

The impact of service quality on customer satisfaction and customer loyalty in multinational fast-food restaurants; A case study based on KFC Liverpool, UK.

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Abstract: Understanding the dynamics of service quality can be recognized as essential for fostering customer satisfaction and loyalty, both of which are critical for long-term success in the highly competitive fast-food industry. This research investigates the impact of service quality on customer satisfaction and loyalty, with a specific focus on KFC in Liverpool, United Kingdom. A questionnaire was distributed among 103 respondents and the data gathered was analyzed through regression and correlation methods using SPSS software. The findings reveal a significant positive relationship between service quality and both customer satisfaction and loyalty, highlighting the importance of responsiveness as the most influential factor in both dimensions. These results challenge existing literature that questions the link between service quality and customer loyalty, suggesting that even in a fast-paced environment, customers still prioritize high-quality service. The implications of this study are valuable for fast-food chains aiming to enhance customer loyalty through improved service standards.

Keywords: Service Quality, Customer Satisfaction, Customer Loyalty, Fast-food Industry, Responsiveness.

I. Introduction

Despite the consumer behaviors and global economic crisis, the fast-food restaurant industry can be identified as a sector that possesses strong growth (Nguyen, et al., 2018). When compared to the fast-food industry in the United States, the United Kingdom has a stable growth even during the COVID-19 period. As of January 2022, more than 12% of Brits reported that they eat fast food once a week. Further, according to a survey that took part in European countries, the UK became the top country that ate most junk food with an average of 5.69 times per month (Statista.com, 2022). According to a study done by Statista, it was revealed that mostly the younger generation aged 18-24 years old frequently eat from fast food restaurants compared to 65 and over (Statista.com, 2021). Furthermore, in past years, the fast food and takeaway industry in the United Kingdom has grown remarkably. In 2019, the Market share was nearly 18.9 billion British pounds, and in 2021 it went up to approximately 21 billion (Statista.com, 2022). Thus, it is clear that the UK fast food industry has a significant growth in the past as well as significant revenue. Furthermore, it is clear that the fast-food industry in the UK can grow and improve further to maximize profits and increase market share. As the industry is growing day by day, fast-food restaurants should make the maximum developments to upgrade their businesses (Nguyen, et al., 2018).

In the fast-food industry, many significant factors drive business success, and some major factors can be identified as service quality, customer satisfaction, and customer loyalty. Dam & Dam, (2021), mentioned how service quality can be identified as a driving factor of economic development in recent years. With the rapid changes in lifestyles, economy, society, and also with the growth of technology, it is necessary to identify the opinion of the consumers about the perceived service quality. Furthermore, good service quality automatically leads to customer satisfaction and customer loyalty (Suciptawati, et al., 2019). Customer satisfaction and service quality play a major role in the business to compete in the market and also when making profits. In a fast-moving world, people tend to buy food from fast-food restaurants for convenience and as it is faster. According to Ahmed, et al., (2021), a loyal customer base is required to make sure the satisfied customers revisit the company and also to make sure the customers recommend the company to others through word of mouth. Thus, it is necessary to investigate the impact of service quality on satisfaction and loyalty to attract and retain loyal consumers.

1.1 Problem statement

The main focus of this study is to investigate the impact of service quality on customer satisfaction and customer loyalty. In 2021, KFC became the leading brand in the UK with best chicken welfare policy among other famous brands (Mintel.com, 2021). Furthermore, KFC has been rated as one of the top five brands in the UK (Statista.com, 2022). Even though KFC has worldwide fame for its brand name, KFC stores in Liverpool receive many bad reviews for their service and food quality which can be identified as a threat to customer satisfaction and customer loyalty. According to the TripAdvisor website, Liverpool KFC has received 46 'Terrible' Reviews out of 54 reviews posted which can be identified as more than two-thirds of reviews. Most of these reviews portray the terrible service received by the public (TripAdvisor.co.uk, 2022). Further, this has been reported in Newspapers such as Liverpool Echo, where customers have warned TripAdvisor about Liverpool KFC (Curran, 2021). Thus, this case study will be mainly based on Liverpool KFC in order to investigate how service quality impacts customer satisfaction and customer loyalty. This study will be beneficial to KFC to understand their customers and to see where they have to improve in order to provide quality service and to improve their customer satisfaction. Moreover, as mentioned before, the fast-food industry is growing day by day and there are many opportunities to grow and develop. Thus, this study will be beneficial to examine the current business scenario and to identify how to develop further. Moreover, this study will support other small and medium businesses also to provide good customer service and to understand how to survive in the market.

Before this, many studies were conducted to identify the influence of service quality on customer satisfaction. Aftab, et al., researched identifying the importance of Service quality on customer satisfaction in fast-food restaurants in Pakistan in 2016. The limitations of this study were that this study was only limited to Pakistan. Further, it was mentioned in future research that 'Customer Loyalty' can be taken as another variable. Moreover, a study on 'the influence of Online food delivery service quality on customer satisfaction and customer loyalty in Malaysia' was undertaken by Yusra & Agus in 2020. In this study, only the Malaysian delivery context was researched and a service quality measuring tool that is unique to measuring online food delivery services was used. Further, after careful research, the researcher identified that there is a gap in the literature where some recent studies have mentioned that there is no significant relationship between service quality and customer satisfaction (Supriyanto, et al., 2021; Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012). A study by Sajanga, et al., (2020) finds out that not every service quality factor has a significant impact on customer satisfaction. According to this study, tangibility, reliability, responsiveness, and assurance have no significant influence on customer satisfaction. Empathy is the only factor that has a significant influence on customer satisfaction. Furthermore, much recent research has found that there is no significant positive influence of service quality on customer loyalty (Supriyanto, et al., 2021; Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012) while some research articles argue that there is a significant impact (Izogo & Ogba, 2015; Kuo, et al., 2013). Thus, these contrasting findings clearly show that there is a need to see whether service quality has a significant influence on customer loyalty in the fast-food industry.

1.2 Research question

To what extent the service quality impacts on customer satisfaction and customer loyalty?

1.3 Objectives

- I. To identify the impact of 'service quality' on customer satisfaction.
- II. To identify the impact of 'service quality' on customer loyalty.
- III. To explore the most influencing service quality factor on Customer satisfaction.
- IV. To explore the most influencing service quality factor on customer loyalty.

II. Literature Review

2.1 Service quality

Services can be identified as a never-ending cycle of contact between the service providers and customers (Eresia-Eke, et al., 2018). Service quality can be the real comparison between a service received and expected by a consumer which can be identified as the expectations and experience (Piccoli, et al., 2017). Service quality is a crucial factor for fast-food restaurants, restaurants and also for hotels. Furthermore, a premium, remarkable service quality can be used as a key to gain a competitive advantage. When an outstanding service quality is offered, the expectations of the customers

can be met. According to Pakurar, et al., (2019), a premium service quality leads to customer satisfaction and enhances the expectations and experience of a customer. Furthermore, customer satisfaction leads to customer loyalty.

