

Assessing of Customer Perception on Innovation of Food Service

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Abstract: In the highly competitive business environment, the restaurant industry critically strives to maintain their services particularly to customer's evaluation, changes in customer preferences and rapid of fast food and international restaurant that make business in Malaysia. As a local entrepreneur of the restaurant, they need several strategies to innovate their services to tackle their customer in highly competitive and make an improvement to another level standing with the international restaurant. Thus, a descriptive study was conducted to explore the perception of the customer towards several elements of innovation which are healthier food, modification of menu items, increase in food service options, technology advancement, environment sustainability, inclination towards global cuisines apply to one of the selected local restaurants. The survey was distributed to 235 of customers who walked into the restaurant and the finding revealed that healthier food, modification of menu items, food service options, technology advancement, environment sustainability inclination towards global cuisines and focus on customer of new generations are highly demand by the customers. The finding of this study also implies the effective practices that will be used in order to make an improvement, being creative and innovative of the restaurant product and services for the future.

Keywords: Customer Perception, Innovation in Business, Food Service, Business Competitive.

1. INTRODUCTION

In business nature, innovation views as a mechanism to sustain a highly competitive business in the market (Salaman & Storey, 2002). Innovation applies to create a potential of existing resources to improve the efficiency and potential value to develop new intangible asset in business. Empirical studies show that the innovation effect to increase business by eliminating costs, differentiation and producing high quality of a product, services and talented of human capital (Al-Husseini & Elbeltagi, 2012). More studies also emphasize that the innovation effect to increase business by eliminating costs, differentiation and producing high quality of product and services (Utami 2013). Business with a great innovation perfectly being a success to satisfy consumer need and create an opportunity for a business to achieve high performance (Calantone, Cavusgil & Zhao, 2002). In perspective of economy, innovation is important to the growth of an economy, and successful innovation requires a balance between the demand of customer and supply by the business. Innovation can come from changes in processes or procedures that can be driven by consumers in their quest for more personalised products and services. Business with a great innovation perfectly being success to satisfy consumer need and create an opportunity for a business to achieve high performance (Razak, Aziz, Rahman & Ali, 2018). Therefore, the study to better understanding

how consumer needs and preferences influence innovation particularly in the restaurant.

The innovation can be based on an idea that comes from customers, employees at a low hierarchical level or from suppliers (Ivkov, Blesic, Simat, Demirovic, Bozic, Stefanovic, (2016). Customers' ideas and experiences are a vital source of innovation for business. Some business already uses customer demand, experience and suggestion to practice how the innovation in the business capable to bring new service and product. Hence, customer preferences are essential for the successful exploitation of new ideas. Without consumer uptake innovations would not be viable. In a recent trend, the restaurant sector is facing enormous and dynamic market changes. It is due to many factors that influence and one of the factors is customers' perception of experience are changing. The mainly conditioned to innovation is based on customer's food preference and eating habits. In a recent of modern life, the customer's food preference and eating habits are changing. For instance, in the restaurant sector, more and more meals are consumed away from home. Most of the working customers have a limited time to prepare their own food. They prefer the restaurant that can provide food in fast and save their time. Thus the concept of a fast food restaurant and go and grab food service are highly demanded by the customers. In another option, there are busy with work and home tend them to have an order from own place and demand for delivery service. Those changes of the customer preferences influence most of the restaurant service to provide and offer product and services that fulfil the demand of the customer. Here,

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the innovation plays significant roles to generate a new idea and many strategies in managing the changes in customer preferences.

According to Hjalager (2010), innovations classified into product innovations, process innovations, management innovations and logistics innovations. All the innovations can happen and restaurant sector needs to strategies the way to practice innovation by adding to the new menu, targeting new customers, linking the menu with the digital services and practice on the convenient environment. In the literature on consumers' restaurant selection behaviour, food quality is identified as the most important feature in selection by customers (Joshi, 2012). The elements that constitute food quality were unique tastes and ingredients, menu variety, appearance and presentation, healthy food options, and familiar food. Then, the customers are looking forward to the restaurant that can offer such as healthy food, low-calorie food, sugar-free refreshments, organic food and others. Therefore, this study aimed to explore the customer's preference of healthier food, modification of menu items, food service options, technology advancement, environment sustainability inclination towards global cuisines and focus on a customer of new generations.

