

Investigating the management of service quality in the fast-food franchise industry in Gauteng

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DECLARATION

I, C Naudé, declare that *Investigating the management of service quality in the fast-food franchise industry in Gauteng* is my own work, all sources used are acknowledged in the reference list and that this dissertation has not been submitted for a degree at any other tertiary institution.

ABSTRACT

The fast-food franchise industry is the largest global franchise sector. In South Africa, the fast-food franchise industry makes up more than 25% of the whole franchise sector. This has resulted in the fast-food franchise industry becoming one of the most competitive industries. The implication is that organisations within this industry have to implement additional measures to give themselves a competitive edge.

Service quality has been recognised as an essential determinant of increasing an industry's and organisation's competitiveness. The quality of the service offered can affect the competitiveness and sustainability of a fast-food franchise directly, and negatively if these franchises' services do not coincide with customers' previous expectations and experiences. The problem that is presented is the observation that *the service quality offered by all franchises does not align with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises*. While literature exists on service quality in the franchise industry, no present literature exists on quality management in the fast-food franchise sector. This gap was addressed with this study by contextualising the management of service quality, thereby contributing broadly to the body of knowledge on customer expectations, customer experience and customer satisfaction in the fast-food franchise industry in Gauteng.

The primary objective of this study was to investigate service quality in terms of expectations and experiences in the fast-food franchise industry in Gauteng and to identify the dimensions of service quality that need to be managed for enhanced customer satisfaction. To gather the necessary data interpretations, a quantitative research approach was implemented in this study with a combination of exploratory and descriptive research designs. Descriptive research was conducted in the form of a structured, self-administered questionnaire that was developed on Google forms and shared via the researcher's networks on social media platforms such as WhatsApp, Facebook, Instagram, and LinkedIn.

All fast-food franchise customers were classified as the target population, and feedback was obtained from the 315 responses that were received, which could be utilised for statistical analysis. Data entry, tabulation and statistical analysis were done by the Statistical Consultation Services of the North-West University (Potchefstroom Campus).

The respondents in this study were on average 34-year-old full-time employed white females with a post-matric qualification. They had been fast-food customers for more than 10 years, purchased at least once a month in the afternoons from fast-food outlets in Gauteng, and they relied, to a great extent, on the quality of the products they bought from fast-food franchises. The psychometric properties of the SERVQUAL measuring instrument used in this study indicated that the instrument had high levels of internal consistency and acceptable elements of validity.

Abstract

The empirical results and findings indicated that respondents often have higher expectations of service quality than that which they end up experiencing. The respondents found the service quality of fast-food franchises in Gauteng to be low and, subsequently, their customer satisfaction is influenced negatively.

Based on the results, it is recommended that, in order to better manage and improve service quality, there should be a greater managerial focus on increasing the service quality aspect of the reliability dimension (largest gap) and less managerial effort on the tangibles dimension (smallest gap).

Recommendations for future research include a broader scope of respondents and investigating why the respondents deem some of the service quality dimensions as more important than others.

This study accentuates that the success of the fast-food franchise depends on the level of customer satisfaction because it will retain more customers, which will result in profit maximisation and the survival of the fast-food franchise.

Keywords:

Customer expectations, customer experiences, franchise, management, service quality

OPSOMMING

Die kitskos-franchise-sektor is die grootste wêreldwye franchise-sektor. In Suid-Afrika maak die kitskos-franchisebedryf meer as 25% van die hele franchise-sektor uit. Dit het daartoe gelei dat die kitskos-franchisebedryf een van die mees mededingende bedrywe geword het. Die implikasie hiervan is dat organisasies binne hierdie bedryf toenemend maatreëls moet tref om hulself 'n mededingende voordeel te gee.

Diensgehalte is erken as 'n noodsaaklike bepaler van die verhoging van 'n bedryf en organisasie se mededingendheid. Die kwaliteit van die diens wat aangebied word, kan die mededingendheid en volhoubaarheid van 'n kitskos-franchise direk beïnvloed, en dit ook negatief beïnvloed as hierdie franchises se dienste nie saamval met verbruikers se vorige verwagtinge en ervarings nie. Die probleem wat aangebied word, is die *waarneming dat die diensgehalte wat deur alle franchises aangebied word, nie ooreenstem met klante se verwagtinge en ervarings nie, wat 'n negatiewe impak op die volhoubaarheid en mededingendheid van kitskos-franchises het*. Terwyl literatuur oor diensgehalte in die franchisebedryf bestaan, is geen huidige literatuur oor kwaliteitbestuur in die kitskos-franchise-sektor nie. Hierdie leemte is met hierdie studie aangespreek deur die bestuur van diensgehalte te kontekstualiseer, en daardeur breedweg by te dra tot die liggaam van kennis oor kliënteverwagtinge, klante-ervaring en klanttevredenheid in die kitskos-franchise-bedryf in Gauteng.

Die primêre doel van hierdie studie was om kliënteverwagting en ervaring as aspekte van diensgehalte in die kitskos-franchise-bedryf in Gauteng te ondersoek en die dimensies te identifiseer wat bestuur moet word vir verhoogde klanttevredenheid. Om die nodige data-interpretasies te versamel, is 'n kwantitatiewe navorsingsbenadering in hierdie studie geïmplementeer met 'n kombinasie van verkennende en beskrywende navorsingsontwerpe. Beskrywende navorsing is gedoen in die vorm van 'n gestruktureerde, self-geadministreerde vraelys wat op Google-vorms ontwikkel is en deur die navorser se netwerke op sosiale media-platforms soos WhatsApp, Facebook, Instagram en LinkedIn gedeel is.

Alle kitskos-franchisecliënte is as die teikenpopulasie geklassifiseer, en terugvoer is verkry van die 315 voltooide vraelyste wat ontvang is, wat vir statistiese ontleding gebruik kon word. Data-invoer, tabulering en statistiese ontleding is deur die Statistiese Konsultasiedienste van die Noordwes-Universiteit (Potchefstroomkampus) gedoen.

Die respondente in hierdie studie was gemiddeld 34-jarige, voltydse werkende, blanke vroue met 'n na-matriekkwalifikasie. Hulle was al vir meer as 10 jaar kitskos cliënte, het ten minste een keer per maand in die middag by kitskoswinkels in Gauteng gekoop, en het tot 'n groot mate staatgemaak op die kwaliteit van die produkte wat hulle van kitskos-franchises af gekoop het. Die

psigometriese eienskappe van die SERVQUAL meetinstrument wat in hierdie studie gebruik is, het aangedui dat die instrument hoë vlakke van interne konsekwentheid en aanvaarbare elemente van geldigheid gehad het.

Die empiriese resultate en bevindinge het aangedui dat respondente dikwels hoër verwagtinge van diensgehalte het as dit wat hulle uiteindelik ervaar het. Die respondente het gevind dat die diensgehalte van kitskos-franchises in Gauteng laag is en gevolglik word hul klanttevredenheid negatief beïnvloed.

Op grond van die resultate word aanbeveel dat, ten einde dienskwaliteit beter te bestuur en te verbeter, daar 'n groter bestuursfokus op die verhoging van die diens kwaliteitaspek van die betroubaarheids dimensie (grootste gaping) en minder bestuurspogings op die tasbare dimensie (kleinste gaping) moet wees.

Aanbevelings vir toekomstige navorsing sluit 'n breër omvang van respondente in en 'n moontlike ondersoek om te verstaan hoekom die respondente sommige van die dienskwaliteitdimensies as meer belangriker ag teenoor ander dienskwaliteitdimensies.

Hierdie studie beklemtoon dat die sukses van die kitskos-franchise afhang van die vlak van klanttevredenheid omdat dit meer klante sal behou, wat winsmaksimering en die voortbestaan van die kitskos-franchise tot gevolg sal hê.

Sleutelwoorde:

Kliënteverwagting, klante-ervarings, franchise, bestuur, dienskwaliteit

LIST OF KEYWORDS

CUSTOMER EXPECTATIONS

Customer expectations are the preconceived ideas or assumptions that customers have of the level of products or services that they expect to receive, based on the available resources and various factors such as customers' personalities, their lifestyles, previous advertising and experiences with similar products or services (Gharde *et al.*, 2019:1506-1507).

CUSTOMER EXPERIENCES

Customer experiences can be defined as all aspects that influence how customers experience their interaction with the business, employees, and the product and, therefore, plays an important role in assuring a positive outcome for the customers (Gilboa *et al.*, 2019:152).

FRANCHISE

A franchise is a specific business model that entails a prearranged offer from a business (franchisor) to an independent party (franchisee) in terms of a comprehensive business package that allows the franchisee the right to sell the franchisor's products or services at a designated location during a certain timespan (Samsudin & Wahab, 2018:2).

MANAGEMENT

Management can be described as an ongoing process of planning, organising, leading, and controlling the businesses resources to assure the predetermined goals are effectively and efficiently achieved (Daft, 2016:7).

SERVICE QUALITY

Service quality can be defined as the customer's assessment of the service received in comparison with their preconceived expectations (Eresia-Eke *et al.*, 2018:2).

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	I
DECLARATION	III
ABSTRACT	IV
OPSOMMING	VI
LIST OF KEYWORDS.....	I
TABLE OF CONTENTS.....	IX
LIST OF TABLES	XIX
LIST OF FIGURES.....	XXI
CHAPTER 1.....	1
INTRODUCTION AND OVERVIEW OF THE STUDY	1
1.1 INTRODUCTION	1
1.2 BACKGROUND INFORMATION AND RESEARCH PROBLEM	2
1.3 LITERATURE OVERVIEW AND HYPOTHESES FORMULATION	4
1.3.1 Business environments	4
1.3.1.1 The internal business environment	5
1.3.1.2 The external business environment	6
1.3.1.2.1 The market environment	6
1.3.1.2.2 The macro environment	7
1.3.2 Service quality	9
1.3.3 Customer expectations	10

Table of contents

1.3.4	Customer experiences	11
1.3.5	Customer satisfaction	12
1.3.6	Interrelationship between the constructs	13
1.3.6.1	Service quality, customer expectations and customer experiences.....	14
1.3.6.2	Service quality and customer satisfaction	14
1.4	RESEARCH OBJECTIVES AND HYPOTHESES	16
1.4.1	Primary objective	16
1.4.2	Secondary objectives	16
1.4.3	Hypotheses	16
1.5	RESEARCH METHODOLOGY	17
1.5.1	Literature investigation	17
1.5.2	Empirical investigation	18
1.5.2.1	Research approach	18
1.5.2.2	Research design.....	19
1.5.2.3	Sampling	20
1.5.2.3.1	Target population	21
1.5.2.3.2	Sampling frame	21
1.5.2.3.3	Sampling method	21
1.5.2.3.4	Sample size	22
1.5.2.4	Measuring instrument	23
1.5.2.5	Data collection	23
1.5.2.6	Data analysis	23
1.6	ETHICAL CONSIDERATIONS	24
1.7	CONTRIBUTION OF THE STUDY	24
1.8	OUTLINE OF THE PROPOSED CHAPTERS	25
CHAPTER 2	28	
MANAGEMENT IN THE FAST-FOOD FRANCHISE INDUSTRY	28	

Table of contents

2.1	INTRODUCTION	28
2.2	CONCEPTUALISATION OF BUSINESS MANAGEMENT	31
2.3	HISTORICAL DEVELOPMENT OF BUSINESS MANAGEMENT	32
2.3.1	The execution era	33
2.3.2	The expertise area	34
2.3.3	The empathy era	35
2.4	DEFINING BUSINESS MANAGEMENT IN THE CONTEXT OF THIS STUDY	35
2.5	LEVELS OF MANAGEMENT	37
2.5.1	Top-level management	38
2.5.2	Middle-level management	38
2.5.3	Lower-level management	38
2.6	BUSINESS FUNCTIONS.....	39
2.6.1	Human resource management.....	39
2.6.2	Marketing management.....	40
2.6.3	Administrative management.....	40
2.6.4	Financial management	40
2.6.5	Information technology management	40
2.6.6	Operations management.....	41
2.6.7	Public relations management	41
2.6.8	Logistics management.....	41
2.7	MANAGERIAL TASKS	42
2.7.1	Planning	42
2.7.2	Organising.....	43
2.7.3	Leading/activating	43
2.7.4	Controlling	43
2.8	MANAGERIAL ROLES	44
2.8.1	Interpersonal managerial role.....	44
2.8.2	Decisional managerial role	45

Table of contents

2.8.3	Informational managerial role.....	45
2.9	MANAGERIAL SKILLS AND COMPETENCIES.....	46
2.9.1	Managerial skills.....	46
2.9.1.1	Conceptual skills.....	46
2.9.1.2	Human skills.....	47
2.9.1.3	Technical skills.....	47
2.9.2	Managerial competencies.....	48
2.9.2.1	Strategic action competency.....	49
2.9.2.2	Communication competency.....	49
2.9.2.3	Planning and administration competency.....	50
2.9.2.4	Teamwork competency.....	50
2.9.2.5	Multicultural competency.....	50
2.9.2.6	Self-management competency.....	51
2.10	BUSINESS ENVIRONMENTS.....	51
2.10.1	Micro environment.....	52
2.10.1.1	Mission statement and objectives.....	52
2.10.1.2	Business functions.....	52
2.10.1.3	Production factors.....	52
2.10.1.4	Techniques.....	52
2.10.1.4.1	Resource-based views.....	53
2.10.1.4.2	Value-chain analysis.....	53
2.10.1.4.3	Functional approach.....	54
2.10.2	Market environment.....	54
2.10.2.1	Bargaining power of suppliers.....	55
2.10.2.2	The threat of substitute products.....	55
2.10.2.3	Bargaining power of customers.....	56
2.10.2.4	The threat of new entrants.....	56
2.10.2.5	Competitive rivalry.....	57

Table of contents

2.10.3	The macro environment	58
2.10.3.1	The political environment	58
2.10.3.2	The economic environment.....	59
2.10.3.3	The social environment.....	59
2.10.3.4	The technological environment	60
2.10.3.5	The legal environment	60
2.10.3.6	The ecological environment.....	61
2.11	THE CONTEXTUAL POSITIONING OF CUSTOMERS IN THE FAST-FOOD FRANCHISE INDUSTRY.....	61
2.12	FRANCHISE AS A BUSINESS MODEL	62
2.13	SUMMARY	63
CHAPTER 3.....		65
CUSTOMER EXPECTATIONS, EXPERIENCES AND SATISFACTION.....		65
3.1	INTRODUCTION	65
3.2	CONCEPTUALISATION OF SERVICE QUALITY.....	67
3.2.1	Nordic school of thought	68
3.2.2	American school of thought	69
3.2.2.1	Tangibles.....	70
3.2.2.2	Responsiveness	70
3.2.2.3	Assurance	71
3.2.2.4	Empathy	72
3.2.2.5	Reliability	72
3.3	MEASURING SERVICE QUALITY.....	73
3.3.1	Customer expectations	74
3.3.2	Customer experiences	75
3.4	SERVICE QUALITY GAPS	77
3.4.1	The listening gap (Gap 1).....	78

Table of contents

3.4.2	The design and standards gap (Gap 2)	79
3.4.3	The performance gap (Gap 3)	79
3.4.4	The service delivery gap (Gap 4)	79
3.4.5	The customer perception gap (Gap 5).....	79
3.5	MANAGING AND IMPROVING SERVICE QUALITY	80
3.6	THE INFLUENCE OF SERVICE QUALITY ON CUSTOMER SATISFACTION.....	81
3.7	SERVICE QUALITY IN THE FAST-FOOD FRANCHISE INDUSTRY.....	82
3.8	SUMMARY	84
CHAPTER 4.....		86
RESEARCH METHODOLOGY		86
4.1	INTRODUCTION	86
4.2	RESEARCH PROCESS	88
4.3	STAGE 1: FORMULATE RESEARCH PROBLEM	88
4.3.1	Research objectives	89
4.4	STAGE 2: DETERMINE THE RESEARCH DESIGN.....	90
4.4.1	Exploratory research.....	90
4.4.2	Causal research	90
4.4.3	Descriptive research	91
4.5	STAGE 3: DESIGN THE DATA COLLECTION METHOD AND FORMS	92
4.5.1	Secondary data.....	92
4.5.2	Primary data.....	92
4.5.2.1	Questionnaire	93
4.6	STAGE 4: DESIGN THE SAMPLE AND COLLECT THE DATA.....	102
4.6.1	Sample design	102
4.6.1.1	Step 1: Define the target population.....	103
4.6.1.2	Step 2: Determine the sampling frame.....	103
4.6.1.3	Step 3: Select a sampling technique.....	104

Table of contents

4.6.1.3.1	Probability sampling	104
4.6.1.3.2	Non-probability sampling	105
4.6.1.4	Step 4: Determine the sample size	107
4.6.1.5	Step 5: Execute the sampling process	108
4.6.1.6	Step 6: Validate the sample	108
4.6.2	Data collection	108
4.6.2.1	Quantitative data collection techniques	109
4.6.2.1.1	Surveys	109
4.6.2.1.2	Experiments	109
4.6.2.2	Qualitative data collection techniques	109
4.6.2.2.1	Interviews	110
4.6.2.2.2	Focus groups	110
4.6.2.2.3	Observations	110
4.6.2.2.4	Ethnography	110
4.6.2.2.5	Projective techniques	110
4.7	STAGE 5: ANALYSE AND INTERPRET THE DATA	111
4.7.1	Psychometric properties	111
4.7.1.1	Reliability	112
4.7.1.1.1	Cronbach's alpha coefficient (α)	112
4.7.1.2	Validity	112
4.7.1.2.1	Measure of sample adequacy	113
4.7.2	Statistical program used in this study (SPSS)	113
4.7.2.1	Descriptive statistics	114
4.7.2.1.1	Percentage	114
4.7.2.1.2	Frequency	114
4.7.2.1.3	Mean	114
4.7.2.1.4	Standard deviation	114
4.7.2.2	Inferential statistics	115

Table of contents

4.7.2.2.1	Paired sample t-test	115
4.8	STAGE 6: PREPARE THE RESEARCH REPORT	116
4.9	SUMMARY	117
CHAPTER 5.....		118
EMPERICAL RESULTS AND FINDINGS		118
5.1	INTRODUCTION	118
5.2	SAMPLE RESPONSE RATE	120
5.3	SAMPLE PROFILE DESCRIPTION	120
5.3.1	Demographic profiles	121
5.3.2	Patronage habits.....	122
5.3.3	Motivational elements	123
5.4	PSYCHOMETRIC PROPERTIES OF THE MEASURING INSTRUMENT	123
5.4.1	Reliability	124
5.4.2	Validity.....	125
5.4.2.1	Factorability of the measuring instrument	125
5.5	DESCRIPTIVE STATISTICS	128
5.5.1	Service quality expectations.....	128
5.5.1.1	Service quality expectations of the tangibles dimension	128
5.5.1.2	Service quality expectations of the reliability dimension	129
5.5.1.3	Service quality expectations of the responsiveness dimension	129
5.5.1.4	Service quality expectations of the assurance dimension	130
5.5.1.5	Service quality expectations of the empathy dimension	131
5.5.2	Service quality experiences.....	132
5.5.2.1	Service quality experiences of the tangibles dimension	132
5.5.2.2	Service quality experiences of the reliability dimension.....	133
5.5.2.3	Service quality experiences of responsiveness dimension.....	133
5.5.2.4	Service quality experiences of the assurance dimension	134

Table of contents

5.5.2.5	Service quality experiences of the empathy dimension.....	134
5.6	INFERENTIAL STATISTICS	135
5.6.1	Correlation analysis	136
5.6.1.1	Correlation analysis for the dimensions of service quality expectations	136
5.6.1.2	Correlations analysis for the dimensions of service quality experiences	138
5.6.2	T-Tests	140
5.6.2.1	Paired sample t-test for overall expectations and experiences.....	140
5.6.2.2	Paired sample t-tests for the dimensions of service quality	141
5.7	SUMMARY	144
CHAPTER 6.....		146
OVERVIEW, INFERENCES, CONTRIBUTIONS, RECOMMENDATIONS, LIMITATIONS AND FUTURE RESEARCH SUGGESTIONS.....		146
6.1	INTRODUCTION	146
6.2	OVERVIEW OF CHAPTERS.....	148
6.3	INFERENCES PERTAINING TO THE SECONDARY OBJECTIVES.....	151
6.3.1	Secondary objective 1	151
6.3.2	Secondary objective 2.....	152
6.3.3	Secondary objective 3.....	153
6.3.4	Secondary objective 4.....	154
6.3.5	Secondary objective 5.....	155
6.3.6	Secondary objective 6.....	155
6.4	CONTRIBUTIONS.....	156
6.4.1	Theoretical contribution.....	156
6.4.2	Empirical contribution.....	157
6.5	RECOMMENDATIONS	157
6.6	LIMITATIONS.....	159
6.6.1	Theoretical limitations.....	159

Table of contents

6.6.2	Empirical limitations.....	159
6.7	FUTURE RESEARCH SUGGESTIONS	160
6.8	SUMMARY	161
6.9	CONCLUSION	162
	REFERENCE LIST	163
	APPENDIX A: QUESTIONNAIRE.....	207
	APPENDIX B: ETHICAL APPROVAL	217
	APPENDIX C: STATISTICAL ANALYSIS CONFIRMATION	218
	APPENDIX D: LANGUAGE EDITING CONFIRMATION	219
	APPENDIX E: TECHNICAL EDITING CONFIRMATION	220

LIST OF TABLES

Table 1-1:	Summary of this study's research design.....	20
Table 1-2:	Summary of this study's target population components	21
Table 2-1:	Managerial roles	44
Table 4-1:	Additional characteristics of the three types of research designs	91
Table 4-2:	Summary of this study's questionnaire scales and response formats.....	102
Table 4-3:	Research study's sample size.....	107
Table 4-4:	Summary of this study's sample plan.....	108
Table 4-5:	Cronbach's alpha coefficient value interpretation	112
Table 4-6:	Summary: Statistical techniques to be utilised in this study.....	115
Table 5-1:	Response realisation rate	120
Table 5-2:	Demographic profile of the respondents.....	121
Table 5-3:	Patronage habits of the respondents	122
Table 5-4:	Motivational elements	123
Table 5-5:	Cronbach's alpha coefficients interpretations.....	124
Table 5-6:	Reliability of the measuring instrument.....	124
Table 5-7:	Construct validity of the measuring scales	126
Table 5-8:	Service quality expectations of the tangibles dimension.....	128
Table 5-9:	Service quality expectations of the reliability dimension	129
Table 5-10:	Service quality expectations of the responsiveness dimension	130
Table 5-11:	Service quality expectations of the assurance dimension	130
Table 5-12:	Service quality expectations of the empathy dimension	131
Table 5-13:	Service quality experiences of the tangibles dimension	132

List of tables

Table 5-14: Service quality experiences of the reliability dimension	133
Table 5-15: Service quality experiences of the responsiveness dimension	133
Table 5-16: Service quality experiences of the assurance dimension	134
Table 5-17: Service quality experiences of the empathy dimension	135
Table 5-18: Spearman’s rho for the dimensions of service quality expectations.....	137
Table 5-19: Spearman’s rho for the dimensions of service quality experiences	139
Table 5-20: Paired sample t-test for overall expectations and experience.....	141
Table 5-21: Paired sample effect sizes	141
Table 5-22: Statistical hypotheses for the dimensions of service quality	142
Table 5-23: Paired sample t-test for the dimensions of service quality.....	143
Table 5-24: Conclusions of statistically developed hypotheses.....	144
Table 6-1: Secondary objective 1 inferences	152
Table 6-2: Secondary objective 2 inferences	153
Table 6-3: Secondary objective 3 inferences	154
Table 6-4: Secondary objective 4 inferences	154
Table 6-5: Secondary objective 5 inferences	155
Table 6-6: Secondary objective 6 inferences	156

LIST OF FIGURES

Figure 1-1: Layout of Chapter 1	2
Figure 1-2: The business environments	5
Figure 1-3: Service quality components' influence on customer satisfaction	9
Figure 1-4: Literature overview synopsis.....	13
Figure 1-5: Conceptual framework	15
Figure 1-6: Research design summary	18
Figure 1-7: Proposed chapter classification.....	25
Figure 2-1: Layout of Chapter 2	30
Figure 2-2: Timeline of the development of business management discipline	33
Figure 2-3: Elements of business management	37
Figure 2-4: Levels of management.....	38
Figure 2-5: Managerial tasks.....	42
Figure 2-6: Model of managerial skills.....	46
Figure 2-7: Model of managerial competencies.....	49
Figure 2-8: The business environments	51
Figure 2-9: Influence of Porter's other four forces on competitive rivalry	58
Figure 3-1: Layout of Chapter 3	66
Figure 3-2: Two-dimensional model of technical and functional quality	68
Figure 3-3: SERVQUAL model.....	69
Figure 3-4: Gap model of service quality.....	78
Figure 3-5: Service quality components' influence on customer satisfaction	81
Figure 4-1: Layout of Chapter 4	87