Even in the restaurant industry, it is crucial to ensure consumer happiness through providing different products and services. As today's business environment is competitive every business tries to attract new customers and retain them. Thus, it was recognized by research that the success of a particular organization depends on how unique or different the products or services are and also on the value they have on customers (Namin, 2017). Furthermore, in order to survive in the market and to be successful, it is needed to provide and maintain a high standard of service to the customers as the dissatisfaction of customers can switch them to the competitors of the company (Xia & Ha, 2021).

According to Stevens, et al., (1995), when it comes to restaurants, consumers are sophisticated enough to understand which service provider is offering a satisfactory service. Thus the consumer has the choice to turn to another service provider. Further, he considers a consumer as 'the boss' of a restaurant and the boss should define the service he or she should receive from the restaurant. When the consumers provide information on how they define great service, the restaurant should be able to cater to the expected quality. The restaurants or companies that provide quality service and value have a competitive advantage when compared with others.

2.1.1 Measuring service quality through DINESERV Model

Stevens, et al., (1995), introduced a tool, DINESERV to measure service quality in restaurants. This is a famous tool to measure service quality in the restaurant industry and it gives a proper idea of what a consumer expects in a restaurant. There are five dimensions in this tool such as reliability, assurance, responsiveness, tangibles, and empathy. The below Table provides an explanation of each dimension in the DINESERV model.

Table 1: DINESERV tool explained (Stevens, et al., 1995)

Reliability	The ability to provide the promised service accurately.
Assurance	Courtesy and knowledge of the employees in the restaurant which reflects trust and confidence.
Responsiveness	Willingness of the staff to support customers and the ability to provide a remarkable service.
Tangibles	Available facilities, equipment and the appearance
Empathy	Caring, individualized attention, consideration given to each customer

The model DINESERV is used by researchers when doing studies about restaurants, hotels, dining courts, and even food chains. This model has been identified as a great measuring tool to measure the performance of restaurants. The model supports to identification of the overall quality of the service, underperforming areas, areas which have average standards, and also the areas with high standards (Adeinat, 2019).

2.2 Customer satisfaction

Different research has interpreted customer satisfaction in different ways. According to Sultana, et al., (2016), customer satisfaction is "an evaluation of the needs and wants of a customer and the extent to which these are met." Furthermore, Rumagit, et al., (2022), state customer satisfaction as a measure to identify to which extent a customer is happy with a product, service, or experience. Further, it states customer satisfaction as an "overall attitude of a customer towards the service provider."

A satisfied customer has the ability to be loyal to the brand and also to spread the positivity of the product or service to others through word of mouth. If negative comments circulate through word of mouth, this can have an impact on the service provider and the customers can be drawn away to the competitors of the particular organization (Nguyen, et al., 2018). Consumers have the ability to compare and contrast products or services with other companies, thus, for an organization to create and maintain a good brand name and to attract and retain customers, it is needed to provide good consumer service. Word of mouth and loyalty can be identified as outcomes of a satisfied service and this can lead an organization to be successful (Kim & Kim, 2022).

Moreover, with time, the current market has changed from producer-driven to buyer-driven. Thus, many companies have identified customer satisfaction as a solution to such changes as customer satisfaction can increase customer loyalty, intentions of repurchase, word of mouth, and also the profitability of an organization (Kim & Kim, 2022).

Atmosphere, food quality, brand name, and service quality are the main key factors that affect customer satisfaction in a restaurant experience. Among these service quality and brand image play a major role. According to a study undertaken by Erkmen & Hancer (2019), the employees of an organization play a major role in providing quality service to the customers and this is especially in the restaurant industry. Further, the study mentions that high customer contact, increased communication, human-oriented services, and also customized products are needed to maintain a standard quality service to increase customer satisfaction.

2.2.1 Service quality and customer satisfaction

Many studies have found that there is a relationship between service quality and customer satisfaction (Sureshcandar, et al., 2002; Gunarathne, 2014; Nguyen, et al., 2018). Further, research claimed how good service quality leads to customer satisfaction and how it makes the organization stand out or become more competitive in a specific market (Suciptawati, et al., 2019). Today in the competition-driven business industry, many companies have made customer satisfaction their principal goal. Further through feedback, they try to understand consumers, alternative services available to the consumer, how the consumer evaluates the service received and also the companies can identify the issues in their services (Daengs, et al., 2016).

According to Rumagit, et al., (2022), before getting classified as a restaurant that provides a standard service quality, it is necessary to build trust between the consumers and the employees. Further, the employees of the organization should support the customers by providing prompt service with a responsive attitude. Nevertheless, the study mentions that when the restaurant provides a premium good quality service while being fast and efficient, this can boost customer satisfaction as well as the popularity of the restaurant.

2.3 Customer Loyalty

The aggressive competition in the business world today has made it difficult for businesses to retain customers in the long run and also to make the customers loyal (Satti, et al., 2019). As there are many alternative products and services in the market, businesses must make sure the consumers are satisfied with their products to make them loyal customers (Satti, et al., 2022). The satisfied mindset of a customer toward an organization, their products or services, the desire to repurchase the products or services, and the intention to recommend the product to others without hesitation can be recognized as customer loyalty (Okeiyi & Agu, 2022). As customer loyalty persuades a consumer to use or to purchase from a particular brand this generates a better benefit to the brand or the organization (Khan, 2014).

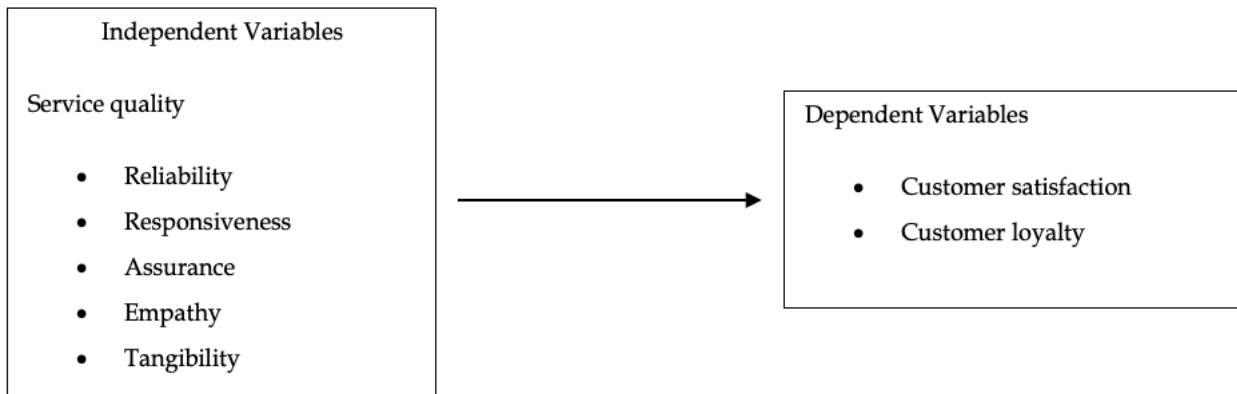
Furthermore, Syah, et al., (2022) mention that customer loyalty makes the customers repurchase products/services or recommend products/services to others disregard the price. Further mentions that happiness and trust have a great influence on customer loyalty. Numerous studies have shown that there is a positive influence of trust on customer loyalty and this should be followed by companies to make sure the customers are trusting their services or products (Alkhourshan & Rjoub, 2020; Hamzah, et al., 2021).