2. METHODOLOGY

The research is based on data collection methods and the study was conducted descriptive analysis. A structured questionnaire designed to gather information on healthier food, modification of menu items, food service options, technology advancement, environment sustainability inclination towards global cuisines and focus on a customer of new generation Z. A five-point multi-item Likert scale (1- strongly agree and 5- strongly disagree.) used for the study. It involved gathering of information from the customers who visit a restaurant. The convenience sampling method used to get the responses from the target population. Sample size of 235 (working and non-working) respondents in the age group of 18 to 25 year and more than 40 years above were considered for the survey. The data collection further analysed using descriptive analysis and measured the mean and standard deviation of the result. A descriptive analysis was conducted to determine the mean and standard deviation values of the items tested. The mean values were interpreted based on the interpretation by Sekaran, (2006) as presented in Table 1. The mean values that are within the range of 1.00 to 1.80 is considered very low level,

followed by 1.81 to 2.60 as low level, 2.61 to 3.40 as a medium, 3.41 to 4.2 as high level, 4.21 to 5.00 as very high level.

Table 1: Interval Scale Interpretation

Evaluation Criteria	Evaluation Interval
Very high	4.21 – 5.00
High	3.41 – 4.20
Medium	2.61 – 3.40
Low	1.81 – 2.60
Very Low	1.00 – 1.80

3. RESULT AND DISCUSSION

As showed in Table 2, there were 150 of customers who group as working and 85 of them were non-working had participated in the survey. The result indicated 57.44 per cent which total of 135 customers was female and 42.55 per cent of 100 customers were male. The finding revealed this study dominantly responses by a female. Next, a majority with 51.06 per cent who responses in this study were aged in between of 25 to 35 years old with a total of 120 customers. The second higher responses were 29.78 per cent were aged 35 to 45 years old with a total of 70 customers. there was 10.64 per cent were age 15 to 25 years old and only 8.51 per cent with a total of 20 were aged 45 years old and above. The finding revealed that most of the customers are categorized as young generations of this study.

Table 2: Demographic Analysis

Demographic Profile		Total (n=235)	Frequency (%)
Status	Working	150	63.83
	Non-Working	85	36.17
Gender	Female	135	57.44
	Male	100	42.55
Aged	15-25	25	10.64
	25-35	120	51.06
	35-45	70	29.78
	45 and above	20	8.51

The finding revealed for healthier food, most of the customers were highly preferred for food nutrients to print on the menu (Mean= 3.957, Std= 0.905) and grab-and-go food or snacks (Mean= 3.778, Std= 0.984). This can be explained the customer preferred to acknowledge on the food nutrients that they have

taken. The food nutrients may assist them to choose and make a decision of the food quality. According to Joshi (2012), food quality was found as the most important feature determining patronage intentions to any type of restaurant. Meanwhile, the styles of grab-and-go food or snacks highly prefer to a customer as the customer who walked into the restaurant might have limited time to dining preference.

Furthermore, is the criteria modification of menu items revealed that organic food (Mean= 3.706, Std= 1.107) and specific diet with low-calorie food (Mean= 3.613, Std= 1.187) were highly preferred of the customers. The priority of the customer is to trust in the food serve as they love to order healthy options offered at a restaurant.

In addition to food service options, most of the customers were highly preferred to have a home-prepared paste (Mean= 3.77, Std= 1.081) and food delivery service (Mean= 4.14 Std= 3.427). The possibility of this happened, most of the customers are working and have limited to prepare the food at home. With the home-prepared paste, the paste may assist them to have similar taste as they dine-in at the restaurant. Besides that, the need for food delivery recently is highly demanded the customers. They preferred to have the delivery for customers convenient and save of their time to walk-in to the restaurant.

