THE INFLUENCE OF WAITING TIME SATISFACTION ON CUSTOMER LOYALTY TOWARDS MULTI-STAGE SERVICES IN A FULL-SERVICE RESTAURANT: EVIDENCE FROM INDIA

Research shows waiting time in services is an important source of service evaluation by the customer. In fact, time is one component of the total 'cost' that the customer bears and cost is a core component of the perceived cost-benefit equation that the customer uses to evaluate her or his sustained patronage of a particular service. In most services, customers consider waiting as a waste of time. However, from the customer perspective, in the case of a full-service restaurant, waiting is expected and sometimes desirable also. Prior research, mainly in the west, suggests that when customers think that a wait for service is too long, they become less satisfied with overall service quality. Based on a research setting in a full-scale restaurant in India, this paper seeks answers to two research questions: First, what are the determinants of overall waiting-time satisfaction and second, what is the influence of waiting-time satisfaction on customer loyalty.

Key Words: Customer Loyalty, Waiting Time Satisfaction, Services Management.

INTRODUCTION

According to one estimate thirty seven billion hours were spent by Americans waiting to avail of services, during which time "they fret, fidget, and scowl." Such studies of customer frustration with waiting are well described in academic literature (Giebelhausen et al., 2011; Galdwell, 1993). Similar situations are not uncommon in other parts of the world. Another study suggests that the average person waits for twenty months in an eighty year lifetime (Wielenga, 1997; Lovelock and Wirtz, 2004). A little unfair perhaps, research also shows that customers usually think they waited longer than they actually did (Chernow, 1981).According to van Riel et al. (2012) measuring customer satisfaction in a retail environment without accounting for various waits provides incomplete results. McGuire (2010) in a study of the relationship between perceived wait duration (P WD) and customer satisfaction pointed out that keeping customers busy or occupied, results in decreased boredom and a more positive evaluation of the wait experience.

In another study on customer evaluations of service offshoring, Forman, Thelen and Shapiro (2015) found that...
customer loyalty towards domestic service providers will decrease if they are asked to wait longer and if overseas service providers provided better quality services much quicker. This is despite the fact that customers in general are opposed to offshoring of services (Forman et al., 2015). Buyer’s cost for product or service acquisition includes several types of costs in addition to the monetary cost of acquisition. ‘Time’ is one such cost. Whatever the type of ‘cost’ it may be, customers eventually buy those products and services as long as the benefits outweigh the cost(s) of acquisition. However, service customers tend to view waiting as a waste of their time mainly because it is seen as an unwarranted ‘cost’. With changing lifestyles, customers seem increasingly less tolerant of having to wait. (Katz et al., 1991). When customers perceive the wait duration to be too long, it influences their evaluation of the overall service quality in a negative way, which subsequently reduces customer loyalty or re-patronage intention and recommend intention (Davis and Vollmann, 1990; Davis, 1991; Taylor, 1994; Lee and Lambert, 2005).

This research looks at customer waiting time in a full-service restaurant set-up. It is hypothesized that due to the nature of a full-service restaurant where waiting time delays (real or perceived) may bring about changes in the service delivery process, customers may consider waiting-time as an important determinant of service evaluation. However, it is also important to note that the issue at hand is not waiting time but waiting time delays – either real or perceived. This research seeks to understand how customer wait experience influences customer loyalty in a full-service setting in an emerging market such as India.

**PURPOSE OF THE STUDY**

This study seeks answers to two research questions, firstly, which aspects of the satisfaction with customer waiting time in a full service setting are important predictors of customer loyalty and second, how are individual wait stages of the wait process and the third part included measuring the respondent's satisfaction levels with various demographics. The second part comprised of questions measuring the customer loyalty based on: (a) overall satisfaction with restaurant, (b) patronage or repurchase intention, (c) value dimension (d) recommend intention, (e) brand preference. A total of 110 complete usable questionnaires were received for further analysis.

