

# Navigating Customer Experience: Insights into Fast Food Satisfaction and Happiness in Sarawak

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## Abstract

*The rapid global expansion of the fast-food industry, predominantly driven by American multinational corporations, has significantly impacted consumer choices on a global scale. However, there is a lack of comprehensive research or insights into the unique factors that drive customer satisfaction and happiness in the Sarawak fast food sector. This gap exists because the dynamics of customer preferences, behaviours, and expectations can vary significantly from one region to another, and it is essential to understand these local nuances to improve the fast food industry's performance. To address this gap, this research sets out to achieve several objectives: (1) to identify the key factors that significantly influence customer satisfaction within Sarawak's fast food industry, focusing on perceived price, food quality, service quality, and the physical environment; and (2) to investigate the relationship between customer satisfaction and happiness. This study will use convenience sampling to collect primary data from fast-food consumers in Sarawak, utilizing a comprehensible five-point Likert scale questionnaire adapted from previous studies. The data will be analysed by Pearson's correlation and single linear regression with the Statistical Package for the Social Sciences (SPSS). The expected findings of this study include identifying significant factors influencing customer satisfaction and understanding the relationship between customer satisfaction and happiness, thus addressing the critical research gap specific to Sarawak's fast food industry. Ultimately, this research aims to contribute to the growth and success of Sarawak's fast food industry by fostering higher levels of customer satisfaction, happiness and the cultivation of long-term customer relationships.*

**Keywords:** customer satisfaction, customer happiness, fast-food industry

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## 1.0 INTRODUCTION

The development of multinational corporations is expanding rapidly in the fast-food industry and have successfully established branches worldwide (Grand Review Research, 2019). The fast-food industry is a global business in which American franchises dominate these companies. The production of fast-food products that meet customers' needs, desires, and tastes has given the industry a strong identity in global marketing. This industry has a high potential and opportunity to remain operational and expand to other countries. The responsiveness and attentiveness of the industry's management to improving the services supplied by the fast-food industry have demonstrated positive progress in the industry's development. Traditional catering procedures and standards in the fast-food business were

the earliest processes that constituted the primary policy basis for the sector's success before the industry generated more sophisticated operations and styles in restaurant services.

The development of fast-food industry companies has impacted the local food industry, where this industry has to compete for the attention and loyalty of customers (Villanueva et al., 2023). This industry needs to maintain and pay more attention to product production, product quality, service quality, the low price of a product, and the physical environment because it can influence customer value, satisfaction, and happiness. Fast food can be quickly prepared for immediate consumption, allowing rapid ingestion (Bahadoran et al., 2012). The products served also follow restaurant standards, such as a fixed

price, service quality, service concept, dining experience, and product portion.

In Malaysia, the entry of fast-food restaurants has become popular in the community, where the tendency to buy or order fast-food is high, especially among young adults (Mohd Hatta et al., 2022). Purchasing and ordering fast food has become a trend among the Malaysian community due to the influence of lifestyle changes, eating-out habits, increased household income, employment status, and limited time management for working people (Mokhtar et al., 2020).

The quality of the services provided in the fast-food sector, such as customer service and online food delivery services, can have an impact on the degree to which consumers are satisfied with those industries (Rajput & Gahfoor, 2020). Maintenance of product quality in the fast-food industry also encourages customers to buy or order fast food more often. This is because customers have high expectations for the production of fast-food products, and these expectations are based on the product's price. The frequency of customers using fast-food industry services will guarantee the future of the fast-food business sector, which is increasing in terms of expanding fast-food industry branches, gaining industry recognition, and increasing the industry's popularity.

