

The Perceptions of Restaurant Guests for Dinner Experience: A Study in Kiev, Ukraine

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ABSTRACT

The purpose of this thesis is to investigate guests' dining perceptions of the service quality in the restaurants according to their demographic characteristics: gender, age, nationality and education. The aims are to: (1) examine any differences in the guests' service quality perceptions according to the demographic characteristics, (2) identify the most important service quality dimensions (reliability, assurance, empathy, responsiveness and tangibility) that affect on guests' dining perceptions.

This study investigates restaurant guests' dining perceptions by using data that were collected from a sample of guests in the fine-dining restaurants in Kiev, the most visited city in Ukraine. In the methodology part of the study, deductive approach was used. The questionnaire is based on Stevens, Knutson and Patton (1995)'s research.

The results indicated that empathy service quality dimension was ranked first as the most important factor influencing guests' perceptions of the service quality in the fine-dining restaurants. Tangibility was ranked second followed by assurance, reliability, and responsiveness. The results show that young people dine out more frequently and pay significant attention to the offered service quality in the restaurants. Local people view all the five dimensions of service quality (tangibility, reliability, responsiveness, assurance, empathy) as important, much more than the international tourists. Local people are more demanding than foreigners.

The findings did not reveal any significant differences in terms of the respondents' gender and their perceptions of service quality which is completely opposite to other studies.

In addition, managerial implications are provided based on the results of the study, and information regarding the limitations of the study as well as implications for future research is presented in the thesis.

Key Words: service quality, perceptions, tangibility, reliability, assurance, empathy, responsiveness.

ÖZ

Bu tezin amacı, restoran konuklarının cinsiyet, yaş, milliyet ve eğitim faktörlerine göre hizmet kalitesi algılamalarını araştırmaktır. Tezde, konukların demografik özellikleri göz önünde bulundurularak hizmet kalitesi algılamaları incelenmiş ve hizmet kalitesi boyutları (güvenilirlik, güvence, empati, heveslilik ve somut olma)'nın konukların algılamaları üzerindeki etkileri ortaya konmaya çalışılmıştır.

Çalışmanın araştırma bölümünde, Ukrayna'nın başkenti Kiev'de bulunan lüks restoranlardaki konukların hizmet kalitesi algılamalarına yönelik bir anket uygulanmış ve tımdengelimci yaklaşım metodu tercih edilmiştir. Anket, Stevens, Knutson ve Patton (1995)'un araştırmalarına dayanmaktadır.

Araştırma bulgularına bakıldığında, empatinin konukların hizmet kalitesini algılamalarda en önemli faktör olduğu ortaya çıkmıştır. Somut olma, bir diğer faktör olup, sonrasında da güvence, güvenilirlik ve heveslilik yer almaktadır. Araştırma sonuçları, gençlerin daha fazla dışarıda yemek yemeyi tercih ettiklerini ve hizmet kalitesine de daha fazla önem verdiğini ortaya koymuştur. Yerel halka bakıldığında ise, hizmet kalitesinin beş önemli boyutunun yabancı konuklara nazaran daha fazla önem arzettiği, buna bağlı olarak da yerel konukların yabancı konuklardan daha fazla talepkar olduklarını söylemek mümkündür.

Öte yandan, bulgularda konukların cinsiyet ve hizmet kalitesi algılamaları açısından diğer çalışmalardan farklı olarak anlamlı bir fark saptanmamıştır. Sonuç olarak, çalışmanın bulguları ve kısıtlamaları, gerek işletmelere, gerekse bundan sonraki çalışmalara ışık tutması açısından çalışmanın sonunda vurgulanmıştır.

Anahtar kelimeler: hizmet kalitesi, algılama, güvenilirlik, güvence, empati, heveslilik ve somut olma.

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Chapter 1

INRODUCTION

Chapter 1 includes information about research philosophy of the study, aims and objectives of this thesis regarding restaurant guests' perceptions to service quality in Kiev, the capital of Ukraine. Contributions of the study as well as outline of the thesis are proposed.

1.1 Research Philosophy

The success of any food and service establishment depends on its ability to satisfy their quests by providing a dining experience (Parasuraman, Zeithaml, & Barry, 1985; 1988; Gabbie & O'neil, 1996). The restaurants' ability to satisfy their guests is the determining factor in customer retention and loyalty (Baker & Crompton, Zeihaml & Bitner, 2000). Furthermore, it is a good financial proposition to increase the number of repeating guests and to attract new ones (Oliver, 1999; Reichheld & Sasser, 1990; Rozenberg & Czepiel, 1983).

According to the literature, significant attention has been paid to the issues of service quality. Service quality is defined as the consumers' judgment of the excellence of the service (Parasuraman et al., 1988). It plays a significant role in determining and influencing customer satisfaction (Ladhari, Brun & Morales, 2008; Liu & Jang, 2009).

From the consumers' point of view, service quality is described as the evaluation of what they experienced and what they expected from a service product (Parasuraman et al., 1985, 1988; Bolton & Drew, 1991). According to this theory, SERVQUAL model was developed by Parasuraman et al. (1988) for evaluating the service quality in the organizations.

The model measures the difference between guests' perceptions and expectations based on the five "service quality dimensions: reliability, assurance, responsiveness, tangibles, and empathy" (Zopiatis & Pribic, 2007, p. 768).

Tangible dimension "includes variables such as physical facilities, equipment, personnel and communication materials" (Zopiatis & Pribic, 2007, p. 767). Assurance "involves the knowledge and courtesy of employees and their ability to render trust and confidence" (Zopiatis & Pribic, 2007, p. 767). Another of the five dimensions, reliability service quality dimension means the organization's "ability to perform the promised service as desired and accurately" (Parasuraman et al., 1988, p.23). The responsiveness refers to the "the willingness to help customers and provide prompt service" (Zopiatis & Pribic, 2007, p. 767). Empathy is "the caring and individualized attention provided by organizations to the customers" (Zopiatis & Pribic, 2007, p. 767).

SERVQUAL model was criticized by many researchers (Babakus & Boller, 1992; Buttle, 1996; Genestre & Herbig, 1996; Cook & Thompson, 2000). In contrast, other scholars tested the model and they find out that SERVQUAL is an useful instrument

to measure service quality (Parasuraman et al., 1988; Knutson, Stevens, Wullaert, Patton & Yokoyama, 1990; Jiang, Klein & Crampton, 2000).

A few years later, Stevens, Knutson and Patton (1995) developed DINESERV. This model was developed specially for the restaurant industry and originally was made up of 40 variables which measured service quality dimensions: reliability, assurance, responsiveness, tangibles, and empathy (Parasuraman et al., 1988). The authors refined the model by reducing the number of items first from 40 to 39, then from 39 to 31, and finally from 31 to 29. The 29-items of the DINESERV model include 10 items which represent tangible dimension of the service quality, 5 for assurance, 5 for empathy and 3 for responsiveness. Every dimension is important and does not have more weight than others (Parasuraman et al, 1988).

In light of the abovementioned information, this thesis investigated restaurant guests' dining perceptions and choices according to gender, age, education and ethnic origin.