According to Ahmed, et al., (2021), having a loyal customer base is the primary factor when sustaining business growth and also when competing with other businesses. Furthermore, it was shown that loyal customers are more likely to repurchase the products rather than new customers. Thus it is necessary for a business to cultivate a larger loyal customer base to succeed in the market.

2.3.1 Service quality and customer loyalty

Service quality can be identified as a factor that influences customer satisfaction and customer loyalty (Syah, et al., 2022). Studies show that higher the service quality, it is more likely to have increased satisfaction and loyalty (Izogo & Ogba, 2015; Kuo, et al., 2013). However, according to Khan (2014), nowadays it is hard for companies to achieve a high level of customer satisfaction and customer loyalty, especially in the service sector due to highly dynamic and competitive business environment.

Further, it was found that the available premium quality services can create a long-term strong relationship between the company and the customer. When customers receive a quality service which makes them feel special or valuable, customers tend to revisit more to receive the same quality service each time they visit. Thus, when these customers receive a unique valuable service that is not offered by another company tend to become regular and loyal customers. These customers can be seen as an effective marketing tool. As every business needs to expand and make a profit, it is necessary to have a strong customer base. These loyal customers will refer the company to more and more people and in this way existing loyal customers contribute to increase the customer base and also the market share of the particular company (Khan, 2014). According to Opata, et al., (2019), the more satisfied a customer is with the service



quality provided, the more loyal they become to the particular brand.

2.4 Conceptual framework

The following figure represents the conceptual framework of this research. The service quality will be measured using the DINESERV model where Reliability, Responsiveness, Assurance, Empathy and Tangibility will be the factors. Thus, Service quality can be identified as the independent variable while customer satisfaction and customer loyalty can be identified as the dependent variables.

III. Methodology

3.1 Research approach

The research approach is "the procedures and plans in research that involve the phases from expectations to detailed methods of collecting data, analysis, and interpretation" (Grover, 2015). Positivism is the most suitable research philosophy for this study, as it seeks to explore the laws of nature and convey them through the description of theory (Park et al., 2020). A deductive approach can also be utilized, where an existing theory will be tested (Azungah, 2018). The DINSERV theory, which is used to measure service quality, can be identified as the existing theory that this research tests.

Since the main purpose of this research is to investigate the impact of service quality on customer satisfaction and customer loyalty, Quantitative research choice can be identified as the most appropriate mono strategy to measure these variables. Through quantitative research, it is possible to identify the mathematical relationship between the variables by using the data and also by using statistical techniques and methods.

According to Robson & McCartan (2015), quantitative studies have many benefits such as the ability to gather rich data, less time-consuming, easiness of analysis, and also the reliability and validity of the data. The main limitation of quantitative data can be identified as the time that will take to conduct the research. Furthermore, to measure the service quality, customer satisfaction, and customer loyalty in Liverpool, it is necessary to have a larger sample which is not possible with a qualitative study. Even Atieno (2009), has discovered that findings of a qualitative study cannot be extended to a broader population to get a proper analysis. Thus, carrying out a quantitative study can be identified as the most suitable method for this research.

3.2 Rationale for data collection method

According to Saunders, et al., (2007) research strategy is 'the overall plan of how the researcher will go about answering the research questions.' Furthermore, it was stated that a suitable research strategy should be selected based

on the research objectives, research questions, the gap in the literature, the available time, resource availability, and also on the philosophical footings of the researcher. There are many research strategies available such as, surveys, case studies, experiments, cross-sectional studies, longitudinal studies, action research, participative inquiry, archival research, and ethnography (Saunders, et al., 2007). As this research is limited to KFC fast-food restaurant customers in Liverpool, and since there is a limited time frame, the most suitable strategy can be identified as a case study. A case study is a 'strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real-life context using multiple sources of evidence (Saunders, et al., 2007).' A case study can be identified as the most flexible of all research designs as it allows the researchers to preserve universal appearances of real-life events while studying realistic events (Schell, 1992).

3.3 Hypotheses

"Hypothesis is a tentative explanation that accounts for a set of facts and can be tested by further investigation (Mourougan1 & Sethuraman, 2017)." The following are the hypotheses established to answer the research questions and objectives which will be compiled with the literature review.

Customer satisfaction

- Hypothesis 1 (H₁) - There is a positive relationship between Tangibility and Customer satisfaction.
- Hypothesis 2 (H₂) - There is a positive relationship between Reliability and Customer satisfaction.
- Hypothesis 3 (H₃) - There is a positive relationship between Responsiveness and Customer satisfaction.
- Hypothesis 4 (H₄) - There is a positive relationship between Assurance and Customer satisfaction.
- Hypothesis 5 (H₅) - There is a positive relationship between Empathy and Customer satisfaction.

Customer Loyalty

- Hypothesis 6 (H₆) - There is a positive relationship between Tangibility and Customer loyalty.
- Hypothesis 7 (H₇) - There is a positive relationship between Reliability and Customer loyalty.
- Hypothesis 8 (H₈) - There is a positive relationship between Responsiveness and Customer loyalty.
- Hypothesis 9 (H₉) - There is a positive relationship between Assurance and Customer loyalty.
- Hypothesis 10 (H₁₀) - There is a positive relationship between Empathy and Customer loyalty.

3.4 Sampling and Sample size

The population of this research can be identified as Liverpool residents. An acceptable sample size should be there in research to ensure the validity and reliability of the data that will be gathered. A too-large sample size can be unethical and unnecessary while a too-small sample is unscientific. Thus, it is crucial to select an appropriate sample size that will go along with the objectives of the study, the resources available, and also with the time frame available (Andrade, 2020).

As per research, the customers visiting Liverpool KFC rounds up to around 500 per day. The time period allocated for the data collection is two weeks, and the number of consumers visiting KFC nearly can be rounded up to the amount of 7000. Thus, the population of the study will be 7000 customers and the sample will be 364 customers according to Krejcie and Morgan (1970). Due to the limited time and also due to the number of customers who are willing to respond only 103 responses were gathered during the data collection period.

