasoning, and the ability to read and learn new skills rapidly. Individuals without these skills are generally forced into minimum wage and often part-time jobs, which will rarely keep a family above the poverty level (Mergenhagen, 1996).

### (5) Income

A household's income level combined with its accumulated wealth determines  its purchasing power. While many purchase are made on credit, one's ability to buy on credit is ultimately determine by one's current and past income (wealth).

The income enables purchases but does not generally cause or explain them. For example one person who can earn money over $60,000 in one year, they prefer to read New Yorker magazine than person who can earn money less than $10,000 in one year in five times. However the relation in low income person who won a lottery spending over $60,000 in one year have subscribe to the New Yorker. For other case  a lawyer or a college professor have the same income as a plumber or truck driver, but their buying process is difference. The education and occupation make people preferences for media, products, and activities in difference (Mulhern, Williams, and Leone, 1998).

### (6) Age

The proper age positioning is critical for many products. Age carries with it culturally defined behavioral and attitudinal norms (Henry, 2000). Its affects the self-concept and lifestyles (Henry, 2000). Even a quick look at these age distributions indicates that momentous changes are occurring. Some of the profound marketing implications of these changes are the products need of children will be grow in medium for example clothes, toys and diapers., as the will be grow in 8 % the of  world population in the age less than 10 years. The goods buy by twenty something will increase moderately in demand. Since this is the prime age of household formation and childbirth, this group will have an important impact on the overall market. The higher education people need cars, homes and insurance for the quality and expensive one. The population age 40-49 have a little bit grow so the buying products of these group people will be decline. For the next group age is very important. The largest impact will be caused by the huge increase (11 millions) in the number of individuals between 60-69 years. These will represent primarily one-or two- person households, with many retired or near retirement. Vacations,  restaurants, second homes, and financial services aimed at the mature market should flourish. The big grow of these group of age that can be make the opportunities for businessman invest on health care industry, travel place or leisure

for retirement home. Age groups as defined by the census and as presented above can be useful as a means of understanding and segmenting a market.

**(6)Gender-Based Marketing**

As we know now day buying the car make by man if they have girlfriend or wife , she help he boyfriend or husband to choose interior feature or color. By the research study show that the 80% of car buying is influence by his girlfriend or wife. (Trout, 1996). The terms sex and gender are used interchangeably to refer to whether a person is biologically a male or female. Gender identify refer to traits of femininity (expressive traits such as tenderness and compassion) and masculinity (instrumental traits such as aggressiveness and dominance). These traits represent the ends of a continuum, and individuals have varying levels of each trait, with biological males tending to be toward the masculine end of the continuum and biological females toward the feminine end (Fisher and Arnold, 1994). Gender roles are the behaviors considered appropriate for males and females in the given society and Gender roles are ascribed roles. An ascribed role is based on an attribute over which the individual has little or no control. This can be contrasted with achievement roles, which are based on performance criteria over which the individual has some degree of control. Individuals can, within limits, select their occupational role (achievement role), but they cannot generally determine their gender (ascribed role).Researchers find it useful to categorize women into traditional or modern gender orientations on the basis of their preference for one or the other of two contrasting lifestyles: Traditional. A marriage with the husband assuming the responsibility for providing the family and the wife running the house and taking care of the children. Modern. A marriage where husband and wife share responsibilities. Both work and they share homemaking and child care responsibilities

**1.1.3.3 Social Stratification**

Figure 2.4 below presented the words social class and social standing are used interchangeably to mean social rank – one's position relative to others on one or more dimensions valued by society. The social standing is a result of characteristics of posses that in society desire and hold in high esteem. Education,  occupation, ownership of property, income level, and heritage (racial/ethnic background, parents' status) influence social standing.
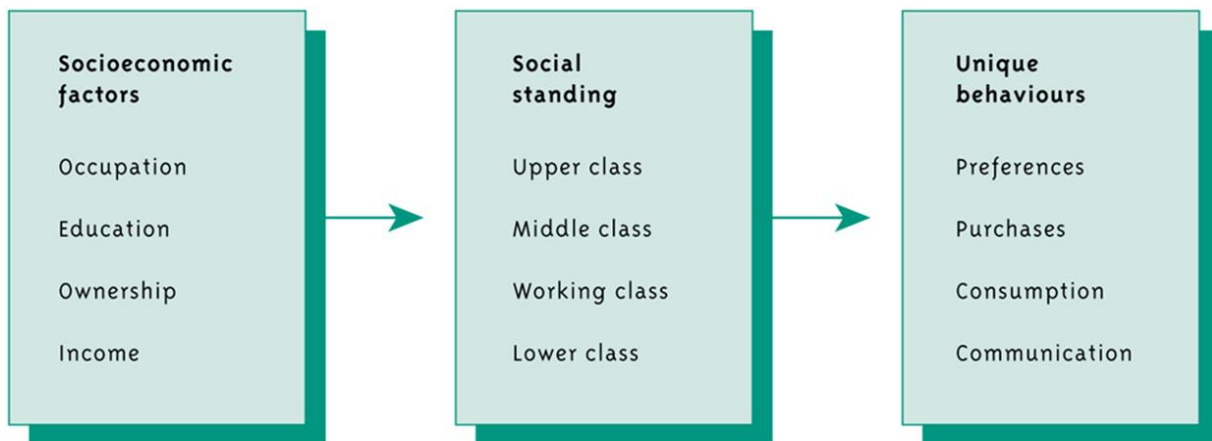
Figure 2.4 Social Standing Is Derived and Influences Behavior Sources: Consumer Behavior Building Marketing Strategy: (Hawkins, Best, Convey, and Koch, 2004)

**(1) Social Structure**

### The Upper-Upper Class

The members of the upper-upper social class are aristocratic families who make up the social elite. Normally the people of these groups are the founders of the good club of country and they donate for charity events. They act as the leaders and donate to civic activities and community events.

### The Lower-Upper Class

The Lower-Upper Class means the new successful person. These groups of family are still not accept to upper class community. For example The richest man in the world, Bill Gates, founder of Microsoft, and Ted Turner, founder of CNN, are national examples of the lower-upper class. Most communities have one or more families who have acquired great wealth during one generation, many from the high-tech and dotcom boom of the 1990s.

### The Upper-Middle Class

The upper-middle class consists of families who posses neither family status derived from heritage nor unusual wealth. Occupation and education are key aspects of this social stratum, as it consists of successful professionals, independent businesspeople, and corporate managers. The group of upper-middle-class are looking forward and the confident person. These groups of people always care about their children generation about can not have the lifestyle the same them. They strongly believe that the successful came from good education and do the hard work.

### The Middle Class

The middle class have two collars. Here they are; first the blue-collar workers such as factory supervisors or plumbers and second, white-collar workers such as lower-level

managers, office workers or schoolteachers. Some the middle class person have college education. They are normally have the average income. A lot of people in these groups feels not insecure because of world economic recession.

### The Upper-Lower class

The upper-lower class consists of individuals who are poorly educated, have very low incomes and work as unskilled laborers (Watson, 2000). Most have minimum wage jobs. A full-time, 50-week-a-year minimum wage job is not enough to keep a one earner family of three above the poverty level. In fact, it keeps the family almost 30 percent below the poverty line—this is a major change from the late 1960s, when the minimum wage would support a family of three.  Compounding the problem is that  many of these jobs are part-time and few provide benefits such as healthy insurance or a retirement plan.

### The Lower-Lower class

These group people have very low  education and very low income, normally they unemployed and get help from government or get help from non-profit organization. There still be the problem for marketer do marketing in these group people. The rent business owner have flourished by renting them the quality of products such as refrigerators or TV. These service have been criticized for charging the high price (Hill, Ramp and, Silver, 1998).

### Group Decision Making

A group is defined as two or more individuals who have implicitly or explicitly defined relationships to one another such that their behavior is interdependent (Arnold, Price, and Zinkhan, 2004). When groups make decisions about services—a household purchasing a family vacation or home remodeling services or an organization  purchasing information technology consulting or marketing research services—many of the same issues arise as for individuals. Groups purchasing service encounter greater perceived risk, more reliance on word-of-mouth communication, greater difficulty in comparing alternatives, and often a higher level of customer participation than do groups purchasing goods. The intangibility and variability of business service make  them more risky and often difficult to compare.    Thus, organizations often rely heavily on personal referrals in making significant services purchases such as home repair, remodeling, landscaping, medical care, and vacation tips. receptor nerves, and the resulting sensations go to the brain for processing.