In this study, deductive approach was used. In deductive method, deductive reasoning works from the more general to more specific and conclusion follows logically from premises. With this in mind, the research investigated restaurant guests' dining perceptions by using the data which were collected from guests in the fine-dining restaurants in Kiev, the capital of Ukraine.

1.2 Aims and Objectives

Dining experience plays a significant role in determining and influencing guest satisfaction. For the success of restaurant business it is very important to understand customer needs about dining experience (Lockyer, 2005). The dining customer is

impatient and sophisticated, and has many choices and expectations in all restaurant segments. If guest is not satisfied from the service and value offered in the restaurant, he will leave for another one (Stevens et. al., 1995). Therefore, the restaurant that provides a great service and value to its guests has a competitive advantage. Restaurants have to provide not only quality products and service, but also achieve a high level of guest satisfaction, which is very difficult in the competitive business environment nowadays (Stevens et al., 1995).

The success of the service and food establishments depends on their abilities to satisfy their quests by providing an excellence in dining experience, to distinguish tangible and intangible elements in order to be able to meet or exceed their dining choices and expectations (Parasuraman et al., 1985; 1988; Zopiatis & Pribic., 2007). According to Kandampully and Butler (2001), offered service cannot be returned or reworked. Therefore, the restaurants must provide an excellent service and influence on the guests' dining experience positively from their first encounter (Kandampully & Butler, 2001).

In light of the abovementioned information, this thesis investigates restaurant guests' dining perceptions according to gender, age, education and ethnic origin. The following research questions were formulated:

RQ1. Which are the most important service quality dimensions (reliability, assurance, empathy, responsiveness and tangibility) that have effect on guests' dining perceptions?

RQ2. Are there any differences in the guests' service quality perceptions according to demographic characteristics such as: gender, age, nationality and education?

According to before mentioned research questions, customers' perceptions about services offered should be collected and studied. The study examines the restaurants which are located in Kiev, the capital of Ukraine. No other studies, related to this topic, have been done in Ukraine. The results of this thesis would delineate a number of useful implications for managers regarding guests' perceptions to service quality in Ukraine.

1.3 Contributions of the Thesis

This study aims to contribute to the hospitality management in the following ways:

First, dining experience plays a significant role in determining and influencing guest satisfaction. For the success of restaurant business is very important to understand customer needs about dining experience (Lockyer, 2005). The dining customer is impatient and sophisticated, and has many choices and expectations in all restaurant segments. If guest is not satisfied by the offered service and value in the restaurant, he will leave for another one (Stevens et al., 1995). Therefore, that restaurant that provides a great service and value to its guests has a competitive advantage. Restaurants have to provide not only quality products and service, but also achieve a high level of guest satisfaction, that is very difficult in the competitive business environment nowadays (Stevens et al., 1995). Therefore, this study investigates restaurant guests' dining perceptions in the restaurants.

Second, this study used data to be collected from guests in the restaurants in Kiev, the capital of Ukraine. Ukraine is the largest country by land area wholly within

Europe (approximately 604,000 sq. kms) and has a population of 46.8 million people (Wikipedia Encyclopedia, 2011). Tourism is the fastest growing industry in Ukraine. The UNWTO World Tourism Barometer reported that 20,741,000 million foreign tourists visited Ukraine in 2009. Most of the tourists who visited Ukraine were predominately from Hungary, Poland, Germany, and USA (State Statistics Committee of Ukraine, 2010).

Kiev as a capital of Ukraine, the most visited Ukrainian city by foreigners. There are more than 3000 of bars, cafes and restaurants (National Restaurant Association, 2009). Restaurants in Ukraine are aware of the fact that they have to deliver excellence service quality for success and survival in global competitive environment nowadays. However, there are a couple of problems in the restaurant industry of this country which are not empirically proved such as: the service is not positively perceived.

No other studies, related to this topic, have been done in Ukraine. The results of this thesis would delineate a number of useful implications for managers regarding guests' perceptions to service quality in Ukraine.

1.4 Proposed Methodology

In the methodology part of the study, deductive approach was used. According to Neuman (2003), “In deductive approach, you begin with an abstract, logical relationship among concepts, then move toward concrete empirical evidence” (p.51). The research data were gathered by using convenience sampling from guests in the fine-dining restaurants in Kiev. Convenience sampling refers to accidental sampling,

"participants are selected according to their convenient accessibility" (Altinay & Paraskevas, 2008, p. 95).

According to the original questionnaire based on DINESERV's, five service quality dimensions were applied: reliability, assurance, responsiveness, tangibles, and empathy (Parasuraman et. al., 1998). The particular model consists of 29 variables and it measures the service quality dimensions. The sample questions are rated on a five-point Likert's item ranging from 5 (*strongly agree*) to 1 (*strongly disagree*).

All items in the questionnaire were originally prepared in English and then translated into Ukrainian for the local people using the back-translation method (Parameswaran & Yapak, 1987). These questionnaires were also tested with a sample of ten guests.

1.5 Outline of the Thesis

The thesis consists of five chapters: introduction, literature review, methodology part, results, discussions and conclusions.

Chapter 1 includes information about research philosophy of the study, aims and objectives of this thesis regarding restaurant guests' perceptions to service quality in Kiev, the capital of Ukraine. Contributions of the study as well as outline of the thesis are proposed.

Literature review is mentioned in Chapter 2. It provides a description with the relevant literature including detailed information about the importance of service quality in food and service establishment. In addition, it has information about

tourism and restaurant industry in Ukraine. Information about dining experience and measuring service quality are also presented in this chapter.

Chapter 3 presents the methodology which was used in this thesis. It also explains why this method was used in this study, how the data were conducted in Kiev. In addition, the structure of the questionnaire, how it was measured, which analytical tools were performed are presented as well.

The findings are presented in Chapter 4. It includes information about demographic profile of the respondents, the results regarding relationships between service quality dimensions and demographic characteristics such age, gender, nationality and education.

Chapter 5 presents a detailed evaluation of the results that were analysed. It presents discussions about perceptions of service quality in fine-dining restaurants according to demographic characteristics such as gender, age, nationality and education. In addition, this chapter provides useful managerial implications for the restaurant business in Ukraine. Limitations of the study are proposed.

Conclusions of this thesis are presented in the last part, chapter 7. It concludes with information regarding the aims and objectives of the empirical study. The evaluation of the findings as well as managerial implications and limitations of the study are mentioned.

Chapter 2

LITERATURE REVIEW

This chapter presents literature review. It provides a description with the relevant literature including detailed information about the importance of service quality in food and service establishment. In addition, it has information about tourism and restaurant industry in Ukraine. Information about dining experience and measuring service quality are also presented in this chapter.

2.1 Food and Service Industry

2.1.1 History of the Restaurants

A restaurant is a food and service establishment which offers and serves food and drinks to the guests in retention of money (Ninemeier, 1998). However, restaurants primarily are sellers of "food service experience" (Yuksel & Yuksel, 2002, p. 54). The food plays a significant role in the food and service establishments but there are many other factors that are important as well (Yuksel & Yuksel, 2002). Usually, meals are served and eaten inside of the restaurant, but many food and service establishments also offer take-out and food delivery services (Ninemeier, 1998). The restaurants have many advantages such as big territory of the dining area, visually attractive parking area. Usually they offer different types of cuisine such as local, French, Italian and etc. Each type of cuisine has its own leaders (Spang, 2000). Restaurants can be also a part of a large complex, such as hotel, where the dining facilities are provided for convenience to customers of the hotel in order to maximize their potential revenue.