Furthermore, there are two types of sampling such as probability sampling and non-probability sampling. In this research, a probability sampling method was used which incorporates 'an aspect of random selection' which confirms that the population has an equal chance of being selected (Berndt, 2020). Also, simple random sampling method was utilized as all the individuals in the population should have an equal chance of being included in the study. Random sampling is known as the least biased method of sampling and this is the main reason for choosing this sampling method (Jawale, 2012).

3.5 Data Collection

Primary data and secondary data are two different data sets that can be recognized when collecting data. The original data gathered for a specific goal can be identified as primary data and the data originally collected for a different purpose and reused for another research question can be identified as secondary data (Hox & Boeijs, 2005). The

questionnaire will be distributed to collect data and thus, primary data gathered through this will be used in this research.

As this research is a quantitative study, a questionnaire is used to gather data. There are many benefits of using a questionnaire such as the ability to gather high-quality usable data, achieve good response rates, anonymity, ability to get more honest and frank answers, and the bias is reduced when compared to other methods such as interviews and focused groups (Marshall, 2005). The questionnaire used contained questions that were derived from previous research. Previously validated questionnaires are used to make sure all the areas are covered to gather rich data and also to ensure the reliability and validity of the questionnaire. Furthermore, validated questionnaires can save time and resources as they are already tested (Marshall, 2005). After finalizing the questionnaire, a Cronbach Alpha test will be conducted to see the validity and reliability. As Cronbach alpha is a widely used method for estimating reliability this check can be done using SPSS software (Bonett & Wright, 2014).

3.6 Design of Research instrument

A questionnaire can be identified as a commonly used instrument for data collection. Furthermore, a questionnaire consists of a series of questions which can include open-ended, close-ended, or both types of questions (Pozzo, et al., 2019). The questionnaire used in this study contained close-ended questions as it is supportive to analyze the data easily. A statement was given where the consumers of KFC can choose whether they agree or disagree with the given statement. Furthermore, these statements were on a Likert scale where the consumers of KFC could choose an option from their degree of agreement or disagreement (Marshall, 2005). The statements were numbered or coded to make it easier to enter the data into SPSS software later.

3.7 Distribution

The questionnaire was made through the Jisc online survey website, and the link was shared among residents of Liverpool through various social media groups to cover all age and gender groups. Further, the respondents were asked to share the link of the questionnaire with their family members in Liverpool if it is convenient for the respondent.

3.8 Data analysis

SPSS software was used to analyze the quantitative data that was gathered through the data collection. The responses were downloaded straight from the Jisc online survey tool and were labeled and coded to make it easier to analyze and also to identify the statements of the questionnaire. Furthermore, the data was labeled as scale, nominal, or ordinal to analyze them. Analysis of demographic variables, correlation analysis, and multiple regression were some of the tests that have been used in this research to identify the relationships between the variables and also to test hypotheses.

3.9 Reliability of Data

The reliability and consistency of the data collected were tested using SPSS to ensure the validity of the data gathered. Surucu and Maslakci (2020), mentioned in their study that research that has been conducted without measuring validity and reliability will not yield beneficial results. According to Taber (2018), Cronbach Alpha values of 0.7 or higher indicate an acceptable reliability value which represents a satisfactory level. Thus, this study which yielded a value of .98 portrays that the data collected is reliable.

3.10 Ethical considerations

Each research that is conducted should be ethically acceptable. A researcher should thoroughly consider every detail and issues that can arise ethically when conducting research. The researcher is the person who is responsible for carrying out an honest and accurate research project (Fiesler, 2019). All the participants of the research will be made aware of the research, about their data protection, and also about being a participant voluntarily. At the beginning of the questionnaire, all the details were given and the participants could choose whether to be involved or not. Furthermore, the data collection will be anonymous, and no private data will be collected. Only demographic details such as age and gender group will be collected. This research was conducted with the approval of LJMU ethics committee and under the sole permission of the respondents.

IV. Findings

4.1 Demographic variables

The questionnaire was distributed among Liverpool residents and 103 responses were collected. The first demographic in the questionnaire was the age category. Four age categories were presented in the questionnaire for respondents to choose from such as, '18-30', '31-40', '41-59', and '60+'. Among 103 responses gathered, sixty-four respondents represent the 18-30 age category, twenty-six respondents represent the 31-40 age category, ten respondents represent the 41-59 age category and only three respondents represent the 60+ age category. Furthermore, the second demographic variable was to identify the gender of the respondents. According to the data gathered among the 103 respondents, fifty-nine respondents were male, and forty-four respondents were female.

Finally, the third demographic variable of how often the respondents visit KFC Liverpool had four answer categories to choose from, such as Seldom, Sometimes, Frequently, and Always. According to the responses, seventeen respondents, 'Seldomly' visit Liverpool KFC, fifty-six respondents 'Sometimes' visit KFC, twenty-three respondents 'Frequently' visit Liverpool KFC, and the remaining seven respondents 'Always' visit KFC in Liverpool city.

4.2 The impact of Service Quality on Customer satisfaction

As service quality is measured through five factors of DINESERV such as tangibility, assurance, empathy, reliability, and responsiveness, a regression and a correlation analysis will be taken to identify their impact on customer satisfaction.

4.2.1 Exploring the impact of Tangibility on Customer satisfaction

Tangibles will be the first DINESERVE factor tested using regression analysis. The value for R2 ranges between 0 and 1, where a value of 0 indicates that the response variable cannot be explained by the predictor variable while a value of 1 represents how the response variable can be explained by the predictor variable without any error (Frost, 2020). The closer the value to 1, the stronger the relationship between variables. As per the analysis, the R square value is .618 which indicates that 61% of customer satisfaction (dependent variable) is explained by the Tangibility (independent variable). Even as per the ANOVA table, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 2

Correlations

		Tangibles	Customer_satisfaction
Tangibles	Pearson Correlation	1	.786**
	Sig. (2-tailed)		.001
	N	103	103
Customer_satisfaction	Pearson Correlation	.786**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

This table presents the correlation coefficient. In this table, if the significant value is below the acceptable significant value which is 0.05, the hypothesis can be accepted. According to the coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 1 (H1) which is "there is a positive relationship between Tangibility and Customer satisfaction" can be accepted. This means that customer satisfaction can be increased when tangibility factors increase.

Further, the correlation measures the strength and the direction of the linear relationship between the two variables and the values range from -1 to +1. A value of +1 indicates a perfect positive relationship, a value of 0 indicates no relationship and a value of -1 indicates a perfect negative relationship (Frost, 2020). Here in this study, as per the above correlations table, the value received is .786 which is between 0.7 and +1. This shows a fairly strong positive relationship between Tangibility and customer satisfaction. Furthermore, this indicates that Tangibility has a positive relationship on customer satisfaction. Thus, KFC Liverpool should take measures to increase their tangibles to increase the satisfaction

of the customers. As an example, by creating a visually attractive dining area for customers to enjoy their time at KFC Liverpool.