Statistics show that the growth of the fast-food industry has increased dramatically since 1999, and the total number of fast-food restaurant chains in Malaysia has escalated by 34.5% in 2003 (Fazli, 2006). American franchises control a large number of fast-food businesses in Malaysia, including Kentucky Fried Chicken (KFC), SugarBun, McDonald's, Burger King, Subway, Pizza Hut, MarryBrown, Kenny Rogers Roasters, and Domino Pizza (Habib et al., 2011). The demand for fast food is growing in Malaysia, especially among young adults and students, and this bodes well for the sector's future prospects. Additionally, several factors influence consumer happiness and industry loyalty. Customer satisfaction in the business world, particularly in the fast-food sector, is mostly determined by two factors: service quality and food quality.

This study examines factors influencing customer satisfaction and happiness in the fast-food industry, such as perceived price, food quality, service quality, and the physical environment's quality. This study will look at the extent to which the services provided by this fast-food

restaurant can meet customers' needs, desires, satisfaction, and happiness based on several aspects.

## 2.0 PROBLEM STATEMENT

Customer satisfaction is an essential element in the business industry because it is influenced by specific product or service characteristics, quality perception, and expectations. Increased customer satisfaction can increase customer happiness and result in future repurchases and loyalty (Rajput & Gahfoor, 2020). The fast food industry has grown quickly in Malaysia recently, especially in Sarawak. Nevertheless, it continues to be difficult for most Malaysian companies to achieve and sustain high client contentment and satisfaction levels. In order to better understand the challenges faced by fast-food businesses and enhance overall consumer experiences, this study aims to investigate and explore the relationship between customer happiness and satisfaction in the Sarawak fast-food industry.

The Malaysian fast-food business faces many concerns and challenges regarding product quality, impacting consumer satisfaction and happiness. According to the McDonald's Customer Satisfaction Survey 2021, 38.49% of respondents reported being satisfied with the cuisine at McDonald's fast food restaurants, 23.68% reported being neutral, and 33.22% reported being dissatisfied with the food at McDonald's fast food restaurants. This discrepancy emphasises how crucial it is to recognize and address the problems specific to the fast-food sector in Sarawak.

Consumer satisfaction occurs when the consumer is delighted with the goods and services acquired and has a great experience utilizing the goods and services. Loyalty to a brand and its products is influenced by customer satisfaction. Customer happiness, which includes emotional well-being and contentment, is linked to customer satisfaction. Satisfied customers are more likely to be happy and have positive feelings toward a product or service. Understanding the relationship between customer satisfaction and customer happiness is critical for Sarawak fast food restaurants to create meaningful experiences and long-term customer loyalty.

Consistency in food quality is essential to meet customer satisfaction for the products served in the business industry, particularly fast-food restaurants. However, one of the issues faced by the fast-food industry

is the consistency of food quality to maintain uniformity in terms of taste, texture, aroma, freshness, food hygiene, food presentation, portion size, and nutritional value. According to the RTM online Bulletin (2023), food quality issues in fast-food restaurants, such as fried chicken received by customers were small in size and not worth the price, the meat served to the customer was not fresh, the texture of the meat was firm and not perfectly cooked, and hygiene in the handling of the meat not being practised was reported. In addition, a fast-food outlet in Malaysia, KFC, has received complaints from customers that food such as hamburgers ordered does not meet fast food standards. Inconsistencies in food quality can result in customer dissatisfaction and negatively impact overall satisfaction levels.

Excellent service quality will create a positive first impression on the customer and affect the customer's perception of the quality in the fast-food industry. Fast and efficient service is crucial for customer satisfaction. Customer satisfaction depends on the restaurant's quality of service, including staff friendliness, speed of service, and food accuracy as ordered. Long waiting times, order accuracy issues, and slow service are common problems that fast food outlets face in Sarawak. According to the study by Mashed in the USA, McDonald's has received more than 24% votes for the poorest customer service and service quality. This problem may influence customer satisfaction toward fast food restaurants and impact customers' attention and loyalty.