## 1.2    Customer Perception

### 1.2.1    Definition and Important

The customers perception is the consumers believe on the service that they have got defined (Parasuramn, Zeiteamal, and Berry, 1985). The customers perception on the services are quality of the service and satisfaction on the service. Many companies  now day trying to compete to other by improve their quality of service and consumer satisfaction. The perceptions is relative to expectations. Because expectations change from time to time, from people to people and it is all so can be change from culture to culture. The quality of service

and satisfaction to consumers to day, it will be change for consumers tomorrow. For quality of service and satisfaction to customers depend on consumers' perception to that service we can not predict of consumers thought. For quality of service and satisfaction to customers depend on consumers experience (Zeithaml, Bitner, and Gremler, 2006). For quality of service that are reliable, accurate., help customers problem and give quick service.

### 1.2.1.1 Model of nature of consumer perception

Figure 2.5 as below presented model that tries to explain how marketer understand about customers make decision by customer perception that is the powerful communication between producers and customer perception.
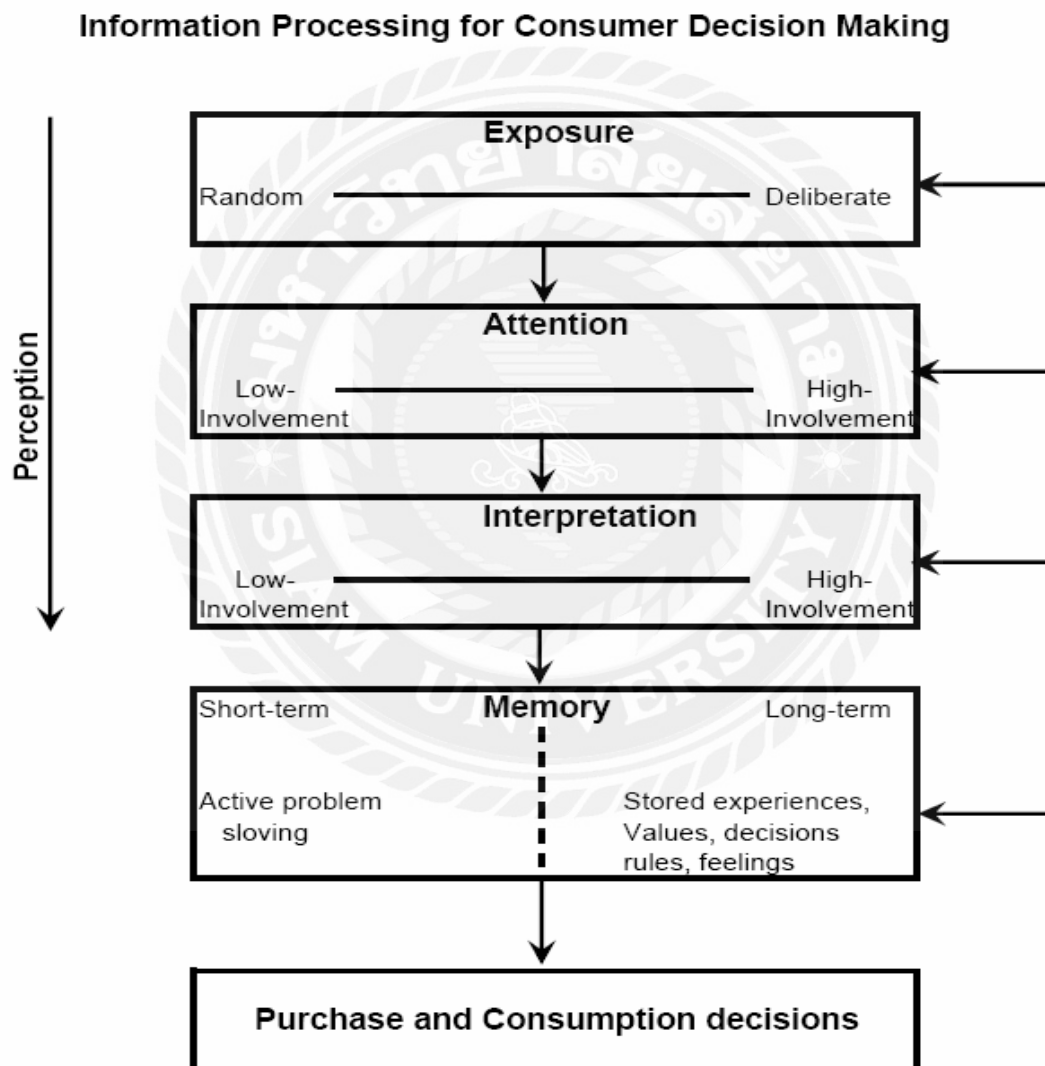


Figure 2.5 Information Processing for Consumer Decision Making

Sources: Consumer Behavior Building Marketing Strategy (Hawkins, Best, Convey, and Koch, 2004)

### 1.Information processing

The information processing is a series of activities by which stimuli are perceived, transformed into information, and stored. Figure B.1 having four major steps or stages: exposure, attention, interpretation, and memory. The first three of these constitute perception

### 2.Exposure

Exposure will happen when customer get the stimulation. For an individual can be expose to the stimulus when that stimulation be placed within the person's relevant environment.

### 3.Attention

Attention will happen when the stimulation active on one or more sensory

### 4.Stimulation Factors

The stimulation factors is the physical characteristics of the stimulation itself. A number of stimulation characteristics have attract our attention by individual or situational characteristics. Individual factors is characteristics by the individual. The primary individual characteristics are interest and need can influence attention. Situation factors that is stimulation in the environment such as packaging and temporary characteristics of the individual is the stimulation by the environment such as time pressures or a crowded outlets. Not pat Attention as brands have do ads on subjects are exposed but not pay attention but it is all so can help customer buy the products or service.

### 5.Interpretation

Interpretation is the assignment of meaning to sensations. It is a function of formed by the characteristics of the stimulation ,pattern, the situation and the individual. Cognitive interpretation is a process whereby stimulation are placed into existing categories of meaning (Mitchell, 1995). This is an interactive process. The addition of new information to existing categories also alters those categories and their relationship with other categories. Affective interpretation is the feeling or emotional response triggered by a stimulation such as an ads. Like cognitive interpretation with-culture, emotional responses to many stimulation (The example all most Americans experience of feel warmth when they are seeing pictures of child with little kittens).

### 6.Individual Characteristics

Marketing stimulation focus on individuals interpret them (S. Ratneshwar, 2001). Each of person are not passive Interpreters of marketing and other messages but actively assign meaning based on their expectations, needs, experiences and desire desires. The customers' interpretations of negative news depend on their prior commitment to the brand involved. (Ahluwalia, Burnkrant, and Unnava, 2000).

### 7.Situation Characteristics

The variety situation of characteristic can influence interpretation. The short time characteristics of each person, for example loneliness ,hunger, influence the interpretation of a given stimulation, as do moods (Meloy, 2000).

### 8.Memory

Memory is what we have in our head and us it for make immediate decision or the longer-term retention of the meaning.

## 1.3 Segmenting Consumer Markets

Two board groups of variables are used to segment consumer markets. Some researchers try to form segments by looking at descriptive characteristic: geographic, demographic, and psychographic. Then they might examine whether these customer segments exhibit different needs or product responses. Geographic Segmentation calls for dividing the market into different geographical units such as nations, states, regions, countries, cities, or neighborhoods. The company can operate in one a few areas, or operate in all buy pay attention to local variations. Demographic Segmentation, the market is divided into group on the basis of variables such as age, family size, family life cycle, gender, income, occupation, education, religion race, generation, nationality, and social class. There are several reasons for the popularity of demographic variables to distinguish customer groups. One reason is that consumer needs, wants, and usage rates and product and brand preferences are often associated with demographic variables. Another is that demographic variables are easier to measure. Even when the target market is described in non demographic terms (say, a personality type), the link back to demographic characteristics may be needed in order to estimate the size of the market and the media that should be used to reach it efficiently.

Psychographic Segmentation is the science of using psychology and demographics to better understand consumers. In psychographic segmentation, buyers are divided into different group on the basis of psychological/ personality traits, lifestyle, or values. People with in the same demographic group can exhibit very different psychographic profiles (Kotler, 2006).