List of figures

Figure 4-2: Stages in the research process.....	88
Figure 4-3: Sample plan steps	103
Figure 4-4: Sampling techniques.....	104
Figure 5-1: Layout of Chapter 5	119
Figure 6-1: Layout of Chapter 6	147
Figure 6-2: A summary of the relationships between the primary and secondary objectives, the method of investigation and the chapters	151

CHAPTER 1

INTRODUCTION AND OVERVIEW OF THE STUDY

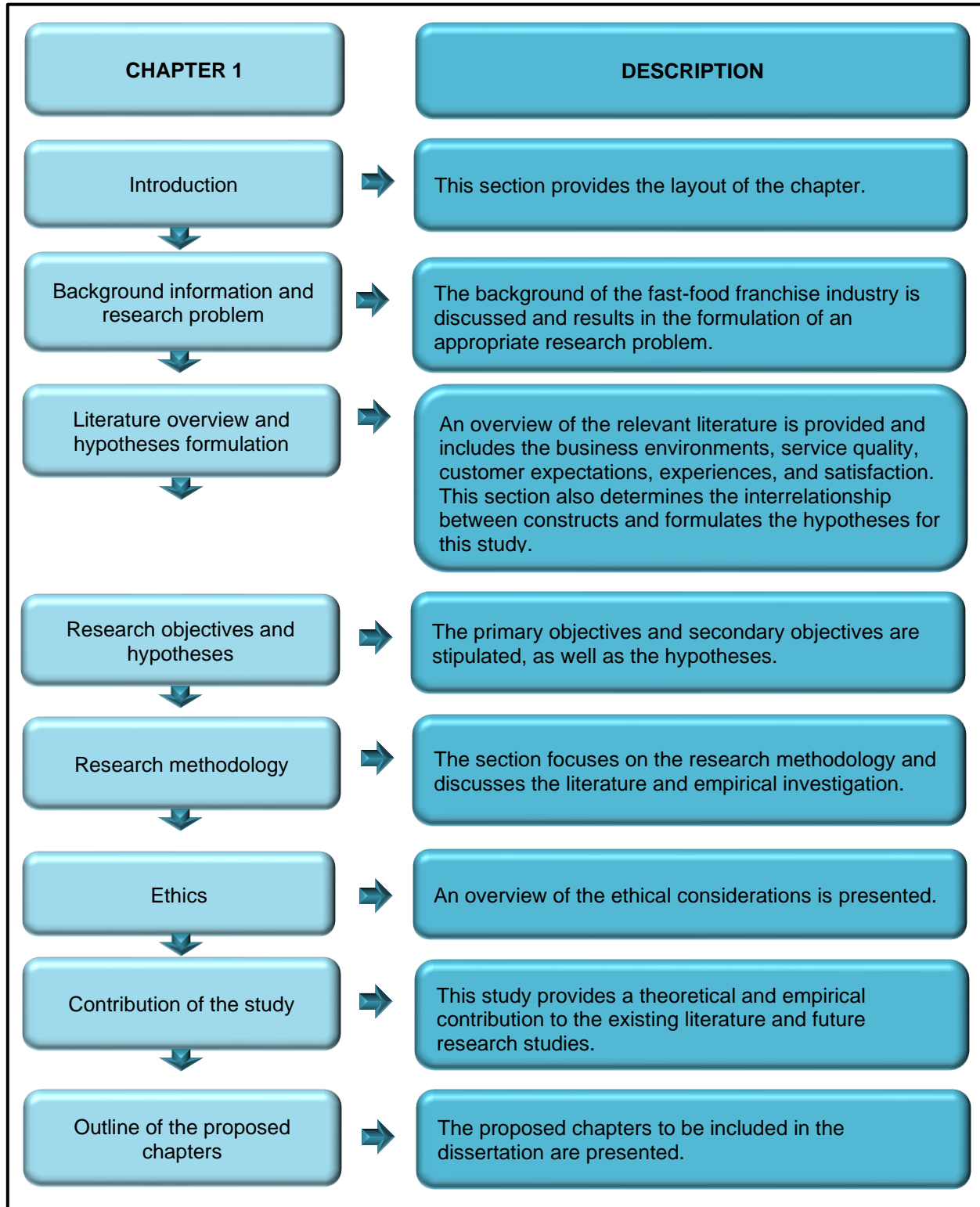
1.1 INTRODUCTION

Superior service quality leads to higher customer satisfaction, which ultimately converts into purchase repetition, and every fast-food franchise is in need of customers who repeat their purchases in order to maintain and increase their profits (Rana *et al.*, 2017:1). Jehanzeb *et al.* (2015:210) agree that when repeat purchases occur, a positive relationship exists between customer satisfaction and fast-food franchise profits. Ultimately, higher levels of customer satisfaction resulting from improved service quality will ensure the survival and success of a fast-food franchise (Meesala & Paul, 2018:261).

By the same token, if there is a gap between the service customers expect and experience, the franchise will not realise the aforementioned benefits. Therefore, the focus of this study is on investigating the service quality expectations and experiences of the fast-food franchise customers to determine the service quality dimensions that need to be managed for enhanced customer satisfaction. This study, therefore, implements a managerial perspective to the investigation of service quality in the fast-food franchise industry from the viewpoint of fast-food franchise customers.

This chapter commences with an introduction (Section 1.1), followed by the background information and the research problem that addresses the issue of service quality offered by fast-food franchises (Section 1.2). Hereafter, a concise literature overview outlines the hypotheses that were formulated for this study (Section 1.3), the identified research objectives and the listed hypotheses (Section 1.4). Thereafter follows a discussion of the applied research methodology (Section 1.5) and ethical considerations (Section 1.6), after which the contributions of this study are highlighted (Section 1.7). This chapter then concludes with an outline of the chapters (Section 1.8) in this dissertation. In Figure 1-1 the layout of chapter 1 is portrayed graphically.

Figure 1-1: Layout of Chapter 1



Source: Researcher's own compilation.

1.2 BACKGROUND INFORMATION AND RESEARCH PROBLEM

In recent years, franchising has grown as a business model that is used by many businesses when they decide on a growth strategy through market penetration or market development (Ehlers

& Lazenby, 2019:195-196). Historically, franchising gained momentum in the nineteenth century when the industrial revolution led to the expansion of several industries worldwide. The first recorded franchise business model was when brewers in Germany set up contracts with tavern owners to exclusively sell their beer (Scott, 2005). Since then, franchising has evolved into a favourable business model both for franchisors and franchisees, as franchisors recognise the opportunity to manage and distribute their established franchise brands amongst various geographical locations, and franchisees are granted the permission to utilise this opportunity (Gillis *et al.*, 2020:1).

The latest available information from the Franchise Association of South Africa (FASA) revealed that the franchising sector in South Africa was worth R587 billion in 2018, which ultimately contributed an estimated 13 percent to the South African gross domestic product (GDP) (Hubbard, 2018). With an estimated 5 287 fast-food franchise establishments in 2019, the fast-food industry, which is the largest industry in the franchise sector, made up more than 25 percent of the whole franchise sector in South Africa (BusinessTech, 2019; Dawson, 2018).

Given the great success of franchising in the fast-food industry, the industry is not only nationally but also globally one of the most competitive industries, especially due to the vast customer demands for superior service quality (Shandilya *et al.*, 2018:79). Yet, the Consumer Goods and Services Ombudsman (CGSO) in South Africa reveals that service quality complaints in the sector have increased by 47 percent from 2018 to 2019 in South Africa, which is indicative of the gap between the service quality expectations and experiences of customers (CGSO, 2019:4). Since unsatisfied customers have a wide array of franchise substitutes to choose from, they possess increased bargaining power, which in turn increases the competitiveness among businesses in the fast-food industry (BusinessTech, 2019).

Globally, service quality has been recognised as an essential determinant of increasing industry competitiveness, since failure to sustain service quality could result in more than 65 percent of customers not returning to fast-food franchises (Business Queensland, 2020). Despite indicators that increased service quality is beneficial for any business, insufficient service quality by fast-food franchises in South Africa is continuously documented which, as such, has formed the rationale for this study.

The identified research problem for this study is therefore that *the service quality offered by all franchises does not align with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises*. From a strategic management perspective, service quality is an important means for franchise managers to differentiate themselves from other competitors in the industry, as service quality offers a

competitive advantage to businesses that strive to improve their service quality to ultimately ensure customer satisfaction (Namin, 2017:70).

Various studies have been conducted on the aspects of service quality, expectations, experiences, and fast-food franchises (Hanaysha, 2016; Kanyana *et al.*, 2016; Liu *et al.*, 2017; Namin, 2017; Velasco *et al.*, 2016). However, an extensive search revealed that no studies are available that pertain to the combination of the above-listed aspects or specifically to the management of service quality in the fast-food franchise industry in Gauteng. This study focuses on the Gauteng province in South Africa, as most of South Africa's fast-food franchises are located in Gauteng and this province has nearly three times the number of fast-food franchises in the Western Cape and four times the number in KwaZulu-Natal (Mail & Guardian, 2013). This study, therefore, contributes extensively to the body of knowledge on business management, service quality, customer expectations and experiences in the fast-food franchise industry in Gauteng.

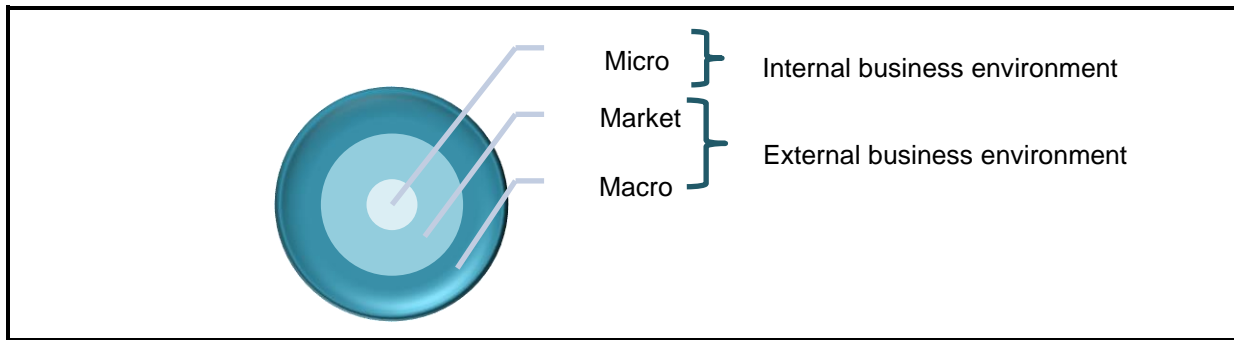
1.3 LITERATURE OVERVIEW AND HYPOTHESES FORMULATION

To ensure the effective management of service quality in the fast-food franchise industry, managers need to understand the business environment in which they operate (Ehlers & Lazenby, 2019:11). Thus, managers need to be familiar not only with the management and functioning of their franchises, but must also have knowledge about the micro environment, market, and macro environments and how the elements in these environments influence the functioning of their franchises and the management decisions they make. In this regard, the business environments (Section 1.3.1) are discussed briefly in the following sections. This is followed by a discussion of service quality (Section 1.3.2) which is subsequently divided into customer expectations (Section 1.3.3) and customer experiences (Section 1.3.4). The literature overview then elucidates customer satisfaction (Section 1.3.5) and concludes with the interrelationship between the identified constructs (Section 1.3.6).

1.3.1 Business environments

A business environment can be defined as a dynamic environment that represents all the variables and factors that influence business decisions and could either support or hinder the achievement of the business's objectives (Shumba *et al.*, 2017:437). Camilleri (2018:52) and Putra *et al.* (2019:301) distinguish between an internal business environment (Section 1.3.1.1), which refers to the business itself, or the micro environment, and an external business environment (Section 1.3.1.2), which includes the market and macro environments (Figure 1-2).

Figure 1-2: The business environments



Source: Researcher's own compilation.

1.3.1.1 The internal business environment

The internal environment, also known as the micro environment, consists of the conditions inside the business, including its strategic resources, abilities, and management capabilities (Witcher, 2020:30-31). A business's competitive advantage primarily depends upon its managerial and business processes. The internal environment further includes functions such as resources, marketing, administration, finance, information technology, operations, public relations, and logistics (Botha, 2017:18). To understand how these functions influence the overall performance of the business, it is important to analyse the micro environment (Pratap, 2017). According to Ehlers and Lazenby (2019:144-156), three techniques can be used to analyse the micro environment, namely the resource-based view, the value chain analysis, and the functional approach.

- The **resource-based view** is a technique that includes a set of corresponding theories that share the view that businesses have various value-adding resources. The resources can be divided into four distinct types, namely information, financial, human, and physical resources (Van Noordwyk & Van Tonder, 2019:2). The resource-based can give an organisation a competitive advantage through the exploitation of these resources (tangible and intangible) and fulfilling the criteria of valuable, rare, imperfectly imitative, and non-substitutable (VRIN) to determine a strategy that can be implemented for a sustained competitive advantage (Lea, 2019).
- The **value chain analysis** is a technique that includes all the primary and secondary activities that contribute to the profitability of the business (Bhargava *et al.*, 2018:80). Researchers refer to the primary activities as operations, inbound logistics, outbound logistics, services, marketing, and sales. Secondary activities include procurement, technology development, human resource management, and firm infrastructure. These activities are involved in the different phases of production, as well as distribution, delivery, and disposal (Bhargava *et al.*, 2018:80; Jaligot *et al.*, 2016:82).

- The **functional approach** is a technique that determines the effectiveness of the business's functioning by determining which resources should be allocated to each functional area (Ehlers & Lazenby, 2019:148).

Although franchises share some similarities pertaining to their business models, all businesses are different, even individual franchise units, and managers must recognise those differences in order to capitalise on opportunities in the external environment.

1.3.1.2 The external business environment

The external environment consists of the conditions outside the business, including the people and other businesses that influence the functioning of the business, especially those that influence the intensity of competition (Witcher, 2020:16-17). External conditions are constantly changing, and businesses need to monitor these conditions to continue to effectively manage any emerging threats and opportunities. Many changes are difficult to identify, and their consequences are often uncertain and even unknown. The starting point for an external environmental analysis is to monitor and review trends in the market and macro environments to identify and assess opportunities and threats.

1.3.1.2.1 The market environment

The market environment is often referred to as an industry environment. An industry, according to Porter (2014:3), refers to businesses that offer similar products. An industry's primary focus is on the producers and rivalry amongst them and, therefore, it differs profoundly from the description of a market. According to Organisation for Economic Cooperation and Development (OECD) (2018:10), a market offers a platform for the customers' demands to be met by selling needed products to the customers, meaning that its focus is primarily on customers, while an industry focuses on the products and services that the market demands.

The market environment can, to some extent, be controlled by management decisions and includes various forces outside the business (Booyesen, 2015:110). These forces influence the competitiveness of a business, as they determine how much value is added economically through the business or other suppliers, substitutes, customers, or new entrants (Porter, 2014:21). Nurlansa and Jati (2016:85) identify Porter's five forces that determine the competitiveness in a market, namely the bargaining power of suppliers, the threat of substitute products, the bargaining power of customers, the threat of new entrants and competitive rivalry.

- **Bargaining power of suppliers:** This force entails the assessment of the market in terms of the competition or the relationships between the various suppliers and their degree of influence on each other (Zhang *et al.*, 2020:57).

- **The threat of substitute products:** This force originates from competitors who offer similar products to customers to meet the customers' needs and to provide a comparative advantage to the customers (Bakir *et al.*, 2019:882).
- **Bargaining power of customers:** This entails the degree to which a customer has the power to influence or impose pressure on the business's product and services offerings, margins, and volumes through buying in bulk (Kibria *et al.*, 2017:3).
- **The threat of new entrants:** This force entails newly entering businesses that add to the dynamic sector while being inclined to wanting resources, as well as a share of the market (Varelas & Georgopoulos, 2017:122).
- **Competitive rivalry:** This force entails the examination of the intensity of competition and the market conditions that result from businesses entering the market, lower prices, and competitive behaviour (Kilduff, 2019:776).

1.3.1.2.2 The macro environment

Managers cannot control the macro environment because the factors within this environment are outside the control of the business (Nyungu *et al.*, 2019:3). According to Mhlanga and Steyn (2017:3), these uncontrollable factors influence the business and its strategies. Managers need to consider the uncontrollable factors imposed by this environment to devise strategies to manage them in a way that will benefit or protect the organisation (Otieno *et al.*, 2019:123). Mhlanga and Steyn (2017:3) assert that even if the factors in the macro environment do not have a direct impact on business operations, they could still have an indirect influence.

Managers must continuously reassess the environment to assure that their identified strategies will contribute to the survival of the business and enhance the relationship between the macro environment and the business (Otieno *et al.*, 2019:123). The macro environmental factors, therefore, influence business strategies and could result in either the survival or failure of the business (Mbithi *et al.*, 2017:198).

The uncontrollable factors in the macro environment, often known by the acronym PESTLE, are the political, economic, social, technological, legal, and ecological environments that shape the business's activities and performance (Cepel *et al.*, 2018:22). The following is a short discussion of each component.

- The **political environment** includes all the measures taken by the government through fiscal and monetary policies (Booyesen, 2015:39). The political environment can influence the business' performance in terms of investors investing or withdrawing their funds due to the political climate of a country. According to Jones (2020), examples of this can be found in

Bermuda, where there is a law banning foreign fast-food outlets such as McDonald's, and in Zimbabwe, where McDonald's withdrew due to the vast economic downfall of Zimbabwe since the turn of the century.

- The **economic environment** contains aspects such as inflation and interest rates that form part of a country's economy (Cepel *et al.*, 2018:24). According to Shumba *et al.* (2017:436-437), some franchises within the fast-food industry are failing due to economic conditions, despite the important role that franchising is playing in sustainable economic development. There are also other aspects that can have an influence on the country's economy such as COVID-19 pandemic that has the biggest influence on the fast-food industry due the forced closures during hard lockdown and restrictions which included reduced trading hours, alcohol bans and limited the number of patrons resulting in a negative effect on the economy (Research and markets, 2021).
- The **social environment** includes cultural expectations, cultural trends, norms, demographics, health consciousness, career attitudes, and population analytics that may affect individuals or communities (Rastogi & Trivedi, 2016:385). These aspects are important guidelines in analysing the various business activities as they embrace the business's culture (Nandonde, 2019:57). Examples of this can be found in a few countries (i.e., India, Japan, etc.) where McDonald's base their product offerings on the countries' tastes and preferences instead of only offering their traditional menu, as well as Wimpy where macon is offered instead of bacon to accommodate the Muslim communities who are not allowed to consume pork.
- The **technological environment** embraces various innovative advancements and changes made in the field of technology and provides an opportunity for employees to learn and explore (Gleeson, 2019). Franchisors and franchisees can now make use of system-wide networks known as the intranet to accommodate franchisees' needs and to assist franchisors to establish improved business strategies (Park *et al.*, 2018:2).
- The **legal environment** includes laws related to facets of the business, which include, among others, labour laws, environmental sustainability, and even social responsibility that can affect a geographical location (Kaushik, 2019). According to Sotiroski and Filiposki (2016:327), a regulatory framework is used for franchising in terms of royalty fees, consistency, and quality, which is bound by a legally binding franchise agreement. This franchise agreement also depicts the legal status between the franchisor and franchisee (Sotiroski & Filiposki, 2016:341).
- The **ecological environment** comprises factors such as climate, global changes in weather, geographical locations, water sources, environmental offsets, and ground conditions that are

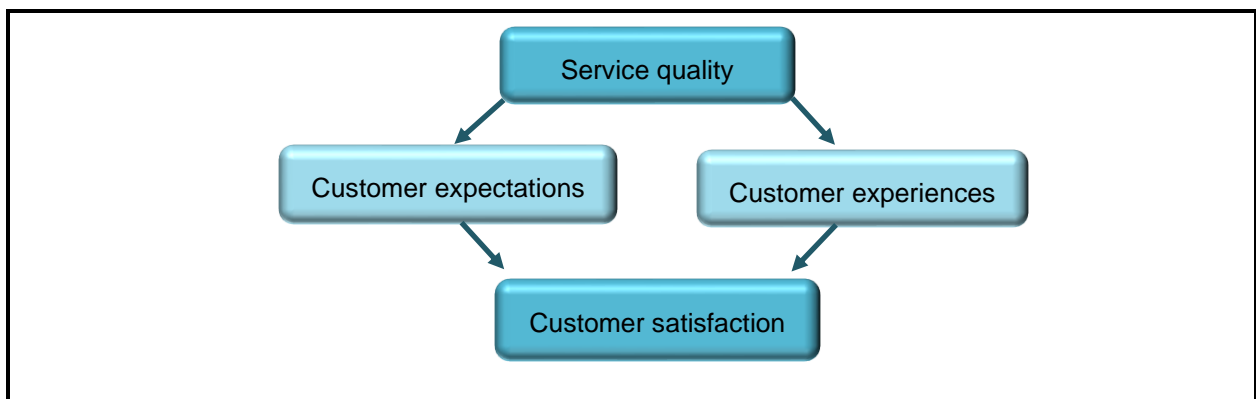
determined by the environment (Rastogi & Trivedi, 2016:385). The ecological environment can influence the performance of the business, given the modern trend of eco-friendly products and packaging used to assure that the business brand policies differentiate them from competitors in terms of the environment (Sabirova *et al.*, 2018:86).

Although the various environments influence each other in different ways based on the type and nature of the business, the competitiveness of the market and the macro environmental regulations, Ehlers and Lazenby (2019:124) argue that businesses' success depends to a large extent on their customers, which are positioned in the market environment. Satisfying customers' needs should be the main managerial consideration for any business, and more so for franchises, as customers have the power to either enable a business to prosper through continuous support or business failure by omitting their support (Carr, 2018). Customers' importance is especially emphasised through the influence they have on businesses' profitability, which results from the service quality offered by the business.

1.3.2 Service quality

The key to optimal success in the services industry is the offering of high-quality services (Meesala & Paul, 2018:261). According to Piccoli *et al.* (2017:351), service quality is the result of a comparison between the service a customer expects to receive and the experience of the actual service the customer receives – hence customer expectations and experiences. Pakurár *et al.* (2019:1113) further elaborate that service quality leads to customer satisfaction when the customers' expectations and experiences are aligned, as depicted in Figure 1-3.

Figure 1-3: Service quality components' influence on customer satisfaction



Source: Researcher's own compilation.

According to Lee *et al.* (2016:1193), customers' service quality expectations and experiences can be measured by the standardised SERVQUAL measuring instrument (Parasuraman *et al.*, 1988:23). Globally, this measuring instrument is the most used instrument to measure service quality in various business sectors. The SERVQUAL is not only a valuable measuring instrument for academic purposes but also for managers in the private sector, as it measures service quality

by characterising customers' expectations and experiences in terms of five dimensions namely, tangible features, reliability, responsiveness, assurance, and empathy (Martini *et al.*, 2018:211).

- **Tangibility** refers to the service providers' equipment, facilities, and the appearance of the employees (Meesala & Paul, 2018:262).
- **Reliability** is the service providers' ability to offer their service accurately and consistently (Kwan *et al.*, 2019:54).
- **Responsiveness** is an indication of the service providers' willingness to provide prompt service and to help customers (Al-Neyadi *et al.*, 2018:99).
- **Assurance** denotes the service providers' employees' knowledge and politeness as well as their ability to encourage confidence and trust (Ocampo *et al.*, 2019:3).
- **Empathy** refers to the service providers' ability to make the customers feel that they are important through personal attention and a sense of care (Pakurár *et al.*, 2019:1117).

According to Qadri (2015:2151), Song *et al.* (2016:776) and Lee *et al.* (2016:11), managers can only manage service quality and create a competitive advantage if they are knowledgeable about customers' expectations and experiences.

1.3.3 Customer expectations

Kamaruddin *et al.* (2017:30) define customer expectations as the overall perceptions customers have of a business, which they acquire when they make predictions based on prior experiences, circumstances, or even on various sources of information. To address customers' expectations, managers must understand what customers expect in order to satisfy their needs (Ramakrishnan *et al.*, 2019:535). In addition, Zeithaml *et al.* (2018:51) assert that customer expectations are the views that customers have regarding the services they expect to receive, and they base their judgments on their expectations of the businesses' performances.

The ability to satisfy and exceed customers' expectations are of substantial importance, especially in competitive markets (Saleh *et al.*, 2016:46). According to Clearspider (2019), satisfying or exceeding customers' expectations has a significant and positive influence on businesses' profits; therefore, managers should always aim to exceed their customers' expectations.

Meeting and exceeding customers' expectations could lead to high levels of customer satisfaction. Unfortunately, customers' expectations continuously change (Alam *et al.*, 2016:57-58). Therefore, to avoid declining levels of customer satisfaction, service quality must be measured, and the business resources managed accordingly to assure that the services offered continue to meet and exceed the customers' expectations (Saleh *et al.*, 2016:46; Tsafarakis *et al.*, 2018:61). According to Jain *et al.* (2017:648), comparing customer expectations with their

experiences will enable managers to effectively determine the degree of interactions between the customers and the business.