Fast food restaurants in Malaysia frequently encounter issues, such as customers receiving wrongly ordered food, where they were given the incorrect food item. The American Customer Satisfaction Index found that customers' complaints about the McDonald's fast-food outlet were due to the staff placing the wrong order for the food at the customer's request, which left the customer feeling dissatisfied with the service they received.

Besides that, customers have to wait in long queues to take orders at KFC, especially during peak hours (Sin et al., 2019). A study by the American Customer Satisfaction Index (ACSI) (2022) found that wait times are key drivers of customer satisfaction because customers who wait longer than anticipated are 18% unhappy with their total experience (Business Wire, 2023). Although most fast-food restaurants in Malaysia offer good food quality and have a variety of menus,

customers nowadays prioritise enhancing their daily experiences and savouring the comfort of well-appointed dining areas. Dining room comfort, including ambient conditions, table setting, layout, and environmental cleanliness, are essential factors for customer satisfaction.

This research aims to investigate the relationship between customer satisfaction and customer happiness in the fast-food industry in Sarawak, Malaysia. By evaluating actual data and exploring the issues faced by fast-food establishments, this study tries to provide insights into optimising customer experiences and improving overall satisfaction and pleasure levels. The findings will assist fast food chains in Sarawak in implementing targeted measures to address the identified challenges and foster customer loyalty. Ultimately, the research aims to contribute to the growth and success of the fast-food industry in Sarawak by promoting higher levels of customer satisfaction, happiness, and long-term customer relationships.

### 3.0 RESEARCH OBJECTIVES

Several objectives have been formulated to help accomplish the issues and questions of tasks in this study.

The research objectives are as follows:

- 1) To investigate the correlations between perceived price, service quality, food quality, physical environment quality, and customer satisfaction in the fast food industry.
- 2) To investigate the relationship between customer satisfaction and customer happiness in the fast food industry.

### 4.0 LITERATURE REVIEW

#### 4.1 Customer satisfaction in the fast-food industry

In today's business industry, particularly in sectors like fast-food restaurants, it is essential to comprehend and prioritise factors that can affect customer satisfaction and customer happiness. From a business perspective, customer satisfaction can be regarded as how the products or services this business industry provides can influence customer satisfaction (Majid et al., 2021).

Fast food restaurant managers need to understand and be concerned about the factors that influence customer satisfaction, including food price, food quality, service quality, and physical environment quality in the fast-food industry because customer satisfaction is the key to business success and long-term competitiveness (Farooqui & Alwi, 2019).

Customer satisfaction in a marketing context is a measurement to evaluate customers' overall experiences when they purchase a product or service from the service provider. Customer satisfaction is achieved when the customer has a good experience and meets expectations toward a product or service (Suria et al., 2021). Therefore, the fast-food industry should be concerned about service and product quality to enhance customer satisfaction. When the customers are satisfied with the product and service provided by the fast-food restaurant, it can increase customer loyalty and make them more likely to repurchase the product or service, influencing the frequency of returning (Hasbullah et al., 2021).

#### **4.2 Customer happiness in the fast-food industry**

Customer happiness refers to the emotions experienced by the customer related to their consumption activities (Lee & Lee, 2013). Happiness is an important element of the food service industry because it can influence customer loyalty and repurchase product or service items. In other words, customer happiness can be considered as a perceived higher level of customer emotion when customers meet satisfaction (Alexander, 2018).

Customer happiness occurs when customers are very satisfied with the experience of using a product or service. Customer happiness can be measured by the extent to which customers are satisfied with the quality of the service and the product. Happiness leads to a positive bias in memory selection, which affects positive memory recall by retrieving situational cues in the situation they experience, and that will affect customer satisfaction (Rust & Oliver, 2000).

#### **4.3 Relationship between customers' perceived price and customer satisfaction**

Price can be defined as the amount of money customers spend to buy a product or service or the value

put on a product or service in the business industry. Price is vital because it will affect the return on capital and profit earned from its sale. Price has a significant influence on customer expectations for a product or service. Price can also impact customer satisfaction because the customer will evaluate the product or service based on its worth (Al-Msallam, 2015).