Behavioral segmentation, in behavioral segmentation, buyers are divided into groups on the basis of their knowledge of, attitude toward, use of, or response to a product, behavioral variables, many marketer believe that benefits, user status, usage rate, loyalty status, usage rate, loyalty status, buyer-readiness stage, and attitude-are the best starting points for constructing market segments.

## 1.4 Marketing Positioning

In marketing positioning has come to mean the process by which marketers try to create an image or identity in the minds of their target market for its product, brand, or

organization. It is the 'relative competitive comparison' their product occupies in a given market as perceived by the target market.

a) Re-positioning involves changing the identity of a product, relative to the identity of competing products, in the collective minds of the target market.

b) De-positioning involves attempting to change the identity of competing products, relative to the identity of your own product, in the collective minds of the target market.

The original work on Positioning was consumer marketing oriented, and was not as much focused on the question relativity to competitive products as much as it was focused on cutting through the ambient "noise" and establishing a moment of real contact with the intended recipient. In the classic example of Avis claiming "No.2, We Try Harder", the point was to say something so shocking (it was by the standards of the day) that it cleared space in your brain and made you forget all about who was #1, and not to make some philosophical point about being "hungry" for business. The growth of high-tech marketing may have had much to do with the shift in definition towards competitive positioning (Trout, and Rivkin, 1996).

## 1.5 Marketing Strategy

For Marketing Strategy is basically the answer to the question: How will we provide superior customer value to our target market? The answer to this question requires the formulation of a consistent marketing mix. The marketing mix is the product, price, communications, distribution, and services provided to the target market. It is the combination of these elements that meets customer needs and provides customer value (Hawkins, Best, Convey, and Koch 2004).

### 1) Marketing strategy for Service Firms

Service Industries are everywhere, A service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product (Kotler, 2006). At one time, service firms lagged behind manufacturing firms in their use of marketing because they were small, or they were professional businesses that did not use marketing, or they faced large demand or little competition. This has certainly changed (Kotler, 2006).

### 2) Service Marketing Mix

#### 2.1 Traditional Marketing Mix

One of the most basic concepts in marketing is the marketing mix, defined as the elements an organization controls that can be used to satisfy or communicate with customers. The traditional marketing mix is composed of the four Ps: Product, price, place (distribution), and promotion (McCarthy and Perraulty, 1993). These elements appear as core decision variables in any marketing text or marketing plan. The notion of a mix implies that all the variables are interrelated and depend on each other to some extent. Further, the marketing

mix philosophy implies an optimal mix of the four factors for a given market segment at a given point in time (Zeithaml, Bitner, and Gremler, 2006).

### 2.1.1 Expanded Mix for Services

Because services are usually produced and consumed simultaneously, customers are often present in the firm's factory, interact directly with the firm's personnel, and are actually part of the service production process. Also, because services are intangible, customers will often be looking for any tangible cue to help them understand the nature of the service experience. For example, in the hotel industry the design and décor of the hotel as well as the appearance and attitudes of its employees will influence customer perceptions and experiences (Zeithaml, Bitner, and Gremler, 2006).



Figure 2.6: Expanded Marketing Mix for Services

Sources: Marketing Strategies and Organizational Structures for Service Firms," in Chicago: American Association, (Boom and Bitner, 1981)

### 2.1.2 The importance of these additional variables marketing mix

Figure 2.6 show us about the Expanded Marketing Mix for Services firm. It is very important for services marketers to take the concept of an expanded marketing mix for services show us there are three remaining figures 1.5 In addition to the traditional four Ps of

marketing mix are people, physical evidence, and process. People is very important part of service that can influence the purchase's perceptions. Next is Physical evidence is the place that consumer and provider can contact to each other, it is tangible thing that facilitate performance or communication of the service. The last one is Process that is mechanisms, the procedures and flow of activities by which the services is delivered-the service delivery and operating systems.

### 2.1.3 Understand Pricing of Services Firm

According to one of the price leading experts say all most service provider use the easy approach to pricing without thinking on underlying change in demand, the rate that supply can be expanded, prices of available substitutes, consideration of the price – volume relationship, or the availability of future substitutes." (Monroe, 1989).

There are three key differences between customer evaluation of pricing for services and goods: customers often have inaccurate of limited reference prices for services. Price is a key signal of quality in services. Monetary price is not the only price relevant to service customers.

### 2.1.4 Price on the perceived value of service to customer

Figure 2.7 show us four important of perceived value and reasonable ways that companies set the price on their service. When buyer talk about value, they use the term in many different ways and talk a lot about attributes or components. Consumers set value in four ways: (Zeithaml, 1988)

(1) Value is cheap price. (2) Value is all I want in the service or product. (3) Value is the quality I get for the price I pay. (4) Value is all that I get for what I gave

| Value is cheap price. | Value is all I want in the service or Product |
|---|---|
| Value is the quality I get for the price I pay. | Value is all that I get for all that I gave. |

Figure 2.7: Four consumers Definitions of Value

Source: "Pricing Search for Decision Making," Marketing Research, (Mohn, 1995)

### 2.1.5 Value is low price

Some consumer equate value with the cheap price, show that what they have to give money is most salient in their perceptions of value, at typified in these representative comments from consumers: For dry cleaning: "Value means the lowest price" For a fast food outlets: "When coupons can be used by consumers, they think that the service is a value."

### 1) Value Is all I want in a Service or Product

Rather than focusing on the money given up, some consumer emphasizes the benefits they receive from a service or product as the most important component of value. For this meaning of value the quality of products and service is very important than price. The

consumers willing to pay if they want that products or service. For instant in the telecommunications business customers strongly value the reliability of the systems and they willing to pay for the confidentiality and safety of the connections. Service consumer describe this definition of values as follows:

For a rock or country music concert: "Value is best on performance" For medical services: "Value is high quality."

## 2.Value Is the Quality I Get for the Price I Pay

Other consumer sees value as a trade-off between the money they give up and the quality they receive. For a hotel for vacation: "Value is price first and quality second." For a hotel for business travel: "Value is the lowest price for a quality brand"

## 3.Value is all that I get for all that I gave

Finally, some consumers consider all the benefits whey receive as well as all sacrifice components (money, time, effort) When describing value. ." For a hairstylist: "Value is what I pay in cost and time for the look I get." And For a housekeeping service: "Value is how many rooms I can get cleaned for what the price is"

## 4.Incorporating Perceived Value into Service Pricing

The buyer's perception of total value quick the willing to pay for the specific price for the service. To translate the customer's value perceptions into the reasonable price for a specific service providing, the service provider have to answer the a lot of questions. What benefits does the service offering.

The most important thing a company must do—and often a difficult thing—is to estimate the value to customers of the company's services. Value may be perceived differently by consumers because of idiosyncratic knowledge about the service , tastes, and ability to pay and buying power . In this type of pricing, what the consumers value-not what they pay-forms the basis for pricing. Therefore its effectiveness rests solely on accurately determining what the market perceives the service to be worth.

When the services are for the end consumer, most often service providers will decide that they cannot afford to give each individual exactly the bundle of attributes him or her values. They will, however, attempt to find one or more bundles that address segments of the market. On the other hand, when services are sold to businesses (or to end customers in the case of high-end services), the company can understand and deliver different bundles to each customer.

## 5.Pricing strategies when the customer means "Value is Low Price"

The study is focus on pricing strategies of value in low price only as to match with objective of this study of KFC company. When the price is the main factors for consumers so

the company should set the reasonable price for their product or service. This is does not mean that the quality service and intrinsic attributes are not important, but the price is more importance. To make price of service in this value, the marketer have to realize that what extent consumers know about the objective prices of services in this category, how they interpret various prices, and how much is too expensive of a perceived sacrifice. These factors are very important to realize when the service provider knows dollar size of the buy, know of reasonable prices for the service and the frequency of past price changes. Some of the specific pricing approaches appropriate when customers define value as low price include discounting, odd pricing, synchrony-pricing, and penetration pricing. Discounting service providers offer discounts or price cuts to communicate to price-sensitive buyers they are receiving value as the customer perception. Odd pricing is the practice of pricing services just below the exact dollar amount to make buyers perceive that they are getting a lower price. Synchro-Pricing: is the use of price to manage demand for a service by capitalizing on customer sensitivity to prices by use of Time, place, quantity, and incentive differentials as an effective of service firms.