1.3.4 Customer experiences

Gahler *et al.* (2019:426) describe customer experiences as the customers' responses at any stage of their interactions with a business (pre-purchase, purchase, or post-purchase). These interactions include not only contact at the establishments, online sites, or advertisements but also how customers experience the businesses' brands (Bordeaux, 2019). According to Jain *et al.* (2017:653), customers' experiences consist of the following elements:

- **Marketing mix:** Includes the pricing, product, promotions, and distribution of the business and assists managers in achieving the business objectives, which will in return provide customers with a good experience (Išoraitė, 2016:26).
- **Objects:** According to Mallgrave (2018:2), objects can be utilised to focus more on in-depth dimensions of customer experience than just linguistic expressions through aligning the business objectives with the needs of the customers.
- **Processes:** Kranzbühler *et al.* (2018:441) point that some processes can influence customers' experiences through forestalling customer needs.
- **People:** Colwell and Pollard (2015:89) assert that people have unique identities, which contribute to their experiences.
- **Environments:** Represents all the variables and factors that influence the business' objectives and, ultimately, the customers' experiences (Shumba *et al.*, 2017:437).

If managed effectively, the abovementioned experience elements can enhance the customers' relationship with the business as well as their experiences. According to Namin (2017:70), positive customer experiences and the business's performance could result in businesses success and sustainability. Positive customer experiences, therefore, lead to customers who remain loyal to the brand and refer the brand to others, thus resulting in maintained income and more new customers for the business (Bordeaux, 2019).

On the other hand, if the elements above are not given due consideration and customers are not constantly monitored, businesses might be under the impression that their efforts are creating overall positive customer experiences while customers might feel the opposite way, thus leading to an overall negative customer experience (Morgan, 2017).

According to Watkinson (2019:111), whether the customer experience is positive or negative, knowing the emotional response during the interaction is critical for directing the customers' behaviour. Therefore, managing customer experience has become very relevant in today's

business environment (Gahler *et al.*, 2019:425). Experience can, consequently, be measured against expectations to determine service quality and subsequently customer satisfaction (Nobar & Rostamzadeh, 2018:419).

1.3.5 Customer satisfaction

Sultana and Das (2016:98) interpret customer satisfaction as an evaluation of the needs and wants of customers and the extent to which these are met. Customer satisfaction can, therefore, be defined as the evaluation that determines whether a customers' expectations have been met through the services offered (Nyadzayo & Khajehzadeh, 2016:264). According to Yildiz *et al.* (2018:178), the Kano model of customer satisfaction indicates that there are five respective service quality groups according to which customers' service quality requirements can be classified.

- **Must-be requirements:** These are expected service quality requirements by customers. While meeting these requirements will not increase customer satisfaction, not meeting them could result in low levels of satisfaction (Huang, 2017:912).
- **One-dimensional requirements:** The one-dimensional requirements are requirements by customers that, once met, could affect customer satisfaction (Fajar *et al.*, 2021:169).
- **Attractive requirement:** This service quality requirement is not expected by customers, and its presence or absence is not of importance to the customer (Yildiz *et al.*, 2018:178).
- **Indifferent requirement:** Indifferent quality requirements are not expected by customers, and customers are not concerned with whether these requirements are met or not (Huang, 2017:912).
- **Reverse requirement:** Reverse service quality requirements are those factors not expected by customers but, if met, these requirements result in customers experiencing low levels of satisfaction (Harjith & Naduthodi, 2017:1426).

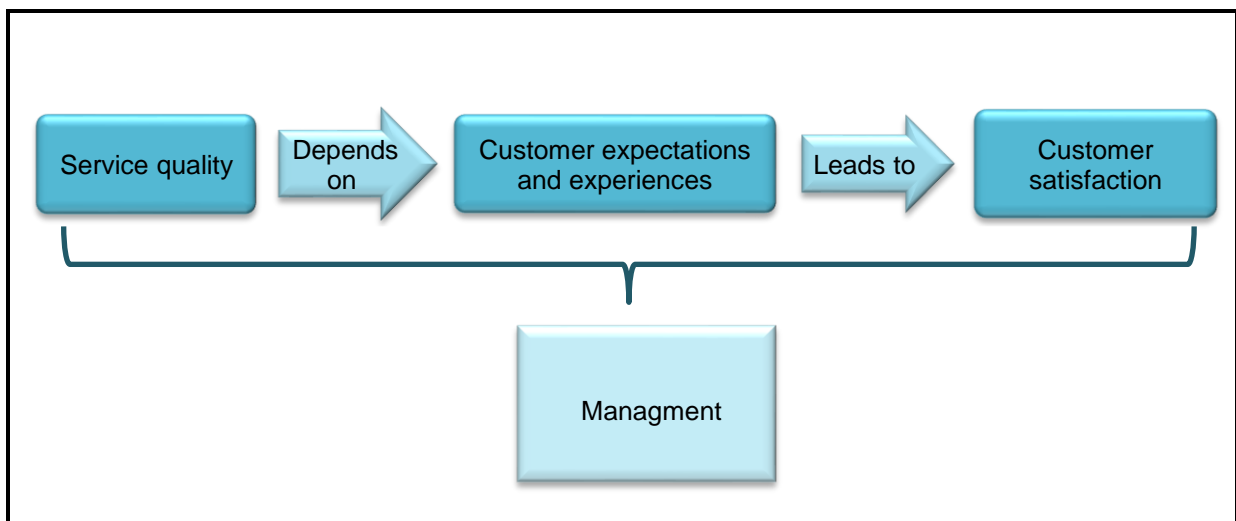
It can be noted from the above that customers have expectations before a service is offered, and customer satisfaction is the result that follows if the customer experience of the actual service quality exceeds their expectations (Manner, 2018:10; Gris  & El-Geneidy, 2017:4). Managers should, therefore, assure that they offer superior customer experiences to distinguish themselves from their competitors as well as to enhance customer satisfaction (Alhkami & Alarussi, 2016:117).

According to Manner (2018:11), customer satisfaction is different for each customer because each customer has different expectations and experiences. Customers can, therefore, experience either low or high levels of customer satisfaction towards the same level of service (Alam *et al.*,

2016:57). Manner (2018:7) further describes that any hold-ups or difficulties customers experience could result in low levels of satisfaction, whereas rapid and dependable customer service could lead to high levels of customer satisfaction.

According to Strauss and Seidel (2019:37), there are various ways in which customer satisfaction can be measured. Many businesses make use of surveys to determine the influence of service expectations on the customers' overall experience (Grisé & El-Geneidy, 2017:2). Making use of surveys to measure customer satisfaction assessment is an attribute-based approach (Strauss & Seidel, 2019:37). These authors explain that an attribute-based approach is an approach where customers compare their expectations and experiences based on specific quality attributes or their respective evaluations. Srivastava and Kaul (2014:1029) conclude that customer expectations and experiences regarding service quality have an influence not only on each other, but also on the levels of customer satisfaction as depicted by Figure 1-4. It is, therefore, of utmost importance for managers to conduct surveys to collect primary data of the customers' service quality expectations and experiences to determine the levels of customers' satisfaction (Manner, 2018:7).

Figure 1-4: Literature overview synopsis



Source: Researcher's own compilation.

Since customer expectations, experiences, and satisfaction relate to each other in different ways, it is important to elucidate the interrelationship between the constructs of service quality (expectations and experiences) and customer satisfaction.

1.3.6 Interrelationship between the constructs

The following section elaborates on the existing relationship between service quality (expectations and experience) and customer satisfaction as the identified constructs of this study. The hypotheses of this study are provided afterwards based on the literature overview.

1.3.6.1 Service quality, customer expectations and customer experiences

As stated above, service quality is the result of a comparison between the service a customer expects to receive and the experience of the actual service they have received, hence customer expectations and experiences (Piccoli *et al.*, 2017:351). Customer experience is a conscious and unconscious evaluation of business offerings based on the customer expectations that are used as a reference (Trișcă, 2017:211). Duris (2018) identifies that a relationship exists between customer expectations and experiences and that 75 percent of customers expect a consistent experience. Thus, based on this discussion, the following hypotheses are proposed:

H_0 : There is no statistically significant difference between service quality expectations and service quality experiences of the respondents.

H_1 : There is a statistically significant difference between service quality expectations and service quality experiences of the respondents.

Jain *et al.* (2017:649) explain that the interrelationship derives from the sense that customers will assess their experiences during their interactions with businesses against the expectations they have made in advance. Du Plessis and De Vries (2016:26) support this by adding that customer experiences are measured against the customers' expectations during all moments of interaction in their customer journey.

1.3.6.2 Service quality and customer satisfaction

If the null hypothesis is not rejected, it indicates that there are no statistically significant differences between customers' service quality expectations and experiences, and they are satisfied with the service quality in the fast-food franchise industry in Gauteng. However, if the null hypothesis is rejected, then the direction of the difference needs to be determined to identify the service quality of fast-food franchises in Gauteng. In this regard, if customers' experiences exceed their expectations, it will result in an increase in customer satisfaction (Trișcă, 2017:213). Thus, based on this discussion, the following hypotheses are proposed, should the null hypothesis be rejected:

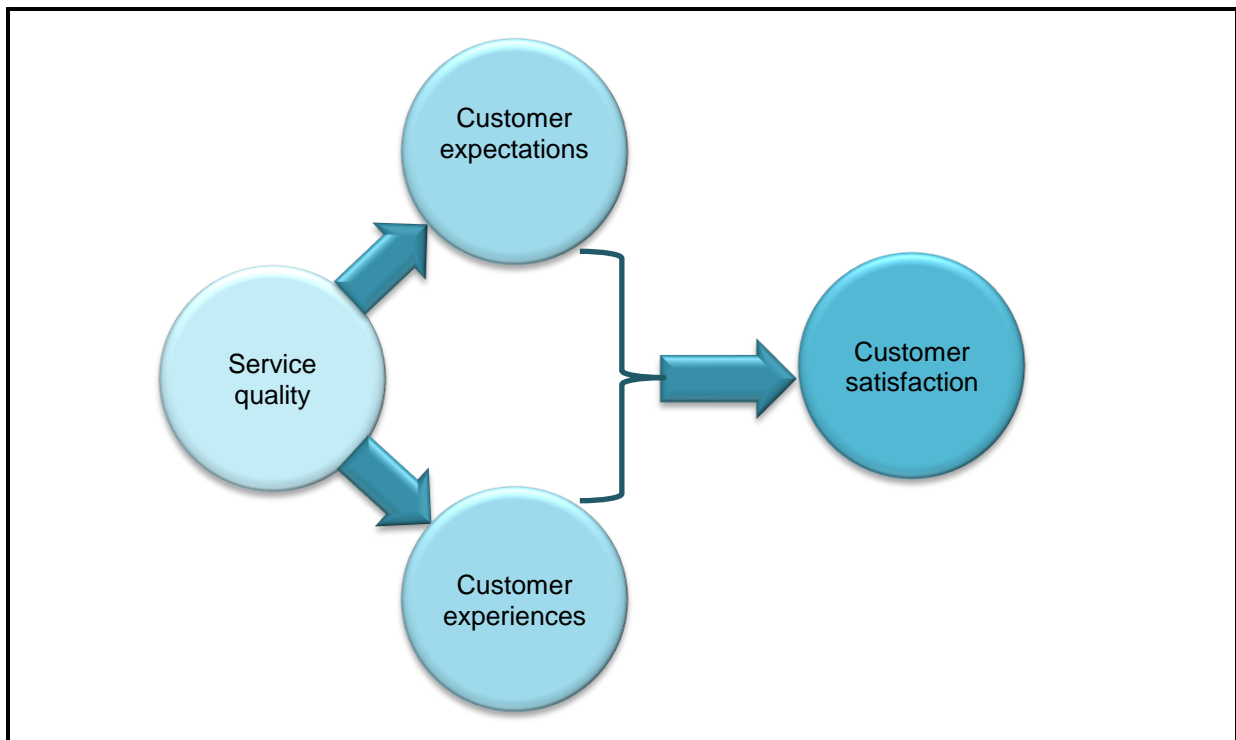
H_{1a}: Service quality has a positive statistically significant influence on the respondents' customer satisfaction.

H_{1b}: Service quality has a negative statistically significant influence on the respondents' customer satisfaction.

Since the level of customer satisfaction is influenced by customer experience and expectations (Srivastava & Kaul, 2014:1029), it can be suggested that customer satisfaction will increase when services of high quality are provided to customers (Wilson *et al.*, 2016:3).

Based on the above, it can be concluded that customers' predetermined expectations can have an influence on their experiences and ultimately their level of satisfaction, as depicted in the conceptual framework below (Figure 1-5).

Figure 1-5: Conceptual framework



Source: Researcher's own compilation.

1.4 RESEARCH OBJECTIVES AND HYPOTHESES

For the purpose of this study, the following research objectives and hypotheses have been developed from the aforementioned research problem and literature review.

1.4.1 Primary objective

To investigate service quality in terms of expectations and experiences in the fast-food franchise industry in Gauteng and to identify the dimensions of service quality that need to be managed for enhanced customer satisfaction.

1.4.2 Secondary objectives

The following research objectives have been formulated to address the primary research objective:

- **Secondary objective 1:** To conceptualise management in the fast-food franchise industry.
- **Secondary objective 2:** To provide a theoretical foundation of service quality in the fast-food franchise industry.
- **Secondary objective 3:** To compile a sample profile description of the respondents.
- **Secondary objective 4:** To measure service quality by means of the respondents' expectations and experiences in the fast-food franchise industry.
- **Secondary objective 5:** To determine the respondents' satisfaction towards fast-food franchises.
- **Secondary objective 6:** Identify the dimensions that need to be managed for increased service quality and customer satisfaction.

1.4.3 Hypotheses

Based on the literature discussion and the aforementioned objectives, the following hypotheses are proposed for this study:

- H_0 : There is no statistically significant difference between service quality expectations and service quality experiences.
- H_1 : There is a statistically significant difference between service quality expectations and service quality experiences.

If H_0 is rejected, the following sub-hypotheses will be tested to determine the nature of service quality in the fast-food franchise industry as well as the influence of the statistically significant differences on customer satisfaction.

- H_{1a} : Service quality has a positive statistically significant influence on the respondents' customer satisfaction.
- H_{1b} : Service quality as a negative statistically significant influence on the respondents' customer satisfaction.

Now that the research objectives and hypotheses have been identified, a discussion of the research methodology followed in this study is presented in the next section.

1.5 RESEARCH METHODOLOGY

In order to achieve the research objectives and hypotheses, a research methodology and processes to be utilised must be identified. According to Iacobucci and Churchill (2018:23), there are six stages in the research process that can be utilised as a framework to organise and guide the research of this study. Concerning the research investigation, the literature investigation and the empirical investigation are discussed briefly in the following sections and elaborated on in more detail in Chapter 4 of this dissertation.

1.5.1 Literature investigation

A literature investigation entails the study of all relevant and important information that relates to the research topic (Hart, 2018:1). The relevant and important information was obtained from various scientific journals, research documents, relevant books, scholarly articles as well as websites such as SAGA dictionary, business journal, and research methodology sites. For an extensive literature review, relevant sources from databases such as EBSCOhost, Emerald, JSTOR, SACat, Nexus, SAMEDIA, and ProQuest were consulted. Internet search engines such as Google and Google Scholar were used to gain insight into the concept at hand. The aforementioned existent literature was used to provide a comparative illustration of the information that applies to the research topic. The databases are described shortly:

- EBSCOhost: Utilises online research platforms and databases.
- Emerald Insight journals: International journals.
- JSTOR: Collection of academic journals and books.
- SACat: Database of South African publications in libraries such as journals and books.
- Nexus: Databases assembled by the NRF of existing and concluded research in South Africa.

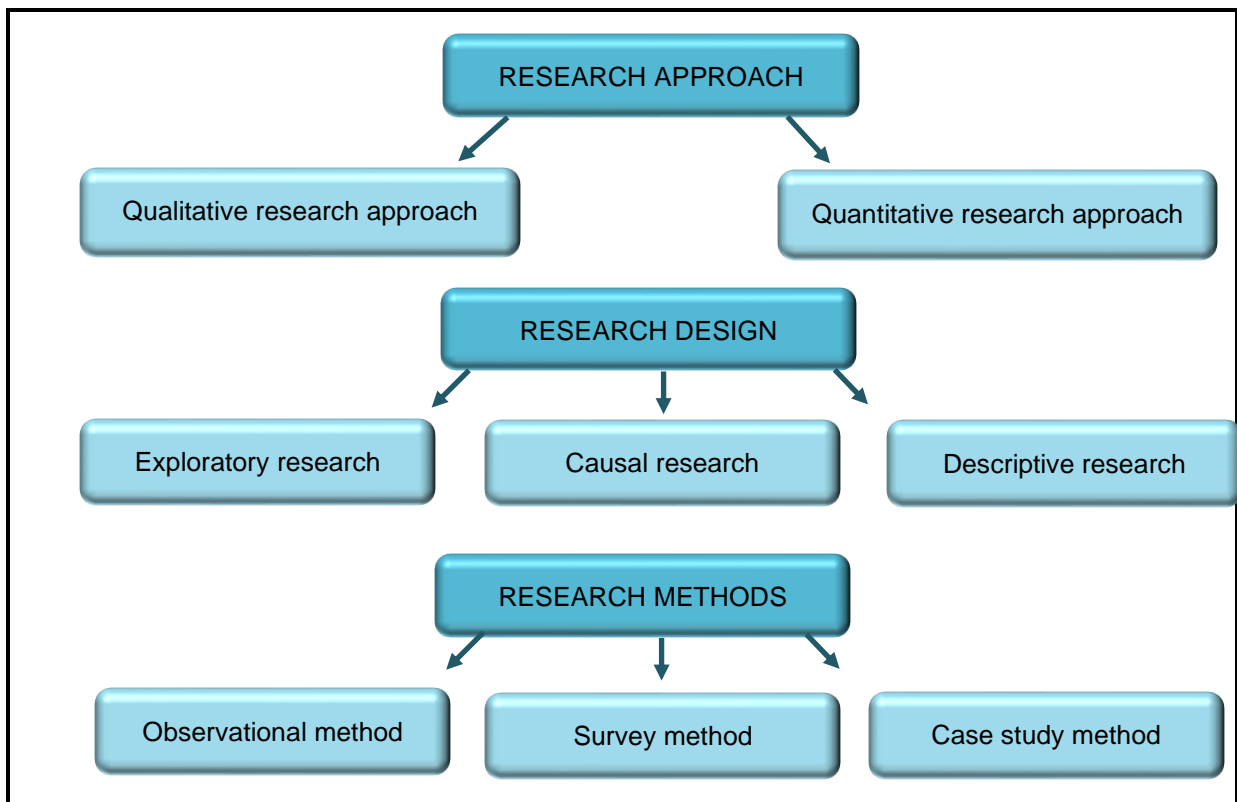
- SAMEDIA: Newspaper articles.
- ProQuest: International dissertations and thesis in complete text.

The abovementioned databases were used to conduct the literature investigation. An empirical investigation was also used to obtain more information regarding the research topic.

1.5.2 Empirical investigation

The empirical investigation entailed the research approach (Section 1.5.2.1), research design (Section 1.5.2.2), sampling (Section 1.5.2.3), measuring instrument (Section 1.5.2.4), data collection (Section 1.5.2.5), and data analysis (Section 1.5.2.6) to attend to the primary and secondary objectives (Section 1.4).

Figure 1-6: Research design summary



Source: Researcher’s own compilation.

1.5.2.1 Research approach

A study can make use of either a qualitative research approach or a quantitative research approach, depending on the type of study (Rutberg & Bouikidis, 2018:209). A qualitative research approach allows for elaborate explanations without having to rely on numerical measurements to ultimately addresses the research objectives (Babin & Zikmund, 2016:109).

According to Rahman (2017:104), there are various advantages to making use of a qualitative research approach, such as flexibility and detailed descriptions of respondents' experiences, opinions, and emotions while interpreting the respondents' actions. However, qualitative research is time consuming and data collection is often complex (Queirós *et al.*, 2017:378).

A quantitative research approach, on the other hand, makes use of empirical assessments in the form of numerical measurements to address the research objectives (Burns *et al.*, 2017:144). According to Queirós *et al.* (2017:382), some disadvantages of making use of a quantitative research approach include the complexity of controlling variables, ethical considerations that could arise, and high expenses associated with collecting data.

That said, the advantages of quantitative research outweigh the disadvantages for this study, since the structured responses require fewer interpretations, and reliability and validity are enhanced due to the researcher being uninvolved (Babin & Zikmund, 2016:111). **For the purpose of this study**, a quantitative research approach was used to collect and analyse the data.

1.5.2.2 Research design

The research design refers to the purpose, objectives, and intention of the researcher to conduct the study while taking practical restrictions such as time, geographical location, and capital needed into consideration (Almalki, 2016:290). According to Babin and Zikmund (2016:53), there are three types of research designs, namely exploratory, causal, and descriptive research, which are subsequently discussed.

- **Exploratory research designs** make use of informal research to gain background information on the identified research problem (Burns *et al.*, 2017:94). Exploratory research contributes to the expanding of our knowledge through approaching an unknown or under-researched subject from a different perspective to provide various insights regarding the chosen subject (Leavy, 2017:5). The insights identified through exploratory research could be developed into various business possibilities (Babin & Zikmund, 2016:54). Furthermore, exploratory research also provides a certain course of action to follow in resolving the research problems identified.
- **Causal research designs** can be defined as research designs that identify cause-and-effect relationships through assessing the vicissitude between variables (Babin & Zikmund, 2016:57). Through assessing the vicissitudes between variables, causal relationships are identified that could suggest that a given variable A could influence a given variable B (Leavy, 2017:5). Identifying these relationships could assist in managing the identified research problem.

- **Descriptive research design** can be defined as research that is collected to allow the evaluation of the characteristics of customers (Burns *et al.*, 2017:98). Leavy (2017:5) asserts that descriptive research is the most appropriate research to use when describing certain groups, events or situations. According to Jackson (2016:100), there are three types of descriptive research methods, namely observational methods, case-study methods, and survey methods. The observational research method aims to determine the underlying effect of external factors on a specific outcome (Mansournia *et al.*, 2017:1). The underlying effect on the outcome can be determined immediately by requesting feedback from respondents or observing respondents. A case-study method, on the other hand, combines various sources of information to provide insight in a realistic context regarding an identified research problem (Morgan *et al.*, 2017:1060). The survey method is the collection of information through the distribution of surveys and assures meaningful insights (Hulland *et al.*, 2018:92).

For the purpose of this study, the most appropriate research design was a combination of exploratory and descriptive research designs, these aided this study in obtaining background information as well as a sample profile description of the respondents (Babin & Zikmund, 2016:54). Data and information were collected through the survey method. The survey method allows for various ways to conduct surveys, such as personal interviews or surveys through the mail or telephonic interviews (Jackson, 2016:92-95).

Table 1-1: Summary of this study’s research design

Research design	To be used in this study
Research approach	Quantitative research design
Research design	Descriptive and exploratory research
Research methods	Survey method

Source: Researcher’s own compilation.

1.5.2.3 Sampling

Sampling can be defined as a subset of the population that is used to represent the population as a whole (Trochim *et al.*, 2016:80). Therefore, sampling includes the procedures used to construct conclusions about the whole population based on the measurement of a subset of the population (Babin & Zikmund, 2016:69).

According to Burns *et al.* (2017:73), to conduct sampling, a sample plan must be developed first. The authors furthermore explain that a sample plan consisting of various components that identify how the sample elements will be selected from the target population must be constructed. These components include the target population (Section 1.5.2.3.1), sample frame (Section 1.5.2.3.2), sampling method (Section 1.5.2.3.3), and sample size (Section 1.5.2.3.4) (Burns *et al.*, 2017:258), which are discussed in the subsequent sections.

1.5.2.3.1 Target population

According to Babin and Zikmund (2016:337), a population in the context of research terminology can be described as any group of individuals that have a set of characteristics. Due to various constraints such as resources, time, or even accessibility of the population as a whole, a sample can be taken from the population as a representation of the entire population under study (Jackson, 2016:96). **For the purpose of this study**, respondents had to have made use of the fast-food franchise in Gauteng for them to be eligible to form part of the targeted population.

Furthermore, the target population can be extended within the following three components, namely elements (similarity between sample units), sampling units (respondents), the extent (location) to provide context on where the research will take place (Babin & Zikmund, 2016:341).

Table 1-2: Summary of this study’s target population components

Target population components	To be used in this study
Elements	All fast-food franchise customers in Gauteng
Sampling units	All fast-food franchise customers in Gauteng
Extent	Within the Gauteng province of South Africa
Duration	5 November 2020 to 17 March 2021

Source: Researcher’s own compilation.

