Customer Satisfaction towards Casual and Fine Dining Restaurants in Seminyak, Bali

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Customer Satisfaction towards Casual and Fine Dining Restaurants in Seminyak, Bali

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Abstract

Customer satisfaction plays a vital role for the success of restaurant business, whether it is casual or fine dining restaurant. The objectives of this research were investigating customer satisfaction and the performances of restaurant industry in Seminyak area, Kuta tourist resort. Second, this research aimed to investigate the difference variables that affect customer satisfaction between casual and fine dining restaurant. 36 performances and 4 satisfaction variables were observed in this research.

The findings of this research were: first, there were 27 variables classified as good and 9 variables were as very good performance, meanwhile all of satisfaction variables were classified as good performance. Furthermore, discriminant Analisys results shows that there were 4 variables as distinguishing variables consist of *consistent standard*, *quite atmosphere*, *restaurant brand name/fame*, *location*. 5 variables (*speed of service*, *service style*, *professional staff*, *appearance of the staff*, *lighting appropriate*, dan *background music*) tend to be similarity variables that influenced customer satisfaction between casual and fine dining restaurant in the resort.

Keywords: Customer satisfaction, casual and fine dining restaurant.

1. Introduction

Customer satisfaction is an important topic for both researchers and managers, because a high level of customer satisfaction leads to an increase in repeat patronage among current customers and aids customer recruitment by enhancing a business market reputation. The ability to satisfy customers is vital for a number of reason. Customer satisfaction is defined here in oliver's (1997) terms: that is the consumer fulfillment response. It is judgement that a product or service feature, or the product or service itself, provide a pleasurable level of consumption-related fulfillment. In other words, it is the overall level of contentment with a service/product experience. Successfully being able to judge customers' satisfaction levels to apply that knowledge is critical starting points to establishing and maintaining long-term customer retention and long-term competitiveness (Henning-Thurau & Klee, 1997). Given the vital role of customer satisfaction, one should not be surprised that a great deal of research has been devoted to investigate the process by which customers form judgements about a service experience.

Customers may view a restaurant product as a quick snack, a night out, a celebration, an indulgent extravagance or an absolute necessity. Cousins, et all, (2002) classified five elements to consider by a restaurant operator, as factor ranking for different meal experiences, such as: atmosphere, food and drink, service, price, and cleanliness & hygiene. Food and beverage operators usually indentify service as

different service methods, such as silver service, french service, buffet service, cafeteria service, or plate service, from which can be selected the most appropriate service method to meet the demands of their customers: quick service when the customer is in a hurry, slower service for an intimate dinner, and stylish service for customers who want to be entertained, are examples of service methods meeting demand (Cousins, et all, 2002). The intended core, tangible and augmented concepts of the product, considered in the form of benefit to consumer will guide an operator when ranking the meal experience factors in order of priority to consumer. Higher income customers may stick to fine dining because they carry images or meanings that provide social value of them. Fine dining offers elegant atmosphere, elaborate service, various selected menus, cocktails and wines, but higher selling price. In contrast, lower income customer might be more appropriate to explore the price first, then food and drink, cleanliness, service, and atmosphere as the last consideration.

Bali Island (covering an area of around 5.636,66 $km^{2)}$ is one of the Republic of Indonesia province that depends largely its provincial income from tourism. Its tourism industry has been good during last five years. To give a better insight on Bali's tourism growth, the number of direct foreign arrivals from 2011-2014 is presented in Table 1 and top ten direct foreign arrivals in 2105 is presented in Table 2 underneath.

Table 1
Bali's Main Market Tourist Periods of 2011-2014

Country / Year	Australian		China		Japan		Malaysian	
	Total	**%**	**Total**	**%**	**Total**	**%**	**Total**	**%**
2011	790.965	28.69	236.868	8.59	183.284	6.65	169.719	6.16
2012	823.821	28.49	310.904	10.75	191.836	6.63	179.947	6.22
2013	826.385	25.25	387.533	11.82	208.115	6.35	199.232	6.08
2014	991.923	26.33	586.300	15.57	217.402	5.77	225.572	5.99

Bali Tourism Dept. 2015

Though direct tourist arrivals to Bali kept on increasing during years 2011 - 2014, its main markets are Australian, China, Malaysian, and Japanese.