4.2.2 Exploring the impact of Reliability on Customer satisfaction

As per the model summary, the R square value of reliability is .739 which indicates that 73% of customer satisfaction (dependent variable) is explained by the Reliability (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 3
Correlations

		Reliability	Customer_satisfaction
Reliability	Pearson Correlation	1	.860**
	Sig. (2-tailed)		.001
	N	103	103
Customer_satisfaction	Pearson Correlation	.860**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 2 (H2) which is “there is a positive relationship between Reliability and Customer satisfaction” can be accepted. This means that customer satisfaction can be increased when reliability factors increase.

Further, as per the above correlations table, the value received is .860 which is between 0.7 and +1. This shows a fairly strong positive relationship between Reliability and customer satisfaction. Furthermore, this indicates that Reliability has a positive relationship with customer satisfaction. As it was revealed through the analysis that customer satisfaction can be increased using reliability factors, KFC Liverpool should take measures to increase the satisfaction of the customers. As an example, by providing the service during the time promised and by doing orders error-free.

4.2.3 Exploring the impact of Responsiveness on Customer satisfaction

As per the model summary, the R square value of .788 indicates that 78% of customer satisfaction (dependent variable) is explained by Responsiveness (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 4
Correlations

		Responsiveness	Customer_satisfaction
Responsiveness	Pearson Correlation	1	.888**
	Sig. (2-tailed)		.001
	N	103	103
Customer_satisfaction	Pearson Correlation	.888**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

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As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 3 (H3) which is “there is a positive relationship between Responsiveness and Customer satisfaction” can be accepted. This means that customer satisfaction can be increased when responsiveness factors increase.

Further, as per the above correlations table, the correlation value received is .888 which is between 0.7 and +1. This shows a fairly strong positive relationship between Responsiveness and customer satisfaction. Furthermore, this indicates that Responsiveness has a positive relationship with customer satisfaction. As it was revealed through the analysis that customer satisfaction can be increased using these factors, KFC Liverpool should take measures to increase the satisfaction of the customers. As an example, by making sure the staff is capable of maintaining the speed of service delivery even during the busiest hours.

4.2.4 Exploring the impact of Assurance on Customer satisfaction

As per the model summary, the R square value of .730 indicates that 73% of customer satisfaction (dependent variable) is explained by assurance (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 5

		Assurance	Customer_satisfaction
Assurance	Pearson Correlation	1	.855**
	Sig. (2-tailed)		.001
	N	103	103
Customer_satisfaction	Pearson Correlation	.855**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 4 (H4) which is “there is a positive relationship between Assurance and Customer satisfaction” can be accepted. This means that customer satisfaction can be increased when assurance factors increase.

Further, as per the above correlations table, the correlation value received is .855 which is between 0.7 and +1. This shows a fairly strong positive relationship between Assurance and customer satisfaction. Furthermore, this indicates that assurance has a positive relationship with customer satisfaction. As it was revealed through the analysis that customer satisfaction can be increased using these factors, KFC Liverpool should take measures to increase the satisfaction of the customers. As an example, by making sure the staff is ready to answer questions regarding menu items, ingredients, and the method of preparation to the customers.

4.2.5 Exploring the impact of Empathy on Customer satisfaction

As per the model summary, the R square value of .710 indicates that 71% of customer satisfaction (dependent variable) is explained by empathy (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 6

		Empathy	Customer_satisfaction
Empathy	Pearson Correlation	1	.843**

	Sig. (2-tailed)		.001
	N	103	103
Customer_satisfaction	Pearson Correlation	.843**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 5 (H5) which is “there is a positive relationship between Empathy and Customer satisfaction” can be accepted. This means that customer satisfaction can be increased when empathy factors increase.

Further, as per the above correlations table, the correlation value received is .843 which is between 0.7 and +1. This shows a fairly strong positive relationship between Empathy and customer satisfaction. Furthermore, this indicates that empathy has a positive relationship with customer satisfaction. As it was revealed through the analysis that customer satisfaction can be increased using these factors, KFC Liverpool should take measures to increase the satisfaction of the customers. As an example, by making sure the staff is sensitive towards the needs of the customers.

4.3 The impact of Service quality on Customer loyalty

As service quality is measured through five factors of DINESERV such as tangibility, assurance, empathy, reliability, and responsiveness, separate regression analysis will take place to identify their impact on customer loyalty.

4.3.1 Exploring the impact of Tangibility on Customer loyalty

As per the model summary, the R square value of .569 indicates that 56% of customer loyalty (dependent variable) is explained by tangibility (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 7

		Tangibles	Customer_loyalty
Tangibles	Pearson Correlation	1	.754**
	Sig. (2-tailed)		.001
	N	103	103
Customer_loyalty	Pearson Correlation	.754**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 6 (H6) which is “there is a positive relationship between Tangibility and Customer loyalty” can be accepted. This means that customer loyalty can be increased when tangibility factors increase.

Further, as per the above correlations table, the correlation value received is .754 which is between 0.7 and +1. This shows a fairly strong positive relationship between Tangibles and Customer loyalty. Furthermore, this indicates that tangibility has a positive relationship with customer loyalty. As it was revealed through the analysis that customer loyalty can be increased using these factors, KFC Liverpool should take measures to gain and maintain the loyalty of the customers. As an example, creating a comfortable dining area for customers to enjoy their time at KFC Liverpool will make them always remember the facilities available at KFC and will try to visit often.

4.3.2 Exploring the impact of Reliability on Customer loyalty

The impact of service quality on customer satisfaction and customer loyalty in multinational.....

As per the model summary, the R square value of .733 indicates that 73% of customer loyalty (dependent variable) is explained by reliability (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 8

		Correlations	
		Reliability	Customer_loyalty
Reliability	Pearson Correlation	1	.856**
	Sig. (2-tailed)		.001
	N	103	103
Customer_loyalty	Pearson Correlation	.856**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 7 (H7) which is “there is a positive relationship between Reliability and Customer loyalty” can be accepted. This means that customer loyalty can be increased when reliability factors increase.

Further, as per the above correlations table, the correlation value received is .856 which is between 0.7 and +1. This shows a fairly strong positive relationship between Reliability and Customer loyalty. Furthermore, this indicates that reliability has a positive relationship with customer loyalty. As it was revealed through the analysis that customer loyalty can be increased using these factors, KFC Liverpool should take measures to gain and maintain the loyalty of the customers. As an example, serving food exactly as the customers’ order in an error-free manner will win the trust of the customers and this will lead to choosing KFC whenever the customers need a trustworthy service.

4.3.3 Exploring the impact of Responsiveness on Customer loyalty

As per the model summary, the R square value of .820 indicates that 82% of customer loyalty (dependent variable) is explained by responsiveness (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 9

		Correlations	
		Responsiveness	Customer_loyalty
Responsiveness	Pearson Correlation	1	.905**
	Sig. (2-tailed)		.001
	N	103	103
Customer_loyalty	Pearson Correlation	.905**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 8 (H8) which is “there is a positive relationship between Responsiveness and Customer loyalty” can be accepted. This means that customer loyalty can be increased when responsiveness factors increase.

