

## Examination of the Relevance of Food Service Procedures as a Marketing Strategy for Restaurant Performance (Case study of some selected Hotels in Lokoja, Kogi State, Nigeria)

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### Abstract

*The turbulent and general competitive environment is a force driving radical changes in hospitality and leisure services. Globalization, the increase sophistication of consumers, and dramatic changes in information technology are forcing hospitality and leisure firms to create distinctive competitive advantage. Firms seek to successfully align their mission, goals, and their resources with their environment in order to maximize performance. Service organizations are characterized by high level of service encounter, employees act as ambassadors of the organization and play a critical role in influencing overall customer perception of quality. According to research, service encounter can indirectly be managed using service-related techniques of blue printing and other quality assurance system, nature of service, strategies for improving and understanding customer perceptions of it has enjoyed tremendous popularity. A cursory investigation of food and beverages industries in Nigeria revealed a downturn in turnover to the tune of 41.20 billion Naira in 2012 to 3.48 billion Naira in 2013, gross profit deteriorated from 1.9 billion to 1.56 billion, and well as operating loss degenerated from 263.18 Naira to 243.4 million Naira. The revelation confirmed that service failure is among the factors that was responsible, for this reason service should be given the needed attention required. It is against this backdrop that this paper sought to examine food control systems of service and its relevance to restaurant performance in some selected hotels in Lokoja, Kogi State, Nigeria. A cross-sectional survey research design was adopted, data collection tools used in the study were questionnaire, interviews, and secondary information. Data collected from 189 respondents were analyzed using descriptive statistics to describe the characteristics of the study's constructs and Pearson correlation statistics was used to establish a pattern of relationship and association of the Study's variables furthermore, linear regression analysis was employed to determine significant variable predictors and test the hypothesized relationship of the study. The Pearson correlation matrix results of food control systems of serving ( $r = 0.762$ ,  $p < 0,000$ ) has positive and strong association with restaurant performance. Linear regression result of  $r^2$  coefficient 57.8 this showed that service systems explain 57.8% of variation in the dependent variable of restaurant performance. The test for hypothesis has the following results; The  $t$ -statistics and  $p$ -value of food service control systems procedures indicated  $t = 4.096$ ,  $p$  value = 0.000. Since the  $p$ -value = 0.000  $\leq$  0.05, is less than conventional significance thus, the study rejected the null hypothesis and accepted alternate hypothesis. Therefore, the findings confirmed there is significant relationship between food service control systems and hotel restaurants performance.*

**Keywords:** Restaurants, Performance, Service, Hospitality, Revenue

### Introduction

Hospitality industry is a beehive of human activities that hinge on service delivery; therefore, services should be able to meet the expectation of all customers for competitive advantage which will sustain the business on a long-run. In the opinion of Lee (2015), innovation and entrepreneurship in all ramification are the life- wire of any business sustainability and better performance which restaurant

is not an exception. Also, Okoya & Walker identify some of the factors to include leadership behavior and welfare of employees; if the employees are adequately motivated, they sure put in their best, in the same vein. Colgate (2014) shear their views that instituting flexible program for training and education will go along way on self- improvement and a better strategy for better service delivery. This paper is divided into different part and it seeks to examine the relevance of food service procedures as a marketing strategy for restaurant performance in some selected hotels in Lokoja, Kogi State, Nigeria.

### **Literature Review**

According to the National Restaurant Association (NRS) (2016), out of 990,000 restaurants in the United States of America, one third of the restaurants will get out of business in their first year of operation (failing restaurants) whereas another one third will struggle (struggling restaurants) and others will need support not to fail, all is due to inequality of service, unavailability of skilled personnel and lack of equipment that can enhance quality services delivery. Also, Ramanathan & Ramanathan (2016) attested to four potential determinants of customer satisfaction which are food quality, service quality, environment and price. Any of the four can make or mar good service delivery. Also, Marinkovic, Senic, Lukor, Dimistrouski & Bjelic (2014) and Khan & Yaqoub (2013 ) agreed that full service restaurants have three potential determinants of customer satisfaction-atmosphere, quality of interactions and price; which are all related to responsiveness and professionalism.