Customer satisfaction is also affected by the evaluation results and the customer's perception of the product and service. This perception is critical because it determines whether the customer considers the price of the product or service reasonable (Ryu, 2005). If a customer is dissatisfied with the pricing and believes it is unworthy, this can significantly impact their overall satisfaction, potentially leading to decreased repurchasing behaviour and an increase in product and service complaints.

Customers have high expectations and believe that a product or service's high price reflects its high-quality content. Customers' views of allegedly unfair pricing result in unfavourable effects like increased customer complaints and decreased customer satisfaction. (Campbell, 1999). Hasbullah et al. (2021) found that price has a significant relationship with customer satisfaction in the fast-food industry. Customers' satisfaction with a product or service depends on how much they think it is worth, particularly in the case of food purchases where customers want to feel like their expenditures are reasonable. Past research by Zhong & Moon (2020) discovered that the price or value of money influences customer satisfaction when purchasing fast food. This is because pricing helps customers determine the worth of a product or service and is also one factor that can influence customer satisfaction (Saxena & Taneja, 2020).

According to a study by Hanaysha (2016), when customers perceive price fairness, it positively impacts their satisfaction. They tend to compare different brands before or after purchasing to assess the value better and determine their level of contentment. Besides that, the customers will feel satisfied when the food and beverage they purchase are affordable, suitable, and offered at a favourable price (Arlanda & Suroso, 2018).

#### **4.4 Relationship between food quality and customer satisfaction**

Quality products and services are paramount in all organisations, as satisfied customers are key to their existence (Sarina et al., 2016). Food quality encompasses various product characteristics, including its appearance, taste, portion size, freshness, variety of choices, and nutrient content, all of which are essential factors that customers accept and consider when evaluating food (Rothenberger, 2015). Food quality plays an important role in building customer satisfaction since people perceive food quality as the main reason they visit fast-food restaurants (Hasbullah et al., 2021).

A recent study indicates that food quality significantly influences customer satisfaction at fast-food restaurants (Zhong & Moon, 2020). Rahman et al. (2019) found that food quality has a relationship with customer satisfaction in the fast-food restaurant in Malaysia.

#### **4.5 Relationship between service quality and customer satisfaction**

Nowadays, most customers are more concerned with the standard of service quality because it can affect the experience, level of customer satisfaction, and happiness, which can lead to positive feedback and customer loyalty. Previous research has confirmed a significant positive relationship between service quality and customer satisfaction (Qin & Prybutok, 2009; Lai, 2015). In the business industry, especially for fast food operators, service quality is crucial to increase customer satisfaction.

Arlanda and Suroso (2018) assert that service quality is correlated with customer satisfaction. Consumer satisfaction can be accomplished through enhancing service quality to fulfil customers' demands and needs and swiftly and precisely addressing customer concerns (Rashid & Rokade., 2019). Improving service quality can influence customer satisfaction, which can help increase customer loyalty, empathy guarantee, and reliability (Dastane & Fazline, 2017). Zhong & Moon (2020) found that there is a relationship between service quality and customer satisfaction in the fast-food industry.

#### **4.6 Relationship between physical environment quality and customer satisfaction**

The physical environment can be characterised as the restaurant's ambiance, which will set expectations for the dining experience (Young et al., 2017). When a consumer has a pleasant dining experience and pleasant

expectations of the restaurant ambiance, it will boost customers' positive feelings and meet customers' expectations, which will lead to customers having a greater interest in frequenting the fast-food restaurant (Xu, 2007).

Furthermore, customers today are more concerned and demand a pleasant and comfortable dining atmosphere with several elements, including interior design suitability, floor cleanness, temperature, aesthetics, functionality, and convenience because it can influence customer experience, satisfaction, and maintaining existing customers (Canny, 2014; Horng, Chou, Liu & Tsai, 2013; Choi et al., 2013). Previous researchers also mentioned that creating a pleasant dining environment in the restaurant can increase sales and produce more profits from the customer (Turley & Milliman, 2000).