Table 2
Bali's Top Ten Market Tourist Periods of 2014-2015

Nationality	Rank	2014	Share (%)	2015	Rank	Growth (%)	Share (%)
Australian	1	991.923	26,33	966.869	1	-2.53	24.16
China	2	586.300	15.57	688.469	2	17.43	17.20
Japan	4	217.402	5.77	228.185	3	4.96	5.70
Malaysian	3	225.572	5.99	190.381	4	-15.60	4.76
British	8	127.040	3.37	167.628	5	31.95	4.19
South Korean	6	146.088	3.88	152.866	6	4.64	3.82
Singaporean	5	179.719	4.77	146.660	7	-18.39	3.66
American	10	111.640	2.96	133.763	8	19.82	3.34

French	7	128.350	3.41	131.451	9	2.42	3.28
Taiwan	9	114.504	3.04	124.593	10	8.81	3.11

Bali Tourism Dept. 2016

Chinese, British and American tourist show the significant growth of Bali's top ten tourist market in 2015 which more than 15 % of growth prior to 2014.

Seminyak area, nearby Kuta tourist resort is one of the most popular area for dining experience and party destination in Bali. Hundreds restaurants, majority casual type restaurants, offers various different products and services to the visitors who visit this area. Many fine dinings or luxury restaurants which offer exclusive dining experiences are also here, such as Mozaic Beach Club, Metis Lounge, Potato Head Beach Club, Sarong, Ku De Ta, La Lucciola and Mama San. Based on The Lux Traveller.com (food & wine), all these fine dinings are ranked as top 10 (ten) best restaurants in Bali for 2015.

Knowing what casual and fine dining customers consider when making selection decision and how the satisfaction judgements of each segment evolve during a given service experience, is the ultimate key to accees new or growing markets and to maintain repeat business. Oh and Jeong (1996) reported that segment-focused satisfaction analyses provided a clearer understanding of the market and a robust prediction of customer satisfaction. The purpose of this study is to investigate the factors or determinants which are making significant impact on customer satisfaction and the performances of casual and fine dining restaurant in Seminyak area.

2. Research Questions

Based on the above discussion on customer satisfaction towards Casual and Fine Dining Restaurants in Seminyak, Bali : the following research questionsare posed:

- How was the performance of restaurant's products or services in Seminyak, Bali?
- How was the customer's satisfaction level towards restaurant industry's performances in Seminyak, Bali?
- What were the difference variables that affect customer satisfaction towards casual and fine dining restaurant in Seminyak, Bali?

3. Research Objectives

- The objectives of this study were three folds. The first was that this study intended to explore the performance of factors influencing restaurant's customer satisfaction in Seminyak, Bali. Second, this study aimed to explore the customer's satisfaction level towards restaurant industry's performances. And last, this study also investigated the difference variables that affected customer satisfaction towards casual and fine dining restaurant in Seminyak, Bali.

4. Research Contributions

A throughout understanding and knowledge of the factors that have impact on customer satisfaction are very useful in guiding casual and fine dining restaurant's

owners and managers to design and deliver the right offering and strategies. Also this study would contribute to provide empirical evidence of the difference variables that affect customer satisfaction towards casual and fine dining restaurant in Seminyak, Bali.

5. Related Literature

Qualities of brand characteristics that are offered by company determine the level of customer satisfaction (Khan and Afsheen in Sabir et all., 2014). Customer satisfaction can be defined in terms of meeting the expectation of the customers in terms of parameters associated with satisfaction (Malik and Ghaffor in Sabir et all. 2014). Customer final pleasure may have significant affect connected with atmosphere. Bodily atmosphere with the dining places have the significant effect on the client pleasure (Lim, 2010).