According to Walter (2014) restaurants that know their onions can through quality services gain competitive advantage over other competitors. In the study of Olaoye, Awolaja & Dabri (2014) on customer loyalty asserted that efficient and time bound services aid business sustainability which will invariably translate to better performance. Osiaga & Odia (2014) opined that quality of service is a good determinant for customer loyalty and retention, hence, attention of hospitality managers should be directed towards better service delivery. Sales force model is defined as a technique used by managers to direct, normalize and control the action of people so that the recognized goals can be attained. According to Goetsch & Davis (2012) quality service is the integrative philosophy of management which focused on continuous improvement on the quality products, services and physical environment which will complement the overall satisfaction of the guests and customers. It is important to state that Human Resource Department of established Hostels and Restaurants must have staffing policies that emphasize the individualities of the employees and selection process that recognize competence in all ramifications. This is why Ray (2015) opined that hiring of right people is the best decision of building a solid team, preserving employees can be through motivation than cooperate job security. In another view, Marriot (2013) concord with the opinion of Ray that competence in every endeavor can be achieved by an efficient and effective effort by the stakeholders, if properly applied with active organizational culture that has been identified as a necessary ingredient that can accelerate performance in the restaurants. Manjunat & Reginald (2016 ) observed that business of service must differentiate their service offerings in food industry to ensure retention and customer loyalty.

According to Committee of Sponsoring Organization (COSO) (2013), the food and beverage administration needed enhanced service aimed at functioning compliance on all front to conform to meal experience envisaged by the guests. In another development, Teimeys (2012) affirmed that service is a veritable tool for efficient operations, effective aid to performance and creating methods of attracting customers is well thought out strategy for excellent performance. Olise (2015) identify factors that influence customers patronage as quality offerings and friendly environment devoid of health hazards are added value to restaurant performance. In the same vein, Aliyu (2014), highlighted

the significant determinants of customer satisfaction to be service control systems which encompass service staff appearance, attitude, knowledge of the products and services on offer.

Onnyenecho (2013) maintained that employees are expected to be in high spirit and be cheerful in their dealings with customers. The uniforms should be in agreement with the concept of effective service. Lighting is very essential as it complements the nature of the restaurant and the style of lighting should be regulated according to time and standard, consistent colors usage is paramount, trademark and any form of identification is expected to be in agreement with the ambience concept of the restaurant, colors influence appetite, hence, choice of color should be expertly done to elucidate the expected satisfaction for costumers, therefore, choice and consistent should be the watchword. Texture, the sense of touch can have greater role to play on the issue of ambience, hence the following areas should be given special attention - walls, floors, furniture and any other surface that customers are expected to come in contact with artwork reproduce on what will be appropriate in choice areas to enrich the atmosphere, it has to be in tandem with standard set from the beginning.

Otorowski (2014), opined that menu is a major satisfaction enhancer either by its beauty or what it contains are which add to value expected, carefully itemized menu is considered as an impetus for good meal experience, cutleries and other service items should be in harmony with concept for the ambience to flow, wall fittings and furniture are expected to contribute to uniformity of the ambience. Music has a role to play in food setting, acoustic knowledge is an advantage for every unit in the food settings required different volume of music, that is why it becomes imperative for a competent hand to deliver on this area to complement the set ambience and keeping in view the concept of the organization.

### **Data analysis and presentation**

In this study, the data collected were analysed descriptively and quantitatively. The results and findings from the analysis were interpretation. The tool used in the study in quantitative data collection was questionnaire while qualitative data was an interview. The required data were collected, analyze and the result suitably interpreted.

**Table 1 Descriptive Analysis on Service**

| S/<br>N | Variables   | SD   | D    | N     | A     | SA   | MEAN  | SD     | REMARKS |
|---------|---|------|------|-------|-------|------|-------|--------|---------|
| 1       | There is a standard procedure for food service              | 0.5% | 2.8% | 42.4% | 13.6% | 2.0% | 33098 | 105929 | N       |
| 2       | There are proper monitoring and evaluation for food service | 0.5% | 2.7% | 14.7% | 41.3% | 4.0% | 41902 | .82430 | A       |
| 3       | There is a standard food pricing method                     | 0.5% | 2.8% | .5 %  | 1.6 % | 1.0% | 33043 | 105312 | N       |
| 4       | There is a standard procedure for cash payments and control | 0.5% | 2.8% | 42.9% | 14. % | 2.0% | 32935 | 104581 | N       |