The term “restaurant” firstly appeared in the 16 century, meaning “a food which stores”, specifically a rich, highly flavored soup. It was applied to an eating establishment in around 1765, which was founded by Parisian soup-seller and called Boulanger (Ninemeier, 1998).

The modern restaurant became known in 18th century in France as an establishment that prepares and serves the food and drinks according to the guests' order (Ninemeier, 1998). Restaurateur is called the owner of the food and service establishment. Words "restaurant" and "restaurateur" derived from the French verb, which means "to restore" (Wikipedia, 2011).

The first restaurant known as standard location (customers sitting down with individual portions at individual tables, selecting food from menus, during fixed opening hours) was the Grand Teverne de Londres, founded in 1782 by a man Beauvillers (Ninemeier, 1998).

According to the Guinness Book of Records, the Sobrino de Botin in Madrid, Spain is considered to be the oldest country hosting a restaurant. The first restaurant was opened there in 1725 (Ninemeier, 1998). Restaurants then extended rapidly across all over the world.

2.1.2 A Classification of Food and Service Industry

According to the National Restaurant Association, the food and service industry is divided into two sectors: commercial and noncommercial (institutional) (Davis, Lockwood & Stone, 1988).

2.1.2.1 Noncommercial Sector

Noncommercial sector can be defined as "those operations in which making a profit from the catering facility is not the outlet's primary concern" (Davis et al., 1998, p. 10). The service operations in noncommercial sector, so called institutional operations, have many types which mainly refer to cost-minimization. Usually, the customers of noncommercial service operations are students, professors, workers, employees, staff etc. (Khan, 1991).

Noncommercial sector includes schools, universities, colleges, hospitals, prisons and etc. (Davis et al., 1988). Some of these organizations (such a prison or hospitals) are completely or partially supported by various governmental funds to pay for provision food and beverage services (Davis et al., 1988).

Power (1995) argued that "companies provide both restaurant and institutional food services and use similar marketing and managerial techniques in both areas. The major difference between two markets is that the food service in institutional is a small part of a large operations with a large purpose of overriding importance such as healthcare, educational and manufacturing" (Spears, 1995, p. 15).

2.1.2.2 Commercial Sector

Commercial food and service sector consists of "establishments that are open to the public that are operated for profit, and that may operate facilities and/or supply meal service on a regular basis" (Khan, 1991).

Commercial sector provides such food and service operations, in which financial goal is a primary concern (Davis et al., 1988). Commercial sector includes hotels,

fine-dining restaurants, ethnic restaurants, cafes, fast-food, takeaway, clubs, travel catering and so on (Cousins, Foskett & Gillespie, 2002). Customers in noncommercial establishments generally have little choice what to eat, whereas customers in the commercial food and service establishments have many choices (Spears, 1995).

Hotels or other tourist accommodations provide food and drink together with accommodation services (hotel, motel), and it often refers to the lodging industry (Cousins et al., 2002). Fast food and takeaway organizations are food and service establishments which offer provision of food and drinks quickly; it includes snacks, sandwich bars or kiosks (Cousins et al., 2002). For example, well-known McDonalds and Burger King are fast food.

Fine-dining restaurants (FRDs) offer the food and drinks generally at high price with high levels of service, and it often includes conventional and specialist operations (Cousins et al., 2002). Décor of such restaurants feature higher-quality materials, the employee is highly trained and wears formal clothing (Wikipedia Encyclopedia, 2012). FDRs are almost always small businesses and are generally either single-location operations or have just a few locations. FDRs have some rules of dining which customers are generally expected to follow (Wikipedia Encyclopedia, 2012).

Commercial and noncommercial sectors have "different operating problems. For example, the number of meals and portion sizes are much easier to predict in institutional food service operation often operate in a less hurried atmosphere than

that in restaurant, in which customer volume and menu popularity often fluctuates" (Power, 1995, p. 176).

2.1.3 Tourism and Restaurant Industry in Ukraine

Ukraine is the largest country in Europe after Russia. The territory of Ukraine covers 603,700 sq. kms (Wikipedia Encyclopedia, 2012). Today, the population of the country is 46.8 million people (Wikipedia Encyclopedia, 2012). According to the one of measurement methods, the geographical center of Europe is Ukraine. The country borders with seven countries, on the north by Belarus, in the north and east – by Russia, in the west – Poland, Slovakia, on the south – west – Hungary, Romania and Moldova (Wikipedia Encyclopedia, 2012).

Ukraine is the eighth most popular tourist destination in Europe. Tourism is the fastest growing industries in Ukraine (Wikipedia Encyclopedia, 2012). The country attracts more than 20 million foreign citizens every year (World Tourism Organization, 2010). According to the World Tourism Organization, 2010, 21.2 million foreign tourists visited Ukraine in 2010. Visitors primarily come from Eastern Europe, but also from Western Europe, USA and Canada. Most of the tourists come for a holiday and business purposes (State Statistics Committee of Ukraine, 2010).



Figure 1: Map of Ukraine

Source: Wikipedia Encyclopedia, (2011).

Ukraine has a large number of tourism facilities that give a great opportunities and advantages in the market (Djachenko, 2007). It has over 3500 institutions of recreation and rehabilitation, around 1700 hotels, motels and etc. (State Tourism and Resorts Organization, 2010). There are over 3000 hospitality enterprises for tourists and tourism related activities. Ukraine has a stable demand growth of a tourism product (Solovyov, 2010).

The restaurant industry plays a crucial role in the overall economy of the Ukraine. In 2004, restaurant market is estimated at \$1.8 billion, which 35% of this amount belongs to Kiev, the capital of Ukraine (National Restaurant Association, 2009). With over 7500 restaurants are competing for every consumer in the Ukraine's market (National Restaurant Association, 2009). To gain competitive advantage and

increase organizational effectiveness, restaurants should try to improve the service quality.

Kiev as a capital of Ukraine has more than 3000 food and service establishments: around 160 bars, 1200 cafes, 645 restaurants, 160 fast-foods (National Restaurant Association, 2009). There are over 500 fine-dining rooms (FDRs), which are under control of Ministry of Tourism (Ministry Of Tourism in Ukraine). Most of the FDRs are located in the city center or outside of the capital. Usually restaurants have visually attractive dining areas and they offer high quality service to their customers. The average number of customers in fine-dining rooms is approximately 400 – 600 customers per day (National Restaurant Association, 2009). The restaurants located in the center of the city focus on guests who are coming for business purposes or tourists. Those ones which are located outside of the city are focusing more on the family leisure, holiday purposes. These restaurants have many advantages such as big territory of the dining area and visually attractive parking area. FDRs offer different types of cuisine such as local, French, Italian and etc. Each type of cuisine has its own leaders.