A restaurant is a for-profit foodservice operation whose primary business involves the sale of food/beverage products to individuals, and small groups of guests" Ninemeier & Hayes (2006: 11). Customer satisfaction of a restaurant indicates by any guest's comment with good references, such as satisfied with dining experience, would return to the restaurant in the future, would recommend to others, and service quality was excellent (Andaleeb and Conway, 2006). Restaurant industry has four general segments according to the service customer receive: full servive, quick service, eating and drinking place and retail host (Ban, 2012). Fine dining restaurants are full-service restaurants with an upscale menu and extensive beverage offerings. The restaurants generally have a more sophisticated décor and ambiance, the wait staff is usuallyhighly trained and often wears more formal attire, and there is often a dress code for patrons. Fine dinning restaurants are generally classified as independents but in the last decade rapid growth of the higher end dining establishment in the full service segment (Ban, 2012). Meanwhile, quick service, eating and drinking place were classified as casual restaurants which offer limited service, limited menus and beverage list, and price oriented. This type of restaurants attract a wide range of market segment from lower income customers.

Restaurants are, however, primary retailers of 'fooservice experiences'. The food plays a key but by no means the only part (Robson, 1999). Previous studies reported that restaurant service were a blend of tangible and intangible components. They are subjectively experienced processes where production and consumption activities take place simultaneously.

Customer satisfaction in restaurant industry affected by many dimensions, such as: Food Quality, Service Quality, Ambiance, Convenience, and Overall/everything included, (Dogdubay dan Avcikurt, 2008); Responsiveness/service quality, Food Quality/reliability, Physical Design, and Price, (Andaleeb and Conway, 2006); Place/ambience, Food quality, and Service quality (Abdullah and Rozario 2009); Competitive Location, Prices, Food Quality; and Customer Service (Pun and Ho in Abdullah and Rosario, 2009); First & Last Impressions, Service Excellence, Ambiance Excellence, Food Excellence, Feeling Comfortable Eating There, and Reservation & Parking (Kivela, et all., 2000); price, location, theme/ambience, service level, cuisine, and style, while prestige, friendliness of waiting staff, quality of food, dan ambience are the most important attributes (Kivela, 1997); sevice quality, food quality, price, clean and dry (Gupta, et all, 2007).

Food quality or reliability consists of many attributes, such as: garnished food, nutritional/healthy food, tasty food, variety of menu, fresh food, proper food temperature, and consistent standard (Dogdubay dan Avcikurt, 2008); exact order, order error free, fresh food, right food temperature (Andaleeb and Conway, 2006); food taste, food presentation, serving temperature (Abdullah dan Rozario, 2009); food temperature, food presentation, food taste, and food portion (Gupta, et all., 2007).

An important factor driving satisfaction in the service environtment is service quality. Service quality or responsiveness in a restaurant industry consists of: friendly/polite/ helpful staff, knowledgeable staff, speed of service, service style, consistent standard, professional staff (Dogdubay dan Avcikurt, 2008); attentive, helpful, prompt, neat appearance, understood needs, courteous, knowledge of menu (Andaleeb and Conway, 2006); promptly/friendly staff, appeareance of staff, seated quickly, prompt ordertaking, correct order (Gupta, et all., 2007); quickness of correcting problems, reliability of information provided, politeness/friendliness/helpfulness, dining privacy (Abdulah and Rosario, 2009)

Restaurant ambience consists of brand name/fame, overall comfort, quite atmosphere, view from restaurant, overall cleanliness, privacy, appearance of the restaurant, appearance of the staff, appearance of the other customer, temperature of the restaurant, background music, (Dogdubay and Avcikurt, 2008); comfort of the place, noise level, appearance of restaurant, temperature, cleanliness, layout of furniture (Abdullah and Rosario, 2009), meanwhile, a restaurant convenience's indicators consists of location, ease of reservation, ease of parking, overall timing, children friendliness, promotions/coupon, price/value for money (Dogdubay and Avcikurt, 2008). Physical design and appearance of a restaurant attribute consists of lighting appropriate, adequate parking, clean, décor appealing (Andaleeb and Conway, 2006). Price as a dimention of satisfaction indicator consists of expensive, paid more than planned (Andaleeb and Conway, 2006); promotions/coupon, price/value for money (Dogdubay and Avcikurt, 2008) and special discount (Moschis, et all. 2003).