A recent study by Rahman et al. (2019) found that the physical environment has a relationship with customer satisfaction in the fast-food restaurant in Malaysia. This finding is supported by Nasir et al. (2014) reported that physical environment quality in the restaurant has positively influenced customer satisfaction. Raduzzi and Massey (2019) found that the physical environment, including cleanliness, attractive interior design, and comfort, significantly contributes to customer satisfaction. To attract customers in the fast-food industry, the marketer of the fast-food restaurant must be more concerned with the interior design, including decorations, floor cleanliness, and other facilities, such as restaurant accessories, to maintain and increase customer satisfaction in fast-food restaurants (Azim et al., 2014).

#### **4.7 Relationship between customer satisfaction and customer happiness**

Many scholars have conducted studies on the relationship between customer satisfaction and customer happiness. Customer satisfaction and customer happiness are closely related, with high customer satisfaction often leading to increased customer happiness. When customers are satisfied with a product or service, it fulfills their expectations and needs, resulting in a positive emotional state and overall happiness. For example, Sweeney et al. (2015) stated that higher levels of customer satisfaction led to increased customer happiness. These findings suggest that improving customer satisfaction can enhance

customer happiness and overall positive customer experiences.

Customer's level of happiness increases when they are extremely satisfied with the service, the experience, and the performance that meets their expectations. In other words, a good purchasing experience by a customer can influence customer satisfaction with the purchasing experience and can lead to greater happiness. When customers feel happy and satisfied with the experience, it can make them more loyal (Zhong & Moon, 2020).

According to the expectancy-disconfirmation model introduced by Oliver (1981), customer satisfaction was defined by comparing customers' expectations and perceived performance or service quality. A product or service will satisfy a customer if it meets their needs and fulfills their desires, making them extremely happy. Customer happiness is related to the feelings and emotions the customer feels satisfied when purchasing and consuming the product or service (Lee & Lee, 2013). Customer happiness will also happen when customers have a good experience with the product and purchase it repeatedly. In other words, customer happiness will also affect loyalty toward buying products or services in the business industry, where customers are more likely to repurchase when satisfied.

#### 4.8 Research hypotheses

The detailed discussion in the previous sections has led to the development of the following hypotheses:

*H1a: There is a significant relationship between customer-perceived price and customer satisfaction in fast-food restaurants.*

*H1b: There is a significant relationship between service quality and customer satisfaction in fast-food restaurants.*

*H1c: There is a significant relationship between customer food quality and customer satisfaction in fast-food restaurants.*

*H1d: There is a significant relationship between physical environment quality and customer satisfaction in fast-food restaurants.*

#### 4.9 Research framework

Figure 1 demonstrates the research framework of this study. The framework strives to shed light on the intricate dynamics of customer satisfaction and happiness, with a specific focus on two primary objectives. The first objective seeks to identify the key factors that significantly influence customer satisfaction, considering perceived price, food quality, service quality, and the physical environment as independent variables. These elements are instrumental in shaping the overall dining experience and are explored as factors that potentially impact the dependent variable, customer satisfaction.

The second objective of this framework delves into the profound relationship between customer satisfaction (the dependent variable) and the broader state of happiness (the independent variable). It investigates whether higher levels of customer satisfaction correlate with increased happiness among patrons of Sarawak's fast food establishments. This exploration provides insights into the emotional dimensions of fast food consumption and the potential reciprocal relationship between customer satisfaction and happiness.