Restaurants in Ukraine are aware of the fact that they have to deliver excellence service quality for success and survival in global competitive environment nowadays. However, there are a couple of problems in the restaurant industry of this country which are not empirically proved such as: the service is not rendered as promised according to its price. No other studies, related to this topic, have been done in Ukraine. The results of this thesis would delineate a number of useful implications for managers regarding guests' perceptions to service quality.

2.2 Characteristics of Service

The services have unique characteristics which make them different from physical goods. There are four characteristics of service that are the most commonly used by marketers to distinguish goods and services: intangibility, inseparability, heterogeneity and perishability (Parasuraman, 2002; Kerin, 2003; Kotler, 2003; Solomon & Stuart, 2003).

2.2.1 Intangibility

Characteristic of intangibility is one of the most important difference between products and services (Vargo & Lusch, 2004). Regan (1963) discussed the idea of services being “activities, benefits of satisfactions which are offered for sale, or are provided in connection with the sale of goods”. Services are activities provide by the supplier, which cannot be seen, tasted, felt, heard or smelt before they are consumed (Kotler, 2003; Kerin, 2003; Solomon & Stuart, 2003). In view of the fact that, services are not tangibles, they do not have features that appeal to the guest. The services are not known to the customers before they take them. Therefore, services are more difficult to evaluate (Kerin, 2003).

2.2.2 Inseparability

Inseparability refers to “production and consumption occurring simultaneously” (Cowell, 1988). Inseparability is considered to affect the simultaneous delivery and consumption of services in the organizations and it is believed to enable customers to influence or shape the performance and service quality (Regan, 1963; Donnelly, 1976; Zeithaml, 1981; Onkvisit & Shaw, 1991). This concept is important when we are dealing with personal services. Physical goods are manufactured into products, distributed through multiple resellers, and consumed later as services cannot be

separated from the service provider (Lovelock & Gummesson, 2004). Therefore, the service provider is part of service.

2.2.3 Heterogeneity

Heterogeneity indicates service performance and reflects the potential for high unpredictability in service delivery (Parasuraman et al., 1985). This is a problem for service with high labor content, as service is provided by different people and performance can be different day to day (Rathmell, 1966; Carman & Langeard, 1980; Parasuraman et al., 1985; Onkvisit & Shaw, 1991). Organizations have to focus on delivering more standardized services in cases where reduced consumer uncertainty is very important for success (Maister & Lovelock, 1982). Onkvisit and Shaw (1991) argued that heterogeneity is considered to offer the opportunity to provide a degree of flexibility and customization of the service.

2.2.4 Perishability

Perishability means that “service cannot be produced in advance and then stored to meet demand” (John & Storey, 1998). Onkvisit and Shaw (1991) argued that services are perishable as they are “time-independent and time-important”. According to Hartman and Lindgren (1993), “issue of perishability is primarily the concern of the service producer” and customer becomes aware of the issue when there is lacking, and they have to wait for the service.

2.3 Dining Experience

Dining experience plays a significant role in determining and influencing guest satisfaction. For the success of restaurant business is very important to understand customer needs about dining experience (Lockyer, 2005). The dining customer is impatient and sophisticated, and has many choices and expectations in all restaurant segments. If guest is not satisfied by offered service and value in the restaurant, he

will leave for another one (Stevens et al., 1995). Therefore, restaurants that provide a great service and value to its guests have a competitive advantage. Restaurants have to provide not only quality products and service, but also achieve a high level of guest satisfaction, what is very difficult in the competitive business environment nowadays (Stevens et al., 1995).

The success of the service and food establishments depends on their abilities to satisfy their quests by providing an excellent dining experience, by distinguish tangible and intangible elements in order to be able to meet or exceed their dining choices and expectations (Parasuraman et al., 1985; 1988; Zopiatis & Pribic, 2007). According to Kandampully and Butler (2001) offered service cannot be returned or reworked. Therefore, the restaurants must provide an excellent service and influence the guests' dining experience positively from their first encounter.

Guests' dining choices and expectations were investigated by many scholars (Lewis, 1981; Auty, 1992; Clark & Wood, 1999; Kandampully & Butler, 2001; Mohsin, McIntosh & Cave, 2005; Lockyer, 2005; Zopiatis & Pribic, 2007). Lewis (1981) investigated that food quality is the most important factor which influences customers' selection of the restaurant. Lockyer's study (2005) has focused on dining experience. The research identified factors which are the most important for management in the hospitality business: cleanliness and hygiene, taste and quality of the food, service quality, and price. Loker (2005) suggests to managers that in order to improve guest satisfaction they should focus more on cleanliness or quality of the food than on price of the service.

Zopiatis and Pribic (2007) examined college students' dining expectations and the factors that influence their dining choices. The study investigated that cleanliness, employees' behavior and quality of menu items are the most significant factors for the students' dining decisions. Intangible elements of dining experience, such as employees' attitude, have more power to give long term emotions and memories for the restaurant's guests than tangible aspects (Zopiatis & Pribic , 2007). According to Zopiatis and Pribic (2007)'s study, new generations have high demanding expectations. Generation Y individuals, born in the 1980s representing most of today's college students, are "optimistic, energetic, technology driven, pragmatic, resilient, with high social awareness, and open to and eager for new experience" (Coyeman, 1998, p.40). They dine out more frequently compared to previous generations (Brook, 2005). Considering these factors, food and beverage industry should be more prepared to meet customers' needs and expectations.

Auty (1992) focused on customers' perceptions of restaurants according to demographic groups: students, middle aged and older people. The results show that young people dine out more frequently and pay significant attention to the offered service quality in the restaurants. In addition, image and atmosphere become more important when the dining out occasion is a celebration or social night out (Auty, 1992).

Many scholars have focused on gender dining differences (Wood, 1990; Martens, 1997; Beardsworth, Brynan, Keil, Goode, Haslam & Lancashire, 2002; Zopiatis & Pribic, 2007). Wood (1990) investigated that women are more sensitive to all service quality dimensions, compared to men. In Martents (1997)'s study the findings show

that gender affects eating out experience, especially in food tastes between eating in and eating out. Beardsworth et al. (2002) investigated also significant gender differences according to the number of food related issues such as diet and health, body image perception and eating designs.

Zopiatis and Pribic (2007) revealed that when it comes to dining, men and women think differently. The study investigated significant gender differences in all five dimensions of service quality (assurance, reliability, responsiveness, tangibility, empathy). The study revealed that women pay more attention, compared to men, in all five dimensions. The study revealed significant differences in dining elements such as credit card use, alcohol preferences, ordering items and portion size.

2.4 Service Quality in the Food and Service Industry

Service quality has been identified as a key factor in influencing customer satisfaction that is a significant element of success in attracting repeat guests in the hospitality industry (Heskett, Jones, Loveman, Sasser & Schlesinger, 1994). By providing an excellent service, organizations satisfy its customers. A high level of guest's satisfaction leads to an increase in repeat customers and profitability to the company (Heskett et al., 1994). For the restaurant industry, having repeat guests is very important as well as providing an excellent dining experience for each customer (Heskett et al., 1994). A guests' satisfaction is the sum of total satisfaction made up of all individual elements, attributes of the products and services that make up the dining experience (Heskett et al., 1994).