1.5.2.3.2 Sampling frame

Through the sampling process, sampling units or individuals are chosen from the identified sampling frame (Martínez-Mesa *et al.*, 2016:327). A sample frame error may occur when the sampling unit information is incomplete (Burns *et al.*, 2017:239). Therefore, due to the unavailability of a complete record of all the customers of the fast-food franchise industry in Gauteng as well as the privacy rights set out within the Protection of Personal Information Act (POPIA) (4 of 2013), this research study did not make use of a sampling frame.

1.5.2.3.3 Sampling method

According to Etikan *et al.* (2016:1), sampling can either be statistical (probability sampling techniques) or non-statistical (non-probability sampling techniques). Probability sampling can be described as all elements having a known probability of being selected, whereas with non-probability sampling, the probability of being selected is unknown, as any element can be chosen (Babin & Zikmund, 2016:348).

For the purpose of this study, non-probability sampling was used because there is no sample frame and the size of the population is unknown, which results in the sample element that is chosen being unknown (Burns *et al.*, 2017:241). Non-probability sampling was also more suitable

because the respondents that were selected had to meet the criteria of being a customer of the fast-food franchise in Gauteng.

Although non-probability sampling makes it difficult to fully comprehend whether the whole population is represented, there are various advantages to making use of non-probability sampling, of which the most notable are the simplicity of generating samples and cost-effectiveness (Jackson, 2016:98).

Non-probability sampling can be further classified under four distinct types of samples, namely convenience sampling, purposive or judgemental sampling, chain referral or snowball sampling, and quota sampling.

Convenience sampling occurs when respondents are selected based on elements such as ease of access, availability, or geographical proximity (Etikan *et al.*, 2016:2). Babin and Zikmund (2016:349) explain that purposive or judgemental sampling entails the selection of respondents based on the researcher's judgment of the respondents' characteristics. According to Tyrer and Heyman (2016:58), the chain referral or snowball sampling method is used when the sample requires rare characteristics or has an element of complexity and, therefore, existing respondents will assist in recruiting additional respondents. Sharma (2017:751) explains that quota sampling is used when an exact amount of a subgroup of the population needs to be represented and studied.

This study made use of convenience sampling, which allows for the collection of data from any respondents in any preferred or convenient manner (Jackson, 2016:98). The fact that respondents were selected based on the researchers' convenience by collecting data from various online platforms (i.e., WhatsApp, Facebook, Instagram, and LinkedIn) allowed for reasonable generalisations to be made of the target population (Sharma, 2017:750).

1.5.2.3.4 Sample size

As concluded in the research problem (Section 1.2), the *service quality offered by all franchises does not align with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises*. Therefore, **this study** used problem-solving research. According to Von Hippel and Von Krogh (2016:207) problem-solving research originates from an identified problem that needs to be researched to find a satisfactory solution to the identified problem.

Problem-solving research essentially requires a sample size that ranges between 300-500 respondents, with a minimum of 200 respondents (Malhotra *et al.*, 2017:418). **For the purpose of this study**, the aim was to obtain between 200 and 500 respondents.

1.5.2.4 Measuring instrument

According to Sekaran and Bougie (2016:96), data can be collected through interviews, physical measurements, observations, or questionnaires. These various measuring instruments can be used to measure, collect, and analyse data. The measuring instruments allowed the researcher to perform a statistical test and analyse the data (Hagan, 2014:431).

For the purpose of this study, the SERVQUAL measuring instrument was used to collect data. This measuring instrument is elaborated on extensively in Chapter 4 of this dissertation.

1.5.2.5 Data collection

Data collection entails the process of collecting information (Babin & Zikmund, 2016:69). Data collection can include both primary and secondary data and should provide the information gathered in a well-organised and effective manner. Data that is collected for a specific objective and utilised for this specific objective for the first time is defined as primary data, whereas data that was collected for a specific research objective but is now reused for another research objective is defined as secondary data (Johnston, 2017:619).

For the purpose of this study, primary data was collected through a survey by means of the SERVQUAL measuring instrument and the secondary data was obtained from secondary literature resources. For the purpose of data collection, the SERVQUAL measuring instrument was developed in Google forms and shared via the researcher's networks on social media platforms such as WhatsApp, Facebook, Instagram and LinkedIn. This method of data collection made it possible to obtain a significant number of responses in the midst of the COVID-19 pandemic as social distancing restrictions were implemented by the South African government since April 2020.

A link to the questionnaire gave the social media platform users access to the questionnaire, and if the users met the criteria of having purchased from the fast-food franchise industry in Gauteng during the specified time period, they could continue with the remainder of the questionnaire. The duration of the data collection period was from 5 November 2020 to 17 March 2021.

1.5.2.6 Data analysis

The data collected from the completed questionnaires was edited, analysed, and calculated through the 27th version of the Statistical Package for Social Sciences (SPSS) program. Data analysis entailed calculating, reasoning, and summarising the data to provide better insight and understanding of the collected data (Babin & Zikmund, 2016:70).

The data analysis process commenced with calculating the descriptive statistics, which included frequencies (n), percentages (%), means (\bar{x}), and standard deviations (σ), to determine respondents' demographic profiles, patronage habits and motivational elements.

Thereafter, the psychometric properties were determined in terms of the measuring instruments' reliability and validity. In this regard, the reliability of the scales was tested by calculating the Cronbach's alpha coefficient values (α). According to Babin and Zikmund (2016:281), a scale with a coefficient between 0.70 and 0.80 is considered to have good reliability. To test the validity of the measuring instrument, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity was conducted. Inferential data analysis methods pertaining to the testing of the hypothesis is elaborated on in Chapter 4.

1.6 ETHICAL CONSIDERATIONS

Ethics is used to determine whether an act is right by a set of universally moral standards by looking at factors such as impairment, consent, and consequences (Kagan, 2018:329). This research study received ethical clearance from the Faculty of Management Sciences' Ethics Committee (Ethics number: NWU-00857-20-A4).

Respondents' participation in this survey was completely voluntary, and they were ensured of their anonymity and confidentiality when participating. All information gathered from the completed questionnaires was treated with the highest standard of privacy and confidentiality during the analyses and publication thereof as part of this dissertation.

Should any of the findings from this study be published in academic journals or presented at academic conferences, no association will be made between respondents and their completed questionnaire, as no identifiable personal information such as names, addresses and contact numbers were requested. There were also no references to any of the fast-food franchises in the reporting of the data, since this study does not focus on a specific franchise group in particular, but rather the fast-food franchise industry as a whole.

1.7 CONTRIBUTION OF THE STUDY

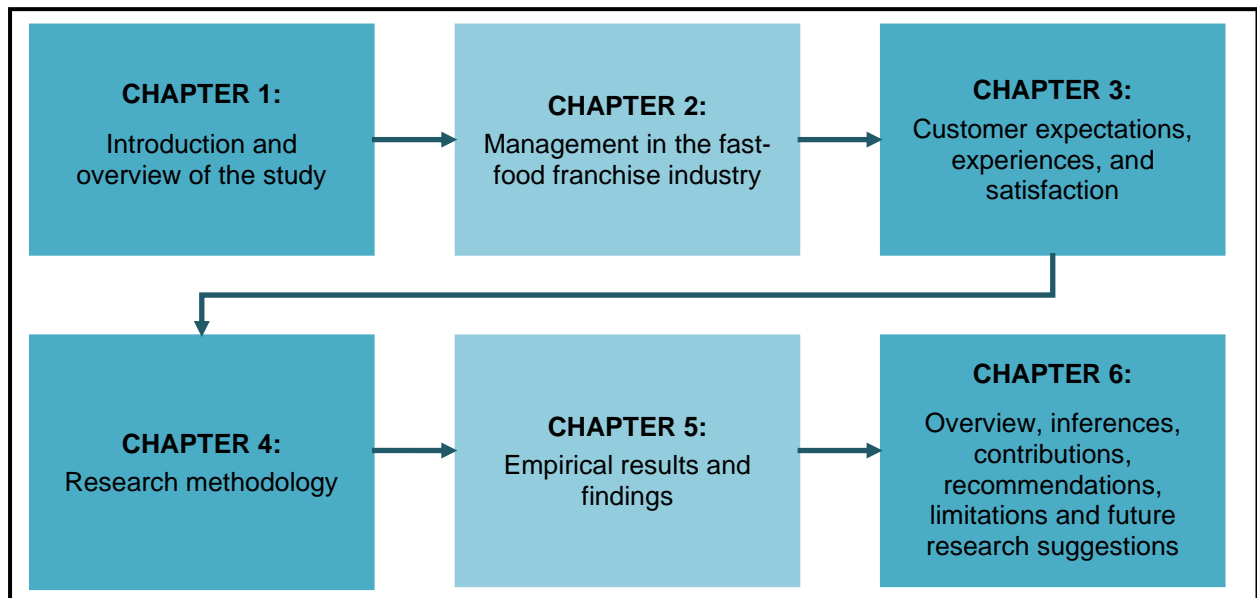
As far as this study's contribution is concerned, this study provides meaningful theoretical and empirical contributions to the body of knowledge of the existing literature on business management, service quality, customer expectations, experiences, and satisfaction in the fast-food franchise industry in Gauteng. The fast-food franchise industry in Gauteng will also gain insight regarding customers' experiences and expectations, and how these constructs ultimately influence customer satisfaction. The results and findings from the data that were collected were interpreted to provide managers with recommendations on how service quality can be managed

and improved within the fast-food franchise industry in Gauteng. This study also contributes to future research studies by making future research suggestions.

1.8 OUTLINE OF THE PROPOSED CHAPTERS

The chapters and each chapter's content in this study are described briefly below.

Figure 1-7: Proposed chapter classification



Source: Researcher's own compilation.

Chapter 1: Introduction and overview of the study

This chapter commenced with an introduction followed by the background information, which led to identifying the research problem, namely that *the service quality offered by all franchises does not align with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises*.

This was followed by the literature overview and then the research objectives and hypotheses of the study. After this followed a discussion of the applied research methodology and ethical considerations. Finally, the contributions of the study were highlighted, and the chapter concluded with a proposed outline of the chapters to be included in the dissertation.

Chapter 2: Management in the fast-food franchise industry

This chapter provides the conceptual and theoretical framework for this study from a managerial perspective and consists of a literature review that focuses on management in the fast-food franchise industry. The discussion in this chapter commences with the conceptualisation of business management to establish the synthesised concept. Next, the historical development is discussed in detail to ensure a thorough understanding of the manner in which the business

management discipline developed through different eras. Thereafter, business management is defined in the context of this study by incorporating the elements of business management. These elements include the levels of management, business functions, managerial tasks, managerial roles, and managerial skills and competencies. A discussion of the business environments, namely the micro environment, market environment and macro environment, follows in order to determine which environment is the most favourable and dynamic environment for the fast-food franchises to operate in. The chapter explicates contextual aspects such as the contextual positioning of customers in the fast-food franchise industry and concludes with a brief discussion on the franchise as a business model.

This chapter, therefore, focuses on obtaining secondary objective 1 as identified in Section 1.4.2.

Chapter 3: Customer expectations, experiences, and satisfaction

This chapter focuses on customer expectations, experiences, and satisfaction. This chapter commences with the conceptualisation of service quality through an in-depth discussion on the Nordic and American schools of thought on service quality, including the contributions made to the SERVQUAL model and its respective dimensions. Next, a thorough discussion provides some insights into the measuring of service quality by means of customers' expectations and experiences. Thereafter, the service quality gaps are identified. Subsequently, the management and improvement of service quality are particularised in order to assist in understanding the influence of service quality on customer satisfaction. Finally, this chapter provides insights into service quality in the fast-food franchise industry.

This chapter, therefore, focuses on obtaining secondary objective 2 as identified in Section 1.4.2.

Chapter 4: Research methodology

In this chapter, the research methodology and processes used to achieve the research objectives of this study are examined. The structure of this chapter is guided by the six stages of the research process and elaborates on how these stages are applied in this study.

Chapter 5: Empirical results and findings

Concerning this chapter, the results and findings of the study are presented by means of reporting, explaining, and interpreting the data that was gathered with the measuring instrument. The empirical results and findings were utilised to determine the sample response realisation rate and compile a sample profile description of the respondents. The empirical results and findings were also used to determine the psychometric properties of the measuring instrument. For any scientific instrument to provide correct measurements, it must have psychometric properties such as reliability and validity. Next, the inferential statistics include a correlation analysis to evaluate the impact of service quality in the fast-food franchise industry in Gauteng on the respondents'

expectations and experiences. Subsequently, paired sample t-tests were conducted to identify the correlation between the dimensions of service quality expectations and experiences, as well as any statistically and practically significant differences between service quality expectations and experiences

This chapter, therefore, focuses on obtaining secondary objectives 3, 4, 5, and 6 as identified in Section 1.4.2.

Chapter 6: Overview, inferences, contributions, recommendations, limitations and future research suggestions

The final chapter concludes the study by offering an overview of Chapters 1-5. This chapter elaborates on the inferences pertaining to the secondary objectives and the contributions that were made, and then offers various recommendations to managers within the fast-food franchise industry in Gauteng based on the empirical results and findings. Thereafter, the limitations are addressed, and future research suggestions are made. This chapter, therefore, concludes by elucidating how the primary objective of this study was achieved.

CHAPTER 2

MANAGEMENT IN THE FAST-FOOD FRANCHISE INDUSTRY

2.1 INTRODUCTION

Service quality is defined and determined not by managers but entirely by customers (Moghavvemi *et al.*, 2018:908). According to Alolayyan *et al.* (2018:545), customers have various requirements, preferences, and expectations, and therefore, customers possess the ability to decide whether a fast-food franchise' service quality meets their requirements, preferences and expectations.

Even if a fast-food franchise has very good strategies in place to manage service quality, if customers visit the franchise on a date or time when the franchise, for whatever reason, fails to meet their expectations, this will result in a negative service quality experience (Sezgen *et al.*, 2019:70). McLean and Wilson (2016:603) note that customers will always have an experience, whether it is negative, moderate, or positive. According to Bhatta and Durgapal (2016:18), a positive service quality experience will lead to a satisfied customer, who will eagerly refer other customers to make use of the fast-food franchise. Unfortunately, the opposite also applies – when customers have negative service quality experiences, they are more inclined to influence the opinion of other customers negatively (Izogo & Jayawardhena, 2018:197). Alzaydi *et al.* (2018:15) note that negative service quality experiences occur when fast-food franchises are not able to meet customers' expectations. It is therefore imperative that managers are informed about their customers' expectations and how the customers appraise the quality of the service so that they are able to effectively manage the quality of service they provide (Bhatta & Durgapal, 2016:17).

Although most management literature emphasises different approaches, principles, or guidelines for managers to successfully manage their businesses and the service quality they provide (Kowalik & Klimecka-Tatar, 2018; Tseng, 2016), the success or failure of all the managerial efforts may depend on a single interaction between an employee, or the business as a whole, and a customer. Managers are therefore responsible for ensuring that they meet customers' expectations through predicting what the customers will expect and then focusing on the importance of providing service quality to the customers (Nobar & Rostamzadeh, 2018:419). Consequently, fast-food franchise managers need to understand the management discipline as a whole as well as all the elements of the business in order to ensure that their managerial approaches, decisions and objectives are focused on providing superior service quality.

This chapter focuses on achieving secondary objective 1 of this study by conceptualising management in the fast-food franchise industry (Section 1.4.2). In this vein, this chapter provides

the conceptual and theoretical framework for this study from a managerial perspective. The discussion in this chapter commences with an introduction (Section 2.1) and an overview of the conceptualisation of business management (Section 2.2). Next, the historical development of business management (Section 2.3) in the execution, expertise, and empathy era are discussed, elucidating the development of managerial thought from being process-driven to customer-driven and thereby defining business management in the context of this study (Section 2.4). Stemming from this, the chapter continues with applicable managerial elements, such as the levels of management (Section 2.5), business functions (Section 2.6), managerial tasks (Section 2.7), managerial roles (Section 2.8), and managerial skills and competencies (Section 2.9). Since all management decisions pertaining to service quality are influenced by the business environment (Section 2.10) (i.e., internal and external environments), these environments are subsequently outlined. Given that the contextual focus of this study is on fast-food franchises, this chapter explicates contextual aspects such as the positioning of customers in the fast-food franchise industry (Section 2.11). The chapter then moves on to a discussion of the franchise as a business model (Section 2.12), followed by a summary (Section 2.13). Figure 2-1 provides an outline of the different sections discussed in this chapter.

Figure 2-1: Layout of Chapter 2

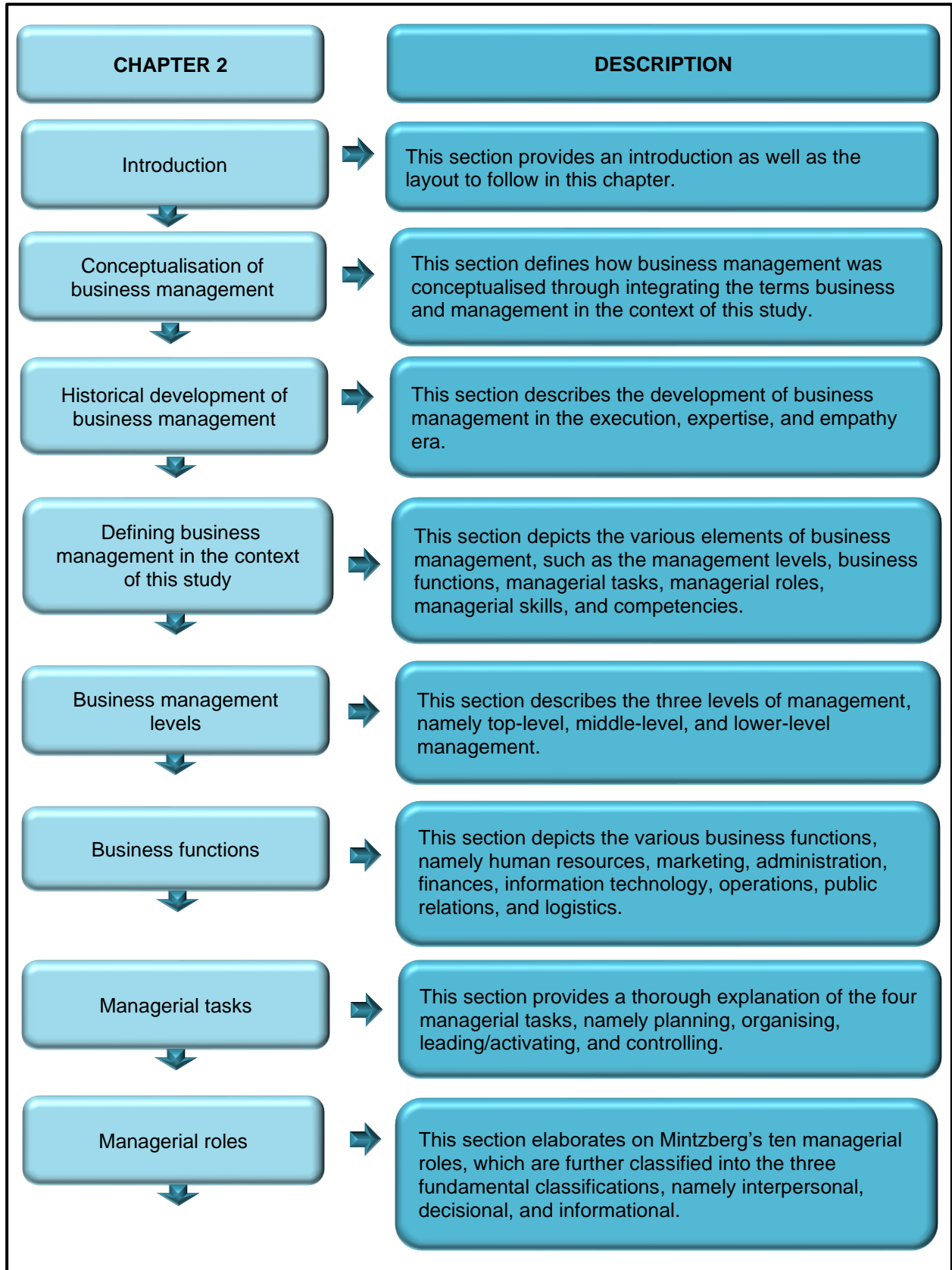
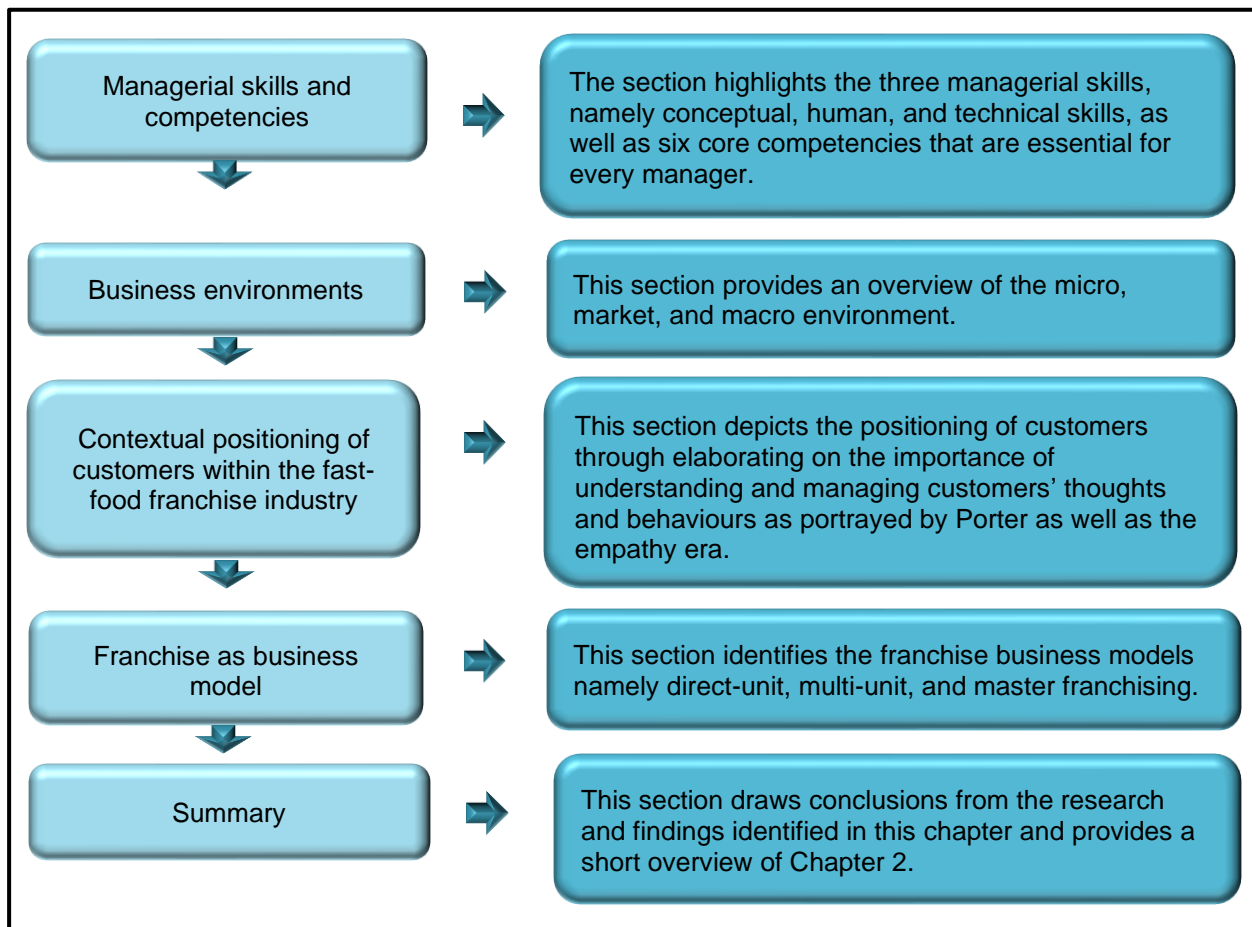


Figure 2-1: Layout of Chapter 2 (continues)



Source: Researcher's own compilation.

2.2 CONCEPTUALISATION OF BUSINESS MANAGEMENT

Since the beginning of the industrial revolution in the 1700s, many theorists have researched the concepts of business and management. To understand the synthesised concept of business management in this study, the former two concepts need to be explained.

Businesses are referred to as self-regulating establishments that provide goods and services to customers, which then translate into profit (Niemimaa *et al.*, 2019:210). Businesses need to be managed appropriately to ensure the achievement of their objectives (Sereeco & Maseko, 2019:25).

According to Daft (2016:4), management entails various tasks performed by managers, including planning, organising, leading/activating, and controlling. These tasks are executed by managers when they allocate resources to different departments in their businesses in order to achieve the identified business objectives (Appelbaum *et al.*, 2017:34; Soundaian, 2019:114). This will ensure

that businesses are directed towards a specific purpose and highlights the universal importance of business management (Dolechek *et al.*, 2019:29).