Penetration pricing is a strategy in which new services are introduced at low price to stimulate trial and widespread use. The strategy is appropriate when (1) sales volume of the service is very sensitive to price, even in the early stages of introduction; 2) it is possible to achieve economies in unit costs by operating at large volumes; (3) a service face threats of strong potential competition very soon after introduction;(4) there is no class of buyers willing to pay a higher price to obtain the services (Monroe,1995) Penetration pricing can lead to problems when companies then select a "regular" increased price. Care must be taken not to penetrate with so low a price that customers feel regular price is outside the range of acceptable prices.

## 1.6 Consumer Behavior

Chambers, Chacko, and Lewis have sum up beliefs of consumer behavior into five premises: first, consumers behavior is goal and purposeful oriented, second, The consumers have the free choice, third: consumers behavior is a process, fourth: consumers behavior can be influenced, and fifth: There is a need for consumers education" ( cited in Kotler, Bowen, & Makens, 1999, p. 179).

Now day in the marketing is very competitive. The company have to understand that there are the relationship between consumer and marketing stimulation (Figure 2.8). The marketing stimulation have four P's or eight P's. Other stimulation have major events and forces in the consumers's environment. All these stimulation enter the consumers black box, where they are turned into the set of observable consumers responds. Marketer have to understand how the stimulation are changed into responses inside the consumers's black box (Kotler, Bowen, & Makens, 1999).

**Model of Consumer Buyer Behavior**



| Marketing stimuli | Other stimuli | Buyer's characteristics | Buyer's decision process | Buyer's decisions |
|---|---|---|---|---|
| Product<br>Price<br>Place<br>Promotion | Economic<br>Technological<br>Political<br>Cultural | Cultural<br>Social<br>Personal<br>Psychological | Problem recognition<br>Information search<br>Evaluation of<br>alternatives<br>Purchase decision<br>Postpurchase behavior | Product choice<br>Brand choice<br>Dealer choice<br>Purchase timing<br>Purchase amount |

Figure 2.8

Source: A framework for marketing management. (2001). p. 88

**Extrinsic Factors Influencing Consumer Behavior**

Culture is very important factor that can determine of a consumer's behavior and needs. It have basic values, needs, behaviors and perceptions that people have been learned from one generation to other generation. In one culture have subculture, groups of people with shared value systems depend on situation and experiences. (Kotler, 2001).

Socioeconomic level is the big influence to consumers making decision. Marketers have to understand in socioeconomic level because people in the same socioeconomic level they have the similar behavior and including purchasing behavior (Kotler, 2001).

Reference groups is one influence on consumers behavior. These groups serve as a direct (face to face) or indirect influence on a person's attitude and behavior. Marketers have remember the reference groups because they influence the people's attitude, behavior, self-concept and they make pressures to conform that may affect the people's choices (Kotler, 2001).

Personal factors can influence consumers purchasing decision, they are economic situation, age, lifestyle, occupation, and life-cycle stage and personality. For products and services consumer purchasing change during their lifetime. The makeup of the family also affects the purchasing behavior. For consumers who have the good job and good economic situation, they have the choice to choose the quality product or service. Lifestyles is very important to help marketer realize changing consumer values and how they affect purchasing behavior. Finally, each consumer's personality affects their purchasing behavior. Personality mean different psychological characteristics that make them relative enduring and consistent responses to environment (Kotler, 2001). However the choice on food service operations that make conscious or unconscious, directly or indirectly all the extrinsic influences affect the consumers making decision process (Reid, 1983).

**Intrinsic Factors Influencing Consumer Behavior**

Normally, consumers' purchasing choices is influenced by perception, the psychological factors of motivation, learning, attitudes and beliefs (Kotler, 2001). It is important to understand the relevance of human wants to consumer behavior. When want is stimulate to a enough level of intensity, so it can be motived. when a want has been activated, a state of tension exists that make consumers to attempt to reduce or eliminate the want. Psychologists improve theories of human motivation, one of which is Maslow's theory of motivation. Psychologist Abraham Maslow tell us, when we provide the satisfaction of people want that is the motivation. Maslow told us about individual grow of need from the food, shelter up to psychological need (Figure 2.9). when individual get what they want (psychological needs and safety), the tension is disappear and the need is all so disappear too. As a result the individual go up the hierarchy while attempt to satisfy not met needs at the higher level (Solomon, 2002).

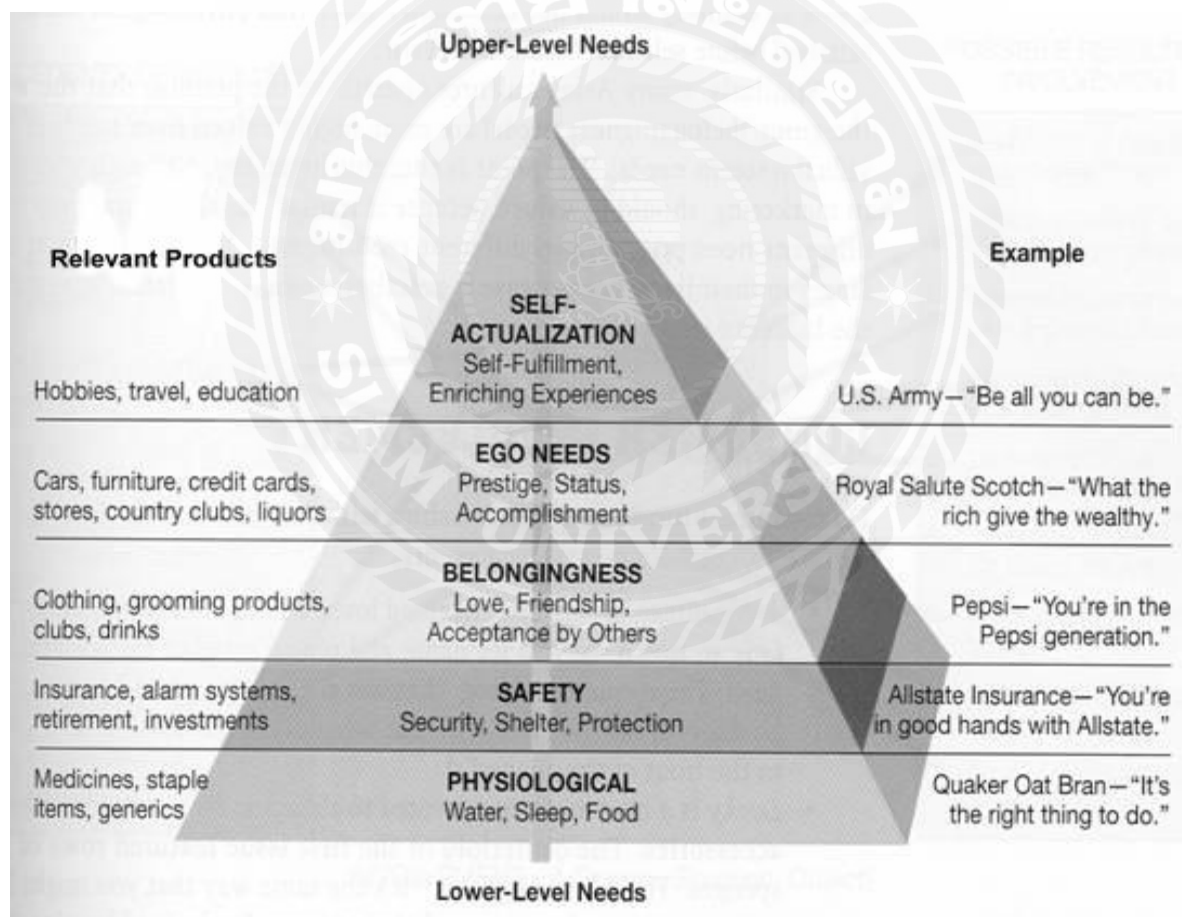**Levels of Needs in the Maslow Hierarchy**



Figure 2.9

Source: Consumer behavior: Buying, having, and being. (2002). p. 109

The consumers try to satisfy of their need first; when their want have been satisfied than they find to satisfy the other need. Table 1 Told us that when people go to restaurants

they are not only satisfy their physiological needs but they all so needs about the prestige, self-fulfillment and self-esteem (Lundberg & Walker, 1993). It can say, when the marketer do marketing of food service operation  they should do  promotion at several levels of need of consumers (Reid, 1983).