6. Research Methode

To answer the research question posed in the previous page primary data were needed. A questionnaire was developed for the research. The questionnaire consisted of three constructs. The first one was demographic; the second is satisfaction indicator, and the last one were restaurant performance and ratings. It comprised of 36 performance evaluation items and ratings, and 4 satisfaction level items on overall dining experiences. The questionnaires were distributed in Seminyak and Petitenget area for sixteen consecutive weeks from August to November 2015. The data were collected from 47 restaurants, consisted of 43 casual and 4 fine dining restaurants (Mozaic Beach Club, Ku De Ta, Sarong, Metis Lounge). There were 156 questionnaires completed by restaurant's customers. The respondents were first required to indicate the satisfaction level, and then the restaurant performance when selecting a restaurant in this tourist area. A five-point labelled Likert-type scale was used. First, respondents were required to give a rating between 1 = strongly dissatisfied and 5 = strongly satisfied for each of the satisfaction attributes. Respondents were then required to assess the performance of restaurant services on five-point differential scale to give rating between 1 = very bad and 5 = very good for each of the attribute variables included in the questionnaire. And

last, respondents were required to assess the degree of important of each service performance attributes also on five-point differential scale to give rating between 1 = not important at all and 5 = very important. To measure customer satisfaction, variables and indicator of any previous study and literature were used such as study by Cousins (2002), Dogdubay dan Avcikurt (2008), Andaleeb dan Conway (2006), Kivela, Inbakaran, dan Reene (2000).

A discriminant analysis was used in this study to predict the probability of any object which had two or more different group catagories. Discriminant analysis is a statistical analysis to predict a categorical dependent variabel (called a grouping variable). This method allows company to decide whether an element belongs or doesn't belong to the advance set group which is not always simple and clear (Kocisova and Misankova, 2013). To measure the different group catagory, first the Wilks' Lambda score should be determine with formula (m = 36):

$$\lambda = \frac{\text{Within –group SS/ (N-1)}}{\text{between-group SS/ (k-1)(m-1) + within-group SS/ (N-1)}} \quad \ldots\ldots\ldots (1)$$

$$\lambda = \frac{[\ \Sigma X^2 - \Sigma(T^2/n) / (N-1)\ ]}{[\ \Sigma(T^2/n) - (\Sigma X)^2\ ] /N\ (k-1)\ (m-1) + [\Sigma X^2 - \Sigma\ (T^2 / n)\ ]\ /\ (N-1)\ ]} \quad \ldots\ldots\ldots (2)$$

Where :

X = data of each sample
T = data summary of each group
n = number of sample of each group
N = number sample
k = number of group
m = number of choosen variable

Second, obtain the variable which has the smallest wiks'lambda value, and then calculate the F value to analyse (F to enter), with formula :

$$F = \frac{\text{between-groups SS / (k-1 (m – 1)}}{\text{Within-groups SS / (N-1)}} \quad \ldots\ldots\ldots\ldots\ldots\ldots (3)$$

Last, analyse the F value changed (F to remove), with formula:

$$F_{change} = \{(n-g-p)\ (1- \lambda p + 1/\lambda p)\}\ /\ \{(g-1)\ (\ \lambda p + 1/\lambda p) \ldots\ldots\ldots\ldots\ldots (4)$$

To measure the customer satisfaction level and the degree of importance of each attribute, the range of each value level was then classified as five class, such as : very bad (range of 1.00- 1.80); bad (1.81 – 2.60); neutral (2.61 – 3.40); good (3.41 – 4.20); and very good (4.21 – 5.00).