Further, as per the above correlations table, the correlation value received is .905 which is between 0.7 and +1. This shows a strong positive relationship between Responsiveness and Customer loyalty. Furthermore, this indicates that responsiveness has a positive relationship with customer loyalty. As it was revealed through the analysis that customer

loyalty can be increased using these factors, KFC Liverpool should take measures to gain and maintain the loyalty of the customers. As an example, by making sure the staff gives a remarkable service and making extra efforts to make sure the customer needs are met.

4.3.4 Exploring the impact of Assurance on Customer loyalty

As per the model summary, the R square value of .686 indicates that 68% of customer loyalty (dependent variable) is explained by assurance (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 10

		Assurance	Customer_loyalty
Assurance	Pearson Correlation	1	.828**
	Sig. (2-tailed)		.001
	N	103	103
Customer_loyalty	Pearson Correlation	.828**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 9 (H9) which is “there is a positive relationship between Assurance and Customer loyalty” can be accepted. This means that customer loyalty can be increased when assurance factors increase.

Further, as per the above correlations table, the correlation value received is .828 which is between 0.7 and +1. This shows a fairly strong positive relationship between Assurance and Customer loyalty. Furthermore, this indicates that assurance has a positive relationship with customer loyalty. As it was revealed through the analysis that customer loyalty can be increased using these factors, KFC Liverpool should take measures to gain and maintain the loyalty of the customers. As an example, by making sure the staff is always courteous providing the best service they can to make sure the customers feel personally safe.

4.3.5 Exploring the impact of Empathy on Customer loyalty

As per the model summary, the R square value of .720 indicates that 72% of customer loyalty (dependent variable) is explained by empathy (independent variable). Further, according to the ANOVA table generated through regression analysis, the significant value is .001 which is less than 0.5 and it shows that the results are significant.

Table 11

		Empathy	Customer_loyalty
Empathy	Pearson Correlation	1	.849**
	Sig. (2-tailed)		.001
	N	103	103
Customer_loyalty	Pearson Correlation	.849**	1
	Sig. (2-tailed)	.001	
	N	103	103

** . Correlation is significant at the 0.01 level (2-tailed).

As per the correlation coefficient table mentioned above, the significant value is .001 which is lower than 0.05. Thus, hypothesis number 10 (H10) which is "there is a positive relationship between Empathy and Customer loyalty" can be accepted. This means that customer loyalty can be increased when empathy factors increase.

Further, as per the above correlations table, the correlation value received is .849 which is between 0.7 and +1. This shows a fairly strong positive relationship between Empathy and Customer loyalty. Furthermore, this indicates that empathy has a positive relationship with customer loyalty. As it was revealed through the analysis that customer loyalty can be increased using these factors, KFC Liverpool should take measures to gain and maintain the loyalty of the customers. As an example, by making sure the staff is sympathetic and reassuring to customers whenever something goes wrong.

4.4 Key findings of the analysis

The following can be identified as key findings of the analysis.

- i. Most of the customers visiting KFC Liverpool are in the age group of 18-30 and the consumers above 60 can be identified as the least visiting ones.
- ii. Even though KFC is famous among consumers around the world, the majority of Liverpool residents have chosen to visit the store 'sometimes' revealing that there is a possibility of choosing other competitors over KFC.
- iii. There is a positive relationship between service quality and customer loyalty
- iv. All the DINESEVE factors have a significant impact on customer satisfaction
- v. All the DINESERVE factors have a significant impact on customer loyalty.
- vi. As mentioned earlier in the analysis, the closer the value of correlation to 1, the stronger the relationship between the variables. Thus, when it comes to the factors that have a positive and strong relationship with customer satisfaction, they are accordingly Responsiveness (.888), Reliability (.860), Assurance (.855), Empathy (.843), and Tangibility (.786).
- vii. When it comes to the factors that have a positive and strong relationship with customer loyalty, the strongest to least can be mentioned as follows, Responsiveness (.905), Reliability (.856), Empathy (.849), Assurance (.828) and Tangibility (.754).

V. Findings

During the literature review, while discussing previous research, it was identified that many researchers have seen the impact between service quality and customer satisfaction in different fields. Further, some studies identified that there is an impact of service quality on customer loyalty while few other research identified that there is no relationship at all. Thus, this chapter is to discuss the outcomes of the previously existing literature with the comparison of the findings of this research.

1.4 Examination of how Service quality impacts on Customer satisfaction

According to the analysis, all five hypotheses were accepted and recognized that these five factors have a significant influence on customer satisfaction with KFC Liverpool.

1.4.1 Tangibility and Customer satisfaction

According to the analysis, there is a positive relationship between tangibility and customer satisfaction. Even though this study was able to identify a significant influence of tangibles on customer satisfaction, the studies done by Sajanga, et al., (2020), Handani, et al. (2022), and Ezech, et al., (2021) mentioned that there is no significant influence of tangibility on customer satisfaction and also tangibles negatively impacts on customer satisfaction. These studies were undertaken in the restaurant and hotel industry as well. Nevertheless, in contrast to these studies, many other studies state that tangibility has a direct and significant impact and increases customer satisfaction in the restaurant and fast-food industry (Nguyen, et al., 2018; Biswas & Verma, 2022; Hanh Le, et al., 2022; Gopinath & Kalpana, 2019). These contrasting findings can be a result of the different geographical locations of the studies were undertaken. Even Nguyen, et al., (2018), state that the results in developed countries and developing countries can be contrasting. According to the data collected in Liverpool KFC, customers have agreed that most of the tangible factors are up to the standards of the customers. As an example, most of the customers have agreed that Liverpool KFC has a visually attractive area for customers to dine in and by increasing this KFC can increase customer satisfaction more.

1.4.2 Reliability and Customer satisfaction

Through the analysis, it was identified that Reliability has a positive significant influence on customer satisfaction. Different research in different industries found that reliability has a significant impact on customer satisfaction (Koay, et al., 2022; Bisui, et al., 2022; Hoang, et al., 2021). Furthermore, Handani, et al., (2022) identified Reliability as the most crucial factor of service quality when driving customer satisfaction. In this study reliability is the second most influencing factor. However, studies done by Ezech, et al. (2021) and Sajanga, et al. (2020) state that reliability has no significant impact on customer satisfaction. These contrasting results can be the outcome of different geographical locations, the type of business or sector, and also the lifestyle of the consumers or respondents. According to the data analyzed, Liverpool KFC consumers have agreed to some extent that KFC is providing reliable service. However, Liverpool KFC should develop reliability factors to increase customer satisfaction. As an example, forty-seven respondents agreed to the statement of providing 'error-free orders' in the questionnaire while twenty-five disagreed with the same statement, which implies that Liverpool KFC should take necessary actions to make sure the orders are done error-free. As there is a significant positive relationship between reliability and customer satisfaction, KFC Liverpool should try to identify their weaknesses and increase the reliability factors.