**Restaurant Service, Price, and Menu Related to Needs**

| | | |
|---|---|---|
| Luxury price; full menu | Four Seasons<br>Le Cirque<br>The Pump Room | Self-fulfillment |
| High price dinner houses | Charthouse | Esteem and status |
| Medium price family restaurants | Red Lobster<br>Olive Garden | Belonging and social needs |
| Low price; limited service; fast food | Pizza Hut<br>KFC<br>Taco Bell<br>McDonald's | Safety and security |
| Very low price service; vending | Any vending service | Basic physiological needs |

Table a

Source: The restaurant from concept to operation. (1993). p. 245

Perception is the process of an individual organizes, selects, and interprets the information to make the meaningful picture of the world (Kotler, 2001). Every consumers perceives the world different and perceptions of consumers are manifested as attitude. For example, consumers perceive the KFC food as flavor when they buy the KFC food. But some consumers buy food because good taste, for another one perceive the foods is unhealthy. Their perceptions may or may not right, but it is very important to understand that perceptions are the way of each consumer see the world (Kotler, Bowen, & Makens, 1999).

Learning about individual's behavior change that is from experience. When customer experience about  product, they remember the perceptions into the  experience framework that influences for the next decisions (Kotler, Bowen, & Makens, 1999). By learning of people attitude and beliefs that can affect purchasing behavior. A belief is important factors, it can make up about brand images or product, and human doing thing on their imagination. An attitude relate to emotional feelings, evaluations, and tendencies toward some idea or object. It can make human like or dislike an object and move it a way (Kotler, 2001).

The object of do the marketing is satisfy targeting consumers' wants or needs. There are very difficult to understand consumers. The consumers' behavior is so complex to understand, but it is the main task for marketing management.

## 1.7 Consumers Expectations and Satisfactions

According to the NRA news release (2002, n. p.), Consumers expect to get high value and service. Nearly all consumers report being value-conscious and full-service restaurants will maintain value expectations to attract customers. Additionally, competitive pricing is especially important during slower economic times when hard decisions must be made in terms of resource allocation. Customers rising expectations manifest themselves in a desire for a better price / value relationship.

The customer satisfaction is a result of what customers think will happen (expectations), interacting with what customer think did happen (perceptions). If the product's performance falls short of the customers' expectations, the buyer is dissatisfied. If performance matches expectations, the buyer is satisfied. If performance exceeds expectations, the buyer is delight. Smart food service operators aim to delight customer by delivering service and value more than they promise (Kotler, Bowen, & Makens, 1999).

## 2. Related Research

Schlosser E. (2001) pointed out the most frequently reported reasons for eating at fast-food restaurants were fast food is quickly served. Laroche and Parsa (2000) found that that people decide to choose fast food restaurant because they like the taste and prefer instant satisfaction of their taste buds. Fast food restaurant include a wide range of quick and fast service, brands and take only short period to serve it. Consumer make their choice of brands in multi brand situation is one of least understood yet important phenomenon in the marketing of Quick Service Restaurant - Fast Food Restaurant. French SA et al, (2001) pointed out that visiting fast food restaurant is to spent time with family and friends. Drewnowski and Spectre, (2000) contends that one of the factor that influences consumption of fast food is by socio-economic status. There is a difference between people who have high income with people who is have low income. Usually people with low economic status prefer roadside stalls which are inexpensive; hygiene is not a criterion for them.

Agnes K.Y. Law, Y.V. Hui, Xiande Zhao, (2004) have studied on "Modeling repurchase frequency and customer satisfaction for fast food outlets". In this study, the relationships between customer satisfactions; repurchase frequency, waiting time and other service quality factors in fast food outlets are modeled. Results shows that waiting time, staff attitude, food quality and food variety all significantly affect customer satisfaction.

Ronald Gilbert, Cleopatra Veloutsou, Mark M.H. Goode, Luiz Moutinho, (2004) have studied on "Measuring customer satisfaction in the fast food industry: a cross-national approach". This study provides a cross-cultural comparison of service satisfaction of fast food establishments in four English-speaking countries. It is based on data collected from customers of five globally-franchised fast-food chains, using a previously developed service satisfaction instrument. The study reveals two empirically derived, cross-cultural fast-food customer satisfaction dimensions: satisfaction with the personal service and satisfaction with the service setting.

# CHAPTER Ⅲ

## 3.1 RESEARCH METHOLOGY

This is the qualitative research that will do the survey about the customers satisfactions on KFC company in Cambodia. The way to get data for calculation of clear and real, as well as the level of customer satisfaction, the questionnaires has been used as a tool for study to get response from the subject. I gave the questionnaires directly to customers who ate FKC food in all 11 KFC franchises in Phnom Penh to rate the level of satisfaction on product, service, Cleanliness and Dining Environment.

## 3.2 Population and Sample

The study had target population of 232 and a sample size of 147. The target area of study were at all 11 KFC franchises in Phnom Penh.

## 3.3 Research Instrument

The instrument for study this qualitative research about customers satisfaction is the questionnaires. I divided The questionnaires into three parts of questions: first: part 1 ask about demographic characteristic of sample, second: part 2 ask about customer's satisfaction and third: part 3 open-end questions in order to get the suggestion from customers who help answer the questionnaires.

### Measurement

Level of customer's satisfaction had been measured by rating scale of 1-5 level:

Average mean score 5 Very Good

Average mean score 4 Good

Average mean score 3 Average

Average mean score 2 Poor

Average mean score 1 Very Poor

Whereas, average of rating score had given meaning as following:

Average mean score 5.00-4.20 Very Good

Average mean score 4.19-3.40 Good

Average mean score 3.39-2.60 Average

Average mean score 2.59-1.80 Poor

Average mean score 1.79-1.00 Very Poor

**3.4 Statistic Analysis**

      For statistics analysis I divided into three parts. Part 1: Descriptive Statistcs : For example Standard deviation, Mean, Percent and Frequency that are use to describe about demographic characteristics of sample of customers. Part 2: Inferential statistics, normally one-way ANOVA used to test the hypotheses. Part 3: Simple Linear Regression was used to build the model of relationship between dependent variable and independent variable.

# CHAPTER Ⅳ

# Research Findings

**Introduction**

In this chapter will analysis of the data that has been collected, the analysis use the method that described in the previous chapter. The customer profiles and perception among customers toward chose KFC food has been done a comparative analysis and the main reason why customer repeat to buy KFC food were the purpose of this study. As I wrote in previous chapter the data collection used the questionnaire Findings were analyzed through the Statistical Package for the Social Sciences (SPSS) and discussed individually in the following order:

1. Demographic profile of respondents

2. The perceptions of the patrons toward the selected KFC food

    2-1 The perceptions among respondents toward the KFC food

    2-2 To determine whether significant differences existed between respondents' perceptions and demographic factors.

    2-3 Summarized patrons' additional perceptions toward the KFC food

3. The three most important factors that influence repeat customers

**Demographic Profile**

The research instrument of section I is demographic. This section make demographic profile that relate to Gender, Age, Education, Income, Time of visit, and Main dining reason..

**Gender**

For the gender there were 90 of Female that is 61.2 percent and 57 of Male that is 38.8 percent who help for this study, as illustrated in Table 1.

Table 1

Demographic Profile of Respondents by Gender

| Gender | Frequency | Percentage |
|--------|-----------|------------|
| 1.Female | 90 | 61.2 |
| 2.Male | 57 | 8.8 |

n=147

**Age**

There are seven age groups of participants that total 147 as it show in table 2..

Table 2

Demographic Profile of Respondents by Age

| Age Categories | Frequency | Percentage |
|---|---|---|
| 1.18 – 24 | 44 | 29.9 |
| 2.25 – 31 | 14 | 9.5 |
| 3.32 - 38 | 21 | 14.3 |
| 4.39 - 45 | 24 | 16.3 |
| 5.46 - 52 | 18 | 12.2 |
| 6.53 - 59 | 13 | 8.8 |
| 7.60 or older | 13 | 8.8 |

n=147

**Level of Education**

From a total of 147 respondents, bachelor's degree holders have 33 respondents that is 22 percent and master's degree or higher degree holders have 21 respondents that is14.4 percent, as we can see in Table 3.