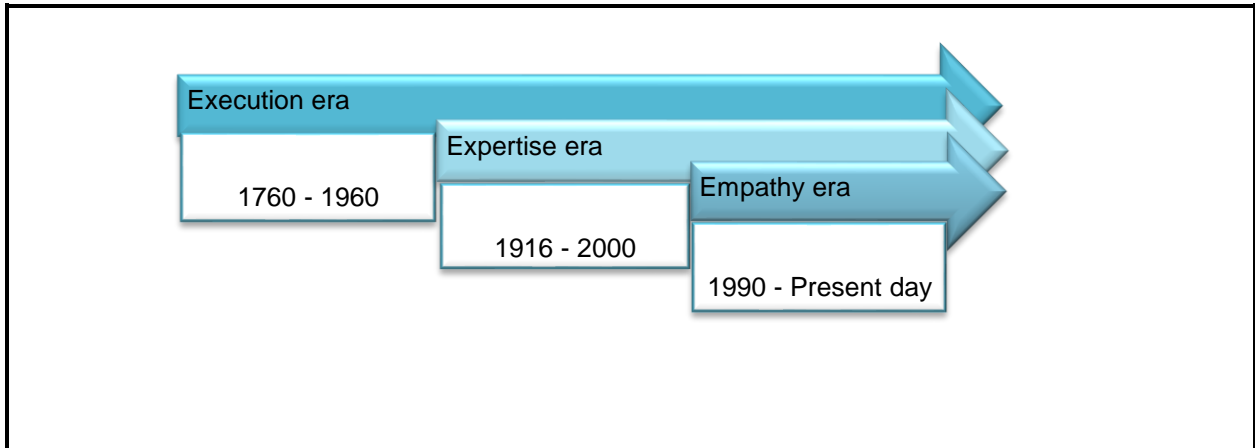
Through the amalgamation of the concepts of business and management, the synthesised concept of business management is formed. Although business management has only developed as a research theme in the twentieth century, business management has been practised for thousands of years. As the twentieth century commenced, management was associated mostly with the management of processes in factories (Koskela, 2017:6). However, as businesses began to expand in production and business size, business management started to gain more attention. In the same vein, the management of customer satisfaction (Vakulenko *et al.*, 2019:308) and service quality also recently started to gain more attention as a core element of business management (Prentice & Kadan, 2019:40). In this regard, the following section elucidates the historical development of business management as a discipline.

2.3 HISTORICAL DEVELOPMENT OF BUSINESS MANAGEMENT

According to Pindur *et al.* (1995:59), management as a practice date back to more than 3000 BC, which is evident in the archaeologically discovered records that were kept by Sumerian priests in the city of Ur about their business offerings of the time. Other evidence from the instructional text, such as Maxims of Ptahhotep composed by the Egyptians in 2400 BC, reveal how business relations were managed and also how managers portrayed themselves as leaders (Witzel, 2017:14). During the period from 544-496 BC, the Chinese general Sun Tzu depicted a form of management through his detailed battle plans and the instructions his generals had to follow to achieve their objective of obtaining victory in the midst of warfare (Wren & Bedeian, 2020:10). Attila the Hun, who was known as the king of the royal tribe in Central and Eastern Europe in the mid-fifth century, managed to collate all of the Hunnish tribes into one nation by managing the activities of the various tribes in order to achieve their identified objective (Pindur *et al.*, 1995:59).

While the abovementioned historical references are not necessarily associated with the management executed in a business, they do highlight the importance and development of management in achieving objectives. Although management as a concept has existed for thousands of years, business management has only recently become more prominent. The business management discipline started to develop in the following three eras, namely the eras of execution (Section 2.3.1), expertise (Section 2.3.2) and empathy (Section 2.3.3) (Anderson, 2020:12). Although these eras emerged over certain time periods, they overlap as the business management discipline developed. The timespans of these eras are depicted through the development of the business management discipline in Figure 2-2 below.

Figure 2-2: Timeline of the development of business management discipline



Source: Researcher's own compilation.

2.3.1 The execution era

Arnold and Bashir (2020:5) assert that in the execution era, the concept of management was utilised to refer to mass production, standardised processes, and specialisation. According to Banton (2020), a renowned example of a successful mass production management system is Henry Ford's assembly line, which made possible the production of multiple products in parallel production, thus assuring the mass production of standardised products. Ford was the first person to implement this type of production system in factories (Agarwal *et al.*, 2019:2627).

The further development of production gave rise to the first industrial revolution between 1760 and 1840, which saw mechanical production that brought forth steam engines and the edifice of railways (Melnyk *et al.*, 2019:381). According to Wren and Bedeian (2020:9), the first industrial revolution was, therefore, known for the advancement in control, communication, transportation, and technology.

During the industrial revolution, the execution era of business management began to emerge and continue until the 1960s (Anderson, 2020:12). During this period, mass production and extreme mechanisation became increasingly complex. Business owners started to realise that their abilities to manage only production systems were insufficient (Witzel, 2017:14). As urbanisation increased, where unskilled workers relocated from places such as family farms or villages to cities to work in factories, a managerial shift began to occur from managing processes to managing people. This further led to an increased need for skilled managers (Wren & Bedeian, 2020:9).

These business owners began to appoint managers that would manage the employees and assure efficient production. The appointed managers faced various challenges such as specialisation and standardisation that resulted from the execution of mass production (Gorod *et al.*, 2020:224). In the 1900s, understanding of the concept of management began to evolve from a focus on mass production and extreme mechanisation to the need to understand work

processes and how to improve production (Arnold & Bashir, 2020:5). This led to the next era in the development of business management.

2.3.2 The expertise area

From around 1916 until the 2000s, the expertise era began to emerge (Anderson, 2020:12). This era was known as the era where managers began to focus on enhancing their own expertise as new technologies emerged and productivity increased. In order for managers to enhance their expertise, they needed to broaden their understanding of management as theory and knowledge became more applicable (Arnold & Bashir, 2020:5).

Henri Fayol – one of the most prominent theorists from this era – identified the basic managerial tasks of planning, organising, leading/activating, and controlling, which are viewed as a framework for managers to increase their businesses' efficiency (Socha, 2019:58). Fayol focused extensively on the role of management in the business, specifically pertaining to increased productivity (Edwards, 2018:41). Since productivity in this context referred to the number of working hours and the output produced (Lazear, 2018:195-196), the human factor was often overlooked, as workers were sometimes managed and treated like machines to increase productivity (Derksen, 2014:175).

In the twentieth century, Frederick Winslow Taylor was one of the first theorists to conduct various studies on labour relations with a specific focus on maximising workers' productivity (Stamatis & Gkoutziamanis, 2020:23). Taylor noted that workers were dehumanised and proposed that they could instead be motivated to increase their productivity by means of rewards systems such as increased incentives, improved working conditions or advancements in order to reach their full potential and maximise production (Asaari *et al.*, 2019:53). Gorod *et al.* (2020:224) established that although the objective was to maximise the output by increased production, managers still needed to assure that inputs were kept at a minimum. Mass production allowed for the maximising of outputs from limited inputs, which emphasised efficiency, production consistency and an absence of distinction (Arnold & Bashir, 2020:6). In business management literature, this is referred to as the principle of economics' production function (Vali, 2014:311).

Taylor's studies also provided insight on how to establish the most efficient relationship between management and the workers (Ferraro, 2016:24). This focus on the relationship between managers and workers shifted from an emphasis on the output workers delivered to the needs of these workers. In the early nineteen hundred, workers had various complaints that centred on their unfavourable working conditions and insufficient wages (Hoffmann, 1994:19). Businesses managers then started to consider the human factor and employees' needs and realised that employees are one of the businesses' most important resources (Mehta, 2017:165).

In addition to Taylor's research, Douglas McGregor also began to research the human factor in the business and developed two theories of human encouragement and management in 1960 (Brdulak *et al.*, 2017:114). The first theory, Theory X, centred on the assumption that humans are egocentric, idle and need to be instructed on what needs to be done. The second theory, Theory Y, was rather the opposite and assumed that humans are dynamic, self-directed and, therefore, want to grow and be accountable for their own actions (Aithal & Kumar, 2016:2456).

As management theories continued to evolve, the research focus began to shift from the human factor in business to the businesses rivalry and how managers could enhance their businesses' competitiveness within an industry. One of the most acclaimed researchers on the competitiveness of businesses, Michael Porter, emphasised that all businesses are competitive, and the effectiveness of the strategies businesses adopt will determine the levels of their industry competitiveness (Bashir & Verma, 2017:7). This fundamental refocuses paved the way for the emergence of the empathy era.

2.3.3 The empathy era

According to Anderson (2020:12), the empathy era emerged in the 1990s and is still present. Empathy is described as the ability to understand another person's thoughts and behaviours (Murwani & Tohang, 2020:36). According to Solomon (2019), empathy in a business context could be defined as a manager's ability to understand the emotions of their employees and customers, the way they think, as well as their motivations for acting in a certain manner.

With rapid technological changes in business market environments, industry competitiveness revolves largely around business strategies to attract more customers (Kharub & Sharma, 2017:133). The authors further denote that Porter defined competitiveness as the ability of businesses to be productive in certain areas (Kharub & Sharma, 2017:136). Based on Porter's view, Bashir and Verma (2017:8) state that businesses that have the ability to enhance the value of their offerings to their customers will have a stronger competitive position in the industries in which they operate. In this regard, if fast-food franchise managers approach their customers' needs empathetically, they are more likely to increase customer relationships and subsequently customer satisfaction (Stanton, 2020:369). Following the eras in which the business management discipline developed, the next section focuses on business management in the context of this study, which is rooted in the empathy era.

2.4 DEFINING BUSINESS MANAGEMENT IN THE CONTEXT OF THIS STUDY

The idea of business management has expanded extensively over the years. Although there is a myriad of different descriptions portraying business management, some elements are universal

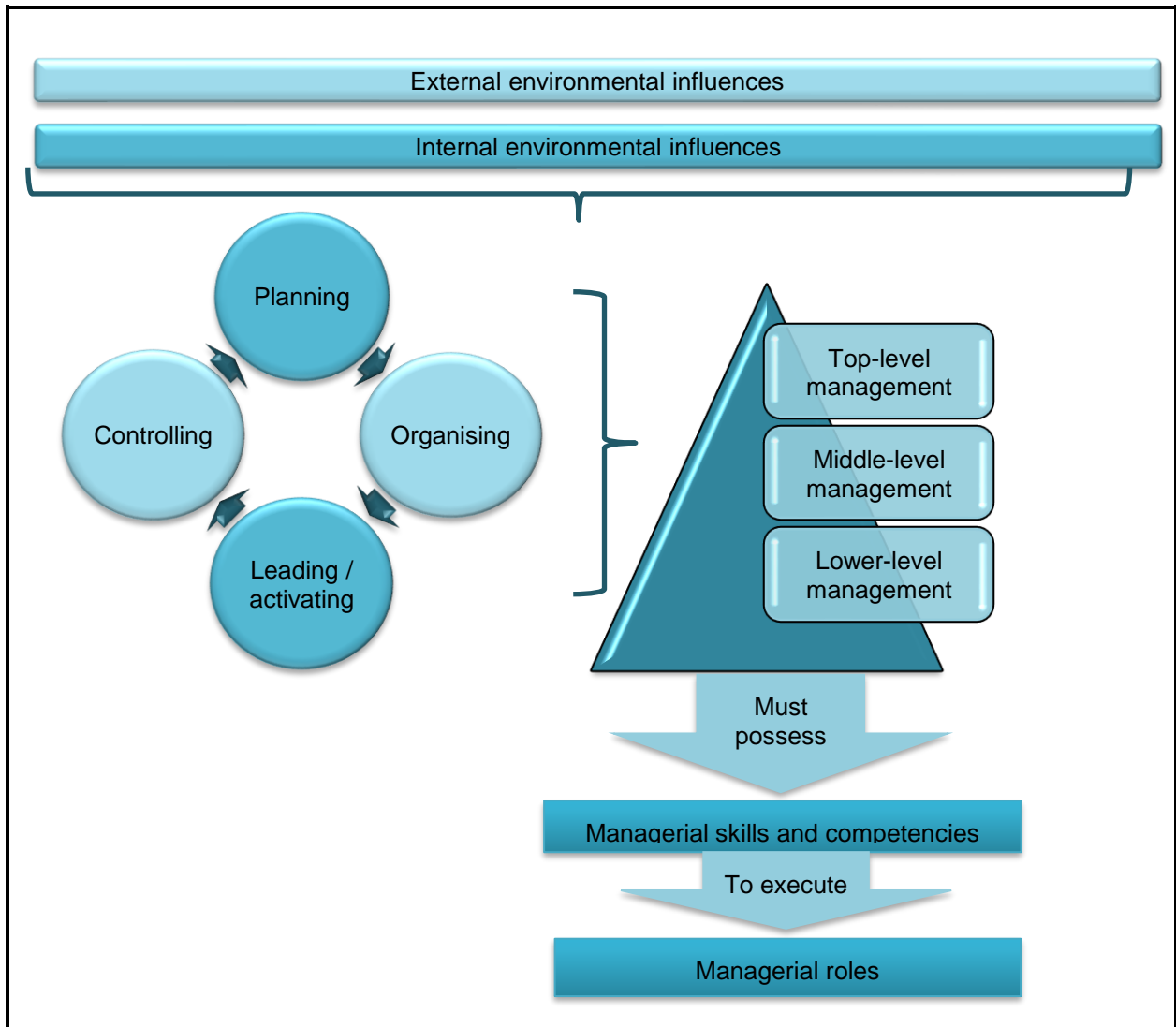
to all perspectives on managing businesses to achieve objectives. According to Mozumder (2018:171), one of the elements of business management entails an understanding of the levels on which managers operate in businesses. In general, management occurs on three distinct levels, namely top-level management, which establishes objectives; middle-level management, which organises the tasks; and lower-level management, which encourages the employees to perform these tasks. In large businesses, these managerial levels are mostly clearly defined and usually resonate with different managers who are positioned on different managerial levels. However, in smaller businesses that are more resource constrained, it often happens that one manager will function on more than one managerial level and will therefore need the experience and skills required for all management levels (Horváth & Szabó, 2019:126).

In addition, Griffen and Van Fleet (2014:14) assert that another element of business management entails the functions that managers execute within these managerial levels. These functions assure that businesses operate efficiently (Saleem *et al.*, 2019:272), and they include human resources, marketing, administration, finances, information technology, operations, public relations, and logistics management. To manage these functions effectively, managers should possess certain managerial skills and competencies. As another element of business management, Ahmad and Ahmad (2018:45) denote those managerial skills and competencies include the manager's traits, capabilities, and knowledge. As managers acquire these managerial skills and competencies, it enables them to fulfil distinct managerial roles. As additional elements of business management, the managerial roles include, according to Rudansky-Kloppers (2019:210), managers' decisional, interpersonal, and informational roles.

The last element of business management entails the management tasks, which are given by Jin *et al.* (2018:3187) as planning, organising, leading/activating, and controlling abilities. Ultimately, managerial effectiveness depends not only on the various elements of business management but on managers' abilities to effectively manage all environmental influences from the micro (internal environment), market and macro (external environment), which impact business operations (Camilleri, 2018:14).

Apart from the several developments in businesses management, which stems mostly from technological developments, these elements, which are depicted in Figure 2-2, remain applicable to current businesses operating in the empathy era to this day (Pilorget & Schell, 2018:3). Since all the elements of business management are applicable to this study, these elements are extensively discussed in the remainder of this chapter.

Figure 2-3: Elements of business management

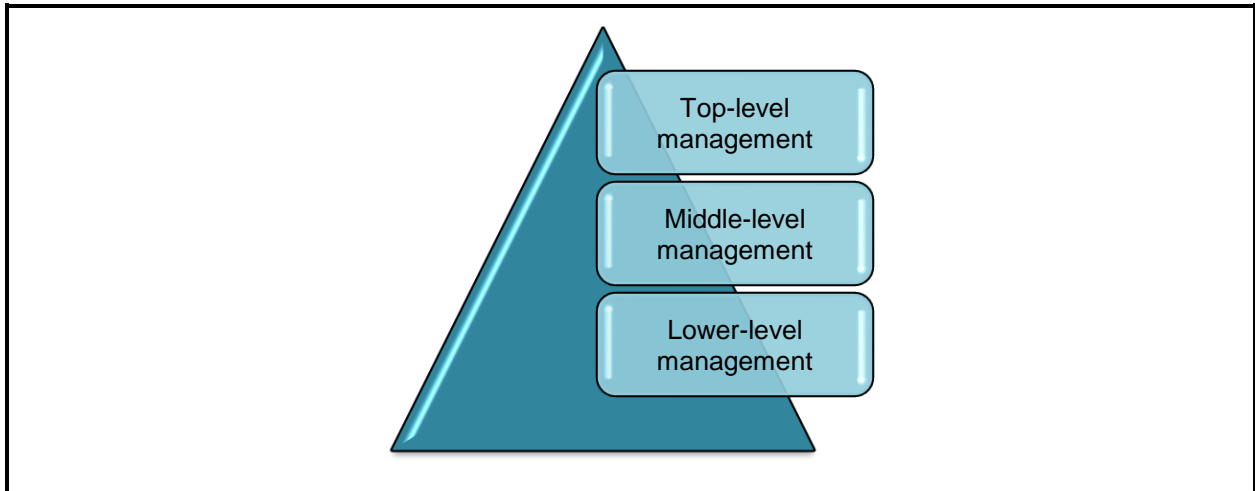


Source: Researcher's own compilation.

2.5 LEVELS OF MANAGEMENT

Management is implemented across all levels of responsibility within fast-food franchises (Pobegaylov *et al.*, 2016:2175). Martin-Rios (2016:31) posits three different levels of management, namely top-level (Section 2.5.1), middle-level (Section 2.5.2) and lower-level (Section 2.5.3) (Figure 2-3:

Figure 2-4: Levels of management



Source: Adapted from Daft (2016:17) and Shaed *et al.* (2018:606).

2.5.1 Top-level management

According to Daft (2016:16), top-level management is at the top of the hierarchy. It is responsible for the fast-food franchise as a whole and, therefore, setting overarching objectives, making decisions, defining corporate culture, developing strategies, and monitoring the various environments that affect the franchise. The overarching objectives and decisions are identified through strategic decisions made by top-level management (Shaed *et al.*, 2018:606). Holzmann and Golan (2016:64) assert that the objectives can be achieved through the continuous support of top-level management. Top-level management can therefore be classified as one of the most important factors in assuring a successful fast-food franchise (Alhaqbani *et al.*, 2016:925).

2.5.2 Middle-level management

According to Surju *et al.* (2020:6), middle-level management connects top-level management and lower-level management. This level of management is responsible for the various units and departments within the fast-food franchise, and they encourage innovation and respond to environmental changes swiftly (Daft, 2016:17). Middle-level management is also responsible for assuring that all fast-food franchise units and departments align with the top-level management objectives (Shaed *et al.*, 2018:606). The author further states that middle-level management makes tactical decisions that focus on achieving the objectives of the fast-food franchise.

2.5.3 Lower-level management

Lower-level management connects middle-level management and the employees, and they are responsible for conducting the work that is needed to achieve the identified fast-food franchise objectives (Sharma & Goyal, 2017:12). Daft (2016:17) agrees in saying that this level of

management entails overseeing the production of goods and services and taking care of employees, and their focus is on achieving daily objectives. These daily fast-food franchise objectives are achieved through operational decisions (Thompson, 2019).

As the abovementioned levels of management work together they can achieve the identified fast-food franchise's objectives (Sharma & Goyal, 2017:2). All levels of management can work together to assure that customers' expectations and experiences are met. Management's collective efforts could very well result in the fast-food franchises differentiating themselves from their competitors (Naidoo & Sutherland, 2016:75) provided that the various levels of management keep focus on managing the fast-food franchises through the identified business functions (Dolechek *et al.*, 2019:29).

2.6 BUSINESS FUNCTIONS

The business functions were developed in the 1900s by a management theorist named Henri Fayol (Business Zeal, 2018). These functions within the business assure that businesses are functioning efficiently (Saleem *et al.*, 2019:272). Rudani (2020:4) explains that the management functions coordinate the usage of businesses' respective resources. The following business functions have been identified, namely human resources (Section 2.6.1), marketing (Section 2.6.2), administration (Section 2.6.3), financial (Section 2.6.4), information technology (Section 2.6.5), operations (Section 2.6.6), public relations (Section 2.6.7) and logistics management (Section 2.6.8).

2.6.1 Human resource management

The success of fast-food franchises depends on the productivity of the employees; therefore, human resource management's primary focus is on the employees of fast-food franchises (Stewart *et al.*, 2020:4). According to Arora and Gupta (2017:66-67), human resource management entails the incorporation of various business operations and policies to achieve fast-food franchises' objectives through activities such as recruitment, remuneration and any other employee-related aspects.

The efficient implementation of human resource management assures that employees feel content and motivated to do all they can to satisfy the fast-food franchise customers' expectations (Stewart *et al.*, 2020:4). Managers can utilise the human resource management function to increase employee productivity and improve their performance, which in return can lead to success and a competitive advantage for the fast-food franchise (Arora & Gupta, 2017:66).

2.6.2 Marketing management

Marketing entails all the actions that guide the production of goods and services from the fast-food franchise to its delivery to the customers (Mishra, 2020:1-2) as well as the quality of service (Boshoff, 2017:300-301). Marketing also includes the market plan, price determination, product and service promotions and the types of distribution (Mishra, 2020:2). According to Deepak and Jeyakumar (2019:2), marketing aids with customer interaction toward ensuring increased profits and satisfied customers.

2.6.3 Administrative management

An integral part of the fast-food franchise is administrative management. According to Vargas *et al.* (2019:7), administrative management includes the implementation of various regulatory and other tasks conducted by individuals to achieve the businesses' objectives. Van Noordwyk and Van Tonder (2019:274) assert that administrative management allows for maintaining quality standards throughout the fast-food franchises. According to Witcher (2020:43), administration assists managers with the implementation and management of strategies. In this regard, the administrative management function will allow for guidance towards achieving the fast-food franchise objectives.

2.6.4 Financial management

Within fast-food franchises, financial tasks ensure that funds are managed correctly in terms of the procurement, estimating and sourcing of funds and the management of assets and that these are in line with the fast-food franchise's objectives (Siminica *et al.*, 2017:208). Sohrabi (2017:41) agrees that financial management assures wealth optimisation, which can be achieved by means of financial instruments such as shares, stocks, and bonds (Loke, 2017:33). In addition, managers are encouraged to make use of information systems to report financial information such as the fast-food franchise income and expenditures to stakeholders (Madura, 2018:4).

2.6.5 Information technology management

In recent years, noteworthy innovations have taken place with regard to information technology (IT) (Shao & Lin, 2016:45). Information technology includes networks, processes, storage, and computers that can assist in providing information in an electronic format (Pilorget & Schell, 2018:3). Fast-food franchises that employ information technology have a competitive advantage as well as various other benefits such as decreasing cost and work time when technology is implemented effectively (Alreemy *et al.*, 2016:907-908). Information technology therefore is an

important tool in any organisation because the alignment thereof with the fast-food franchise's objectives could enhance sustainability.

2.6.6 Operations management

Operations management includes the production and delivery of final products and services to the customers to meet their expectations through generating, employing, refining, and transforming resources such as materials and labour (Gardiner & Reefke, 2020:6). Krüger and Steenkamp (2019:310) support that operations management entails the conversion of inputs into outputs. These outputs are the products and services that customers require. The essence of operations management is not only emphasised through the creation and delivery of products and services but also the effective management of all operational processes to assure a fast-food franchise's success (Barnes, 2017:4).

2.6.7 Public relations management

Public relations management entails management's custom of attending to the public's interest through establishing a shared relationship that communicates any public-related issues or information (Theaker, 2016:5). Závadský *et al.* (2017:124) describe public relations management a communication tool that utilises various platforms to communicate with the public, such as television, radio, newspapers, and social media platforms (Facebook, LinkedIn, podcasts etc.) (Anurag & Duhan, 2016:2-3). The effective management of public relations can help fast-food franchises to remain competitive in the market (Závadský *et al.*, 2017:124).

2.6.8 Logistics management

Logistic management entails meeting customers' needs and expectations through the implementation of a process that controls the planned flow of products and services from input to output and then finally consumption (Tien *et al.*, 2019:5-6). Prokhorova *et al.* (2016:32) explain that logistic management minimises costs and ensures that products and services are delivered timeously through efficient planning. Logistics management includes the management of inventory and orders in addition to managing warehousing, resources, packaging, and distribution (Tien *et al.*, 2019:5).