|         |  |      |       |       |       |       |               |           |       |
|---------|--|------|-------|-------|-------|-------|---------------|-----------|-------|
| 5       | There is a standard procedure for attending to complementary or sign of the bill | 0.5% | 1.4%  | 28.3% | 42.9% | 1%    | .6413         | .93600    | A     |
| 6       | There is a provision for daily food service report                               | 0.5% | 7.6%  | 21.2% | 48.4% | 2%    | .8424         | .87600    | A     |
| 7       | The service staff are well trained   | 0.5% | 22.8% | 42.9% | 13.6% | 20.2% | 3.2989        | 1.05209   | N     |
| 8       | The service staff are competent  | 0.5% | 0.5%  | 29.4% | 28.8% | 4%    | .0870         | .87656    | SA    |
| 9       | There are staff responsible for food service report assessment and correction    | 0.5% | 2.8%  | 42.4% | 14.2% | 20.1% | 3.3043        | 1.05312   | N     |
| Average |  |      |       |       |       |       | <b>3.1812</b> | <b>0.</b> | 97514 |

Source: Authors survey, 2020.

The results in Table 1 revealed an average overall mean score of 3.1812 and standard deviation of 0.97514 were recorded on variables of food control systems of serving. The highest mean score was recorded on proper monitoring and evaluation for food service with 4.1902 while the lowest mean score was recorded on standard procedure for cash payments and control with 3.2935. The variables with agree (A) and neutral (N) recorded more percentages. The descriptive results of the interview conducted with the manager of the hotels on the hotel while one manager (N=5; 20%) there is no standard control service procedure in the hotel. Five managers (N=5; 100%) confirmed that there is service control standard and procedure in place in the hotel, on the other hand, four managers (N=5; 80%) confirmed that there is standard control for cash payment and control in the hotel.

**Table2: Correlation Analysis on Control Facets of Service**

| S/N | Variables   | R      | P value |
|-----|---|--------|---------|
| 1.  | There is a standard procedure for food service              | .967** | .000    |
| 2.  | There are proper monitoring and evaluation of food service  | .263** | .000    |
| 3.  | There is a standard food pricing method                     | .969** | .000    |
| 4.  | There is a standard procedure for cash payments and control | .970** | .000    |

|    |  |        |      |
|----|--|--------|------|
| 5. | There is a standard procedure for attending to complementary or sign of the bill | .762** | .000 |
| 6. | There is a provision for daily food service report                               | .385** | .000 |
| 7. | The service staff are well trained   | .967** | .000 |
| 8. | The service staff are competent  | .408** | .000 |
| 9. | There are staff responsible for food service report assessment and correction    | .969** | .000 |

Source: Authors survey, 2020

The result of correlation analysis control systems at the point of food service and restaurant performance in Table 2 had the following variables, standard procedure for food service had positive and strong association and relationship with restaurant performance ( $r=0.967$ ,  $p<0.000$ ) while proper monitoring and evaluation of service recorded positive and weak association and relationship with restaurant performance ( $r=0.263$ ,  $p<0.000$ ). Then standard food pricing method had positive and strong association and relationship with restaurant performance ( $r=0.969$ ,  $p<0.000$ ). Attending to complementary and sign of bill had positive and strong association and relationship with restaurant performance ( $r=0.762$ ,  $p<0.000$ ) provision of food daily service report attain positive and weak association and relationship with restaurant performance ( $r=0.385$ ,  $p<0.000$ ) service staff are well trained recorded positive and strong association and relationship with restaurant performance ( $r=0.967$ ,  $p<0.000$ ). The service staff are competent had positive and weak association and relationship with restaurant performance ( $r=0.408$ ,  $p<0.000$ ) staff responsible for service report assessment and correction had p relationship with performance ( $r=0.969$ ,  $p<0.000$ ) positive and strong relationship with performance ( $r=0.969$ ,  $p<0.000$ ).

### **Regression Analysis on Service Control Systems and Restaurant Performance**

The linear regression analysis was conducted on food control systems of service and restaurant performance. The results of the model summary were as shown in Table 3.