To give a better insight on this study, a framework concept was then developed as figure underneath:

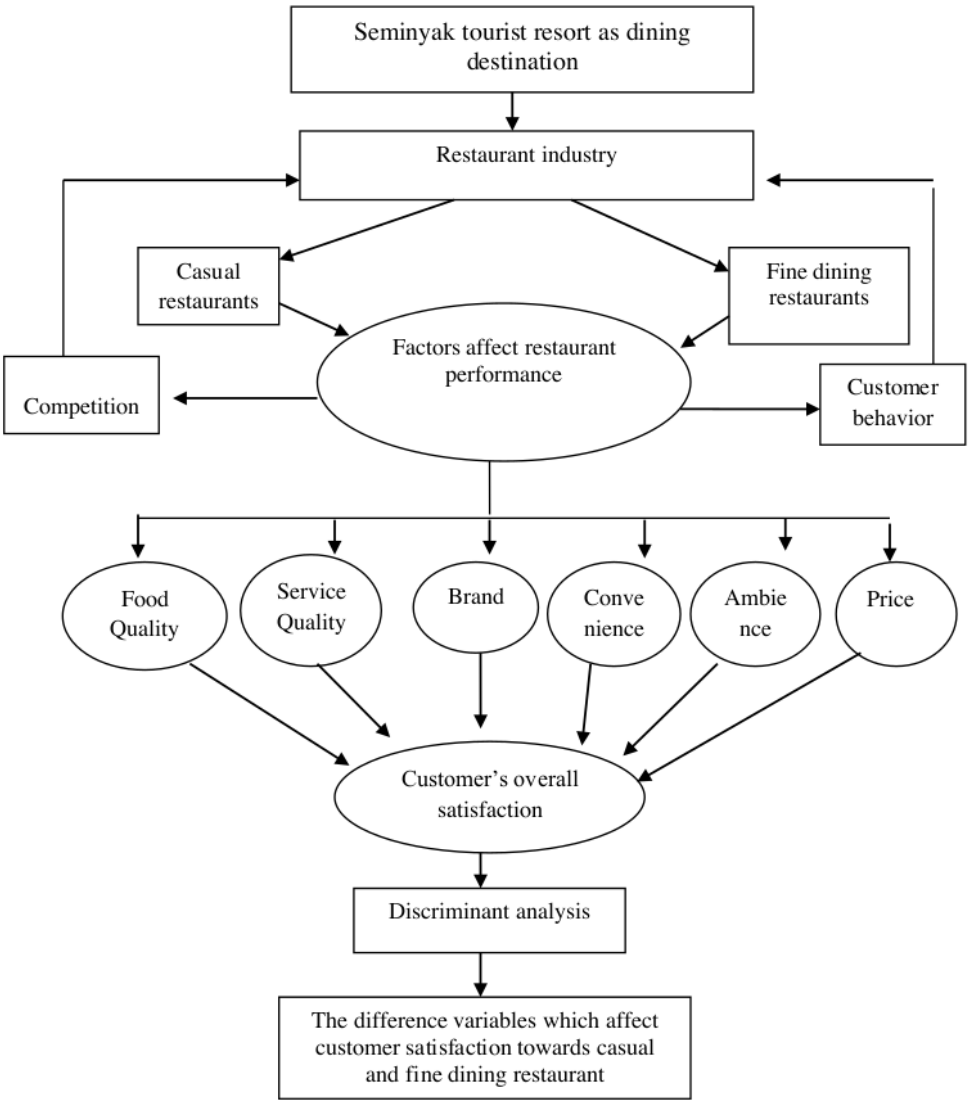

Figure 1. Research Model

7. Empirical Results

Respondent characteristics

Results of survey conducted shows the demographic structures of the respondents as presented in table 3 below.

Table 3
Demographic structure of respondents (N =156)

Demographic	Respondents	Percent
1. Age group		
• Under 25 years	39	25.00
• 25-39	67	42.95
• 40-55 years	43	27.56
• Over 56 years	7	4.49
	156	100.00
2. Gender		
• Male	86	53.33
• Female	70	46.67
	156	100.00
3. Country of origin		
• Australia	64	41.02
• Holland	12	7.69
• England	10	6.41
• Germany	10	6.41
• USA	9	5.77
• Italy	6	3.85
• Singapore	6	3.85
• Japan	5	3.20
• France	5	3.20
• Others	29	18.60
	156	100.00
4. Occupation		
• Employee	53	33.97
• Prossesional	46	29.49
• Entrepreneur	29	18.59
• Student	20	12.82
• House wife	5	3.20
• Retired	2	1.28
	156	100.00
5. Purpose of visit		
• Holiday	128	82.05
• Honeymoon	11	7.51
• Business	9	5.77
• Others	8	5.13
	156	100.00

Validity test with SPSS 17.00 shows the minimum value of (R_i) was 0.490 and maximum value was 0.787, meanwhile reliability test minimum value (α) was 0.717 and maximum value was 0.812.