On the other hand, technology advancement such as online payment (Mean= 3.809, Std= 1.075) and payment via mobile payment (Mean= 3.847, Std=

Table 3: Descriptive Analysis

Statements	Mean	Standard Deviation
Healthier Food		
Do you prefer food nutrients to print on the menu?	3.957	0.905
Do you prefer grab-and-go food or snacks?	3.778	0.984
Total	3.868	0.8136
Modification of Menu Items		
Do you prefer organic food?	3.706	1.107
Do you need a specific diet with low-calorie food?	3.613	1.187
Total	3.660	1.054
Food Service options		
Do you want to have home-prepared paste eg: "Sambal Balado"?	3.771	1.081
Do you want a food delivery service?	4.141	3.427
Total	3.955	1.893
Technology Advancements		
Do you need an online order?	3.809	1.075
Do you need payment via mobile payment?	3.847	1.047
Total	3.827	.9780
Environment Sustainability		
Do you prefer a reduction in cooking time?	3.664	1.022
Do you prefer a green environment and equipment?	3.931	1.018
Total	3.798	0.909
Inclination towards Global Cuisines		
Do you recommend the traditional food service to be promoted in the global market?	4.004	0.972
Total	4.004	0.972
Focus on Generation Z		
Do you need a Grab and Go service?	3.719	1.081
Do you need memorable tasting experiences: experience home cooking?	3.821	1.098
Total	3.7702	.99913

1.047) highly demanded by the customers. The new trend of digital payment recently influenced a customer to make easy payment while shopping or dine in and cashless practice.

Next, is environmental sustainability found the reduction of cooking time (Mean= 3.664, Std= 1.022) and green environment and equipment (Mean= 3.664, Std= 1.022) also highly demanded by the customer. This can be explained, most of the customers preferred for quick and best time of food service. The faster the food delivers to them, the more satisfied of the customers towards the service in a restaurant. Meanwhile, the green environment, layout and clean atmosphere of the restaurant may encourage and influence a customer to visit the restaurant.

Furthermore, customers also highly recommend the food served has a potential and opportunity to be promoted at the global market (Mean= 4.004, Std= 0.972). The quality of food and variety of menu that provides by the restaurant belief can have a new market and expand their product to the global cuisines. So that many customers from local and other countries may visit and have own experience to the restaurant.

In the final discussion, the finding revealed the focus of generation Z was highly recommending for grab and go concept (Mean= 3.719, Std=1.081) and memorable tasting experience home cooking (Mean=3.821, Std= 0.999). Nowadays, generation Z are the millennial generations that early and frequent exposure to modern lifestyle. One studied highlight, memorable food experiences drive the young consumers to seek out restaurants by critically acclaimed chefs, and love with chef's tasting menus. They could dine on more foods that remind them of their grandmothers' cooking, and wished for foods that remind them of their childhoods.

3. CONCLUSION

As a conclusion, this study aimed to explore the customer's preference of healthier food, modification of menu items, food service options, technology advancement, environment sustainability inclination towards global cuisines and focus on the customer of new generations Z at one of a local restaurant. Most of the customers were highly prefer for all the determinants and recommend for better improvement will take by the restaurant. The implication of this study stimulates to understand customer behaviour, create

new strategies to attract more customers, and improve on the food and service quality that fulfil the need and demand of the customers. This study also highlights that food experiences away from the home are an important part of modern consumer lifestyles, but it is essential to recognize the trends that consumers want to continue. In addition, the finding aimed the increase the customer satisfaction and loyalty which recommend in the future, many food service menus will need to expand, or give special attention particularly grab-and-go offerings and delivery service. This study also implies to the customer perspective as to have a good experience that unforgettable and look forward to the best restaurant as not only to enjoy the food but more to self-satisfaction. The customer also can evaluate the food and services provided by the restaurant. They can make choice and recommend to other for similar experience and satisfaction. They can spread the positive value and vibe in order to attract exits or new customer to the restaurant.

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