**CONCEPTUALIZATION**

**Satisfaction with Waiting Time**

An important feature of services is that they are perishable, which means they can’t be stored. However, restaurants can create an inventory of food though even they are unable to store the entire restaurant service experience (Hoffman and Bateson, 2006). This characteristic is called ‘service perishability’ and is a source of various challenges for service providers. Matching demand and supply at all times is a major challenge and delays in providing the services – especially when demand fluctuates – may be seen as a source of dissatisfaction by consumers. According to Bielen and Demoulin (2007) the ‘delay’ or ‘waiting time’ can either be real or objective (Davis and Vollman, 1990; Katz et al., 1991; Taylor, 1994) or could be perceived or estimated (Pruyn and Smidts, 1998). According to Durrande-Moreau (1999) in terms of the cognitive aspect, ‘wait’ may be evaluated as being or not being acceptable, tolerable and reasonable. Another dimension to the wait is the affective aspect where the which captures emotional responses to waiting such as pleasure, happiness, frustration and so on (Taylor, 1994; Pruyn and Smidts, 1998).

Hensley and Sulek (2007) described how multi-stage waits occur in a service set-up such as a full-service restaurant. They mention three levels of service waits, where customers may need to wait for unequal durations: first are service-entry waits: waiting time before getting seated; second are categorized as in-service waits: waiting for food to arrive; and the third are service-exit waits: waiting for the bill, payment and change.

**Customer Loyalty**

Dick and Basu (1994) define loyalty as "the strength of the relationship between an individual's relative attitude and repeat patronage." They add that customer loyalty leads to lower competitive pressure, a decrease in price sensitivity, and an increase in positive word of mouth by customers (Dick & Basu 1994).

A very effective way to measure customer loyalty is by creating composite measurements of loyalty by measuring loyalty in terms of customer attitudes and behavior. According to Pritchard and Howard (1997) corroborated by Hunter (1998) loyalty measures can include recommend intention, customers’ propensity of brand-switching, brand preferences, , frequency of purchase, recency of purchase, and total amount of purchases. Pritchard and Howard (1997) further add that using such a composite measure customer loyalty increases the predictive power of the measure. Measures included in this study comprise overall satisfaction with the service, repurchase intention, recommend intention, and customer value.

**METHODOLOGY**

A structured questionnaire was designed for data collection. The questionnaire was divided into three parts: part one included generic questions on the respondent’s demographics. The second part comprised of questions measuring the respondent’s satisfaction levels with various stages of the wait process and the third part included questions measuring the customer loyalty based on: (a) overall satisfaction with restaurant, (b) patronage or repurchase intention, (c) value dimension (d) recommend intention, and (e) brand preference. A total of 110 respondents volunteered and provided complete responses to the field-workers. The respondents were contacted as they finished their meals and exited the restaurant. The trained field workers, with the express permission of the restaurant management, requested the respondents to fill in the questionnaires. Data collection through this survey method took place at four different locations of the chain full-service restaurant. The restaurants were all located in north India. The questionnaires were later collected at a central point and the author transferred the data after coding and editing onto an MS-excel spreadsheet for further analysis.

**DATA ANALYSIS**

Multiple-regression analysis (enter method) was used alongside correlation analysis for the best model fit. Customer loyalty measures (aggregated) comprised the dependent variable and waiting time satisfaction measures comprised the predictor variables.
RESULTS

Table 1. Determinants of waiting time satisfaction

<table>
<thead>
<tr>
<th>Predictor variables (W**)</th>
<th>β</th>
<th>t value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>1.150</td>
<td></td>
</tr>
<tr>
<td>W5</td>
<td>0.42</td>
<td>5.32*</td>
</tr>
<tr>
<td>W4</td>
<td>0.22</td>
<td>3.06*</td>
</tr>
<tr>
<td>W1</td>
<td>0.18</td>
<td>2.26*</td>
</tr>
<tr>
<td>W2</td>
<td>0.16</td>
<td>2.23*</td>
</tr>
<tr>
<td>F-value:</td>
<td></td>
<td>30.53</td>
</tr>
<tr>
<td>df.:</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>sig.:</td>
<td>&lt; .0001</td>
<td></td>
</tr>
<tr>
<td>adj. R square</td>
<td>0.52</td>
<td></td>
</tr>
<tr>
<td>maximum VIF</td>
<td>1.69</td>
<td></td>
</tr>
<tr>
<td>N = 110</td>
<td></td>
<td></td>
</tr>
<tr>
<td>criterion variable: customer loyalty (aggregate)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Correlation is significant at 0.05 level (2 tailed)
** Correlation is significant at 0.01 level (2 tailed)