**Table 3: Model Summary on Service**

| Model | R                 | R Square | Adjusted R Square | Model Summary              |                 | Change Statistics |     |     |               | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|-----------------|-------------------|-----|-----|---------------|---------------|
|       |                   |          |                   | Std. Error of the Estimate | R Square Change | F Change          | df1 | df2 | Sig. F Change |               |
| 1     | .762 <sup>a</sup> | .581     | .578              | .60336                     | .581            | 252.147           | 1   | 182 | .000          | 1.748         |

a. Predictors: (Constant), Service  
b. Dependent Variable: Performance

Source: Authors survey (2020)

The results of the model summary in Table 3 indicated R coefficient of .762, R<sup>2</sup> coefficient o.581 and adjusted R<sup>2</sup> coefficient of .578. This showed that the variable of service explained 57.8% of the variations in the dependent variable namely restaurant performance. The Durbin-Watson result of 1.748 met the assumption that errors in regression are independent if Durbin-Watson statistic was close to 2 (and between 1 and 2). The results of the analysis of variance (ANOVA) were as shown in Table 4.

**Table 4: Analysis of Variance on Service Control Systems**

|       |            | ANOVA <sup>a</sup> |     |             |         |                   |
|-------|------------|--------------------|-----|-------------|---------|-------------------|
| Model |            | Sum of Squares     | Df  | Mean Square | F       | Sig.              |
| 1     | Regression | 91.791             | 1   | 91.791      | 252.147 | .000 <sup>b</sup> |
|       | Residual   | 66.255             | 182 | .364        |         |                   |
|       | Total      | 158.046            | 183 |             |         |                   |

a. Dependent Variable: Performance

b. Predictors: (Constant) Service

Source: Authors survey, 2020

The results of Analysis of Variance (ANOVA) in Table 4 on control systems at the point of service and restaurant performance showed an F statistics of 252.147 and p value of 0.000 which is less than the conventional significance level  $p < 0.05$ . This meant that the regression model was statistically significant. The results of the linear regression analysis were as indicated in

**Table 5. Linear Regression Analysis on Service Control Systems**

|       |            | Coefficients                |            |                           |       |      |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | T     | Sig. |
|       |            | B                           | Std. Error | Beta                      |       |      |
| 1     | (Constant) | .669                        | .179       |                           | 3.733 | .000 |
|       | Service    | .757                        | .048       | .762                      | 4.096 | .000 |

a. Dependent Variable: Performance

Source: Authors survey, 2020

The results of linear regression analysis in Table 5 showed food control systems at the point of service beta value of  $b = 0.757$ ,  $p = 0.000$  which meant that an increase in the food control systems at the point of service will lead to increase in restaurant performance.

### Test of Hypothesis on Service Control Systems and Hotel Restaurants Performance

The Null Hypothesis (HO1) stated that there is no significant relationship between food service control systems procedures and hotel restaurants performance in Lokoja, Kogi State, Nigeria. The Alternate Hypothesis (Ha1) stated that there is a significant relationship between food service control systems procedures and hotel restaurants performance in Kogi State, Nigeria. Thus, HO1:  $\beta = 0$  (there is no significant relationship between food service control systems procedures and hotel restaurants performance in Kogi State, Nigeria). Ha1:  $\beta \neq 0$  (there is a significant relationship between food service control systems procedures and restaurants performance in Kogi State, Nigeria). Therefore, the t-statistics and p-value of food service control systems procedures indicated  $t = 4.096$ ,  $p\text{-value} = 0.000$ . Since the  $p\text{-value} = 0.000 \leq 0.05$ , the study rejected the null hypothesis and accepted alternate hypothesis. Therefore, "there is a significant relationship between food service control systems procedures and hotel restaurants performance in Lokoja, Kogi State, Nigeria.

### Conclusion

From the finding on the variables for service, it is clear that excellent food service is an integral part of food and beverage service operations, thus, majority of the staff agreed that, it is significant and positively related, therefore, managers should see it as important area that requires attention in the course of service delivery for it goes a long way in aiding performance.

## **Recommendations**

Arising from the findings of the study, the following are the recommendations are made:

- i. It is important that managers of hotels should pay attention to the internal and external factors that account for their performance in terms of profitability and service delivery to their customers. These can be used as a propelling force to better service delivery to their customers.
- ii. The operating hands should think of ways to better performance in the industry for the continuity and sustainability of the business which entails the retention good and capable hands for the hotel and restaurant.

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