Table 3

Demographic Profile of Respondents by Level of Education

| Level of Education | Frequency | Percentage |
|---|---|---|
| 1.Up to high school | 68 | 46.6 |
| 2.Associate degree | 24 | 16.4 |
| 3.Bachelor's degree | 33 | 22.6 |
| 4.Master's degree or higher | 21 | 14.4 |

n=147

**Total Annual Household Income**

From a total of 147 respondents, the average annual household income from $0 to $4,999 of 42 respondents is 29 percent and only 6 respondents [4.1 percent] have annual household income more than $11,000 in a year. As we can see in Table 4.

Table 4

Demographic Profile of Respondents by Annual Household Income

| Total Annual Household Income | Frequency | Percentage |
|---|---|---|
| 1.0 to 4,999 | 42 | 29.0 |
| 2.5,000 to 7,999 | 53 | 36.6 |
| 3.8,000 to 10,999 | 44 | 30.3 |
| 4.11,000 or higher | 6 | 4.1 |

n=147

**Time of Visit**

From a total of 147 respondents, 86 of respondents [58.5percent] have gone to eat at KFC restaurant in 20 times or more, 27 of respondents [18.4percent] have gone to eat at KFC restaurant in 7 to13, and only 7 of respondents have visited first time. As we can  see Table 5.

Table 5

Demographic Profile of Respondents by Time of Visit

| Time of Visit | Frequency | Percentage |
|---|---|---|
| 1.First time | 7 | 4.8 |
| 2.Below 6 times | 8 | 5.4 |
| 3.7 - 13 times | 27 | 18.4 |
| 4.14 - 19 times | 19 | 12.9 |
| 5.20 times or more | 86 | 58.5 |

n=147

**Dining KFC Food**

There are 7 category for participants to tell their main reason to choose KFC food in Cambodia. 68 of respondents [46.3 percent] is the highest percent that "like the taste of the food" .19 of participants [12.9 percent] choose "other". For participants who write-in responses have: fifteen respondents wrote because of their girlfriend, boyfriends or friend want to eat KFC food and five participants wrote because variety of food choices, hungry. And other reasons are: friendly of staff, do not want to stay home, they have an appointment and they have not eat KFC food for long time. As we can see in Table 6.

Table 6

Demographic Profile of Respondents by Main Dining Reason

| Main reason for today's dining | Frequency | Percentage |
|---|---|---|
| 1. .Like the taste of the food | 68 | 46.3 |
| 2. Value for money spent | 16 | 10.9 |
| 3.No time to cook | 12 | 8.2 |
| 4.Close to your residence | 9 | 6.1 |
| 5. Special occasion | 13 | 8.8 |
| 6.Change of taste | 10 | 6.8 |
| 7. Others | 19 | 12.9 |

n=147

**Summary**

Here are the summarize of demographic that is the highest frequency of selected KFC food.

1. Female have 61.2 percent

2. Age from 18 to have 29.9 percent

3. Level of education of participants up to high school have 46.6 percent

4. Annual household income from $5,000 to $7,999 have 36.6 percent

5. Time of participants have visited 20 times or more have 58.5 percent

6. Main dining reason that participants buy the KFC food because they like the taste of the food have 46.3 percent

**The Perceptions of the Patrons toward the Selected KFC Food**

In Section II we have 22 questionnaires that are the closed questions. The participants needed to check the level of satisfaction that have from 1to 5 as we can we in following.

1 = Very Poor; 2 = Poor; 3 = Average; 4 = Good; 5 = Very Good

For the first parts we have 8 questions that want to know the level satisfaction of participants on FKC food. Here are the 8 questions :

7. Variety of vegetarian menu choices

8. Variety of healthy menu choices

9. Variety of the menu choice

10. Available of the news items

11. Pleasing appearance of the food

12. Freshness of the food

13. Flavorful food

14. Appropriate temperature of the food

The very satisfy of respondents is flavorful food that have Mean 4.42. The least of satisfy is the variety of vegetarian menu that have Mean 3.65, but it is still good because the average is 3. For the highest Mean to the lowest Mean, We can see in table below.

Table 7

Mean Score of Perceptions of Food Product in the Selected KFC food

| Perception of Food Product | Mean of Total Sample | S.D. |
|---|---|---|
| 1.Flavorful food | 4.42 | .71 |
| 2.Variety of menu choices | 4.27 | .78 |
| 3. Variety of healthy menu choices | 3.85 | .85 |
| 4. Pleasing appearance of the food | 4.21 | .72 |
| 5. .Freshness of the food | 4.09 | .78 |
| 6. Appropriate temperature of the food | 3.89 | 0.99 |
| 7.Available of new items | 3.69 | .94 |
| 8.Variety of vegetarian menu | 3.65 | .88 |

In this second parts we have four questions about KFC service we want to know about level satisfaction of participants on KFC service. Here are four questions as we can see below:

15. Helpfulness of staff

16. Friendliness of staff

17. Efficiency of service

18. Hours of operation

The extremely satisfaction of this part of service is the friendly of staff that have Mean 4.67. In the table we write from the highest satisfaction to the lowest satisfaction as we can see in the table:

Table 8

Mean Score of Perceptions of Service in the Selected KFC food

| Perception of Service | Mean of service | S.D. |
|---|---|---|

| 1.Friendly of staff | 4.67 | .55 |
|---|---|---|
| 2.Efficiency of service | 4.61 | .62 |
| 3.Helpfulness of staff | 4.59 | .62 |
| 4.Hours of operation | 4.55 | .59 |

In this third parts we have four questions about KFC cleanness. We want to know about level satisfaction of participants on KFC cleanness. Here are four question in below:

19. Eating area (chairs, table, etc.)

20. Counter areas

21. Restroom

22. Food replenish process

The extremely satisfaction is counter area that have the Mean 4.43. For the least satisfy is restroom that have Mean 3.99, but it is still good because the average is Mean 3.In the table below we can see it clear from highest satisfaction to the lowest satisfaction.

Table 9

Mean Score of Perceptions of Cleanness in the Selected Chinese Buffet

| Perception of Cleanness | Mean of cleanness | S.D. |
|---|---|---|
| 1.Counter areas | 4.43 | .68 |
| 2.Eating areas (chairs,tables, etc.) | 4.41 | .71 |
| 3.Food replenish process | 4.11 | .83 |
| 4.Restroom | 3.99 | .86 |

This is the last parts we have six questions about KFC dining environment. We want to know about level satisfaction of participants on KFC dining environment. Here are six question in below:

23. Layout of the facility

24. Location

25. Good for eating with children

26. Comfort

27. Relaxed atmosphere or ambience

28. Appearance of staff

The extremely satisfy is the relaxed atmosphere that have Mean 4.39. The least satisfaction are good for eating with children and layout of facility have Mean 4.25 this level of satisfaction is more than good. In the table below we can see it clear from highest satisfaction to the lowest satisfaction.

Table 10

Mean Score of Perceptions of Dining Environment in the Selected KFC Food

| Perception of Dining Environment | Mean of Total Sample | S.D. |
|---|---|---|
| 1.Relaxed atmosphere or ambience | 4.39 | .71 |
| 2.Appearance of staff | 4.37 | .73 |
| 3.Location | 4.32 | .68 |
| 4.Comfort | 4.30 | .71 |
| 5.Good for eating with children | 4.25 | . 78 |
| 6 Layout of the facility. | 4.25 | .73 |

**Summary**

If we combine the results of Table 7, 8, 9, and 10, show us that the extremely satisfy of respondents to KFC food are : [1. Flavorful food], [2. Friendliness of staff], 3.[ Counter areas], and 4. [Relaxed atmosphere or ambience] and the least satisfy of respondents to KFC food are : 1. [Variety of vegetarian menu], 2. [Hours of operation], 3. [Restroom], and 4. [Layout of the facility] and [good for eating with children].

**To Test whether Significant Differences Existed between Respondents' Perceptions and Demographic Factors**

**Gender**

For the Mean and standard deviation of each perception of question for Gender, Male and Female have been computed. We use t-test for significance, there are two group have found to statistically different on two of the 22 questions. The level of significance was assigned as α = 0.05. as we can see the table below:.