1.4.3 Responsiveness and Customer satisfaction

According to the analysis, responsiveness has a significant influence on customer satisfaction and also there is a positive relationship. Further, reliability has the highest correlation value of .888 which indicates that responsiveness has the highest influence on customer satisfaction. Even other research has identified that responsiveness has a significant influence and a positive relationship with customer satisfaction (Adabayo, 2022; Bisui, et al., 2022; Joshi, et al., 2022). However, according to the research done by Praditbatuga, et al. in 2022, responsiveness does not influence customer satisfaction and this study was based on a Thai restaurant situated in the United Arab Emirates. Even though it can be possible in these restaurants, as a fast-food restaurant, KFC has to maintain its responsiveness to satisfy the customers. Thus, Liverpool KFC must take necessary actions to make sure they increase their responsiveness factors such as maintaining the promptness of service delivery even during busy hours, giving extra effort to the customers, and responding to complaints as soon as possible.

1.4.4 Assurance and Customer satisfaction

According to the data analysis, assurance has a significant positive influence on customer satisfaction. Previous research studies identified that there is a significant direct influence of assurance on customer satisfaction (Sajanga, et al., 2020; Enanoria & Maranga, 2022; Bisui, et al., 2022). According to the research done by Bisui, et al. (2022), assurance was the most influencing factor of customer satisfaction while assurance became the third in this study. For KFC Liverpool, the staff can be trained well to make sure all the employees can answer customers' questions completely and also training should be provided to maintain a courteous relationship between the customer and the staff. When the customers are always welcomed in a courteous environment, where they feel safe and sound, the customers' satisfaction increases. Thus, KFC Liverpool must make necessary plans to increase their assurance factor.

1.4.5 Empathy and Customer satisfaction

According to the regression analysis, there is a significant influence of empathy on customer satisfaction. Previous research also accepts the fact that empathy has a positive influence on customer satisfaction (Etuk, et al., 2022; Biswas & Verma, 2022; Joshi, et al., 2022). However, Utami, et al. (2022), mention that empathy has no significance on customer satisfaction in the electronic industry. KFC is a restaurant that has to deal with consumers on a day-to-day basis, so it is crucial to have an empathy factor. As an example, it is needed to make sure the customers feel special and the staff understands the individual needs and wants of the customers. This can make the customer satisfaction increase. Thus, KFC needs to take necessary actions to make sure the customers feel valued inside the KFC. Likewise, when customer satisfaction increases it will be easy for KFC as a business to reach its overall business objectives.

1.5 Examination of how Service quality impacts on Customer loyalty

According to the analysis, all five hypotheses were accepted and recognized that these five factors have a significant influence on customer loyalty with regard to KFC Liverpool.

1.5.1 Tangibility and Customer loyalty

According to the regression analysis, there is a significant influence of tangibility on customer loyalty. Tangibility had the lowest correlation value of .754 among the other factors of DINESERV. Few studies have found that

there is a significant influence of tangibility on customer loyalty and also these studies mention that tangibility has a big impact as well (Budaharini, et al., 2022; Rawan & Alola, 2018). The mentioned previous research brings out that when tangibility factors increase, even customer loyalty increases. Thus, KFC Liverpool can make sure the staff members are neat, the restrooms are clean, and also by creating an attractive dining area, loyalty can be increased. Some studies have found that there is no relationship between service quality and customer loyalty (Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012). However, this study was able to find that there is a perfect relationship between the two variables.

1.5.2 Reliability and Customer loyalty

According to the regression analysis, a significant influence of reliability on customer loyalty was identified. Reliability has the second most influencing correlation value of .856 when compared with other DINESERV factors. Only a few research studies found that there is a positive influence of reliability on customer loyalty (Koay, et al., 2021). Even though some studies have found that there is no relationship between service quality and customer loyalty (Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012), this study was able to find that there is a perfect relationship between the two variables. Thus, KFC Liverpool must take necessary actions to make sure they are increasing their reliability factors to increase customer loyalty. As an example, when KFC is capable of providing food exactly as the customers ordered without any error, then this can take a special place in a customer's mind, and this will lead the customer to become a loyal customer as they know KFC can fulfill their orders without errors. Thus, it is crucial to make necessary strategic plans.

1.5.3 Responsiveness and Customer loyalty

According to the regression analysis, a significant influence of responsiveness on customer loyalty was identified. Further, responsiveness has the highest correlation value of .905 which indicates that responsiveness is the most influencing service quality factor on customer loyalty. Even though some studies have found that there is no relationship between service quality and customer loyalty (Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012), this study was able to find that there is a perfect relationship between the two variables. As an example, showing a willingness to respond and support customers' needs can make the customers feel valued inside KFC and this can make them revisit the store. This can lead to customer loyalty as they know KFC treats their customers better than other fast-food restaurants. Thus, to increase the loyalty customer base in Liverpool, KFC Liverpool has to increase the factors of responsiveness. Thus, it is crucial to make necessary strategic plans.

1.5.4 Assurance and Customer loyalty

A significant influence of assurance on customer loyalty was identified through the data analysis. Assurance has a correlation value of .828 which indicates a fairly strong influence on customer loyalty. Some studies have found that assurance has a significant influence on customer loyalty (San, et al., 2022) while few others say that there is no influence at all (Mishra, et al., 2022). As it was revealed that there is a significant influence according to this study, Liverpool KFC should use assurance factors to increase customer loyalty.

1.5.5 Empathy and Customer loyalty

According to the regression analysis, a significant influence of empathy on customer loyalty was identified. Empathy has a correlation value of .849 which indicates a fairly strong influence on customer loyalty. Some studies have found that empathy has a significant influence on customer loyalty (Clara K, et al., 2022) while some others say there is no influence at all (Mishra, et al., 2022). As it was revealed that there is a significant influence according to this study, Liverpool KFC should use factors of empathy to increase customer loyalty.

Even though some studies have found that there is no relationship between service quality and customer loyalty (Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012), this study was able to find that there is a perfect relationship between the two variables.

1.6 Examination of the most influencing service quality factor on customer satisfaction

Through this study, it was revealed that all the DINESERV factors have a significant impact on customer satisfaction. As it was revealed, it is necessary to identify which factor has the most influencing characteristics as it can

be used to increase customer satisfaction significantly. According to the data gathered, Responsiveness became the most influencing factor with a correlation value of .888 which can increase customer satisfaction in Liverpool KFC. According to Sajanga, et al. (2020), the staff should support the customers at all times, should respond to the requirements, should provide speedy service, should provide speedy responses to complaints if any, and also always provide extra efforts. By undertaking these measures even Liverpool KFC can increase responsiveness factor to increase customer satisfaction.