Customer service quality is a key factor of success in sustaining competitive advantage in service-oriented world (Palmer, 2001). Therefore, organizations should

pay attention to delivery a high level of service quality to customers what in term of can position them more effectively in the market place (Chowa, Laua, Lo, Sha & Yun, 2007). Many researchers suggested that guest satisfaction can be achieved through high-quality service and product (Tsang & Qu, 2000; Getty & Getty, 2003).

Many scholars paid attention to customer satisfaction and service quality in the food-service industry (Johns & Howard, 1998; Johns & Pine, 2002; Tam & Yung, 2003). Researchers discovered the most important attributes for guests such as low price, value for money, service, location, brand name, image and food quality (Johns & Howard, 1998; Tam & Yung, 2003). Specifically, the main factors that contribute to guests' satisfaction in restaurants contain food, physical provision, atmosphere, and service received during the meal experience: balance, healthiness, layout, furnishing, cleanliness, comfort, speed, friendliness, care and etc. (Johns & Pine, 2002).

2.5 Service Quality Measurement in the Restaurant Industry

In today's service-oriented world, the essential measure of success depends on the organization's ability to satisfy guests through continuous excellent service (Dawkins & Reichheld, 1990; Parasuraman et al., 1985; Gabbie & O'Neil, 1996). The service provided by an organization has a direct effect on the company's profit as it is related to guests' perceptions of the services and satisfaction that leads to retention and loyalty (Baker & Crompton, 2000; Zeithaml & Bitner, 2000). Researchers have found that it is good financial proposition to retain current customers in order to attract new ones (Oliver, 1999).

According to the literature relating to the hospitality management, significant attention has been paid to the issues of service quality. Service quality is defined as

the consumers' judgment of the excellent of the service (Parasuraman et al., 1988). It plays a significant role in determining and influencing customer satisfaction (Aigebo & Parameswara, 2004). From the consumers' point of view, service quality is described as the evaluation of what they experienced and what they expected from a service product (Parasuraman et. al., 1985, 1988; Bolton & Drew, 1991). Based on this gap theory, Parasuraman et al., (1988) developed SERVQUAL model as an instrument to measure the service quality.

The SERVQUAL model is based on the evaluation of guests' expectations and their perceptions of provided service in the food and service establishment (Parasuraman et al., 1988). The difference between expectations and perceptions scores is called SERVQUAL gap (Parasuraman et al., 1988). If gap shows positive results it means that provided service meet guests' expectations; negative results show that received service did not meet guests' expectations (Parasuraman et al., 1988).

SERVQUAL model was developed by Parasuraman et al. in 1985. Later it was refined by Parasuraman et al. (1988), Knutson et al. (1990), Stevens et al. (1995). The model consists of two sectors. One of the sections has 22 items that measure guests' expectations; another one consists of 22 items as well and it measures guests' perceptions (Stevens et al., 1995). The model measures difference between guests' perceptions and expectations based on the five service quality dimensions: reliability, assurance, responsiveness, tangibles, and empathy (Knutson et al., 1990).

Tangible dimension includes "variables such as physical facilities, equipment, appearance of personnel and communication materials" (Parasuraman et al., 1988,

p.23). In other words, tangibility is about first customers' impressions. Organization should try to provide a unique positive and never forgetting first impression to its guests, to make them more likely to return in future (Stevens et al., 1995).

Assurance involves the "knowledge and courtesy of employees and their ability to render trust and confidence" (Parasuraman et al., 1988). In other words, assurance is refers to the organization's employees, to their ability to gain trust and confidence of the customers.

Another factor of the five service quality dimensions, reliability means the organization's "ability to perform the promised service as desired and accurately" (Parasuraman et al., 1988, p.23). It is about how the company are performing its promised service and providing a desired and accurate service quality to the customers. Every customer wants to know if their supplier is reliable and fulfill the set requirements with satisfaction.

The responsiveness refers to the willingness of the company to help their guests by providing good quality and fast service (Parasuraman et al., 1988). This is also a very important dimension, because every customer feels more valued if they get the best possible quality in the service.

Empathy is "the caring and individualized attention provided by organizations to the customers" (Parasuraman et al., 1988, p. 23). In other words, empathy is about how the company cares and gives individual, personal attention to their guests; how the

company tries to understand the needs of its customers in order make them feel special and extra valued.

SERVQUAL model was criticized by many researchers (Babakus & Boller, 1992; Buttle, 1996; Genestre & Herbig, 1996; Cook & Thompson, 2000). In contrast, other scholars tested the model and concluded that it is an effective instrument to measure service quality (Parasuraman et al., 1988; Knutson et al., 1990; Jiang, Klein & Crampton, 2000).

As a SERVQUAL model is a tool for measuring service quality, it has been received a crucial academic attention. SERVQUAL model was used in a various studies of service industry (Ladhari, 2008; Bojanic & Rosen 1994; Lee & Hing 1995; Yuksel & Yusel 2002; Andaleeb & Conway 2006). Many researches have applied SERVGUAL model in food and service establishments (Lee & Hing, 1995; Yuksel & Yusel, 2002; Kim, Ng & Kim 2009; Ladhari et al., 2008; Zopiatis & Pribic, 2007; Bougoure & Neu, 2010; Markovic, Raspor & Segaric, 2010).

2.5.1 DINESERV Instrument

A few years later, Stevens, Knutson and Patton (1995) developed DINESERV. It is a new adaption of the SERVQUAL model for the restaurant industry. The particular model was originally made up of 40 variables which measured service quality dimensions: reliability, assurance, responsiveness, tangibles, and empathy (Parasuraman et al., 1988). The authors refined the model by reducing the number of items first from 40 to 39, then from 39 to 31, and finally from 31 to 29. The 29-item survey instrument includes 10 items. Every dimension is important and does not have more weight than others (Stevens et al., 1995).

DINESERV includes also five service quality dimensions such as reliability, assurance, responsiveness, tangibles, and empathy (Stevens et al., 1995). For the food and service industry, tangibility refers to a physical design of the restaurant, cleanliness and appearance of the staff (Markovic et al., 2010). Responsiveness is about how restaurant provides prompt and quick service. In addition, it means employees' ability to answer guests' questions completely and quickly (Markovic et al., 2010). Assurance refers to restaurants' employees, how well-trained they are, competent and experienced (Markovic et al., 2010). Reliability refers to freshness of food, accurate receiving ordered food (Markovic et al., 2010). Empathy is about how the restaurant cares and gives individual, personal attention to their guests; and tries to understand the needs of its customers in order make them feel special and extra valued (Markovic et al., 2010).

Based on the literature review, this study investigated restaurant guests' dining perceptions according to gender, age, ethnic origin and education.

Chapter 3

METHODOLOGY

This chapter depicts methodology which was used in this thesis. . It also explains why this method was used in this study, how the data were conducted in Kiev. In addition, the structure of the questionnaire, how it was measured, which analytical tools were performed are presented as well.

