Predicting Consumer Behavioral Intention in Bandung Ethnic Restaurant

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Abstract
Bandung is one of popular culinary tourism destination in Indonesia. The significant growth of restaurant industry in Bandung makes the competition in this industry become more intense. To win the competition, restaurant owner needs to learn more about consumer behavior. This study investigated consumer buying behavior towards ethnic restaurants. Data were collected using a questionnaire survey (n = 300) at ethnic restaurants in Bandung. Of particular interest was the role of consumers’ shopping values of eating-out and their behavioral intention on ethnic restaurant. The findings indicated that hedonic and utilitarian values have significant influences on the level of customer satisfaction when they consumed food at this traditional restaurant. The study also reveals that shopping value influenced customer behavioral intention in the future.

Keywords: utilitarian value, hedonic shopping value, satisfaction, behavioral intention

1. Introduction
Indonesia continues to post steady economic growth, the Gross Domestic Product (GDP) in Indonesia expanded 5.62 percent in the third quarter of 2013 over the same quarter of the previous year (Statistics Indonesia, 2013). This has led to the growth in purchasing power, better household standards of living and allows more people to eat out. One of the place for dine out is ethnic restaurant serving traditional cuisine.

One of the place for dine out is ethnic restaurant serving traditional cuisine. Ethnic restaurant is one of the places for dine-out. The existence of these eating places are the foundation of culinary tourism growth in Bandung as one of a wellknown culinary tourism destination. There is a high number (484) of restaurants and cafes in Bandung (Bandung Tourism Office, 2010) not including the restaurants and cafes that are integrated in malls, hotels and other business areas. The increasing of interest and acceptance of traditional foods are due to the influence of ethnic diversity, uniqueness of the food, cultural experiences and media exposure.
However, traditional restaurateurs cannot compete simply on the uniqueness of the cuisine. Customers who go to the restaurant do not only demand good food but also an experience of excitement, pleasure, celebration and creating social relationship (Mansouri and Ebrahimi, 2013). In order to succeed, restaurant owners need to pay attention to the factors that have the highest regard in relation to the influences of customer satisfaction with the dining experience especially when the ethnic restaurant have to compete with other ethnic restaurant and international restaurant. A deeper understanding of customers’ satisfaction factors will provide ethnic restaurateurs with valuable information and insights which will enable them to attract and retain more customers. The purpose of this paper is to examine the factor of utilitarian and hedonic shopping value contributing to the customer satisfaction of new and repeat customers at traditional restaurants.

2. Literature Review

2.1 Behavioral Intention
Behavioral intention has been defined as the customers’ subjective probability of performing a certain behavioral act (Fishbein and Ajzen, 1975). In the restaurant context, these behaviors might include the expression of a preference for a particular restaurant or exhibiting a willingness to remain longer and intensify the dining experience. Moreover, during a shopping experience, consumers can experience positive short-term service encounters that build friendships and enhance the likelihood of favorable long-term outcomes, such as loyalty (Lemmink and Mattson, 2002).

Previous studies has revealed that perceived value as an antecedent of satisfaction and behavioral intention (Wahyuningsih, 2013; Liu and Jang, 2009).

2.2. Satisfaction
Anderson and Srinivasan (2003), defined satisfaction as the contentment of the customer with the respect to his/her prior purchasing experience with a given service firm. Kotler (2010) defined satisfaction as: “a person’s feeling of pleasure or disappointment resulting from comparing a product’s perceived performance (or outcome) in relation to his or her expectations. If the performance match or exceed to the expectation, then the customer is satisfied, if the performance is below par then the customer is dissatisfied.

Many researchers believe that there is a considerable direct impact on customer’s satisfaction and behavioral intentions which acquired by customer’s perception from values (Oenaryo & Nelloh, 2013, Wahyuningsih, 2011, Anderson and Linderstad, 1998).
2.3. Shopping Value

Consumers’ perceived value is considered as one of the main aspects of retail differentiation because it defines beliefs and wants of consumers, their expectations after shopping and during consumption of purchased products. Within the shopping value literature, two types of value are often identified, being utilitarian and hedonic value (Babin et al. 1994; Eroglu et al., 2004). Utilitarian value based on fulfilling a basic need & purchased & consumed for fulfilling consumers basic & functional needs (Oenaryo & Nelloh , 2013). In selection and decision making for utilitarian product, consumers follow utility and function maximizing approach. Their judgments are based on cognitive activities, goal-oriented and conducting necessary task.

On the other hand, hedonic shopping process is related to achieved satisfaction and pleasure, entertainment, fantasies and senses but not a purchase of particular product and / or service. This means that hedonic shopping aspect usually is displayed through joy which is felt by using purchased product or through pleasure and new experiences gained while shopping (Arnold & Reynolds, 2003; Kim, 2006; Cardoso & Pinto, 2010; Ballantine et al., 2010). The “success” of buying process is measured by subjective emotional and aesthetical approach.