1.7 To examine the most influencing service quality factor on customer loyalty

Even though research has found that there is no relationship between service quality and customer loyalty (Sajanga, et al., 2020; Sukri, et al., 2022; Saricam, 2022; Van Es 2012), the data collected in this study revealed that there is a positive influence and also all the DINESERV factors have a significant impact on customer loyalty. According to the data gathered, Responsiveness became the most influencing factor with a correlation value of .905 which can increase customer loyalty in Liverpool KFC. KFC staff can build customer loyalty by providing a remarkable service. The service provided should be unique and available in KFC stores which will support to stand out from the competitors and this service should be able to take a special place in the hearts of the consumers. Thus, providing an error-free, customer-friendly, and high-quality service can build long-term customer loyalty even in KFC Liverpool.

VI. Conclusion

1.8 Addressing research objectives

This section will include sub-sections for each objective to provide a summary of how objectives were met and also a summary of findings.

1.8.1 Objective 1 - To identify the impact of 'Service quality' on customer satisfaction

This objective was examined by asking different questions from respondents in Liverpool. Through the analysis, it was revealed that service quality has a positive impact on customer satisfaction. Further, each service quality measuring factor also significantly impacted customer satisfaction. Thus, it is clear that high-quality service can drive customer satisfaction in Liverpool KFC. Even though there are satisfied customers, there are customers who are not satisfied with the service. Thus, it is better to do a survey to know which areas should be improved and take necessary actions to improve the service quality. Finally, objective one was achieved by collecting and analyzing the data gathered. Even though there were conflicting existing literature, it was identified that there is a positive significance of service quality on customer satisfaction.

1.8.2 Objective 2 - To identify the impact of 'Service quality' on customer loyalty

This objective was also investigated by asking a range of questions from Liverpool residents. Even though many studies have stated that service quality does not have a direct positive impact on customer loyalty, this study was able to find that there is a positive impact and not only that but also how all the five service quality measuring factors also have a significant impact on customer loyalty. Thus, it became clear that when the customers receive a quality service, they tend to become a loyal customer base to KFC. Finally, the second objective was also achieved and was confirmed true even though there was conflicting literature.

1.8.3 Objective 3 - To explore the most influencing service quality factor on Customer satisfaction.

The DINESERV model was the selected service quality measuring tool used in this research. As there are five factors in this model, the third objective was to identify which factor has the most influence. The most influencing service quality factor was identified after doing the regression analysis and, Responsiveness was recognized as the factor with the highest correlation value. Thus, Liverpool KFC should try to develop the 'Responsiveness' factor in order to increase customer satisfaction. As mentioned before, there is an issue regarding KFC Liverpool and most of the people have complained about KFC service quality. Through this research, it was revealed which factor has the least and most influence on customer satisfaction. Thus, KFC Liverpool should start making changes to develop these factors to increase the satisfaction level of their customers.

1.8.4 Objective 4 - To explore the most influencing service quality factor on Customer loyalty.

As mentioned, the DINESERV model was the selected service quality measuring tool used in this research. As there are five factors in this model, the fourth objective was to identify which factor has the most influence on customer loyalty. The most influencing service quality factor was identified after doing the regression analysis and as mentioned before, it was recognized as Responsiveness with the highest correlation value. Thus, Liverpool KFC should try to develop the responsiveness factor to increase customer loyalty.

1.9 Implications of the study

1.9.1 Insights emerged from the findings

It was visible that most of the people visiting KFC were in their 18-30s age group and residents over 60 years of age had fewer visits to KFC and this was found out in another study also. Furthermore, KFC did not seem like the restaurants the residents 'Always' go to but 'sometimes' go to. This indicates that service quality should be developed to increase customer loyalty. The main finding was that service quality has a significant positive relationship with customer loyalty. Even though much recent research has identified that there is no significant relationship between these two variables, in this study it was identified that there is a clear significant relationship. Further, all the service quality measure factors have a significant impact on both customer satisfaction and customer loyalty was also found out. Finally, the most influencing factor was also identified.

1.9.2 Implications for KFC and the fast-food industry

Practical suggestions can be made based on the findings of the research on KFC Liverpool and also on the fast-food industry. Through the analysis and data collection, a clear idea regarding the service quality, customer satisfaction, and customer loyalty of KFC Liverpool was identified. As identified all the five factors of DINESERV have a clear impact on customer satisfaction and loyalty. Further, it was clear that no matter what, customers still value a high-quality service and they do become loyal when they are provided a good service quality. Even after COVID-19, even when online ordering options are available, customers still value good service. A high-end remarkable service quality can be used as a competitive advantage of KFC when compared with other competitors. And this is why a high-quality service should be provided to have long-term customer loyalty. Through the data analysis, the influencing factors were identified, and correct steps should be taken to develop these inside KFC stores.

Additionally, most people assume that quick service restaurant outlets are to provide fast food in a fast phase and it has nothing to do with providing a remarkable service quality to the consumers. However, through this study, it came to the attention that even though consumers expect fast food in a quick environment, consumers still value quality service. Finally, it is recommended for each business to find out their mistakes and weaknesses and the areas to improve by doing a customer survey. This method will lead them to understand what the needed improvements are and what measurements should be taken to provide good customer service.

1.10 Limitations

When it comes to the limitations of this study three limitations can be identified such as time, sample size, and sector. As the time was limited to collect data from the general public of Liverpool, only a smaller number of responses were able to be collected. Even though the requirement was to collect 375 filled questionnaires, only 103 questionnaires were collected. If the time frame to collect data was longer than two weeks, more questionnaires could have been filled. To get a more accurate data set and also to get a sample which is great to represent the whole population it is necessary to have a larger sample. Even though the data collected were reliable and valid, it is better if a larger sample was there. Furthermore, this study is based only on KFC situated in Liverpool. The responses of customers who prefer other fast-food restaurants may have been different from the answers received. As the time frame was limited, the requirement to choose an organization and narrow down the topic to Liverpool KFC was necessary. The outcome could have been different if all the fast-food restaurants in Liverpool had been chosen. Future research should try to minimize these limitations when conducting research in the same field.

1.11 Recommendations for future research

When conducting future research, the following facts can be considered. Future research can be conducted by adding food quality, price, and environment as new independent variables along with service quality. A food outlet's customer satisfaction depends on these factors as well. Thus, these factors also can be added as independent variables. Furthermore, rather than using 'service quality', even 'delivery service quality' can be considered as an independent variable, if the business organization is more into takeaways and online delivery. Moreover, customers' repurchase intention can be taken as another dependent variable.

As mentioned in the limitation chapter, a larger sample is needed to make sure the whole population is represented. Thus, it is better to have a larger sample in future research. As this study is conducted only in Liverpool UK, other geographical locations can be used to see whether the results are the same or contradictory. Even other organizations and also fast-food restaurants as a whole can be taken to conduct future research. This will allow the organizations to see how geographical locations and the mindsets of people affect the service quality of a restaurant.

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