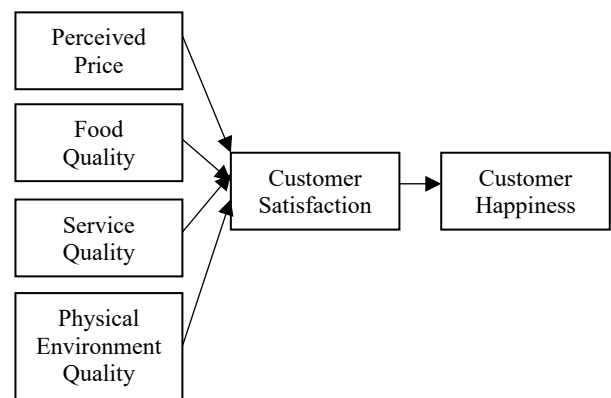


Figure 1: Research Framework

#### 5.0 METHODOLOGY

##### 5.1 Research design

Research design is one of the strategic plans used by researchers to obtain data by collecting, analysing, and interpreting the data by creating a survey that contains a set of questions to be answered (McCombes, 2019 & Sekaran, 2003).

This study will use the quantitative method to collect the primary data. The quantitative research method is a way to collect and analyse numerical data obtained through survey data in response to relational questions of variables within the research, to describe the relationship, and to find the correlations or T-test hypotheses (Creswell, 2003).

## 5.2 Study location

The study location is the place assigned for data collection. This study will be conducted in Sarawak, Malaysia. The researcher chose this area because the study's target sample is the customers who live in Sarawak and have visited fast food restaurants in Sarawak. The researcher selected Sarawak as the location for this research for several reasons.

Firstly, the researcher chose Sarawak, Malaysia, because there is limited past literature on the factors influencing customer satisfaction and happiness in fast-food restaurants, specifically regarding price, food quality, service quality, and physical environment quality in Sarawak.

Secondly, the researcher chose Sarawak due to the fast-food industry's rapid growth in urban and rural areas. The study focuses on popular fast-food chains such as Kentucky Fried Chicken (KFC), SugarBun, McDonald's, Burger King, Subway, Pizza Hut, MarryBrown, Kenny Rogers Roasters, and Domino's Pizza. The thriving fast-food industry in Sarawak has attracted the researchers' interest in investigating the factors influencing customer interest in this sector.

Third, the researcher selected a fast-food restaurant in Sarawak because fast-food restaurants have become popular in Malaysia due to lifestyle changes, eating-out habits, increased household income, employment status, and limited time for working individuals. The rise in living standards and the trend of eating out have influenced changes in food consumption patterns, dietary habits, and purchasing trends among Malaysians (Bougoure and Neu, 2010).

## 5.3 Population and sample size

In this study, the target population is consumers who use fast-food industry services in Sarawak. The fast-food industries in this study are Kentucky Fried Chicken

(KFC), SugarBun, McDonald's, Burger King, Subway, Pizza Hut, MarryBrown, Kenny Rogers Roasters, and Domino's Pizza.

Sample size calculation depends primarily on the type of sampling design used. According to the Department of Statistics Malaysia (DOSM) website, the data from My Census 2020 found that Sarawak has a population of 2,453,677 people of various ages, such as children, teenagers, adults, and the elderly. In Sarawak, the total male population is higher, at 1,269,561 people, or 51.7%, compared to the lower female population, at 1,184,116 people, or 48.3%. Specifically, there are 1,728,741 persons in Sarawak who fall into the age category of 18 years old and over, according to the population Census in 2020.

This study will use Krejcie and Morgan's (1970) formulas to calculate the sample size. Krejcie & Morgan (1970) developed a table to measure sample size. Thus, this study needs to obtain a minimum sample size of 384 according to the table Krejcie and Morgan (1970). The study's sample consists of consumers with different types of consumer socio-demographic profiles, such as gender, age, and education. The targeted population was the consumers who have used fast food services in the fast-food industry. The respondents live in Sarawak, Malaysia. The sample consisted of females and males, including university students and citizens aged 18 and above. The sample will be chosen based on their availability and willingness to participate.