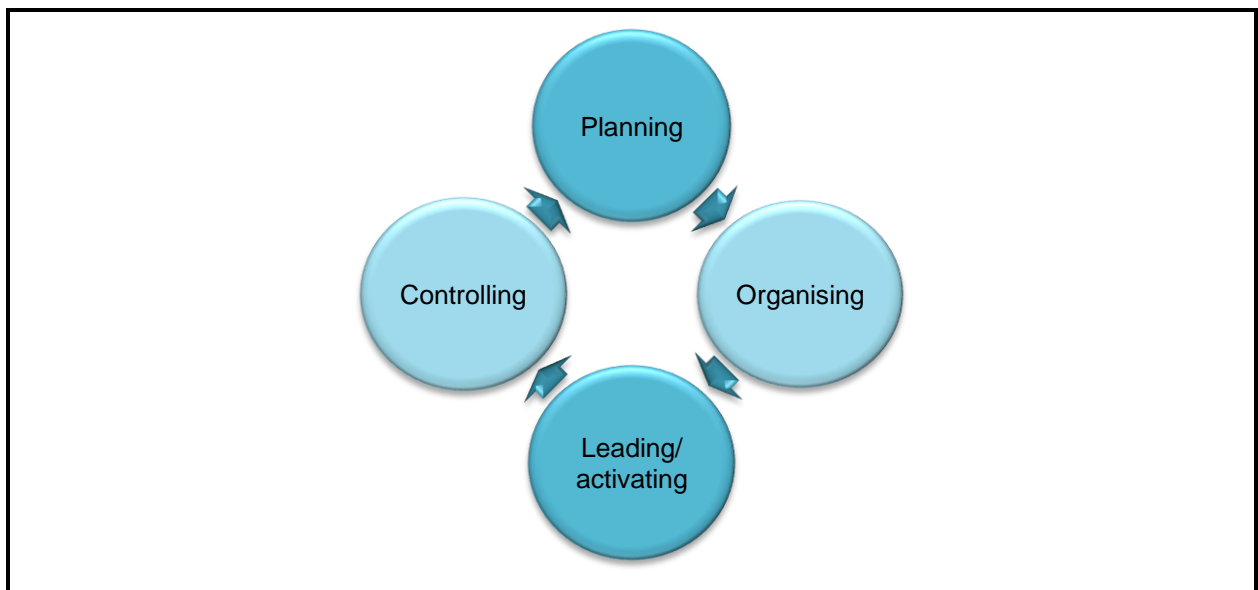
The abovementioned business functions, which are all relevant in fast-food franchises, assist managers to orient their businesses activities around the achievement of the identified fast-food franchise objectives. For managers to manage business functions effectively, they need to execute four overarching managerial tasks, which are planning, organising, leading/activating, and controlling.

2.7 MANAGERIAL TASKS

Business management provides direction in terms of the various tasks that the fast-food franchise managers and employees need to execute (Sharma & Goyal, 2017:1). In 1949, Henri Fayol identified four managerial tasks, which are still applicable to all managers, namely planning (Section 2.7.1), organising (Section 2.7.2), leading/activating (Section 2.7.3), and controlling (Section 2.7.4) (Dolechek *et al.*, 2019:29; Howieson & Grant, 2020:1). Daft (2016:4) agrees when explaining that these tasks are an integral part of management as such, they need to be executed effectively to ensure the achievement of business objectives.

Although the identification of the four managerial tasks is widely supported, it has led to a lot of controversy among management scholars. To illustrate, while researchers such as Fahlevi *et al.* (2019:2439) and Igbokwe-Ibeto *et al.* (2020:176) expand on the tasks by including tasks such as staffing and execution, supporters of Fayol's managerial tasks view any addition to these tasks as redundant, since most additions can be included as sub-tasks under the overarching planning, organising, leading/activating, and controlling tasks.

Figure 2-5: Managerial tasks



Source: Adapted from: Sharma and Goyal (2017:13).

2.7.1 Planning

According to Rudani (2020:20), the process of management commences with planning, and therefore, planning is the principal task of management. Ferreira *et al.* (2017:142) posit that planning includes the organising of various thoughts into a structured business plan or documentation that will represent the desired future state of the fast-food franchise. The business plan will include various stages that need to be implemented (Edwards, 2018:46).

Planning therefore helps the leadership of a fast-food franchise to establish where it currently finds itself in terms of its success and determines the actions that will assist in achieving its objectives (Soundaian, 2019:109-110). Achieving the fast-food franchise objectives through the preceded planning can lead to the success of the fast-food franchise (Ferreira *et al.*, 2017:141).

2.7.2 Organising

After planning, organising usually follows (Daft, 2016:8). Organising includes assigning various business activities to the responsible level of management (Section 2.5) to assure that the work is completed, and objectives are achieved (Sharma & Goyal, 2017:17). To achieve the fast-food franchise objectives, managers should assure that all the necessary resources such as materials, workforce, capital, and the like are available to be implemented according to the business plan (Edwards, 2018:46).

Daft (2016:8) asserts that fast-food franchise activities are assigned to the various business departments to which resources are then allocated. Fast-food franchise resources include employees, management, machinery, material, and capital, which are needed to achieve the business objectives (Rudani, 2020:21; Soundaian, 2019:110).

2.7.3 Leading/activating

Leading/activating is the third managerial task. Edwards (2018:46) propounds that to achieve the fast-food franchise objectives through leadership, management requires support and resources. According to Rudani (2020:22), leading/activating includes directing, supervising, and instructing employees to work according to the business plan and allows managers to perform their activities in the most effective manner possible (Chandan, 2014:6). It also helps managers to influence and encourage their respective employees to achieve their desired objectives (Daft, 2016:9).

2.7.4 Controlling

Daft (2016:9) identifies controlling as the fourth managerial task. Fast-food franchises can implement the control function by identifying the objectives that are in line with the fast-food franchise standards (Soundaian, 2019:110). The employees' actions can then be compared with the business plan and the objectives that need to be achieved (Edwards, 2018:46). According to Soundaian (2019:110), the fast-food franchise resources also have to be managed and controlled.

Management can implement control by determining and correcting any aspects that may hinder the fast-food franchise from achieving its identified objectives (Rudani, 2020:22). This can be done through management, who will be observing and supervising the various activities

performed by the respective employees to assure that fast-food franchises achieve their objectives.

In addition to the managerial task, managers also need to fulfil several managerial roles in their businesses (Suselo, 2018:83). According to Potipiroon and Faerman (2016:172), managers are responsible for assuring that the business objectives are achieved by demonstrating the leadership that is depicted through various managerial roles. These roles are, therefore, the specific behaviours managers adopt to accomplish the various managerial tasks.

2.8 MANAGERIAL ROLES

Henry Mintzberg (1990) identified ten managerial roles (Altamony & Gharaibeh, 2017:920) when he contested the conventional beliefs of managerial conduct in his research (Kumar, 2015:12). These ten roles are arranged in three categories, namely interpersonal (Section 2.8.1), decisional (Section 2.8.2), and informational (Section 2.8.3) managerial roles as depicted in Table 2-1 (Griffin, 2017:14; Sinyagin, 2018:295).

Table 2-1: Managerial roles

Fundamental managerial role	Roles
Interpersonal managerial role	Figurehead Leader Liaison
Decisional managerial role	Entrepreneur Disturbance handler Resource allocator Negotiator
Informational managerial role	Monitor Disseminator Spokesperson

Source: Adapted from Griffin (2017:14-15).

2.8.1 Interpersonal managerial role

The interpersonal managerial role is a derivative of the leadership associated with a manager’s position (Altamony & Gharaibeh, 2017:922). A manager that depicts an interpersonal managerial role has self-knowledge and has an impact on employees through encouragement (Rahman & Uddin, 2016:241). According to Griffin (2017:14), interpersonal roles entail the role of interacting with individuals and include figureheads, leaders and liaison roles (Table 2-1).

The figurehead role, according to Altamony and Gharaibeh (2017:922), allows managers to depict authority, while the leader role establishes relationships with employees. The liaison role allows managers to work with individuals outside their direct business unit (Williams, 2015:15). The

interpersonal managerial role is undeniably important to assure that efficient relationships with various business stakeholders are established (Bartelings *et al.*, 2017:343).

2.8.2 Decisional managerial role

Managers manage complex situations, negotiate for resources, or depict the role of an entrepreneur. The decisional managerial role, therefore, entails the roles associated with managers' decision making in terms of entrepreneurship, the handling of disturbances, the allocation of resources and negotiation (Table 2-1) (Griffin, 2017:15).

According to Altamony and Gharaibeh (2017:921), as entrepreneurs, managers initiate innovation and as disturbance handlers, they manage problems. The authors further explain that as negotiators, managers continuously negotiate with suppliers for improved delivery, lower prices, and quality. As resources allocators, managers need to decide how and where to allocate the scarce resources within their businesses. According to Rahman and Uddin (2016:241), managers who depict a decisional managerial role can be identified by their clear thinking and ability to be decisive regardless of customer demands or unpredictable situations.

2.8.3 Informational managerial role

According to Griffin (2017:14), informational roles entail the collection, processing, and dissemination of information, which managers collect inside and outside their businesses. Subsequently, applicable information needed to achieve business objectives is processed and distributed internally and externally to those stakeholders that need it (Williams, 2015:15). Mintzberg (Botha & Vrba, 2021:52) identifies three informational managerial roles, namely that of the monitor, disseminator, and spokesperson (Table 2-1).

As a spokesperson, a manager conveys information to stakeholders externally, and as a disseminator, a manager conveys information internally to employees (Altamony & Gharaibeh, 2017:922). Adhering to their monitoring roles, managers identify internal and external challenges that could have a negative influence on their businesses. Managers, therefore, must have the ability to monitor the internal business environment's strengths and weaknesses and adapt according to opportunities and threats in the external business environment (Section 2.10) (Rahman & Uddin, 2016:241).

Despite the general acceptance in business management literature of Mintzberg's delineation of the ten managerial roles, several scholars have criticised these roles as being limiting (Diskienė *et al.*, 2018:44). In this regard, Bartelings *et al.* (2017:345) emphasise that more roles should be included, such as the orchestrational role, which allows managers to work together in managing their networks. Güleriyüz and Duygulu (2020:33) argue that, while Mintzberg emphasises all

managerial roles as bearing equal importance, in recent times roles such as the decisional and disturbance handling roles have gained prominence above other roles. However, despite the criticism, Griffin (2017:14) admits that Mintzberg’s ten managerial roles is still one of the best models that indicate what managers actually do. In essence, the effectiveness of the managerial roles depends to a large extent on the managerial skills and competencies that managers possess.

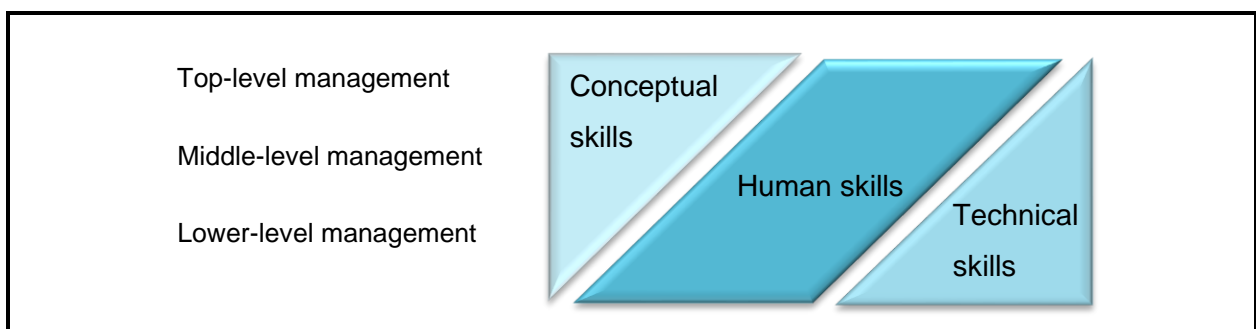
2.9 MANAGERIAL SKILLS AND COMPETENCIES

Managers that are successful in executing their tasks and roles possess certain skills and competencies (Booyesen, 2015:8). Managerial skills and competencies are critical in assuring continuous service quality, which will result in improved customer satisfaction (Pakurár *et al.*, 2019:1116). These managerial skills (Section 2.9.1) and competencies (Section 2.9.2) can be enhanced throughout the managers’ profession (Custódio *et al.*, 2019:1).

2.9.1 Managerial skills

Managers use their managerial skills to execute their roles and work more effectively towards achieving the business objectives (Smutny *et al.*, 2016:15). In fast-food franchises, these skills, which can be developed throughout a manager’s profession, would also reflect the abilities of managers to effectively execute their managerial tasks (Booyesen, 2015:12; Chen *et al.*, 2020:5; Custódio *et al.*, 2019:1; Ibay & Pa-alisbo, 2020:149-150). Three core managerial skills have been identified by various authors as conceptual skills (Section 2.9.1.1), human skills (Section 2.9.1.2), and technical skills (Section 2.9.1.3) (Akhwaba *et al.*, 2020:82; Mukarromah *et al.*, 2019:540; Mutohar & Trisnantari., 2020:23).

Figure 2-6: Model of managerial skills



Source: Adapted from Tyrańska (2016:33).

2.9.1.1 Conceptual skills

Conceptual skills are referred to as the skills that give managers the ability to identify various problems and communicate identified needs and objectives (Mukarromah *et al.* 2019:540). In fast-

food franchises, conceptual skills, therefore, allow managers to visualise relationships as a whole (Ikupolati *et al.*, 2017:2). This assists in determining the various functions in the fast-food franchise and their influence on each other (Matsuo, 2019:306). It also assists in understanding where each department should be located within the franchise and determining how the franchise will be positioned in its industry (Samson *et al.*, 2020:17).

Ikupolati *et al.* (2017:2) further discuss that conceptual skills include how managers think and process information as well as their aptitude to plan ahead. According to Mutohar and Trisnantari (2020:24), conceptual skills can be obtained through education and experience, and as these skills are improved, so will the manager's ability to achieve business objectives and higher levels of service quality (Mutohar & Trisnantari, 2020:23). Another conceptual skill of fast-food franchise managers that can be improved is the ability not only to think strategically but also act in the long-term interest of their franchises and their respective customers (Samson *et al.*, 2020:17).

2.9.1.2 Human skills

Human skills can be defined as the ability to understand other people (Trivedi, 2019:6). Human skills are therefore referred to as skills of human relations and, consequently, it is the ability of the manager to create meaningful relations with other people (Mukarromah *et al.*, 2019:540). The authors further denote that these relationships are supportive and efficient and assist managers in managing both individuals and groups (Mutohar & Trisnantari, 2020:23).

Human skills give managers the ability to understand their employees' behaviours, emotions, and aspirations (Mukarromah *et al.*, 2019:540). This understanding allows managers to encourage, communicate and guide their employees (Samson *et al.*, 2020:18; Trivedi, 2019:6). Since human skills also entail the development and capacity building of employees in terms of quality service delivery (Janahi & Al Mubarak, 2017:596), these skills are essential in the management of service quality in fast-food franchises (Mukarromah *et al.*, 2019:540).

2.9.1.3 Technical skills

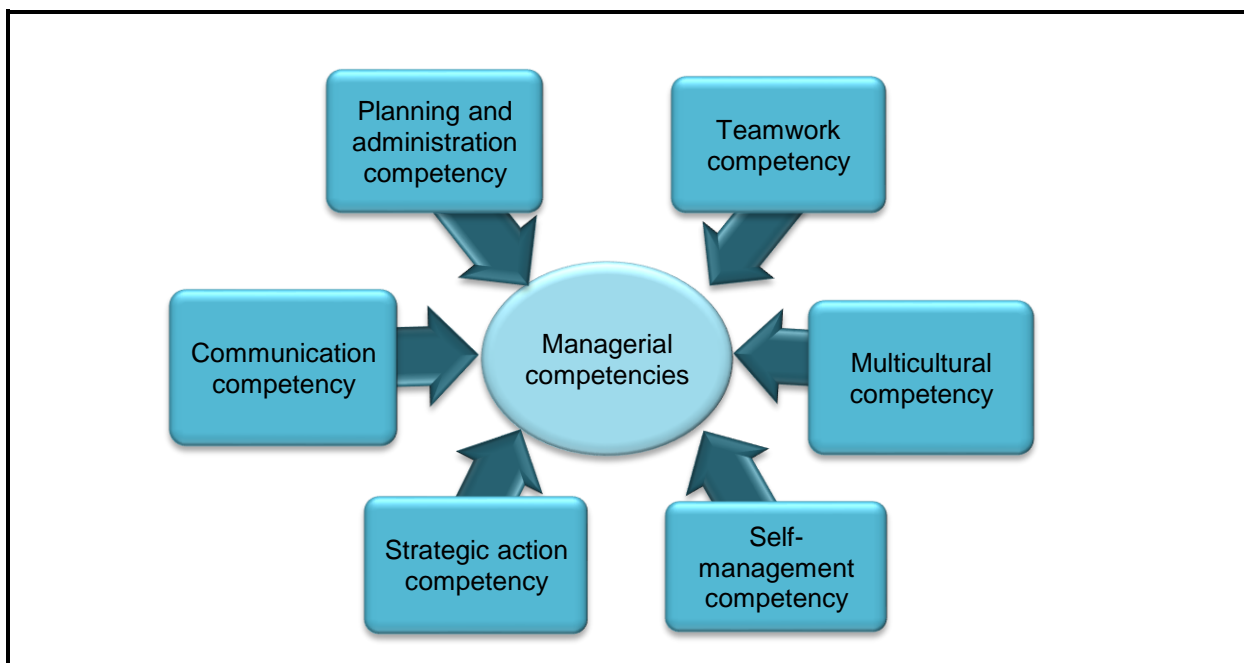
Technical skills are vital at any managerial level (Trivedi, 2019:5). Mutohar and Trisnantari (2020:23) and Samson *et al.* (2020:18) maintain that technical skills are profession-specific knowledge and practices which also include the equipment utilised in the various business functions. The authors further mention that technical skills entail the ability to resolve challenges through competently utilising applicable tools and methods. The ability to utilise these tools allows for the business tasks to be completed efficiently (Mukarromah *et al.*, 2019:540). In fast-food franchises, these skills will typically refer to managers' knowledge of equipment, such as the working of a pizza oven in a pizza franchise or the ingredients used in MacDonald's Big Mac Burger.

The abovementioned three managerial skills play an integral part in the success of fast-food franchises (Chen *et al.*, 2020:8). Being able to solve problems and understanding the industry in which the franchise operates (conceptual skills), understanding employee needs and focusing on their development (human skills) and having knowledge about the inner workings of the franchise (technical skills) are all managerial skills that contribute to the success of franchises and ultimately the enhancement of service quality (Hawi *et al.*, 2015:725; Sunindijo *et al.*, 2017:63).

2.9.2 Managerial competencies

Managerial competency entails possessing prerequisite skills, knowledge and abilities that will make managers suitable for a specific position (Lotich, 2019). According to Apriana *et al.* (2019:1323), managers need to possess specific managerial competencies that enable them to perform their tasks effectively and successfully (Aslan & Pamukcu, 2017:2). For fast-food franchise managers to be competent enough to execute their managerial tasks and fulfil their managerial roles, Chikwe and Biriowu (2019:20) and Kaul (2015:14) argue that managers need to possess certain abilities, which can be enhanced through training and development (Veliu & Manxhari, 2017:59).

In the literature on managerial competencies, there is little consensus between researchers about the specific managerial competencies managers should possess. For instance, Hawi *et al.* (2015:725) identify fourteen managerial competencies while Lotich (2019) identifies twelve competencies that managers should possess. Nevertheless, Manxhari *et al.* (2017:196) assert that the various identified managerial competencies are not set in stone, as no identified set of managerial competencies portray the complete role of a manager, and therefore these roles should, instead, be tailored to business' needs instead. This study, therefore, focuses on the six core competencies widely outlined in various literature on managerial competencies (Bhardwaj, 2016:47; Mallillin & Mallillin, 2019:1), namely strategic action (Section 2.9.2.1), communication (Section 2.9.2.2), planning and administration (Section 2.9.2.3), teamwork (Section 2.9.2.4), multicultural competencies (Section 2.9.2.5) and self-management (Section 2.9.2.6), as these competencies are most appropriate within the fast-food franchise industry. For the purpose of this study, these core competencies are elaborated on within the context of fast-food franchises.

Figure 2-7: Model of managerial competencies

Source: Adapted from Manxhari *et al.* (2017:192).

2.9.2.1 Strategic action competency

According to Chikwe and Biriowu (2019:20), strategic action is the competency of having a thorough understanding of a business's overarching values and missions. For fast-food franchise managers, this would entail all their actions when guiding their employees towards their franchises' missions, visions, and overall business strategy (Kaul, 2015:14).

Strategic action competencies consist of three dimensions, namely knowledge of the industry, knowledge of the business and the ability to execute strategic action (Chikwe & Biriowu, 2019:22-23). In the fast-food industry, managers' strategic action competencies entail not only the knowledge they obtain about their customers but also how they act on that information to enhance service quality and thus assure repeat purchases (Chen *et al.*, 2021:268). Therefore, according to Mkhize (2017:4), managers need to fully understand the fast-food industry in which they operate and comprehend their franchises' missions and values to guide them in the decisions they make toward enhanced service quality.

2.9.2.2 Communication competency

According to Rajah and Al-Islami (2014:169), communication and service quality has an impact on customer satisfaction in the fast-food industry. Communication can be described as the conversion of information through verbal, written or other means in order to convey specific messages (Karemore, 2018:119). The nature and effectiveness of communication in businesses are essential elements when predicting the success of fast-food franchises (Yusof *et al.*, 2017:96).

Therefore, for managers to manage their fast-food franchises effectively, they need to possess the competency of communicating effectively (Nikolic *et al.*, 2018:538). This competency not only refers to formal communication within a franchise but also informal communication, which is necessary for conversations on issues within the franchise that should be managed (Kaul, 2015:14). Not being able to communicate effectively with employees or customers could have a negative effect on the quality of employees' work and result in misinformation reaching customers (Henrico & Visser, 2017:193), which in turn would influence the service quality offered by fast-food franchises.

2.9.2.3 Planning and administration competency

This competency entails both planning and administration and consists out of three elements, namely the management of time, the organising of tasks and the collection and analysis of information (Bhardwaj, 2016:53). According to Chikwe and Biriowu (2019:20), the planning and administration competency entails determining which tasks should be completed and then managing the process of distributing resources to assure the tasks can be completed. Tasks are also completed through the grouping of employees into teams to complete various task sets and ultimately the fast-food franchise objectives (Steyn & Van Staden, 2018:679).

2.9.2.4 Teamwork competency

Managers must not only create teams but also ensure that team members work collectively towards the achievement of business goals. In fast-food franchises, customers continuously assess the teams' effectiveness in terms of the service quality offered (García-Buades *et al.*, 2020:4). According to Chikwe and Biriowu (2019:20-21), teamwork competencies consist of three dimensions, namely the designing of teams, forming a supportive environment, and team dynamics. Salas *et al.* (2018:395) remark that no two teams are the same or created to be identical, as teams include different members with varying characteristics. Teams that are successful are teams that use their collective efforts to achieve the fast-food franchise objectives (Lacerenza *et al.*, 2018:517).

2.9.2.5 Multicultural competency

As relationships are formed, managers possess the ability to work with customers and employees in various professions with different multicultural society experiences (Hladik & Jadama, 2016:670). Managers that possess multicultural competencies are able to manage a diverse workforce effectively, regardless of their employees' cultural backgrounds. (Moghavvemi *et al.*, 2018:916). Multicultural competence is therefore a competence that includes employees' and

managers' consciousness, knowledge, and ability to form relationships with numerous cultures and ethnic groups (Lehman *et al.*, 2017:109).

2.9.2.6 Self-management competency

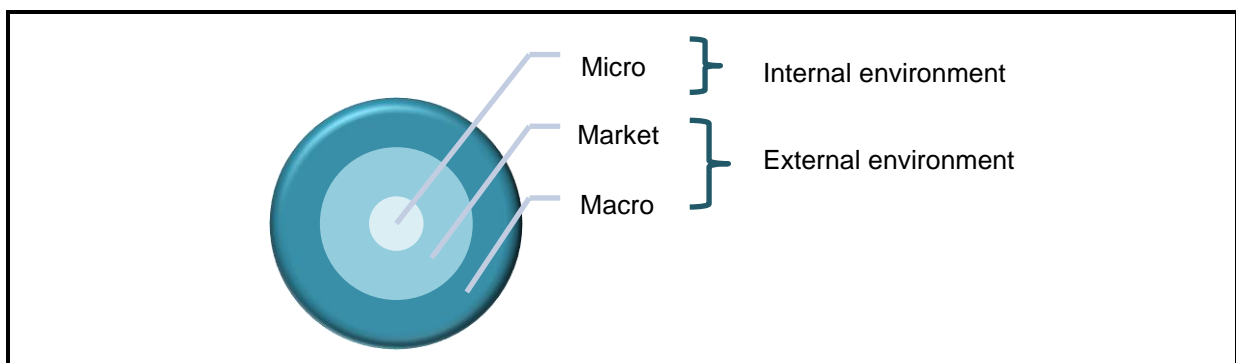
According to Kaul (2015:14), managers need to possess self-management competencies in order to have persistence, flexibility and ensure a balance between their work and personal life. The author further denotes that self-management competencies entail the integrity needed to conduct business operations in an ethical manner. It ensures that managers are responsible for their personal and work lives (Chikwe & Biriowu, 2019:20). While various competencies have been identified that contribute to fast-food franchises' competitiveness in dynamic environments, self-management competencies are considered one of the most essential competencies for managers who want to achieve a competitive advantage for their businesses in the industry (Steyn & Van Staden, 2018:1-2).