3.1 Deductive Approach

As mentioned in the introduction part, this study used deductive approach. DINESERV questionnaire was used for the quantitative data and analyses the results quantitatively by a computerized program with a deductive approach. According to Neuman (2003), “In deductive approach, you begin with an abstract, logical relationship among concepts, then move toward concrete empirical evidence” (p.51). DINESEERV is the most popular and useful instrument to measure service quality in the restaurant (Zopiatis & Pribic, 2007; Markovic et al., 2010). Therefore this study used DINESERV questionnaires as the most appropriate one.

This study investigated restaurant guests’ dining perceptions by using data which were collected from a sample of guests in the fine-dining restaurants in Kiev, the most visited city in Ukraine.

3.2 Sample and Data Collection

This study used a convenience sampling approach. Convenience sampling refers to accidental sampling, "participants are selected according to their convenient accessibility" (Altinay & Paraskevas, 2008, p. 95). Specifically, data were gathered from a sample of guests in the fine-dining restaurants in Kiev, which is the most important tourism destination in Ukraine. Data were collected during a four-week period in August 2011.

The researcher asked permission for the data collection from managers in the fine-dining restaurants in Kiev. All of the restaurants agreed to contribute in the study. The researcher handed the questionnaires to the guests herself at the end of their meal.

The questionnaire based on DINESERV, measures the service quality dimensions: reliability, tangibility, assurance, empathy and responsiveness (Parasuraman et al., 1988). The questionnaire also included items for respondents' age, gender, education and nationality.

820 questionnaires were distributed to restaurants' guests. Lack of the information was noticed in 9 questionnaires so they were not taken into consideration. 811 questionnaires were used with a response rate of 98 %.

3.3 Questionnaire Structure and Measures

3.3.1 Questionnaire Structure

All items in the questionnaire were originally prepared in English and then translated into Ukrainian for the local people using the back-translation method (Parameswaran

& Yapak, 1987). These questionnaires were also tested with pilot samples of ten guests to check whether the questions seem logical and accurately measure the service quality in the restaurant. According to the feedback received from the guests, they did not have any difficulty understanding items in the questionnaires. Thus, no changes were made in the questionnaires.

3.3.2 Measures

The questionnaire consists of two parts. The first part was designed to measure demographic information. The demographic information included gender, age, nationality and education. The second part was aimed at identifying guests' service quality perceptions about five DINESERV dimensions: reliability, responsiveness, assurance, empathy, tangibility (Parasuraman et al., 1998). The sample questions are rated on a five-point Likert's item, where 5 means strongly agree, 3 means neutral or neither agree nor disagree, 1 means strongly disagree. DINESERV instrument was found to be a valid instrument to measure service quality in the restaurants (Stevens et al., 1995).

According to the original questionnaire based on DINESERV's, service quality was measured by five dimensions: reliability, assurance, responsiveness, tangibles, and empathy (Parasuraman et al., 1998). The particular model consists of 29 variables. Sample item tangibility consist of ten questions which includes "The restaurant has attractive parking area and building exteriors", "The restaurant has staff members who are clean, neat and appropriately dressed" and etc. (Parasuraman et al., 1998). The reliability sample item has five questions as follows "The restaurant quickly corrects anything that is wrong" and etc. (Parasuraman et al., 1998). Sample item of assurance contain six questions such as "The restaurant has personal who are both

able and willing to give you information about many items, their ingredients and method of preparation" (Parasuraman et al., 1998). The responsiveness sample items have three questions as follows "The restaurant provides prompt and quick service" (Parasuraman et al., 1998). The last sample item empathy consists of five questions such as "The restaurant make you feel special", "The restaurant has employees who are sympathetic and reassuring if something wrong" (Parasuraman et al., 1998).

3.4 Data Analysis

The data of the current study was analyzed by means of SPSS 8. This study uses a number of analytical tools in order to report the results of the empirical investigation. Frequencies were used to report the demographic breakdown of the sample.

Means, Standard Deviations and Cronbach's Alpha were used to help us rank the five service quality dimensions according to the means results. Independent sample *t*-test was used to find out differences according to international tourists and locals and gender for the five dimensions.

One-way ANOVA test was conducted to examine the importance guests give to the dimensions of service quality according to their group age and education.

Chapter 4

RESULTS

The current chapter elicits information on. It includes information about demographic profile of the respondents, the results regarding relationships between service quality dimensions and demographic characteristics such age, gender, nationality and education.

4.1 Demographic Breakdown of the Sample

Table 1 points out that the majority of the respondents were between the ages of 31 - 40 (23%) and 26-30 (22%), followed by individuals between the ages of 21 - 25 (19.5%) and 41 - 49 (19.2%) and the rest of them were between 17 - 20 and 50 and above. The sample was balanced in gender (53.8% male and 46.2 % female). Most of the respondents had college degrees (65.6%), thirty one percent (31%) had high school degree and the rest of them (3.1%) had middle school degree. The majority of the respondents were locals (59%) and the rest were internationals (40%).

Table 1. Demographic of the Sample (n = 811)

	<u>Frequency</u>	<u>(%)</u>
<u>Age</u>		
17-20	62	7.6
21-25	158	19.5
26-30	179	22.1
31-40	184	23.0
41-49	156	19.2
50 and above	72	8.9
Total	811	100.0
<u>Gender</u>		
Male	436	53.8
Female	375	46.2
Total	811	100.0
<u>Education</u>		
University/college	532	65.6
High school	254	31.3
Middle school	25	3.1
Total	811	100.0
<u>Nationality</u>		
International	332	40.8
Local	779	59.2
Total	811	100.0

4.2 Measurement Results

The data of the current study was analyzed using with the utilization of the SPSS 8. Table 2 shows the means and standard deviations for the respective variables. The coefficient alphas (Nunnally, 1987) are also specified in the table, each variable was greater than 0.70 which demonstrated a high reliability in each of the five dimensions. In particular, Cronbach's coefficient alpha for tangibility was 0.82, for reliability 0.75, for responsiveness 0.78, for assurance 0.89, and for empathy 0.86. This is supported and proved by other studies that all five service quality dimensions are reliable (Zopiatis & Pribic, 2007; Markovic et al., 2010).

Table 2. Means, Standard Deviations and Cronbach's Alpha of the study variable

Variables	Number of items	Mean	Std. Deviation	Cronbach's Alpha	Ranking
Empathy	5	3.614	0.565	.86	1
Tangibility	10	3.597	0.557	.82	2
Assurance	6	3.596	0.547	.89	3
Reliability	5	3.533	0.560	.75	4
Responsiveness	3	3.507	0.650	.78	5

Note: n = 811, the scores for all constructs ranged from 1 to 5 (strongly agree to strongly disagree). The five dimensions of DINESERV were ranked according to importance.

Table 3. Difference According to International Tourists and Locals for the Five Dimensions – Independent Sample *t*-test

Variable	Group	N	Mean	Std. Deviation	<i>t</i> - value	Sig. (2 tailed)
Tangibility	International	332	3,482	0,531	- 4,965	.000
	Local	479	3,677	0,562		
Reliability	International	332	3,472	0,561	- 2,626	.009
	Local	479	3,576	0,555		
Responsiveness	International	332	3,381	0,641	- 4,681	.000
	Local	479	3,595	0,642		
Assurance	International	332	3,505	0,533	- 3,979	.000
	Local	479	3,659	0,548		
Empathy	International	332	3,504	0,549	- 4,648	.000
	Local	479	3,689	0,564		

Respondents ranked empathy, the caring and individualized attention provided by the organization to their customers (Parasuraman et al., 1988, p 23) as the most important factor influencing their perceptions of service quality. Tangibility was ranked second, followed by assurance, reliability, and responsiveness.