Table 11

The Statistically Significant Difference between Respondents' Perceptions and Gender

| Perception Items | Male | | Female | | Sig. |
|---|---|---|---|---|---|
| | M | S.D. | M | S.D. | |
| 1.Variety of menu choices | 4.11 | .86 | 4.37 | .71 | .047* |
| 2.Variety of healthy menu choices | 3.89 | .94 | 3.82 | .80 | .618 |
| 3. Appropriate temperature of the food | 3.91 | .91 | 3. 88 | 1.04 | . 837 |
| 4.Variety of vegetarian menu | 3.68 | .96 | 3.63 | .84 | .740 |
| 5.Pleasing appearance of the food | 4.19 | .77 | 4.22 | .70 | .812 |
| 6.Freshness of the food | 4.11 | .77 | 4.08 | .80 | .837 |
| 7.Flavorful food choices | 4.32 | .81 | 4.49 | .64 | .173 |
| 8.Available of new items | 3.51 | 1.00 | 3.81 | .88 | .059 |

| | | | | | |
|---|---|---|---|---|---|
| 9.Efficiency of service | 4.56 | .66 | 4.64 | .61 | .434 |
| 10.Helpfulness of staff | 4. 53 | . 68 | 4. 62 | .57 | .361 |
| 11. Friendliness of staff | 4.65 | .58 | 4.68 | .54 | . 761 |
| 12.Hours of operation | 4.49 | .68 | 4.59 | .52 | .358 |
| 13.Counter areas | 4.40 | .73 | 4.44 | .66 | .724 |
| 14.Eating areas (tables, chairs, etc.) | 4.42 | .78 | 4.40 | .67 | .862 |
| 15.Restroom | 3.89 | .92 | 4.05 | .82 | .294 |
| 16.Food replenish process | 3.96 | .91 | 4.20 | .77 | .093 |
| 17.Location | 4.14 | .74 | 4.43 | .62 | .011* |
| 18.Layout of the facility | 4.14 | .79 | 4.32 | .68 | .141 |
| 19.Appearance of staff | 4.32 | .76 | 4.41 | .72 | .444 |
| 20.Comfort | 4. 18 | .73 | 4. 38 | .68 | .091 |
| 21.Relaxed atmosphere or ambience | 4.29 | .71 | 4.46 | .71 | .149 |
| 22.Good for eating with children | 4.18 | .77 | 4.30 | .79 | .389 |

\* = significance p<.05 level

As we saw table 11 the result of variety of menu choice show female is satisfy more than male (t = -2.002, p<.05), and location show female is satisfy more than male  (t = -2.586, p<.05). The different between male and female of statistically significance about choose KFC food are variety of menu choice and location.

**Age**

In below table the researcher do the comparison of participant perception and their age by use F ratio statistically significance different have found. The respondents perception difference with age when p<.05 .As we can see in table 12

Table 12

The Statistically Significant Difference between Respondents' Perceptions and Age

| Perception Items | Age | M | S.D. | Sig. |
|---|---|---|---|---|
| 1.Variety of menu choices | 18-24 | 4.32 | .89 | |
| | 25-31 | 3.64 | .63 | |
| | 32-38 | 4.48 | .60 | |
| | 39-45 | 4.17 | .92 | .023 |
| | 46-52 | 4.56 | .51 | |
| | 53-59 | 4.31 | .63 | |
| | 60  or older | 4.46 | .66 | |
| 2.Variety of healthy menu choices | 18-24 | 3.57 | .90 | |
| | 25-31 | 3.57 | 1.16 | |
| | 32-38 | 4.19 | .60 | |
| | 39-45 | 3.79 | .83 | .027 |
| | 46-52 | 4.17 | .79 | |
| | 53-59 | 4.15 | .69 | |

| | | | | |
|---|---|---|---|---|
| | 60 or older | 3.92 | .64 | |
| 3.Efficiency of service | 18-24 | 4.55 | .59 | |
| | 25-31 | 4.07 | 1.00 | |
| | 32-38 | 4.71 | .56 | |
| | 39-45 | 4.71 | .55 | .019 |
| | 46-52 | 4.72 | .46 | |
| | 53-59 | 4.85 | .38 | |
| | 60 or older | 4.69 | .63 | |
| 4.Friendliness of staff | 18-24 | 4.73 | .45 | |
| | 25-31 | 4.07 | .73 | |
| | 32-38 | 4.71 | .56 | |
| | 39-45 | 4.75 | .44 | .002 |
| | 46-52 | 4.83 | .38 | |
| | 53-59 | 4.54 | .66 | |
| | 60 or older | 4.77 | .60 | |
| 5.Appearance of staff | 18-24 | 4.27 | .82 | |
| | 25-31 | 3.86 | .77 | |
| | 32-38 | 4.38 | .74 | |
| | 39-45 | 4.50 | .66 | .040 |
| | 46-52 | 4.72 | .46 | |
| | 53-59 | 4.46 | .52 | |
| | 60 or older | 4.46 | .78 | |

**Level of Education**

This is the comparison between participants' perceptions with level of education by use F ratio statistically significant differences have found between and within group variances. In table 13 lists the [Level of Education] is statistically significant difference when $p<.05$ for all of the following perceptions: the restroom and appropriate temperature of the food.

Table 13

The Statistically Significant Difference between Respondents' Perceptions and Level of Education

| Perception Items | Level of Education | M | S.D. | Sig. |
|---|---|---|---|---|
| 1.Appropriate temperature of the food | Up to high school | 4.32 | .89 | |
| | Associate degree | 3.64 | .63 | .023 |
| | Bachelor's | 4.48 | .60 | |
| | Master's degree or higher | 4.17 | .92 | |

| 2.Restroom | Up to high school | 4.01 | 83 | .044 |
| | Associate degree | 4.26 | .62 | |
| | Bachelor's | 4.03 | .96 | |
| | Master's degree or higher | 3.53 | .90 | |

**Time of Visit**

This is the comparison between participants' perceptions with time of visit by use F ratio statistically significant differences have found between and within group variances. In table 14 lists the [Time of Visit] is statistically significant difference when p<.05 for all of the following perceptions: [Variety of menu choices], [Variety of healthy menu choices], [Variety of vegetarian menu choices], [Flavorful food], [Efficiency of service], [Helpfulness of staff], [Hours of operation], [Restroom] and the last one is [Food replenish process].

Table 14

The Statistically Significant Difference between Respondents' Perceptions and Time of Visit

| Perception Items | Level of Education | M | S.D. | Sig. |
|---|---|---|---|---|
| 1.Variety of menu choices | First time | 3.14 | 1.07 | |
| | Below 6 times | 4.00 | 1.07 | |
| | 7-13 times | 4.15 | .77 | .001 |
| | 14-19 times | 4.37 | .76 | |
| | 20 times or more | 4.40 | .66 | |
| 2.Variety of healthy menu choices | First time | 3.00 | 1.15 | |
| | Below 6 times | 3.63 | .74 | |
| | 7-13 times | 3.81 | .74 | .031 |
| | 14-19 times | 3.68 | .95 | |
| | 20 times or more | 3.99 | .82 | |
| 3.Variety of vegetarian menu choices | First time | 2.71 | 1.38 | |
| | Below 6 times | 3.38 | .92 | |
| | 7-113 times | 3.28 | .68 | .001 |
| | 14-19 times | 3.68 | .82 | |
| | 20 times or more | 3.86 | .83 | |
| 4.Flavorful food | First time | 4.00 | .82 | |
| | Below 6 times | 3.88 | .99 | |
| | 7-13 times | 4.19 | .83 | .007 |
| | 14-19 times | 4.58 | .51 | |
| | 20 times or more | 3.55 | .63 | |
| 5.Efficiency of service | First time | 3.71 | .76 | |
| | Below 6 times | 4.25 | .89 | |
| | 7-13 times | 4.67 | .62 | .000 |
| | 14-19 times | 4.42 | .84 | |
| | 20times or more | 4.74 | .44 | |

| | | | | |
|---|---|---|---|---|
| 6.Helpfulness of staff | First time | 4.14 | .69 | |
| | Below 6 times | 4.13 | .99 | |
| | 7-13 times | 4.56 | .70 | .010 |
| | 14-19 times | 4.42 | .69 | |
| | 20 times or more | 4.71 | .48 | |
| 7.Hours of operation | First time | 3.86 | .90 | |
| | Below 6 times | 4.38 | .52 | |
| | 7-13 times | 4.44 | .70 | .001 |
| | 14-19 times | 4.47 | .51 | |
| | 20 times or more | 4.67 | .50 | |
| 8.Restroom | First time | 2.83 | .82 | |
| | Below 6 times | 3.75 | .99 | |
| | 7-13 times | 4.16 | .83 | .003 |
| | 14-19 times | 4.11 | .51 | |
| | 16 times or more | 4.01 | .63 | |
| 9.Food replenish process | First time | 3.29 | 1.38 | |
| | Below 6 times | 3.75 | 1.16 | |
| | 7-13 times | 4.19 | .79 | .044 |
| | 14-19 times | 4.05 | .78 | |
| | 20 times or more | 4.20 | .74 | |

## Summarized of Open-ended Question

For this open-ended question allow the respondents wrote free on their option of perception on KFC food. This is the question to ask "Please write your additional perceptions on the KFC Food".