8. Restaurant performances and customers satisfaction

The customers evaluation of dining experiences was shown in Table 4 and 5 below.

Table 4
Restaurant Performances Evaluation

No	Variables	Indicators	Means	Performance
1	Food Quality (reliability)	1. Food presentation&garnished (x1)	4.11	good
		2. Nutritional/healthy food (x2)	4.12	good
		3. Tasty food (x3)	4.26	very good
		4. Variety menu (x4)	4.26	very good
		5. Fresh food (x5)	4.26	very good
		6. Proper food temperature x6)	4.06	good
		7. Consistent standard (x7)	4.18	good
2	Sercice Quality (responsiveness)	1. Frendly/polite/ helpful staff (x8)	4.35	very good
		2. Knowledgeable staff (x9)	4.12	good
		3. Speed of service (x10)	4.13	good
		4. Service style (x11)	4.16	good
		5. Consistent standard (x12)	4.17	good
		6. Professional staff (x13)	4.13	good
3	Brand/Popularity	1. Restaurant Brand name/fame (x14)	4.13	good
		2. Popularity of chef, manager, staff (x15)	3.74	good
		3. Popularity of entertainment group (x16)	3.74	good
4	Convenience	1. Overall comfort (x17)	4.16	good
		2. Quite atmosphere (x18)	4.13	good
		3. Privacy (x19)	3.89	good
		4. Temperature of the restaurant (x20)	3.95	good
		5. Opening hours (x21)	4.17	good
5	Ambiance	1. View from restaurant (x22)	4.10	good
		2. Overall cleanliness (x23)	4.28	very good
		3. Toilet (x24)	4.22	very good
		4. Appearance/decor of the restaurant (x25)	4.29	very good
		5. Appearance of the staff (x26)	4.08	good
		6. Appearance of the other customer (x27)	4.03	good
		7. Lighting appropriate (x28)	4.19	good
		8. Background music (x29)	4.17	good
		9. Location (x30)	4.40	very good
		10. Ease of reservation (x31)	4.10	good
		11. Ease of parking (x32)	3.90	good
6	Harga (Price)	1. Price/value for money (x33)	4.13	good
		2. Paid more than planned (x34)	3.96	good
		3. Credit card acceptance (x35)	3.94	good
		4. Happy hours (x36)	4.35	very good

Table 5
Customer Satisfaction Evaluation

No.	Satisfaction Indicators	Means	Performance
1	Customer overall satisfaction.	4.16	*good*
2	Customer loyalty to revisit to this restaurant.	4.14	*good*
3	Customer memories about the restaurant	4.13	*good*
4	Customer willingness to recommend restaurant to friends	4.15	*good*

9. Discriminant Analysis

Based on discriminant analysis, test of equality of group means was shown underneath.

Tests of Equality of Group Means

	Wilks' Lambda	F	df1	df2	Sig.
X1	.992	1.224	1	153	.270
X2	.989	1.703	1	153	.194
X3	.989	1.624	1	153	.204
X4	.996	.595	1	153	.442
X5	.988	1.874	1	153	.173
X6	.992	1.196	1	153	.276
X7	.965	5.536	1	153	.020
X8	.996	.660	1	153	.418
X9	.997	.467	1	153	.495
X10	1.000	.041	1	153	.840
X11	1.000	.000	1	153	.995
X12	.990	1.554	1	153	.214
X13	1.000	.001	1	153	.977
X14	.972	4.453	1	153	.036
X15	.993	1.075	1	153	.301
X16	.998	.284	1	153	.595
X17	.992	1.211	1	153	.273
X18	.984	2.487	1	153	.117
X19	.996	.582	1	153	.447
X20	.999	.098	1	153	.755
X21	.991	1.391	1	153	.240
X22	.978	3.462	1	153	.065
X23	.999	.222	1	153	.638
X24	.988	1.789	1	153	.183
X25	.992	1.236	1	153	.268
X26	1.000	.044	1	153	.834
X27	.999	.175	1	153	.676
X28	1.000	.045	1	153	.832
X29	1.000	.043	1	153	.835
X30	.971	4.548	1	153	.035
X31	.978	3.410	1	153	.067
X32	.996	.547	1	153	.461
X33	.982	2.806	1	153	.096
X34	.996	.659	1	153	.418
X35	.996	.580	1	153	.447
X36	.988	1.792	1	153	.183