Consumers are more likely to return and spend more if they get relatively high hedonic and utilitarian shopping values. (Babin & Attaway,2000.) Also Kisang Rye & et al in 2009 showed that benefit seeking value and welfare seeking value has a significant and direct impact on customers’ satisfaction in restaurant industry (Kisang, Heesup &Soocheong, 2010).

Based on the literature review, the hypotheses of this study are:
H1: there is a relationship between hedonic values on restaurant customers’ satisfaction.
H2: there is a relationship between utilitarian Values on restaurant customers satisfaction.
H3: there is a relationship between hedonic Values on behavioral intention.
H4: there is a relationship between utilitarian values on behavioral intention
H5: there is a relationship between customers satisfaction on their behavioral intentions.

3. Methodology

The overall objective of the data collection section was to measure the variables in the research model in order to determine the influence on consumer behaviors.

3.1 Measurement

Scale items for assessing key constructs, such as, utilitarian shopping value, hedonic shopping value, satisfaction and behavioral intention were adapted from prior studies’ validated measures. The respondents were requested to indicate the extent to which they
agree or disagree, based on their experience, by checking the appropriate response to the questionnaire items regarding the key constructs of the study. The questionnaire is divided into 2 sections: The first section of the questionnaire is demographic information which includes such questions as: gender, age, education, etc. The second section contained items aimed at measuring constructs for hedonic value, utilitarian value, satisfaction and behavioral intention. Each construct were rated on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

3.2 Data Collection
The data for this study was collected from ethnic restaurants that offered sundaneese cuisine. The questionnaires were randomly distributed to the restaurants’ customer who were waiting for the car in the parking lots after dinner. Customer were asked to fill out a survey questionnaires on a voluntary basis. A total of 300 questionnaires were completed and were used for analysis.

3.3. Analysis
Frequency distribution of the variables was conducted in order to identify the respondent’s profile and compute means and standard deviation for each variable measures in the study. SEM was utilized to empirically test the relationships between the constructs in the study, using AMOS 5.

4. Results
4.1. Respondent Profile
Based on 300 sample of the customer that visit ethnic restaurant in Bandung, the percentage of male and female respondents are 45.67 percent and 54.33 percent respectively, which shows that female dominancy of restaurant customers. Based on the age of the respondent, the result showed that in the whole sample, 26 percent are at the range of <21 years old, 41 percent are at the range of 21 to 31 years old, and 19 percent are 32 - 42 years old, 10.7 percent in the range of 43 – 53 years old and 3.3 percent in the age of > 53 years old. In term of their occupation, 32.33% are private companies workers, 14.33 percent are public service, 28.33 percent are entrepreneurs and the remaining are students. In term of their frequency of purchase, 2.67 percent is the first time experience. 46.33 percent have 3 times dine at the ethnic restaurant in the last six month, 32.67 percent have 4 to 5 dine in the ethnic restaurant in the last six month, 18.33 percent have more than five times eating at the ethnic restaurant in the last six month.

4.2. Descriptive Analysis
Table 1 presents customers’ perceptions of hedonic and utilitarian values, satisfaction and behavioral intention regarding dining experiences in sundanese ethnic restaurants. The two values were measured with a 5-point scale, so anything above 3 signifies a positive perception. Table 1 shows that the means of the measurement items for both values were all greater than 3, indicating that dining experiences in traditional restaurants were positive from both hedonic and utilitarian value perspectives. When both value items were compared, customers had higher perceptions regarding utilitarian aspects than hedonic aspects. Specifically, customers perceived the taste of traditional foods as the best value among utilitarian aspects, but they also considered food portion, menu variety, reasonable cost, and healthy food options as valuable factors. These findings are similar to those of a previous study by Jang et al. (2009). Even though customers perceived utilitarian aspects as more valuable, customers’ perceptions regarding the hedonic aspects of traditional restaurants were also positive.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Measurement</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedonic</td>
<td>H1 Interior design of the restaurant made me feel traditional culture</td>
<td>3.69</td>
<td>0.79</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H2 Traditional music played in the restaurant entertained me</td>
<td>3.54</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H3 Traditional aspects of traditional food made me feel like an escape from ordinary life</td>
<td>3.41</td>
<td>0.77</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H4 Mood of the traditional restaurant made me feel exotic</td>
<td>3.41</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H5 Layout and facilities aesthetic of the traditional restaurant were fun and unique</td>
<td>3.42</td>
<td>0.91</td>
<td></td>
</tr>
<tr>
<td>Utilitarian</td>
<td>U1 The cost of food was reasonable</td>
<td>3.70</td>
<td>0.87</td>
<td></td>
</tr>
<tr>
<td></td>
<td>U2 The food in traditional restaurant were tasty</td>
<td>3.87</td>
<td>0.72</td>
<td></td>
</tr>
<tr>
<td></td>
<td>U3 I like a variety of menu choices in traditional restaurant</td>
<td>3.48</td>
<td>0.93</td>
<td></td>
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<tr>
<td></td>
<td>U4 Food portion in the restaurant was satisfying</td>
<td>3.75</td>
<td>0.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>U5 The food in traditional restaurant was healthy</td>
<td>3.87</td>
<td>0.80</td>
<td></td>
</tr>
<tr>
<td>Satisfaction and Behavioral Intention</td>
<td>S1 I was happy with the dining experience in traditional restaurant</td>
<td>3.73</td>
<td>0.66</td>
<td></td>
</tr>
<tr>
<td></td>
<td>S2 I was content with the dining experience in traditional restaurant</td>
<td>3.72</td>
<td>0.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td>S3 Dining in traditional is a wise decision</td>
<td>3.35</td>
<td>0.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>S4 Overall, I was satisfied with the dining experience in traditional restaurant</td>
<td>3.76</td>
<td>0.68</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B11 I would like to dine out in traditional restaurant again</td>
<td>3.67</td>
<td>0.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B12 I would like to inform positive things about the traditional restaurant</td>
<td>3.67</td>
<td>0.80</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B13 I would like to recommend this traditional restaurant to others</td>
<td>3.21</td>
<td>0.85</td>
<td></td>
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</tbody>
</table>