## 5.4 Sampling method

Sampling is the process of selecting a subset of a population that can be used to make inferences or generalise. The researcher will use a convenience sampling method for data collection in this study. The researcher used this type of sampling because the selected sample is taken from a group of people easy to contact or reach, which is the target sample of fast-food consumers. This type of sampling method is low-cost, easier to collect data, quick and more convenient than other types of sampling.

## 5.5 Research instrument

The research instrument is a technique or tool used to gather data, measure data, analyse data pertaining to variables in the research paper, and provide a response to

the research question. An online Google form was used to administer the survey, which is the most popular way to gather primary data for descriptive research. This study employed a Likert-type scale featuring a five-point range where a rating of 1 signifies "strongly disagree," and a rating of 5 signifies "strongly agree." The Likert scale is chosen for its user-friendly nature, enabling respondents to efficiently express their opinions based on their experiences and comprehensively understand the survey questions. In essence, this approach simplifies the response process for survey participants.

## 5.6 Data collection

Data collection is the process of collecting and gathering information and analysing the data or information using the validated technique to find out the answer to the research problem and research question. This study uses a quantitative method to obtain data from the respondents, involving the evaluation of the questionnaire's agreement level. Data collection is conducted through a closed-ended questionnaire using an online Google Form survey. The Google form is distributed through social media platforms such as WhatsApp and Facebook applications. This social media platform will be one of the mediums used to get data from respondents for analysis. The data obtained through the survey is primary data, used to find reliable answers and relevant information by testing the research hypothesis (Ajayi, 2017).

## 5.7 Data analysis

This study employs the Statistical Package for the Social Sciences (SPSS) version 23 software for both data entry and analysis. SPSS will additionally facilitate the researcher in deriving interpretations from the gathered data. This study employs Pearson's correlation coefficient and single linear regression to ascertain the relationship between customer satisfaction and happiness and four independent variables: perceived price, food quality, service quality, and the quality of the physical environment.

### 5.7.1 Descriptive analysis

Descriptive analysis is the process of describing or summarising a set of data using statistical techniques. Descriptive analysis is the researcher's need to transform

the raw data into a form that can guide the researcher to better understand and easily interpret the data (Zikmund, 2003). In other words, descriptive analysis is the process of transforming the raw data in a way that describes the basic respondent characteristics so the researcher can easily understand and interpret, rearranging and manipulating data to provide descriptive information. The descriptive analysis describes the existing attributes of the target population with the current and historical data, including frequency distribution, mean, median, mode, range, standard deviation, and variance can be used to investigate trends and relationships.

### 5.7.2 Reliability test

A reliability test will be conducted to assess the consistency and stability of the measurement instrument's results, ensuring the accuracy and dependability of the collected data. To evaluate the construct's reliability, the researcher will employ the Cronbach alpha procedure, which will be carried out in SPSS. Cronbach's alpha measures the reliability of a set of items that are positively correlated to one another. The higher the Cronbach's alpha, the more reliable the test is because the normal range is between 0 and 1 or should be equal or greater than 0.5 while low-reliability alpha of  $< 0.5$  are not reliable (Smith et al., 1969).

### 5.7.3 Pearson's correlation coefficient

The relationship between two variables can be ascertained by calculating the linear correlation using Pearson's correlation coefficient. Pearson's correlation coefficient is particularly used to represent the strength and direction of a linear association between two quantitative variables. A significant association between two variables can also be evaluated to see if it is positive or negative. A positive correlation is denoted by Pearson's correlation coefficient ( $r$ ) values higher than 0.5, whilst negative correlations are denoted by values lower than -0.5.

As an independent variable, respondents' perceptions of price, food quality, service quality, and physical environment quality toward the fast-food business will be used to analyse the relationship between changes in one measure, customer satisfaction, and the dependent variable. In this study, Pearson's correlation coefficient will be used to determine the effect of change in one



variable: customer satisfaction, and the independent variable, respondents' perceived price, food quality, service quality, and physical environment quality, toward the fast-food industry. The second research objective will be investigated using Pearson's correlation coefficient: the relationship between perceived price, service quality, food quality, physical environment quality, and customer satisfaction in the fast-food industry.