If Wilks' Lambda value getting close to " 0", it means the variables of each group (casual and fine dining) tend to be in different category. Conversely, if Wilks' Lambda value getting close to " 1", it means the variables of each group tend to be in same category such as: *speed of service (X10)*, *service style (X11)*, *professional staff (X13)*, *appearance of the staff (X26)*, *lighting appropriate (X28)* , and *background music (X29)*, whereas all these six factors have Wilks' Lambda value = 1.

If "F" value getting bigger (as shown in Table 7 and 8), it means variables affect satisfaction between two groups getting difference, with references as follows:

- if Sig. > 0.05; mean there was no difference within variables that affect customer satisfaction between two groups of restaurant.
- if Sig. < 0.05; mean there was differences within variables that affect customer satisfaction between two groups of restaurant.

Based on those references above, the difference variables that affect customer satisfaction towards casual and fine dining restaurant were: *consistent standard (X7, with sig. 0.020)*, *quite atmosphere (X18, with sig. 0.003)*, X14 *restaurant brand name/fame (X14 with sig. 0.001)*, dan *location (X30 with sig. 0.000)*.

11

Box's Test of Equality of Covariance Matrices

Log Determinants

Z	Rank	Log Determinant
Fine dining	6	-2.605
Casual restaurant	4	-2.003
Pooled within-groups	4	-2.126

The ranks and natural logarithms of determinants printed are those of the group covariance matrices.

Test Results

Box's M		14.110
F	Approx.	1.367
	df1	10
	df2	61245.754
	Sig.	.189

7 Tests null hypothesis of equal population covariance matrices.

Stepwise Statistics

Variables Entered/Removed[a,b,c,d]

Step	Entered	Min. D Squared					
		Statistic	Between Groups	Exact F			
				Statistic	df1	df2	Sig.
1	X7	.156	Fine dining and casual restaurant	5.536	1	153.000	.020
2	X18	.353	Fine dining and casual restaurant	6.225	2	152.000	.003
3	X14	.474	Fine dining and casual restaurant	5.537	3	151.000	.001
4	X30	.641	Fine dining and casual restaurant	5.576	4	150.000	.000

2

At each step, the variable that maximizes the Mahalanobis distance between the two closest groups is entered.

a. Maximum number of steps is 72.

b. Maximum significance of F to enter is .05.

c. Minimum significance of F to remove is .10.

d. F level, tolerance, or VIN insufficient for further computation.

Based on the result of stepwise method with four time iterations, 4 factors were found as the difference variables that affect customer satisfaction between casual and fine dining restaurants. All these variables were *consistent standard (X7)*, *quite atmosphere (X18)*, *restaurant brand name/fame (X14)*, dan *location (X30)*.

10

Variables in the Analysis

Step		Tolerance	F to Remove	Min. D Squared	Between Groups
1	X7	1.000	5.600		
2	X7	.861	9.894	.069	Fine dining and casual restaurant
	X18	.861	6.696	.156	Fine dining and casual restaurant
3	X7	.852	10.864	.152	Fine dining and casual restaurant
	X18	.816	4.026	.346	Fine dining and casual restaurant
	X14	.911	3.889	.351	Fine dining and casual restaurant
4	X7	.807	6.598	.431	Fine dining and casual restaurant
	X18	.793	5.455	.465	Fine dining and casual restaurant
	X14	.883	5.349	.469	Fine dining and casual restaurant
	X30	.826	5.329	.469	Fine dining and casual restaurant

3

Summary of Canonical Discriminant Functions

Eigenvalues

Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
1	.149[a]	100.0	100.0	.360

a. First 1 canonical discriminant functions were used in the analysis.