Source: author's calculation

The results of the multiple regression test (table 1) indicate four waiting time variables to be significant predictors of customer loyalty. Overall satisfaction with waiting time (W6) and seating comfort (W3) were not significant predictors as per the model obtained. However, the following waiting time measures were significant predictors of customer loyalty (criterion variable) in descending order of strength: waiting time to receive bill (W5), waiting time for food to arrive (W4), comfort in waiting area (W1) and waiting time before seating (W2). A maximum VIF value of 1.687 also shows that the model is free from the problem of multicollinearity and the F-value shows that the model is significant. The adjusted R-square value of 0.52 shows that the predictor variables (waiting time satisfaction) have accounted for 52 per cent of the variance in the criterion variable (customer loyalty). This value is very similar to the value obtained by Hensley and Sulek (2007) in their study assessing the influence of waiting time satisfaction with customer satisfaction in multi-stage services.

Table 2. Pearson Correlation Coefficients: Waiting Time with Customer Loyalty Determinants

<table>
<thead>
<tr>
<th>W- Waiting Time; C-Customer Loyalty</th>
<th>W1</th>
<th>W2</th>
<th>W3</th>
<th>W4</th>
<th>W5</th>
<th>W6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig.</td>
<td>.533(**)</td>
<td>.339(**)</td>
<td>.206(*)</td>
<td>.285(**)</td>
<td>.175</td>
<td>-.063</td>
</tr>
<tr>
<td>C1</td>
<td>.000</td>
<td>.000</td>
<td>.032</td>
<td>.003</td>
<td>.071</td>
<td>.516</td>
</tr>
<tr>
<td>Sig.</td>
<td>.482(**)</td>
<td>.017</td>
<td>.348(**)</td>
<td>.223(*)</td>
<td>.574(**)</td>
<td>.367(**)</td>
</tr>
<tr>
<td>C2</td>
<td>.000</td>
<td>.860</td>
<td>.000</td>
<td>.019</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Sig.</td>
<td>.242(*)</td>
<td>.464(**)</td>
<td>.282(**)</td>
<td>.265(**)</td>
<td>.449(**)</td>
<td>.669(**)</td>
</tr>
<tr>
<td>C3</td>
<td>.011</td>
<td>.000</td>
<td>.003</td>
<td>.005</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Sig.</td>
<td>.194(*)</td>
<td>.244(*)</td>
<td>.096</td>
<td>.099</td>
<td>.341(**)</td>
<td>.400(**)</td>
</tr>
<tr>
<td>C4</td>
<td>.043</td>
<td>.010</td>
<td>.318</td>
<td>.302(*)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Sig.</td>
<td>.131</td>
<td>.235(*)</td>
<td>.026</td>
<td>.306(**)</td>
<td>.165</td>
<td>.245(**)</td>
</tr>
<tr>
<td>C5</td>
<td>.173</td>
<td>.014</td>
<td>.790</td>
<td>.001</td>
<td>.085</td>
<td>.010</td>
</tr>
</tbody>
</table>

* Correlation is significant at 0.01 level (2 tailed)
** Correlation is significant at 0.05 level (2 tailed)

Source: author's calculation

An observation of the correlation results (table 2) show that all individual customer loyalty measures show a positive correlation with a minimum of four out of six waiting time satisfaction sub-dimensions. The individual customer satisfaction variables are: overall satisfaction with restaurant (C1), repurchase intention (C2), value-for-money dimension (C3), recommend Intention (C4), and brand preference (C5). A glance at the correlation analysis shows that all individual customer loyalty sub-dimensions show significant correlation with at least 4 out of the total 6 waiting time satisfaction sub-dimensions.