As stated in this section on managerial competencies, the competitive advantages of a fast-food franchise depend to a great extent on its managers' competencies (Veliu & Manxhari, 2017:59). The more competencies' managers possess, the more equipped a business will be to survive the pressure in the business environment (Chikwe & Biriowu, 2019:20). Businesses can also implement various means of enhancing their competitiveness, such as decreased costs, high-quality products, and customer service (Jayaraj & Dharamraj, 2016:103).

2.10 BUSINESS ENVIRONMENTS

In order for the identified fast-food franchise objectives to be achieved, the internal and external business environments need to be analysed (Section 1.3.1). From this analysis, managers can identify the aspects that need to be managed to ensure that they achieve the business objectives.

Figure 2-8: The business environments



Source: Researcher's own compilation.

2.10.1 Micro environment

When managers analyse the variables in the micro environment that impact on the franchise's functioning, they gain an understanding of the weaknesses and strengths they have control over that need to be managed to ensure optimal functioning (Fleisher & Bensoussan, 2015:109; Talmi, 2020). Some of the most noteworthy variables are subsequently discussed.

2.10.1.1 Mission statement and objectives

According to Witcher (2020:11), a fast-food franchise's mission statement depicts its overarching purpose and objectives. The objectives indicate the desired outcomes and should be managed efficiently to assure that the fast-food franchise achieves its purpose (Witcher, 2020:37). The mission statement is also used to communicate with the fast-food franchise's various stakeholders, as the mission statement bears the fast-food franchise's values and beliefs that assist in positioning the fast-food franchise in the eyes of their stakeholders (Lin & Ryan, 2016:150).

2.10.1.2 Business functions

The business functions, which are discussed in detail in Section 2.6, are variables that enable fast-food franchises to group all related activities for focused performance. Therefore, the allocation of resources within a fast-food franchise is managed and coordinated through the various business functions (Rudani, 2020:4; Sofie & Fitria, 2020:38).

2.10.1.3 Production factors

According to Booyesen (2015:29), the production factors include the various resources that the fast-food franchise can utilise to limit the threats in the external environment. According to Shkarlet *et al.* (2020:415), the production factors include labour, assets in the form of land, entrepreneurship capabilities and capital.

To analyse the abovementioned variables, there are three main techniques managers can use (Pratap, 2017), which are subsequently discussed.

2.10.1.4 Techniques

Ehlers and Lazenby (2019:144-156) name three techniques used to analyse the variables in the micro environment, which are the resource-based view, value chain analysis and the functional approach. The first technique discussed below evaluates the fast-food franchise resources to determine whether the fast-food franchise could utilise these resources to achieve their identified objectives (Gellweiler, 2018:5).

2.10.1.4.1 Resource-based views

Various corresponding theories share the view that fast-food franchises have various value-adding resources. The resource-based view (RBV) is founded on the viewpoint that fast-food franchises can assure a competitive advantage if their resources are managed internally (Witcher, 2020:29). The resource-based view, therefore, only focuses on the internal environment of the fast-food franchise and not the external environment (Gellweiler, 2018:3).

The resource-based view takes into consideration the various tangible and intangible resources as well as the fast-food franchise capabilities, which are evaluated to determine the attributes they hold (Moran, 2015:43). According to Van Noordwyk and Van Tonder (2019:2), these resources can be divided into four distinct types, namely information, financial, human, and physical resources.

The attribute used to assess the resources are based on the criteria of VRIN – valuable, rare, imperfectly imitative, and non-substitutable (Lea, 2019). Witcher (2020:29) posits that VRIN also assists in determining whether the resources are strategic. This will contribute to the forming of a strategy that a fast-food franchise can implement to gain a sustained competitive advantage (Lea, 2019). These implemented and managed strategies will allow the fast-food franchise to deal with the external environmental variables and forces that influence the fast-food franchise (Moran, 2015:43).

2.10.1.4.2 Value-chain analysis

One of the most well-known expanses of management is the value chain analysis (Manna *et al.*, 2016:119). The value chain analysis consists of activities utilised to provide a valuable product or service (Sharma & Gaur, 2017:6). The fast-food franchise can benefit from the value chain analysis, as the value chain observes how fast-food franchises can establish their different primary and supporting activities (Grimes & Sun, 2016:96). Bhargava *et al.* (2018:82) describe primary activities as operations, inbound logistics, outbound logistics, customer and marketing and sale, and the support activities, such as procurement, technology development, human resource management and firm infrastructure. The primary activities generate value through the products and services, whereas the support activities augment value through offering substance through the process (Sharma & Gaur, 2017:6). The authors further denote that the manner in which these activities are implemented determines the degree of profitability for fast-food franchises.

2.10.1.4.3 Functional approach

According to Ehlers and Lazenby (2019:148), the functional approach is a technique used to regulate which resources should be allocated to which functional areas in order to determine the effectiveness of the fast-food franchise functioning. An internal audit can be conducted to determine the effectiveness of the fast-food franchise's functional activities by means of an internal factor evaluation (IFE). The IFE is a technique that is used to determine the fast-food franchise's strengths and weaknesses, (Think insights, 2022), by evaluating past performances and comparing the functioning of the fast-food franchise with its competitors in the industry. According to Ehlers and Lazenby (2019:125), the results from the internal factor evaluation will enable managers to determine the importance of the identified functional areas in terms of the success of the fast-food franchise.

As the aforementioned variables in the internal environment are controlled and managed, it allows managers to capitalise on the opportunities and avoid threats in the external environment. While the variables in the internal environment are controllable, the variables in the external environment cannot be controlled due to the dynamics, uncertainty, and complexity of the external environment (Shtal *et al.*, 2018:22).

In the external environment, external conditions are constantly changing due to variables and forces, such as customers and competitors that influence the functioning of the fast-food franchise (Witcher, 2020:16-17). According to Putra *et al.* (2019:301), the external environment consists of two sub-environments, namely the market environment (Section 2.10.2) and the macro environment (Section 2.10.3), which are subsequently discussed.

2.10.2 Market environment

The market environment consists of five forces that indicate the level of competition found in the industry (Safari *et al.*, 2016:73). These forces include the bargaining power of suppliers, threat of substitute products, bargaining power of customers, threat of new entrants and competitive rivalry (Sirajuddin Omsa *et al.*, 2017:10). An industry can be defined briefly as all businesses that offer similar products (Porter, 2014:3). According to Safari *et al.* (2016:73), the concepts mostly found when defining an industry are the threat that existing and new competitors pose with their substitute products as well as the bargaining power of suppliers and customers.

Based on the forces in the market environment, Porter (1979), developed the well-known five forces analysis model, which is used to determine the attractiveness of an industry through assessing the bargaining power of suppliers, threat of substitute products, bargaining power of customers, threat of new entrants and competitive rivalry (Al-Arafati, 2016:436). According to

Khurram *et al.* (2020:2), a fast-food franchise's ability to make a profit when entering the fast-food industry is determined by calculating the collective strength of these forces.

2.10.2.1 Bargaining power of suppliers

Suppliers provide resources to fast-food franchises that use the resources to provide products and services to their customers. Zhang *et al.* (2020:57) assert that the market must be assessed to be able to determine the degree of power that suppliers will have on each other. The degree of bargaining power of suppliers indicates the amount of value that suppliers will be sharing with other suppliers (Prasad *et al.*, 2019:399).

The bargaining power of suppliers is their ability to negotiate with fast-food franchises on price, quality, and distribution channels. For fast-food franchises and suppliers to reach an agreement, these negotiations (bargaining power) often result in the exploitation of weaker suppliers due to the robust power of the stronger suppliers in the agreement (Cho *et al.*, 2019:2). In the South African fast-food industry, suppliers often use their bargaining power to take advantage of easily replaceable fast-food franchises that need large amounts of resources to function effectively (Mhlanga, 2018:5). However, the bargaining power of suppliers is often limited when other suppliers of the same resources are abundant, when the attaining of resources is less important and when substitute products are available (Prasad *et al.*, 2019:399).

2.10.2.2 The threat of substitute products

Substitutes are products with comparable advantages that competitors offer customers to meet similar customer needs (Bakir *et al.*, 2019:882). When substitute products are available at lower prices with greater value, customers will tend rather to buy these products from competitors (Mugo, 2020:34). In South Africa, supermarkets that offer in-store ready-to-eat foods are quickly beginning to substitute fast-food franchises, as they offer convenience and affordable prices (Mhlanga, 2018:3).

As these substitute products are easy to obtain, the force associated with substitutes are weakened (Khurram *et al.*, 2020:7). The opposite is also true. When substitutes are not easy to obtain, the threat of substitutes become stronger. If there are various substitutes available and the products are not differentiated, the profitability of those franchises within the industry will decline (Mugo, 2020:30). Therefore, fast-food franchises need to offer differentiated products with exclusive features at lower than or similar costs as competitors to attract the customers within the industry.

2.10.2.3 Bargaining power of customers

According to Omillo (2019:549), the bargaining power of customers entails the power of customers to pressure businesses into decreasing their prices while insisting on increased quality. A good illustration of this is South Africa, where customers are demanding from fast-food franchises improved customer services and quality products at reduced costs (Mhlanga, 2018:4).

Mugo (2020:33) asserts that when customers' bargaining power is strong, they have the power to demand quality products at decreased prices. The author further explains that this negatively affects the fast-food franchise profits, as quality products increase production costs and decreased prices lead to decreased profits. Customers can influence a business's margins and volumes through buying in bulk, which exerts strong bargaining power (Mugo, 2020:34). Fast-food franchises not only face substantial pressure due to customers' bargaining power but also new entrants into the market.

2.10.2.4 The threat of new entrants

This force can be described as the threat that is posed to existing businesses when new businesses enter the industry and compete with the existing businesses to create value (Safari *et al.*, 2016:74). These new entering businesses add to the dynamic of the industry by seeking out resources and a share of the market (Varelas & Georgopoulos, 2017:122). In South Africa, the fast-food franchise industry is over capacity, as the market cannot support all these national fast-food franchises in addition to the international fast-food franchise brands such as Burger King that are also entering the market (Mhlanga, 2018:3).

The threat of new entrants into an industry depends on the barriers to entry that fast-food franchises encounter as well as the extent of uncertainty and the estimated costs to be incurred when entering the market (Bol *et al.*, 2016:158). Safari *et al.* (2016:74) submit that other causes could also hinder fast-food franchises from entering the market, such as economy of scale, established policies, channels of distribution and the ability to offer differentiated products or services.

According to Bol *et al.* (2016:158), new entrants could influence the ability of the existing fast-food franchises to make a profit. These authors explain that as profits increase in the market, new fast-food franchises would want to take advantage of increased profit levels and, therefore, enter the market. Mhlanga (2018:4) denotes that competition between fast-food franchises for profit results in intense rivalry.

2.10.2.5 Competitive rivalry

Competition can be classified as the opposition experienced between businesses within the same industry and with similar objectives. These similar objectives could be to gain market share, offer lower prices or gain customers (Kilduff, 2019:776). Khurram *et al.* (2020:6) mention that the intensity of competition found in the industry is often based on high or low barriers to new fast-food franchises entering the market. The competitive rivalry force assists in determining the intensity of competition (Kilduff, 2019:776).

Within the context of this study, fast-food franchises not only face various challenges with entering the developing South African market, but they also experience strong competitive rivalry (Mhlanga, 2018:3). According to Mhlanga (2018:3), an illustration of this occurrence was when the Burger King fast-food franchise entered the South African market and experienced competition from other fast-food franchises such as Steers and McDonalds. According to Gregory (2017), fast-food franchises should, therefore, consider the impact of competitors on their sustainability and growth choosing a specific market to enter.

According to Safari *et al.* (2016:73), fast-food franchises should be able to promptly adapt to market competition, as their competitors can imitate any changes that may occur. Porter (2014:194) distinguishes between international competitors, which compel fast-food franchises to develop and stay innovative, and national or local competitors, which compel fast-food franchises to develop new products and services whilst having to decrease their costs and improve their quality. The force of competitive rivalry is immense and is often the most powerful among the five competitive forces (Safari *et al.*, 2016:74). The below Figure depicts the influence of the other four forces on competitive rivalry.

In the above discussion, the forces in the market that cannot be controlled were outlined. Although these forces cannot be controlled, fast-food franchise managers can manage the micro environment such that they are able to impose some degree of influence on these market forces (Richardson *et al.*, 2015:127).

In addition, managers also need to consider the variables within the macro environment that cannot be controlled, since these variables can influence the fast-food franchise directly or indirectly (Nyungu *et al.*, 2019:3).

Figure 2-9: Influence of Porter's other four forces on competitive rivalry



Source: Khurram *et al.* (2020:5) and Wati (2018:2).

2.10.3 The macro environment

While Talamini *et al.* (2013:42-42) suppose that there is no available set of variables encompassing the macro environment, a framework of commonly occurring variables, known as PESTEL, has been widely used in business management literature to portray macro environmental variables (Cepel *et al.*, 2018:22). PESTEL is a framework used to analyse the macro environment and examine the influence it has on businesses in terms of six variables, namely the **political** (Section 2.10.3.1), **economic** (Section 2.10.3.2), **social** (Section 2.10.3.3), **technological** (Section 2.10.3.4), **legal** (Section 2.10.3.5) and **ecological** (Section 2.10.3.6) environments (Tsangas *et al.*, 2019:793). Since these variables are commonly referred to as environmental factors or sub-environments in the macro environment, this study refers to the latter in the discussion of the macro environmental variables below.

2.10.3.1 The political environment

The political environments of a country are formed by various factors (Huxtable & Barnard, 2017:75). According to Song *et al.* (2017:277), these political factors include societal institutes, laws, and policies. Kara (2018:599) asserts that other political factors include the degree of corruption, tax regulations and the solidity found within the government.

Political disturbance could have a significant influence on fast-food franchises and the fast-food franchise industry (Samnani, 2014:39). Political instability in governments and countries could cause investors to become hesitant to invest in a country (Isheloke *et al.*, 2020:33). Rahman (2018) denotes that the various forms of misconduct, exploitation, remonstrations, and violence encountered within the political environment have a negative influence on the economic development of the country and subsequently also the businesses.

2.10.3.2 The economic environment

Various factors influence the comprehensive economy of a country. According to Cepel *et al.* (2018:24), these factors include tax obligations, interest rates and inflation, which form part of a country's economy. Kara (2018:599) asserts that other factors include the gross national product (GNP), gross domestic product (GDP) and exchange rates.

Another factor that has had an influence on the country's economy is the COVID-19 pandemic that has the biggest influence on the fast-food industry due to uncertainty the pandemic is causing, as well as due to the lockdown restrictions that were put in place (Businesstech, 2021). The fast-food franchise industry experienced forced closures during hard lockdown and restrictions which included reduced trading hours, alcohol bans and limited the number of patrons resulting in a negative effect on the economy (Research and markets, 2021).

These factors have a significant impact on fast-food franchises, especially in terms of financing that can be received from banks (Matovic, 2020:97). These economic factors can cause unfavourable economic conditions that could result in the fast-food franchise industry being unfavourable for industry role players and customers, regardless of its important role in sustainable economic development (Shumba *et al.*, 2017:436-437).

The impact of unfavourable economic conditions can be seen in South African statistics, which indicated that during the first year of operation, nearly sixty-two percent of fast-food franchise outlets in South Africa are unsuccessful and eighty-seven percent do not survive after the first five years of operation (Mhlanga, 2018:1).

An economic depression can influence fast-food franchise outlets negatively in the marketplace because it impacts customers' buying power (Samnani, 2014:38). The author further denotes that this is due to customers buying power being dependent on their income, current debts, and credit available.

2.10.3.3 The social environment

The social environment includes cultural trends, expectations, norms, health consciousness, career attitudes, values, and the population's demographics (Kara, 2018:599; Rastogi & Trivedi,

2016:385; Song *et al.*, 2017:277). The demographics entail the size of the population as well as how the population is dispersed. According to Huxtable and Barnard (2017:44) the country's population is divided into various groups according to their current economic statuses, namely lower, middle, and upper class.

The social environment provides insight into the various cultures and trends that the fast-food franchises are attempting to embrace (Nandonde, 2019:57). This is seen in countries such as Japan, where McDonald's base their product offerings on the country's tastes and preferences instead of only offering their traditional menu. The fast-food franchise industry needs to take the population's preferences and cultures into consideration. In South Africa, fast-food franchise managers need to consider that South Africans are embracing the dining out and meat-eating culture (Holmes, 2016). These customers are also becoming more concerned about their health and, therefore, fast-food franchise managers need to assure that they provide healthy options (Agrela, 2019). For example, some fast-food outlets have begun to include banting, keto, and vegetarian options in their menus.

2.10.3.4 The technological environment

Several advancements have been made within the technological environment (Gleeson, 2019). These advancements are based on the technological factors of innovative technologies and trends focusing on development, such as system-wide networks known as intranets (Park *et al.*, 2018:2; Song *et al.*, 2017:277). The development of technology is used within marketing and can include product innovations and new methods of communication to customers (Kara, 2018:599). Although evident in some fast-food franchises, such as KFC, Wimalaratne (2017) urges fast-food franchises to utilise mobile applications, which customers can use to place their orders for easy pick-up or home delivery. In addition, Pratap (2016) suggests that the use of self-help kiosks where customers can place their orders has also changed fast-food franchises in terms of labour costs and ordering methods. Furtado *et al.* (2017:9) furthermore highlight the benefits of online systems for customer satisfaction, as it offers prompt electronic payments, security, and access to the customer data.

2.10.3.5 The legal environment

With regards to the legal environment, legal factors relate to laws, including labour laws, environmental sustainability, and even social responsibility (Kaushik, 2019). Samnani (2014:39) avers that some governments deem some laws more important than others, which can be seen in the fast-food franchise industry where laws are in place that obligate fast-food franchises to utilise paper bags and recycled materials rather than plastic, in addition to all the legislative laws that fast-food franchises in the fast-food franchise industry need to comply with legally.

The franchise agreement is an example of a legally binding contract that indicates the legal status of the franchisor and franchisee and sets out the rules and regulations to which fast-food franchises and respective managers must comply (Sotiroski & Filiposki, 2016:341). Examples of other laws that dictate the operations of fast-food franchises include those in Bermuda, where foreign fast-food franchise outlets have been banned (Jones, 2020).

2.10.3.6 The ecological environment

The ecological environment refers to conditions such as the climate, global changes in weather, geographical locations, water sources, environmental offsets, and ground conditions (Rastogi & Trivedi, 2016:385). Kara (2018:599) mentions that the ecological environment also includes the disposal of waste, ecological problems, and recurring weather patterns. Rahman (2018) mentions South Africa as an example, which faces various challenges in terms of water, waste, and air pollution as well as the decrease in land value and deforestation.

The ecological environment can enlighten fast-food franchise managers on how to assure sustainable development within the country's economy (Wang *et al.*, 2019:227), for example by minimising water, waste, and air pollution and taking care of the country's biodiversity and natural resources (Matovic, 2020:97). Managers can implement the trend of eco-friendly packaging and products within the fast-food franchise (Sabirova *et al.*, 2018:86). Pratap (2016) advises that the government should also assist in ensuring sustainability within the fast-food franchise industry enforcing stringent rules on recycling and waste management.

In order to assure the survival of fast-food franchises in the industry and improve the relationship between the macro environment and the fast-food franchises, managers must constantly consider and revise environmental variables (Otieno *et al.*, 2019:123). The PESTEL framework can be used in this regard by managers to identify those variables in the external environment that create opportunities or threats for business operations (Matovic, 2020:96; Song *et al.*, 2017:276; Tsangas *et al.*, 2019:794). This will give fast-food franchise managers a more precise indication of how best to position their fast-food franchise outlets to satisfy the need of their customers.

2.11 THE CONTEXTUAL POSITIONING OF CUSTOMERS IN THE FAST-FOOD FRANCHISE INDUSTRY

A customer is an individual who purchases from a business through a financial exchange (Sivakumar, 2021). In the abovementioned empathy era (Section 2.3.3), the importance of customers was identified as managers came to the realisation of how critical it is to understand and manage their customers' thoughts and behaviour (Murwani & Tohang, 2020:363). Ehlers and

Lazenby (2019:124) assert that customers are the most important variable in the external environment, as the fast-food franchise's success depends on their customers.

According to Amara and Tiriveedhi (2017:652), Porter's model (1979) is a tool utilised to analyse the forces in the market environment that can influence the success of fast-food franchises. Therefore, the success of a fast-food franchise depends to a large degree on the strong bargaining power of the customers as described by Porter (Varelas & Georgopoulos, 2017:122). Customers' bargaining power is the inverse of supplier bargaining power. This means that as customers' bargaining power increases, the bargaining power of the fast-food franchises will decrease. Consequently, the customers will have the power to insist on lower prices (Padmavathy *et al.*, 2019:20).

Managers' inability to control customers makes customers' bargaining power a challenge, especially when customer evaluations, actions, and reactions are unknown (Cheng & Shen, 2020:2). Ultimately, this contributes to the fast-food franchises having the least influence on their customers in relation to other forces in the market environment (Richardson *et al.*, 2015:127).

Fast-food franchises' success also depends on the degree of customer satisfaction, as no fast-food franchise will be able to survive without satisfied customers (Namin, 2017:70). To assure that customers are satisfied, fast-food managers must have the ability to understand their customers' needs and requirements (Hult *et al.*, 2017:1-3) and then offer quality service that will exceed the customers' expectations and lead to customers being satisfied. Exceeding customers' expectations will lead to customer satisfaction, ensure improved behavioural purchases (Namin, 2017:71) and help the franchise attain a competitive position in the industry (Bashir & Verma, 2017:8).

2.12 FRANCHISE AS A BUSINESS MODEL

Currently, franchise business models are evident in all industries, with the fast-food industry being the largest global franchise sector not only globally but also in South Africa, where this industry makes up more than 25% of the whole franchise sector (Dawson, 2018). According to Seid (2019), the nature of businesses dictates the franchise business models they use, which are broadly categorised as direct-unit, multi-unit, and master franchising.

The most commonly used franchise business model, direct-unit franchising, grants franchisees the right to operate and own a franchise at one location within a specific geographical range (Pegulescu, 2018:10). Multi-unit franchising is a franchising business model where the franchisors grant the franchisees the exclusive rights to establish and operate more than one franchise in a certain geographic area (Hoy *et al.*, 2017:112). Master franchising is similar to multi-unit franchising with the exception that franchisees are granted the rights to larger geographical areas,

such as entire provinces or countries. The latter model is typically used when franchisors implement cross-border market growth strategies to expand their businesses internationally (Dant *et al.*, 2016:197). In this regard, franchisees have the right to sub-franchising, which means they may market and expand their franchises by granting franchise opportunities to franchisees within the cross-border locations (Dawson, 2018).

The expansion of franchises plays an essential role in wealth creation, not only globally but also in local economies (Dada *et al.*, 2015:3). The essentiality of franchising to the economy can be depicted through the provision of increased employment opportunities, improved technology, as well as products and services offered at reasonable prices (Alpeza *et al.*, 2015:9). The economy is becoming more competitive due to service quality being essential, not only in developed countries but also in developing countries (Mmutle & Shonhe, 2017:1).

2.13 SUMMARY

This chapter provided an in-depth literature investigation into the management of the fast-food franchise industry from a managerial perspective. This chapter commenced with an introduction (Section 2.1) followed by the conceptualisation of management in the fast-food franchise industry, which allowed for secondary objective 1 (Section 1.4.1) to be achieved.

This followed by the historical development of business management (Section 2.2). In this regard, it was revealed that it was only during the empathy era that the importance of customers in businesses' sustainability received extensive research and managerial focus (Section 2.3.3). In order to define business management in the context of this study (Section 2.3) the elements of business management (Section 2.4) needed to be incorporated. Although a myriad of descriptions portraying business management emerged, some elements were identified as being universally applicable to all business management contexts.

Next, the management levels (Section 2.5), business functions (Section 2.6), managerial tasks (Section 2.7), managerial roles (Section 2.8), managerial skills and competencies (Section 2.9) were discussed. Thereafter, an in-depth discussion of the internal and external environments in terms of the micro, market, and macro environment (Section 2.10) was presented to provide a comprehensive understanding of the variables that influence the business.

On a micro level, the elements include the levels on which managers operate in businesses, the functions that managers execute within these business levels, management tasks, managerial skills and competencies, and managerial roles. In terms of the market and macro environments, managers need to understand the variables that influence the sustainability of fast-food franchises. In this regard, managers need to possess the abilities to manage their fast-food franchises in a manner that will limit the impact of threats and capitalise on opportunities in the

external environment. The discussion indicated that customers are situated in the market environment of the external environment.

In addition to the aforementioned discussion points, this chapter explicated contextual aspects, namely the contextual positioning of customers (Section 2.11) in the fast-food franchise industry and the franchise as a business model (Section 2.12).