Wilks' Lambda

Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1	.871	21.051	4	.000

Wilk' Lambda Table shows Chi-Square Value at 21.051 with Sig. 0.00, which describes the behavior of customers between two group were significantly different.

15

Standardized Canonical Discriminant Function Coefficient

	Function
	1
X7	.633
X14	-.547
X18	-.583
X30	.565

Standardized Canonical Discriminant Function Coefficients results shows X7 (Consistent standard) as the most important discriminator between two groups with coeff. Value 0.633.

18

Functions at Group Centroids

	Function
Z	1
Fine Dining	-.512
Casual Restrnt	.287

14

Unstandardized canonical discriminant functions evaluated at group means

Group Centroids describe mean of discriminant value of each observation in each group. Value of Group Centroids of fine dining restaurant was -512, meanwhile Group Centroids of casual restaurant was 0.287. The means of discriminant score of both groups were significantly different.

5

Classification Processing Summary

Processed		156
Excluded	Missing or out-of-range group codes	0
	At least one missing discriminating variable	0
Used in Output		156

Prior Probabilities for Groups

		Cases Used in Analysis	
Z	Prior	Unweighted	Weighted
Fine Dining	.500	56	56.000
Casual Restrnt	.500	100	100.000
Total	1.000	156	156.000

Classification Function Coefficients

	Z	
	Fine Dining	Casual
X7	4.096	4.776
X14	3.492	2.985
X18	2.550	1.997
X30	3.333	3.900
(Constant)	-28.225	-29.083

Fisher's linear discriminant functions

Classification Results[b,c]

			Predicted Group Membership		
		Z	Fine Dining	Casual Restrnt	Total
Original	Count	Fine Dining	37	19	56
		Casual Restrnt	37	63	100
	%	Fine Dining	66.1	33.9	100.0
		Casual Restrnt	37.0	63.0	100.0
Cross-validated [a]	Count	Fine Dining	36	20	56
		Casual Restrnt	38	62	100
	%	Fine Dining	64.3	35.7	100.0
		Casual Restrnt	38.0	62.0	100.0

a. Cross validation is done only for those cases in the analysis. In cross validation, each case is classified by the functions derived from all cases other than that case.

b. 64.1% of original grouped cases correctly classified.

c. 62.8% of cross-validated grouped cases correctly classified.

Classification results analysis showed 37 of 56 fine dining restaurant's customers were consistently classified as fine dining customers meanwhile 19 of them moved to casual restaurant customer's characteristics. 63 of 100 casual restaurant's customers were consistently classified as casual restaurant customers and 37 of them moved to fine dining customer's characteristics.

10. Conclusion

The results showed that means of restaurant performances in Seminyak area were categorized as good and very good performances, meanwhile, means of customer satisfaction level was classified as very good.

Discriminant analysis results revealed 6 variables which affect customer satisfaction tend to be in same category such as: *speed of service*, *service style*, *professional staff*, *appearance of the staff*, *lighting appropriate*, and *background music*.

The difference variables which significantly affected customer satisfaction towards casual and fine dining restaurant in Seminyak area were *consistent standard*, *quite atmosphere*, *restaurant brand name/fame*, dan *location*.

Discriminant Analysis could be used to determine which variable(s) are the top predictors of restaurant performances. In this case, *consistent standard* was the most important variable which affect customer satisfaction between casual and fine dining restaurant.

11. Limitation of the study

Only 156 questionnares were collected from minimum 200 advisable questionnares needed to fit the model. This study analyzed the difference factors affect customer satisfaction towards casual and fine dining restaurant only. Others phenomenas such as the relationship of respondent's income, buying power, behaviors, age, and genders to purchase intention towards casual or fine dining didn't analyze in this study. To enrich the results of the study on the difference characteristics between casual and fine dining restaurant, further research is strongly sugested.

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