Analysis of independent sample t-test for gender and one-way ANOVA related to education were performed in order to investigate if there are any differences in terms of the respondents 'gender and education and their perceptions of service quality dimensions. The findings did not reveal any significance.

As far as nationality is concerned, the independent simple t-test shows that the local people view all the five dimensions of service quality as important, much more than the international individuals, (tangibility = 3.677; reliability = 3.576; responsiveness = 3.595; assurance = 3.659; empathy = 3.689) as we can see in table 3. The results also show that the international tourists pay attention to all the dimensions of service quality in restaurants in Ukraine (tangibility = 3.482; reliability = 3.472; responsiveness = 3.381; assurance = 3.505; empathy = 3.504).

Table 4. One-way ANOVA (Age)

Variables		N	Mean	Sd. Deviation	F	Sig.
Tangibility	17-20	62	3.655	.571	4.015	.001
	21-25	158	3.634	.481		
	26-30	179	3.689	.555		
	31-40	184	3.590	.581		
	41-49	156	3.547	.622		
	50-	72	3.368	.424		
	Total	811	3.597	.557		
Reliability	17-20	62	3.613	.605	4.057	.001
	21-25	158	3.561	.535		
	26-30	179	3.639	.589		
	31-40	184	3.523	.549		
	41-49	156	3.458	.559		
	50-	72	3.336	.455		
	Total	811	3.533	.559		
Respons.	17-20	62	3.586	.646	3.370	.005
	21-25	158	3.553	.660		
	26-30	179	3.616	.688		
	31-40	184	3.494	.590		
	41-49	156	3.406	.658		
	50-	72	3.319	.604		
	Total	811	3.507	.650		

Table 4. Continued

Variables		N	Mean	Std. Deviation	F	Sig.
Assurance	17-20	62	3.621	.577	5.903	.000
	21-25	158	3.698	.468		
	26-30	179	3.704	.561		
	31-40	184	3.554	.568		
	41-49	156	3.504	.557		
	50-	72	3.338	.474		
	Total	811	3.596	.547		
Empathy	17-20	62	3.690	.593	4.124	.001
	21-25	158	3.652	.554		
	26-30	179	3.704	.548		
	31-40	184	3.616	.569		
	41-49	156	3.539	.547		
	50-	72	3.392	.571		
	Total	811	3.614	.565		

One-way ANOVA test was conducted to examine the importance guests give to the dimensions of service quality according to their group age. Post Hoc multiple Comparison Test (Tukey HSD) was followed to point out the subsets for alpha (homogenous tests).

According to the results, the respondents ranged between the ages of 31 - 40; 21 - 25; 17-20; 26-30 viewed the tangibility dimension of service quality significantly higher than the individuals between the ages of 41 - 49 and 50 and above. The reliability dimension also shows significant difference between the groups of 21-25; 17-20; 26-30 in comparison with respondents situated in the groups of 31 - 40; 41 - 49 and 50 and above. The results show that the respondents between the ages of 17 - 20 and 26 - 30 pay more importance for the responsiveness dimension of service quality than the other age groups. A significant difference has been proved between the respondents between the ages of 17 - 20; 21 - 25; 26 - 30 and the other age groups as far as the assurance dimension of service quality in the restaurants in Ukraine. As for the last dimension of service quality, empathy, the results show that respondents between the age of 31 - 40; 21 - 25; 17 - 20; 26 - 30 pay more attention in comparison with the other group age.

In conclusion, as mentioned above, we can see that the respondents of the study in accordance with their age group level show their perceptions of the service quality ranking its dimensions as follows: tangibility, empathy, reliability, assurance and responsiveness.

Chapter 5

DISCUSSION

This chapter presents a detailed evaluation of the results which were conducted in this study. It presents discussions about perceptions of service quality in fine-dining restaurants according to demographic characteristics such as gender, age, nationality and education. In addition, this chapter provides useful managerial implications for the restaurant business in Ukraine. Limitations of the study are proposed.

5.1 Evaluation of Findings

This study investigated the restaurant guests' dining perceptions of the service quality according to gender, age, education and ethnic origin. The objectives of this study were achieved through analysis of quantitative data collected from a sample of guests in the fine-dining restaurants in Kiev, the most visited city in Ukraine.

This study has two important contributions to the hospitality management. First, there are a lot of empirical studies about customers' service quality expectations in the restaurant industry. However, a restaurant guests' dining perceptions according to individual demographic characteristics are not received much empirical attention.

Guests' dining experience of service quality is one of key factors of success in attracting repeat guests, and it is considered a competitive advantage for organizations nowadays (Rapert & Wren, 1998). Higher levels of service quality produce higher levels of customer satisfaction, which in turn leads to higher levels of

customer patronage and profitability (Baker & Crompton, 2000; Zeithaml & Bitner, 2000). Therefore, this study investigated restaurant guests' dining perceptions.

Second, this study analyzed the data collected from guests in the restaurants in Kiev, the capital of Ukraine. It is the first time such a scientific research investigated guests' dining perceptions of the service quality in Ukraine. Restaurants in Ukraine are aware of the fact that they have to deliver excellent service quality for success and survival in global competitive environment nowadays. However, there are a couple of problems in the restaurant industry of this country which are not empirically proved such as: the service is not positively perceived.

Results indicated that empathy service quality dimension was ranked first as the most important factor influencing guests' perceptions of the service quality in fine-dining restaurants in Ukraine. Empathy is about how the company cares and gives individual, personal attention to their guests; how the company tries to understand the needs of its customers in order make them feel special and extra valued. Tangibility was ranked second followed by assurance, reliability, and responsiveness.

There are some differences in this hierarchy according to previous studies (Stevens et al., 1995; Zopiatis & Pribic, 2007). In Stevens et al. (1995) study empathy was ranked the last one. Reliability, the company's performance to provide the promised service, quality and accuracy to their customers, was ranked first followed by tangibility, assurance, responsiveness. In Zopiatis and Pribic (2007)'s study reliability was ranked as the most important factor influencing overall satisfaction the same as

in Stevens et al., (1995)'s study. Responsiveness was ranked second, followed by responsiveness tangibility, assurance and empathy. It seems that restaurants' guests in Ukraine pay more attention to empathy dimension of their experience. Restaurants' customers want to feel themselves special; they expect to get individual and quality attention from the organization.

In the past time, food and service establishments were thinking that if the food, the tangible characteristic of the dining experience, is good, the guest satisfaction can be easily achieved. As long as the taste of people becomes more sophisticated, their dining perceptions become more demanding (Zopiatis & Pribic, 2007). Intangible elements of dining experience, such as employees' attitude, have more power to give long term emotions and memories for the restaurants' guests than tangible aspects (Zopiatis & Pribic, 2007).