We have eighty respondents who wrote the open-ended question. We summarized in below:

Twenty-three respondents gave us the information about service of KFC is good and friendly but only one respondent not felt the same way. Fifteen people of respondents informed us that they liked the taste of food, but eleven of respondents not felt in the same way and twelve respondents told us that the KFC outlets should be more variety of food for choose. 6 of participants informed us they are very like the restaurant. Five respondents informed us they like the relaxed atmosphere or ambience of the KFC outlets, but only two of respondents not felt the same way. For price is not expensive for one respondent, but the other one informed us the price is not reasonable.

## The Three most Important Factors that Influence Repeat Customers

As we see from a list, there are 9 factors and the last one is other, the respondents have been asked to select the very important three factors that make them to eat food at KFC outlets again. The ten of factors are: [Price or Value], [Variety of food selection], [Service,

Hours of operation Quality of food], [cleanness, Comfort], [Convenience location], [Exotic quality of restaurant atmosphere] and the last one is other, As we can see in Table 15 and here are the sum up:

The most three factors that customers buy the KFC food again are :

1. Quality of food have 110 respondents is 24.9 percent

2. Price or Value have 98 respondents is 22.2 percent

3. Variety of food selection have78 respondents is 17.7 percent

The eleven respondents is 2.5 percent selected [other]. As we can see in table 15

Table 15

Top Three Factors that make customers buy again

| Factors | Checked Frequency | Percentage |
|---|---|---|
| 1. Quality of food | 110 | 24.9 |
| 2.Price or Value | 98 | 22.2 |
| 3.Variety of food selection | 78 | 17.7 |
| 4. Service | 66 | 15.0 |
| 5.Cleanness | 28 | 6.4 |
| 6.Exotic quality of restaurant atmosphere | 1 | 0.2 |
| 7.Comfort | 12 | 2.7 |
| 8.Convenience | 30 | 6.8 |
| 9.Hours of operation | 7 | 1.6 |
| 10.Other | 11 | 2.5 |

n=147

**Summary**

The researcher have not do the conclusion in this chapter. For conclusion the researcher will do it in chapter 5.

## CHAPTER Ⅴ

## Conclusions and Recommendations

### Conclusions

KFC Food is very popular in Cambodia because Cambodian people would like to try Fast food that from Western as we know KFC food is famous around the world. For in this research shows us that there are different perception of respondents for choose to eat KFC food. By result of study showed us there are 68 of respondents [46.3 percent] is the highest percent that like the taste of the food. The level satisfaction of service on KFC outlets to respondents is more than good., the level satisfaction of cleanness on KFC outlets to respondents is more than good [all of them are eating areas, counter areas, and food replenish process], and for the level satisfaction of eating environment on KFC outlets to respondents is more than good [all of them are the location , comfort layout of the facility, appearance of staff, good for eating with children and relaxed atmosphere or ambience], but the level satisfaction of food product on KFC outlets to respondents is below than good [all of them are the variety of the healthy menu choice, appropriate temperature of the food, the variety of vegetarian menu choices, and available of new items]. We can see the clear data from the table 7 to table10. As the result from chapter 4 page 44 to 45, the main three factors that make the respondents come to buy KFC food again are the variety of food selection, the Price or Value and Quality of food.

### Recommendations for KFC Food

### Demographic Profiles Issues

The different between age, income and education of customers make them choose the different like at KFC outlets. So the marketing man should do promotion focus on the group of age 18 to 24 as we see in chapter 4 page 35, there are 44 of respondents that is mean this group of age like to eat at KFC outlets than other age group.

### Food Product Issues

The KFC restaurant should improve the quality of food and add more some types of food like vegetarian food and nutrition food.

### Pricing and Value Issues

High price setting is very sensitive for customers So KFC restaurants should set the reasonable price. That can make customers buy KFC food more.

### Recommendations for Further Study

The recommendation for further study are in below:.

1. In this study we focused on customers' perceptions on the choose KFC Food and the main factors that make respondents come to buy KFC food again. For the further study should do the relationship between satisfactions and eating choices.

2. In this research do in KFC outlets around in Phnom Penh for the further study should do the satisfaction of customers on KFC food by delivery service.

3. This research have been done at KFC restaurants in Phnom Penh, Cambodia. So for further study should do research around country with a larger sample.

# REFERENCES

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6.www.thapra.lib.su.ac.th

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**APPENDIX**

Dear Participants**:**

My name is **PHARATT RUN** , I am studying IMBA at Siam University, Bangkok ,Thailand. Would like to complete the survey of my Independent Study the topic is **Customer Satisfaction On KFC Company In Cambodia.**

Your opinion as a KFC customer is very important. This research, conducted in partial fulfillment of the requirements of my Master's degree, will help to improve the products and service to customer.

Please read the entire page and complete the attached questionnaire if you would like to participate in this study. Please do remember, this study is anonymous. Your name will not be required.

The results from this survey will be used to identify important consumer concerns in the foodservice industry especially in KFC company.

Thank you very much for your help!

**Section I: Demographic data**

**Before proceeding, please provide the following background information. Place an "X" in the box that most closely describes you.**

1. Your gender:

☐ Male    ☐ Female

2. Your age:

☐ 18-24    ☐ 25-31    ☐ 32-38    ☐ 39-45

☐ 46-52    ☐ 53-59    ☐ 60 or older

3. Your level of education:

☐ Up to high school    ☐ Associate degree

☐ Bachelor's degree    ☐ Master's degree or higher

4. Total annual household income ($):

☐ 0 to 1,999  ☐ 2,000 to 4,999  ☐ 5,000 to 9,999

☐ 10,000 or higher

5. How many times have you visited this establishment?

☐ First time  ☐ Below 6 times  ☐ 7-13 times

☐ 14-19 times  ☐ 20 times or more

6. Main reason for today's dining? (check only one)

☐ Special occasion  ☐ No time to cook

☐ Close to your residence  ☐ Value for money spent

☐ Change of taste  ☐ Like the taste of the food

Others_____

**Section Ⅱ: Perceptions toward KFC COMPANY**

**Place an "X" in the box that most closely describes your dining experience at the Chinese buffet.**

**The rank scores as follow:**

| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| Very Poor | Poor | Average | Good | Very Good |

| A: Food Product | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. Variety of menu choices | | | | | |
| 2. Variety of healthy menu choices | | | | | |
| 3. Variety of vegetarian menu choice | | | | | |
| 4. Appropriate temperature of the food | | | | | |
| 5. Pleasing appearance of the food | | | | | |
| 6. Freshness of the food | | | | | |
| 7. Flavorful food | | | | | |
| 8. Availability of new items | | | | | |

| B. Service | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. Efficiency of service | | | | | |
| 2. Friendliness of staff | | | | | |
| 3. Helpfulness of staff | | | | | |
| 4. Hours of operation | | | | | |

| C. Cleanliness | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. Counter Areas | | | | | |
| 2. Eating Areas (tables, chairs, etc.) | | | | | |
| 3. Restroom | | | | | |
| 4. Food replenish process | | | | | |

| D. Eating Environment | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. Location | | | | | |
| 2. Layout of the facility | | | | | |
| 3. Appearance of staff | | | | | |
| 4. Relaxed atmosphere or ambience | | | | | |
| 5. Comfort | | | | | |
| 6. Good for eating with children | | | | | |

**E. Please write your additional perceptions on the KFC food.**

_____

_____

_____

_____

**Section Ⅲ: Factors influence customer return**

**Please choose three most important factors that will make you return to dine at the restaurant by placing an "X" in front of each factor.**

☐ 1. Price or Value

☐ 2. Service

☐ 3. Variety of food selection

☐ 4. Quality of food

☐ 5. Cleanness

☐ 6. Exotic quality of restaurant atmosphere

☐ 7. Comfort

☐ 8. Convenience location

☐ 9. Hours of operation

☐ 10. Other_____