4.3 Confirmatory Factor Analysis
The four factor measurement model was validated using a CFA. Before estimating the model, the reliability estimates of the measurement items was verified using the Cronbach’s alpha to
assess the internal consistency of the construct in the proposed model. The alpha values range from 0.731 to 0.818, exceeding the minimum hurdle of 0.7 (Nazir, 2010). The results of the reliability test indicated that multiple measurement items were highly reliable for measuring each construct. Convergent validity was assessed with the factor loading exceeded 0.6 and significant at level 0.1 (Singgih, 2004).

The results showed that there are three items which have CFA value less than 0.6. The items are: questions H5, U5 and S3. Those three items were deleted from the analysis.

4.4 Result of Structural Model

The indicators of the model’s fit included a comparative fit index (CFI) of 0.962, norm - fit index (NFI) of 0.926, a root mean square error of approximation (RMSEA) of 0.058. Value of CFI, NFI range from zero to one indicating good fit. The error measures should not exceed 0.1 and ideally lie between 0.05 and 0.08 given that at least some error can be expected. Therefore, the fit statistics suggests that the construct are un- dimensional and fit the data well.

4.5 Results of Structural Model

A structural model was estimated to test Hypotheses 1–5. The structural results of the proposed model are shown in Table 3 and Fig. 1.
The hypotheses relationship between hedonic value and customer satisfaction (Hypothesis 1) was supported by the corresponding estimate of 0.2 (p<.01), showing that perceived hedonic value significantly influenced customer satisfaction. The standardized path coefficient of the relationship between utilitarian value and customer satisfaction (Hypothesis 2) was .659 (p<.01), which indicated that utilitarian value was a significant predictor of customer satisfaction. Hypothesis 3 was not supported by an estimate of .061 (p < .01), suggesting that customer hedonic value was not a significant antecedent of satisfaction. Hypothesis 4 predicting the relationship between utilitarian value and behavioral intention was supported by a corresponding path coefficient of .370 (p < .01). Hypothesis 5 predicting the relationship between satisfaction and behavioral intention was supported by a corresponding path coefficient of .376 (p < .01). The results indicated that if customers were satisfied with their experiences in traditional restaurants, they were more likely to revisit the restaurant, to say good things about the restaurant, and to recommend the restaurant to others.

The result shown that, utilitarian value appeared to have a stronger impact on customer satisfaction and behavioral intentions (utilitarian value to satisfaction: .659 and utilitarian value to behavioral intentions: .370) than hedonic aspects (hedonic value to satisfaction: .20 and hedonic value to behavioral intentions: .06). This indicated that utilitarian aspects were more important to customers of traditional restaurants in generating satisfaction and behavioral intentions. This result supported by previous researches that utilitarian value effects behavioral intention and satisfaction more than hedonic value (Kim and Han 2011, Wang et al, 2007).

5. Conclusion

The results of this study revealed that in ethnic restaurants utilitarian values has stronger impact on customer satisfaction and favorable behavioral intentions. This study indicated that when eating out in ethnic restaurants people tend to be satisfied and have positive behavioral intention (revisit and recommend the restaurant to others) if they fulfill their utilitarian components such as: menu, cost, tastes and portion of the food.

Even though hedonic value was not influence satisfaction and behavioral intention not as much as utilitarian values, it does not mean that hedonic aspects is not important in ethnic restaurant. This study showed that hedonic values influenced customer satisfaction.

The limitations of the study are mainly two kinds. The first refers to small sample with focusing only on local tourists as consumers group in particular. Therefore, a more comprehensive sample across diverse nations and geographies is needed in the future research.

The present research has focused on relationship between two major dimensions of perceived value as utilitarian value and hedonic value with the satisfaction and behavioral intention.
Other related constructs such as service quality was not investigated in this research. Hence further research should be directed towards investigation the linear relationship between the perceived value and service quality with its related outcomes such as satisfaction and behavioral intention.

6. References


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