DISCUSSIONS AND CONCLUSION

This is a study that deals with the empirical analysis of the relationship between waiting time and customer loyalty. A multi-stage waiting time approach in full-service restaurant set-ups formed the background of the study. The findings suggest that waiting time does indeed impact customer loyalty – proven by a regression test and complemented by a correlation test. A study of this nature which involves measuring customer satisfaction at each wait stage in an actual retail settings is relatively uncommon (Hensley and Sulek 2007; Hwang and Lambert, 2005), and rare in the Indian context. Another important feature of this research is that data collection took place almost simultaneously as the service was being experienced. It was ensured that customers’ opinions were not given in retrospect after a long duration numbering in days or weeks; it also must be appreciated that their opinions were based on the actual service received – rather than on hypothetical service scenarios.

The key lesson here is for managers who need to realize that the perception of having to wait longer than necessary is a source of dissatisfaction which can reduce customer loyalty levels. Obviously, waiting time satisfaction is by no means the only determinant of customer loyalty, but what needs to be appreciated is the importance of waiting time satisfaction. The relationship between waiting time and customer loyalty was already proven in the west but what needs to be appreciated is the importance of waiting time satisfaction. The relationship between waiting time and customer loyalty was already proven in the west and through the findings in this study the relationship has been validated in the Indian context. Coming to the learning outcomes of this research, service wait management needs more attention than what is usually given. Customer waits are very common in almost all services such as airports, banks, restaurant, clinics,
saloon, universities etc. Different services have different target customers but waiting time satisfaction is expected to remain a source of customer satisfaction nevertheless. Some strategies that service providers use are: service time guarantee (pizza delivery in 30 minutes by Dominos in India); fish tank and TV (clinics / offices); flight schedule screens, lounge, food court, free wi-fi, shopping, massage, spa etc at airports and railway stations; music and welcome drinks at hotels; serial number for waiting common at fast food chains and so on. The lesson here is that investment in improving services might also be better spent on information and communication rather than solely on physical facilities. According to Kumar et al. (1997) and Bielen and Demoulin (2007) offering waiting time guarantees can increase customer satisfaction or decrease the likelihood of premature termination of waiting experiences by customers. Waiting time is a matter of perception and if customers know upfront the duration of waiting time guarantee (pizza delivery in 30 minutes by Dominos in Delhi: Cengage) the likelihood of premature termination of waiting will decrease. Waiting time satisfaction is expected to remain a source of customer satisfaction nevertheless.

**FUTURE RESEARCH**

This research has also contributed to a negligible wait management literature in the context of Indian businesses and could well pave the road to understand how Indians relate to waits. In terms of future research the following research areas could be explored:

1. This study could also be meta-analyzed with other similar researches conducted globally in order to understand the cross-cultural dimension of service waits;
2. Waits could be researched in the context of other services such as healthcare, airports, banks etc. and a comparison could be drawn;
3. Wait management could also be discussed in the very important area of services failure/recovery;
4. Consumer characteristics and demographics that influence wait-satisfaction could also be discussed in order to profile & segment markets.

**References**


ВЛИЯНИЕ ВРЕМЕНИ ОЖИДАНИЯ КОМПЕНСАЦИИ НА ЛЮБНОСТЬ КЛИЕНТОВ НА ПУТИ К МНОГОСТУПЕНЧАТОЙ УСЛУГЕ В РЕСТОРАНЕ ПОЛНОГО ОБСЛУЖИВАНИЯ: ДАННЫЕ ПО ИНДИИ

Исследования показывают, что время ожидания в сфере услуг является важным источником оценки услуги заказчиков. На самом деле, время является одним из компонентов общей стоимости, которую несет клиент. Стоимость является основным компонентом воспринимаемого урвения затрат и выгод, которые клиент использует, чтобы оценить их, или его постоянный выбор определенной услуги. В большинстве услуг клиенты рассматривают ожидание, как пустую трату времени. Однако, с точки зрения клиента, в случае ресторани с полным спектром услуг, ожидание предшествует, в конце и желательно. Предыдущие исследования, в основном на Западе, предполагают, что, когда клиенты думают, что ждать обслуживания слишком долго, они становятся менее довольны общем качестве обслуживания. На основании условий исследования в полномасштабном ресторане в Индии, в этой статье мы исследовали динамику временных вопросов: какие детерминанты общей удовлетворенности от времени ожидания; и, во-вторых, как клиент время ожидания на лояльность клиентов.

Ключевые слова: лояльность, время ожидания, удовлетворенность, службы управления.

References (in Latin)