#### 5.7.4 Simple linear regression

Simple linear regression is a statistical strategy that describes the relationship between two quantitative variables by fitting a line to the observed data in the analysis research process. In statistics, a simple linear regression model uses a single variable to predict the result of the other variable. In other words, one variable will be viewed as an explanatory or independent variable and the other as a response or dependent variable. Single linear regression will be used to analyse the second research objective to investigate the relationship between customer satisfaction and customer happiness.

Based on the statistical measurement technique above, the following hypothesis is formed:

*H2: There is a significant relationship between customer satisfaction and customer happiness.*

### 6.0 DISCUSSION OF EXPECTED FINDINGS

In pursuit of the study's first objective—to identify the key factors significantly influencing customer satisfaction—we anticipate several insightful findings. This study expects that perceived price will play a pivotal role in shaping customer satisfaction, with customers likely to be more satisfied when they perceive good value for their money. Additionally, this study anticipates that food quality, service quality, and the physical environment quality will exhibit positive relationships with customer satisfaction, as they are fundamental aspects of the fast food experience. These findings will provide empirical support for the theoretical foundations mentioned earlier and underscore the importance of these variables in customer satisfaction within Sarawak's fast food industry.

The second objective is to investigate the relationship between customer satisfaction and happiness.

This study anticipates intriguing insights. It is theorized that satisfied customers are more likely to experience happiness, as satisfaction is often considered a precursor to positive emotional states. By exploring this relationship, our study seeks to validate and extend the theoretical premise that customer satisfaction contributes to customer happiness. This not only has implications for the fast food industry but also aligns with broader theories of customer well-being and happiness in the context of consumption.

### 7.0 CONCLUSION

This study uses an efficient sampling method and a well-designed Likert scale questionnaire to collect meaningful customer preferences and expectations data. This study also intends to better comprehend the intricate connections between customer satisfaction and happiness through data analytic approaches, including Pearson's correlation coefficient and single linear regression. Additionally, the study offers enormous potential for the growth of the business by addressing issues with fast food restaurants in Sarawak, such as consistent food quality, effective service, and pricing policies. The results should lead to practical recommendations for enhancing consumer experiences, strengthening the basis for client loyalty and long-term expansion. This study emphasises the significance of adjusting to shifting customer dynamics as the fast-food sector changes to remain competitive and relevant in a constantly growing market.

This study employs data-analytic approaches, such as Pearson's correlation coefficient and simple linear regression, to comprehend the complex correlations between customer satisfaction and happiness. The capacity of the study to resolve issues facing fast-food restaurants in Sarawak, such as consistent food quality, efficient service, and pricing policies, bodes well for the sector's growth. The research is anticipated to generate valuable recommendations for enhancing customer experiences, bolstering the foundation for customer loyalty, and fostering long-term growth. This study highlights the importance of adapting to changing customer dynamics to remain competitive and relevant in a market continuously expanding as the fast-food industry evolves.

Due to rising earnings and time restrictions, the study's focus on Sarawak, Malaysia, illuminates a distinct scenario in which fast-food consumption has merged with

modern lifestyles. Practitioners and scholars are likely to gain vital insights from studying the variables affecting consumer satisfaction, pleasure, and loyalty in this area. The expected investigation of perceived price, food quality, service quality, and the physical environment in relation to customer happiness will substantially boost the whole consumer experience and promote long-term customer satisfaction and loyalty. By improving consumer satisfaction, enjoyment, and long-term relationships, this research intends to support the expansion of the fast food sector in Sarawak. The sector can retain its growth trajectory and ensure its continued relevance in a more competitive market by understanding and accommodating customers' shifting demands.

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