Overall results investigated that intangible factors are more important than tangible ones. Company cares about their customers and gives special attention to them through its employees. As only the employees have direct contact with the customers, special attention should be given to the issue of employees' attitude, the intangible element of the dining experience. The restaurants should train their employees better so that more personalized services can be provided to guests. It will increase customer satisfaction and total revenue of the organizations. As a result, it will lead to long-term success of business.

The results show that the respondents between ages 41 and above do not pay a significant attention to any of the five service quality dimensions (tangibility,

reliability, assurance, empathy, responsiveness) in comparison with other groups of age: 17 - 20; 21 - 25; 31 - 40; 26 - 30. The results also show that respondents between the ages of 17 - 30 pay more attention for tangibility, reliability, responsiveness and assurance dimensions of service quality. The respondents between ages 31 – 40 pay more attention to the empathy dimension of service quality.

It means that people between ages of 40 and above are not demanding in comparison with people between ages of 17 – 39. The findings are in line with previous results of Zopiatis and Pribic (2007) and Auty (1992). In Auty (1992)'s study results show that young people dine out more frequently and pay significant attention to the offered service quality in the restaurants. According to Zopiatis and Pribic's (2007) study, new generations have high demanding expectations. Generation Y individuals, born in the 1980s representing most of today's college students, are "optimistic, energetic, technology driven, pragmatic, resilient, with high social awareness, and open to and eager for new experience" (Coyeman, 1998, p.40). In this study results also show that majority of the respondents were between the ages 26 – 40. Generation Y individuals dine out more frequently compared to previous generations (Brook, 2005). Considering this factors, food and beverage industry should be more prepared to meet customers' needs and expectations.

The results also show that local people view all the five dimensions of service quality (tangibility, reliability, responsiveness, assurance, empathy) as important much more than the international tourists. Local people are more demanding than foreigners. The findings suggest that Ukrainians pay more attention to the tangible

elements of their dining experience such as the physical facilities, the equipment and employees' appearance. It is more difficult to satisfy the dining expectations of local people, and thus ensure their retention. Therefore, restaurants in Ukraine should develop such a strategy to provide a dining experience that would meet more demanding expectations of local people. For example, restaurants can focus more on providing operations with specific traditional elements.

The findings did not reveal any significant differences in terms of the respondents' gender and their perceptions of service quality what is completely opposite to other studies. It was proved by many studies that when it comes to dining experience, females and males perceive things differently (Martens, 1997; Beardsworth et al., 2002; Zopiatis & Pribic, 2007). Zopiatis and Pribic (2007) investigated significant differences in all five dimensions of service quality (assurance, reliability, responsiveness, tangibility, empathy). The study revealed that women pay more attention, compared to men, in all five dimensions. In Martens's (1997) study the findings show that gender effects the eating out experience, especially in food tastes between eating in and eating out. Beardsworth et al. (2002) investigated also significant gender differences according to the number of food related issues such as diet and health, body image perception and eating designs.

5.2 Management Implications

There are useful implications on the basis of the findings of the study. The findings show that guests in the restaurants more pay attention to the empathy and reliability dimensions of service quality. Overall results investigated that intangible factors, which are mainly linked to employees' behavior, and more important than tangible. Therefore, restaurants should pay great attention to employees' attitude.

In the highly competitive world food and service industry should focus on the service quality factors in order to increase the guest satisfaction and retention to quit. The employees should be more trained in providing a dining experience for the customers. They need to make guests feel special and better anticipate individual needs. In addition, they should clearly have the guests' best interests at heart and try to be more sensitive to guests' needs.

Young people dine out more frequently and pay significant attention to the offered service quality in the restaurants. Therefore, the restaurants' managers should develop special strategies according to various age groups. They should enhance market research regarding these age groups, their eating habits, their favorite menu, and their preferences. Based on this, restaurants can develop strategies which may include: variety of food; variety of dining settings based on innovative ideas.

The results also show that local people are more demanding than foreigners. Ukrainians pay more attention to the tangible elements of their dining experience such as physical facilities, equipment and employees' appearance. Restaurants in Ukraine should focus more on providing good dining experience for local people as they are their main customers.

Food and service establishments should realize that their ability to satisfy their guests by providing a dining experience is the most important factor in return intention and loyalty (Zopiatis & Pribic, 2007). Restaurants' guests are becoming more and more sophisticated in their dining choices. They want to expand their dining horizons and try new things. Therefore, restaurant industry should provide

new dining experience, commit to new and innovative service delivery processes which will satisfy customers' ever-changing expectations.

Continuous improvement in service operations should not be ignored. Managers in the food and service establishments should periodically measure the service quality perceptions in order to deal with the problems in real time.

5.3 Limitations and Future Research Directions

Several future research directions based on the limitations of this study are offered. First, this study collected data from a limited geographic area. For the generalizability of the results, it would be better to expand this research throughout the country. Second, future research could be done in different tourism and hospitality service settings such as travel agencies, hotels, airlines.

Third, future research could investigate expectations and perceptions of the service quality in restaurants' industry in Ukraine. In addition, to examine the influence the DINESERV dimensions on customer satisfaction and return intention. Finally, it is recommended to investigate the effect of other important socioeconomic variables on the perceptions of the service quality using demographic characteristics (income, profession).

Despite of the limitations, the results of this thesis regarding restaurant guests' dining perceptions and choices contribute to the hospitality industry.

Chapter 6

CONCLUSION

This thesis investigated restaurant guests' dining perceptions and choices according to gender, age, education and ethnic origin. This study uses a convenience sampling approach. Specifically, data were gathered from a sample of guests in the fine-dining restaurants in Kiev, which is the most important tourism destination in Ukraine. Data were collected during a four-week period in August 2011.

The results indicated that empathy service quality dimension was ranked first as the most important factor influencing guests' perceptions of the service quality in the fine-dining restaurants. Empathy is about how the company cares and gives individual, personal attention to their guests; how the company tries to understand the needs of its customers in order make them feel special and extra valued. Tangibility was ranked second followed by assurance, reliability, and responsiveness. It seems that restaurant's guests in Ukraine pay more importance to the empathy dimension of their experience. Restaurant's customers want to feel special; they expect to get individual and quality attention from the organization.

Company should care about their customers and give special attention to them through its employees. As only the employees have direct contact with the customers, special attention should be given to the issue of employees' attitude, the intangible element of the dining experience.

The results show that young people dine out more frequently and pay significant attention to the offered service quality in the restaurants. New generations have high demanding expectations and dine out more frequently compared to previous generations (Brook, 2005). Considering these factors, food and beverage industry should be more prepared to meet customers' needs and expectations.

The results also show that local people view all the five dimensions of service quality (tangibility, reliability, responsiveness, assurance, empathy) as important, much more than the international tourists. Local people are more demanding than foreigners. It is more difficult to satisfy the dining expectations of local people, and thus ensure their retention. Therefore, restaurants in Ukraine should develop such a strategy to provide a dining experience that would meet more demanding expectations of local people. For example, restaurants can focus more on providing the operations with specific traditional elements.

The findings did not reveal any significant differences in terms of the respondents' gender and their perceptions of service quality what is completely opposite to other studies.

This thesis outlines several useful implications for managers for business practice based on the results of the empirical investigation. Limitations are also given in this thesis.

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