Overall, this chapter revealed that the success of fast-food franchises depends on the degree of customers satisfaction, as no fast-food franchise will be able to survive without satisfied customers. Before any strategies towards customer satisfaction can be devised or implemented, managers firstly need to analyse their customers' service quality expectations and experiences. Therefore, this study focuses on analysing fast-food franchise customers' expectations and experiences of the service quality they receive to highlight the areas on which fast-food franchise managers should focus more attention. The next chapter provides a literature investigation on customer expectations and experience which need to be analysed to understand the needs of customers and which need to be managed to ensure enhanced service quality.

CHAPTER 3

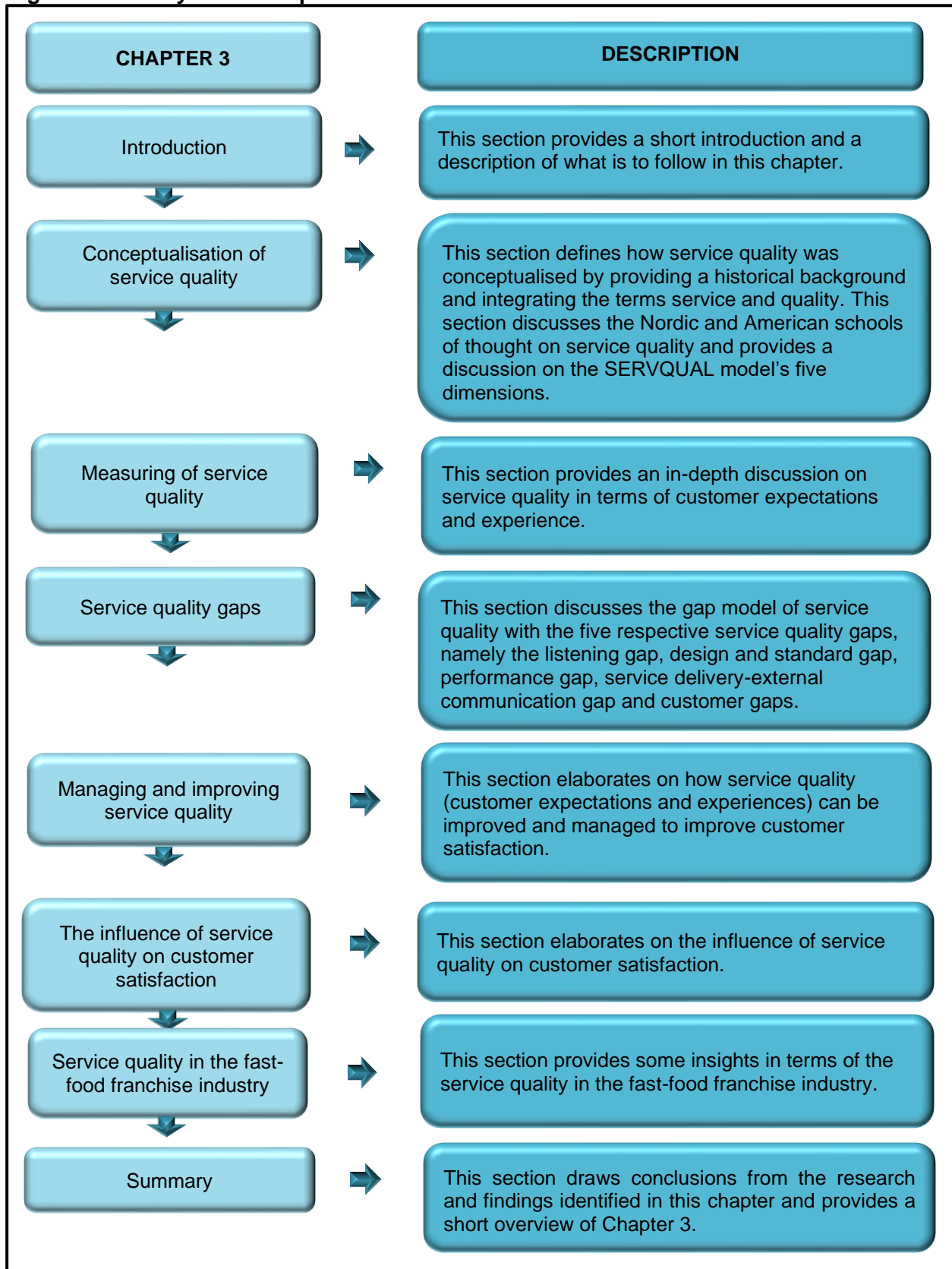
CUSTOMER EXPECTATIONS, EXPERIENCES AND SATISFACTION

3.1 INTRODUCTION

As discussed in Chapter 2 (Section 2.1), customers have various requirements, preferences, and expectations that businesses need to meet through quality products and services (Alolayyan *et al.*, 2018:545). Customer satisfaction, therefore, depends on the ability of a business to meet customer expectations (Poushneh & Vasquez-Parraga, 2017:97-99). The authors further denote that should the customer's expectations be met, it would lead to high levels of customer satisfaction. Conversely, if the expectations are not met, it could lead to low levels of customer satisfaction (Alzaydi *et al.*, 2018:309). This is seen in Figure 3-5, which illustrates the influence of service quality components on customer satisfaction. It is of utmost importance that managers are well-versed regarding their customers' expectations in order to determine whether the management of their service offering meets the customers' expectations and ultimately assures high levels of customers satisfaction (Pakurár *et al.*, 2019:1113).

This chapter focuses on achieving secondary objective two of this study by providing a theoretical foundation of service quality (in terms of customer experience, expectations, and customer satisfaction) in the fast-food franchise industry (Section 1.4.2). The chapter commences with an introduction (Section 3.1) and the conceptualisation of service quality (Section 3.2) according to the Nordic and American schools of thought. Stemming from this discussion, the American school of thought will provide a thorough discussion on the various SERVQUAL dimensions. Next follows the measuring of service quality (Section 3.3), where service quality in terms of customer expectations and experiences is deliberated. Subsequently, the gap model of service quality and the identifying of the service quality gaps (Section 3.4) are discussed followed by the management and improvement of service quality (Section 3.5). This chapter then provides a discussion on the influence of service quality on customer satisfaction (Section 3.6) and provides some insights to the service quality in the fast-food franchise industry (Section 3.7). The chapter concludes with a summary section (Section 3.8). The chapter layout is depicted below in Figure 3-1.

Figure 3-1: Layout of Chapter 3



Source: Author's own compilation.

3.2 CONCEPTUALISATION OF SERVICE QUALITY

Product and service quality dates back to the 1300s when unions in medieval Europe enforced severe rules regarding service quality and the deliverance of faultless products, which were then characterised by unique identification marks (ASQ, 2021). In the late 19th century, Frederick W. Taylor implemented inspection as an instrument for quality management to ensure that faulty products did not reach the customers (Mukhtar *et al.*, 2017:202). Although quality management focused, until the 1930s, mostly on product quality, the 1950s saw a move away from product positioning and toward service positioning, as customers demanded added value in the form of service quality. It was only since the 1980s that service quality was established as a distinct research discipline (Alzaydi *et al.*, 2018:299; Lemon & Verhoef, 2016:72; Mukhtar *et al.*, 2017:202). Although practitioners and academicians had recurrently focused on service quality during this time, it had not been defined in a manner that could direct management decisions (Grönroos, 1984:36).

In an attempt to clarify service quality, Grönroos (1984:36-37), one of the proponents of service quality, defined service quality as the result when customers' expectations of the service they receive are compared with the actual experiences of the service they receive. This definition has led to the deliberation of the concept by various researchers, which resulted in the development of several literature sources on service quality (Mukhtar *et al.*, 2017:202). From the literature on service quality, it is noted that in order to grasp the full extent of the service quality concept, the concepts of service and quality need to be delineated.

Pakurár *et al.* (2019:1114) assert that the concept of service can be abstruse and intricate to define, since there is no universally accepted definition thereof, as each individual defines service in a different manner. Market Business News (2020) contends to the aforementioned statement and defines a service as the intangible interactions offered by an individual or business in return for payment. Therefore, service offerings are essential to the functioning of businesses and should therefore be managed (Neupane & Devkota, 2017:167).

Quality, on the other hand, refers to the overall evaluation of a service by a customer (Pakurár *et al.*, 2019:1114). The evaluation is based on whether the product or service meets the customers' expectations. Neupane and Devkota (2017:167) presuppose that the quality offered by businesses has the aptitude to convey customer satisfaction.

Through the amalgamation of the concepts of service and quality, the synthesised concept of service quality is formed. Kiran and Diljit (2017:97-99) define service quality as the degree to which customers are satisfied with the service they receive. Ultimately, customers' expectations of service quality, together with their experiences of the services being offered, determine the

level of customer satisfaction. Makanyeza and Chikazhe (2017:542) posit that when customers experience businesses' services as being superior, this could be referred to as service quality.

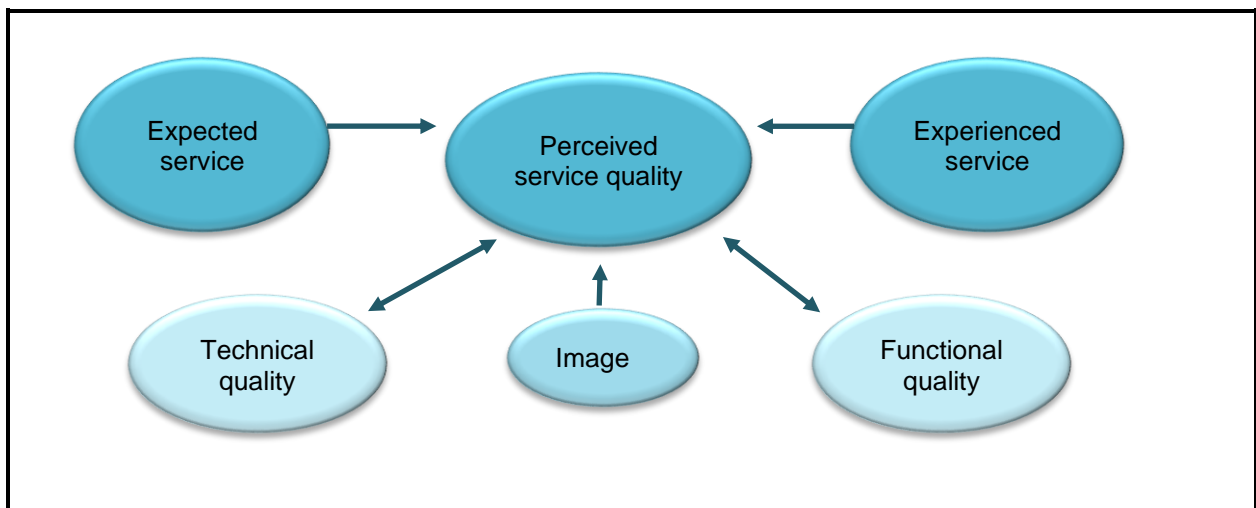
Since customers' expectations of service quality differ, they often experience the same service offerings differently. This leads to service quality being subjective and difficult to measure. Although various researchers have theorised the measuring of service quality, the Nordic school of thought (Section 3.2.1) and the American school of thought (Section 3.2.2) have made the greatest advances on the measuring of service quality (Meesala & Paul, 2018:261).

3.2.1 Nordic school of thought

The Nordic school of thought presupposes that service quality is a comparison between the customers' expectations of the service and their experience of a service (Ismail *et al.*, 2017:179). In 1984, as an advocate of the Nordic school view, Grönroos (1984) developed a two-dimensional model of technical and functional quality (Priporas *et al.*, 2017:698).

In this model, as depicted in Figure 3-2, Grönroos (1984) suggests that service quality is determined by the image customers have of a business and that this image stems from the technical quality (output) and functional quality (process) of the services rendered (Babic-Hodovic *et al.*, 2017:115; Rengkung *et al.*, 2017:1176).

Figure 3-2: Two-dimensional model of technical and functional quality



Source: Adapted from Grönroos (1984:40).

In support of the two-dimensional model of technical and functional quality developed by Gronroos (1984), Kasiri *et al.* (2017:92) report that the level of customer satisfaction is determined by what customers receive from businesses (technical quality) as well as how they receive it (functional quality).

In the fast-food franchise industry, technical quality will typically include customers' expectations and experiences pertaining to what they receive (Du Plessis, 2015:19) as a result of their

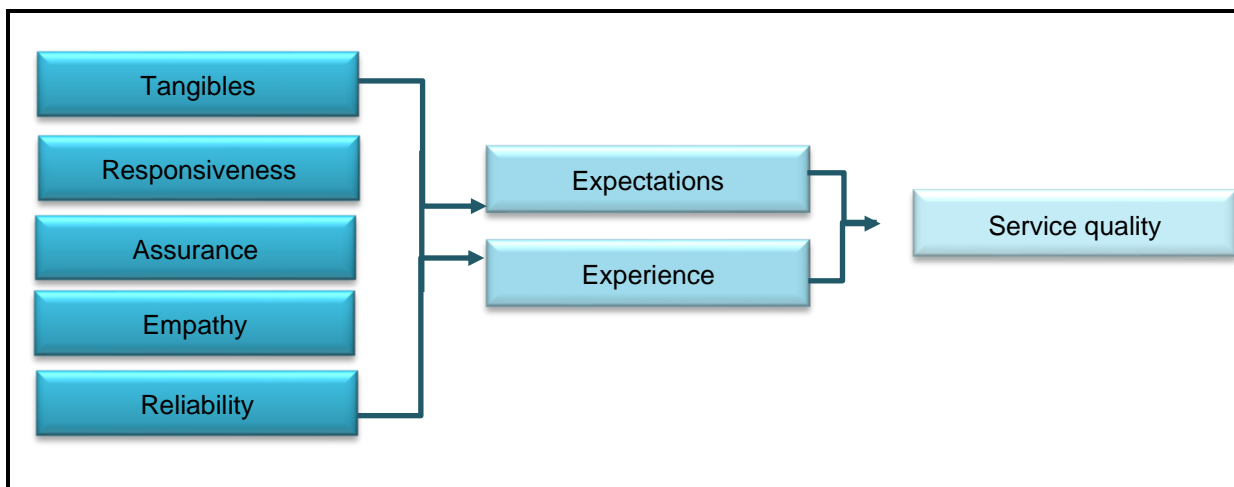
interactions with the fast-food franchises (Ismail *et al.*, 2017:180), such as inexpensive food. Functional quality, on the other hand, includes the customers' expectations and experiences of how they receive the services (Ismail *et al.*, 2017:180). This can typically relate to the promptness of the service and convenience of how the fast-food is received by the customers (Du Plessis, 2015:19).

Technical quality is relatively objective and, therefore, fairly easy to measure; however, the subjectivity associated with functional quality makes the measuring of service quality, as a whole, more difficult (Almomani, 2018:14). In this regard, the American School of thought has contributed extensively to the measuring of the subjective elements of service quality.

3.2.2 American school of thought

According to Banahene *et al.* (2017:20-21), the Nordic school of thought established the foundation of the SERVQUAL model through the various research conducted by Nordic researchers and researchers from the United States of America (USA). After the foundation of the SERVQUAL model was established, the model was further developed and utilised by the American school of thought (1988). Initially, the model included ten dimensions (tangibles, reliability, responsiveness, competence, courtesy, communication, access, credibility, security and customer knowledge), which the American school combined and reduced to five dimensions (Ali & Raza, 2017:560; Boadi *et al.*, 2019:504; Priporas *et al.*, 2017:698). Meesala and Paul (2018:261) agree that the SERVQUAL model's five dimensions establish a system of quality that will improve service quality (Figure 3-3). These dimensions are tangibles (Section 3.2.2.1), responsiveness (Section 3.2.2.2), assurance (Section 3.2.2.3), empathy (Section 3.2.2.4) and reliability (Section 3.2.2.5), which are discussed in subsequent sections.

Figure 3-3: SERVQUAL model



Source: Adapted from Ghotbabadi *et al.* (2015:276).

3.2.2.1 Tangibles

Haming (2019:25) indicate tangibles as the most noticeable dimension of the SERVQUAL model, since it is the only dimension that can be physically observed by customers. The tangibles dimension, therefore, refers to customers' expectations and experiences of the physical buildings or facilities, the overall appearances of the businesses, the image of the employees, the equipment, displays, tidiness and accessibility in the establishments (Ahmed *et al.*, 2017:479; Ali & Raza, 2017:560).

The fast-food franchise can gain an advantage from customers experiencing the tangible environment as favourable in terms of aspects such as the decorations, colours, tidiness, and aromas, as this will encourage customers to increase their purchases and purchase frequency (Xiao *et al.*, 2019:2). On the other hand, the experience of an unfavourable environment in terms of the facilities or equipment not being up to date could be disadvantageous to the fast-food franchise, as it would mean that customers' expectations are not being met (Dalangin *et al.*, 2020:24). An example of the tangible dimension not being met in terms of broken equipment is McDonald's' soft serve machines, which customers have reported as being out of order most of the time (Ellis, 2017). According to Franceschini and Mastrogiacomo (2018:89), managers must therefore assure that the following key features are present to ensure that a positive tangible dimension is experienced by customers:

- Up-to-date equipment;
- Visually appealing facilities;
- Well-dressed appearance of employees; and
- The appearance of physical facilities in keeping with the type of service provided.

Makanyeza and Chikazhe (2017:542) emphasise that, since tangibles are assessed as part of service quality, business managers must ensure that customers' expectations are met in this regard.

3.2.2.2 Responsiveness

Responsiveness can be defined as the willingness of a business to offer services promptly in order to provide customers with undivided attention while meeting their service delivery requests (Al-Neyadi *et al.*, 2018:99; Pakurár *et al.*, 2019:1117). These requests can include customers grievances, queries, and demands (Esmailpour *et al.*, 2017:9). According to Dalangin *et al.* (2020:26), businesses that are responsive to customers' requests often create feelings of trust between themselves and their customers. However, delayed responsiveness often creates feelings of detachment between businesses and their customers. For instance, Kanyan *et al.*

(2016:191) found that the delayed responsiveness of a fast-food franchise in Kuching (Malaysia) in terms of slow food delivery has led to low levels of customer satisfaction. These authors also pose that such situations often result in increased customers complaints, feelings of disappointment and, ultimately, decreasing sales. In order for customers to experience the responsiveness dimension positively, managers need to ensure that the following key features are present and managed (Franceschini & Mastrogiacomo, 2018:89):

- Clarity on when services will be performed.
- Provision of prompt service.
- Employees should be willing to help customers.
- Staff should be accessible when they are needed.

According to Ahmed *et al.* (2017:478), if fast-food franchises improve their responsiveness, it will result in improved customer satisfaction.

3.2.2.3 Assurance

The assurance dimension entails the understanding of customers' needs and the inspiring of confidence in the services provided by businesses (Meesala & Paul, 2018:261). In fast-food franchises, assurance would typically include the employees' knowledge, politeness, as well as their ability to encourage trust (Ocampo *et al.*, 2019:3). According to Narteh (2018:74), as customers interact with fast-food franchises their interactions will influence their expectations and ultimately their experience. When customers experience the employees as being unknowledgeable, inexperienced, uninformed, or ignorant, it could result in customers questioning the employees' capability to understand their needs and their ability to establish trust. A major contributor towards fast-food franchise employees' lack of knowledge about their working environment is the high employee turnover rate in the fast-food franchise industry. According to Beltis (2019), fast-food franchises generally have an annual employee turnover rate of 150%, which results in the attraction of less qualified candidates to fill the open positions and inadequate time for training. According to Franceschini and Mastrogiacomo (2018:89), managers must therefore assure that the following key features are present to ensure that the assurance dimension is experienced positively by customers:

- Staff should create feelings of security and safety when caring for and communicating with customers;
- Customers should feel safe when they conduct transactions with the fast-food franchise;
- Employees should be courteous when dealing with customers; and

- Employees should know how to satisfy customer needs.

Adhering to the abovementioned key features will increase the confidence of customers in the abilities of fast-food franchise employees, which would ultimately increase the fast-food franchises' trustworthiness (Pakurár *et al.*, 2019:5).

3.2.2.4 Empathy

The empathy dimension can be described as businesses' abilities to make their customers feel that they are important through personal attention and a sense of care (Ali & Raza, 2017:560; Pakurár *et al.*, 2019:1117). According to Ahmed *et al.* (2017:478), the individual attention customers receive will lead to feelings of care and understanding.

Empathetic responses towards customers' needs often lead to respectable relationships with the customers, as customers feel that they are cared for (Dalangin *et al.*, 2020:26). However, if fast-food franchises are lacking in personal attention or understanding their customers' personal needs, the customers might feel misunderstood and unimportant (Esmailpour *et al.*, 2017:9).

According to Melton (2020), this is seen in fast-food franchises when customers complain about a long queue in which they have to wait before being assisted, or when fast-food franchise employees show up to work with a poor temperament, which results in them acting rudely towards the customers. Managers therefore need to assure that the following key features are present in order for customers to experience the empathy dimension positively (Franceschini & Mastrogiacomo, 2018:89):

- Employees should give individual and personal attention to each customer;
- Employees should recognise customers' interests;
- Businesses should have their customers' best interests at heart; and
- Employees should understand their customers' needs.

Ahmed *et al.* (2017:478) presuppose that understanding customers will assist in meeting their expectations. According to Pakurár *et al.* (2019:5), the empathy dimension is essential in making customers feel important and that they are seen as a priority by the fast-food franchise.

3.2.2.5 Reliability

This dimension entails the ability of the businesses to provide their services consistently and precisely (Meesala & Paul, 2018:261). In following the notion of Pakurár *et al.* (2019:1117) about the reliability dimension, fast-food franchises would be able to conduct proper services while simultaneously fulfilling the commitments they made to their customers. If fast-food franchises are

able to provide their services successfully and fulfil their commitments to their customers, they would most likely be viewed as reliable (Makanyeza & Chikazhe, 2017:542).

According to Vencataya *et al.* (2019:262), reliability is the most important dimension to be managed by businesses since reliability has a direct influence on the level of customer satisfaction. Furthermore, the reliability dimension is mostly associated with the outcome of the service, while the other four dimensions (tangibility, responsiveness, empathy, and assurance) are generally associated with the delivery of services (Ali & Raza, 2017:562). Therefore, perceptions of unreliability would cause low levels of customer satisfaction at those fast-food franchises (Sahak *et al.*, 2018:27). To illustrate, in 2018, Popeyes, an international fast-food franchise specialising in fried chicken, was scrutinised for not adhering to hygienic requirements in one of their establishments in Birmingham in the United Kingdom (Bryant, 2020). Reports indicate that their food products were not stored properly, used containers were collected to be reused and the floor was covered in rubble. This led to customer distrust in Popeyes' commitment to a hygienic environment, and ultimately, the specific establishment received a food hygiene rating of two out of five by the Birmingham City Council. This rating has labelled the establishment as unreliable in terms of food hygiene, which has led to low levels of customer satisfaction (Scores on the doors, 2021).

To assure customers' positive experience of the reliability dimension, the following key features need to be managed (Franceschini & Mastrogiacomo, 2018:89):

- Products and services must be provided by the promised time;
- Employees must be sympathetic and reassuring when customers have problems;
- The business must be dependable; and
- Accurate records must be kept of their business ventures.

As the reliability dimension is managed, the fast-food franchise will be seen as reliable because they will be able to offer their services precisely to their customers (Anwar, 2017:27).

3.3 MEASURING SERVICE QUALITY

To measure service quality, customers' expectations, and experiences of the services they receive from businesses need to be determined. In this regard, the SERVQUAL model as developed by Parasuraman *et al.* (1988:12) is used to determine the customer expectations and experiences relating to the features of the five dimensions, which are then compared in the gap model of service quality to identify the service inefficiencies (gaps) that exist between customer expectations and experiences (Ali & Raza, 2017:564; Šíma & Ruda, 2019:44). The use of the SERVQUAL model to ascertain the manner in which service quality is measured in terms of

customer expectations (Section 3.3.1) and experiences (Section 3.3.2) is discussed in the section that follows.

3.3.1 Customer expectations

According to Nguyen and Nagase (2020:5), there is a relationship between service quality and customer expectations. Therefore –for fast-food franchises to improve service quality – customer expectations should be understood in such a manner that the franchise is able to satisfy customers' needs and demands (Ramakrishnan *et al.*, 2019:535). Customer expectations can be defined as the overall perceptions customers have of a business prior to their actual experience. Geurts *et al.* (2017:202) distinguish between the following types of customer expectations, namely ideal, normative, unformed, and predictive expectations.

- **Ideal expectations** relate to a customer's belief that a business will deliver a service in a manner that is similar to what the customer anticipated (McDevitt *et al.*, 2018:136).
- **Normative expectations** are expectations that are formed due to customers being encouraged to believe that they will receive a certain outcome based on them being entitled to this outcome (Whitelock-Wainwright *et al.*, 2019:635).
- **Unformed expectations** are expectations that are not yet expressed or formed (McDevitt *et al.*, 2018:136).
- **Predicted expectations** are expectations that are formed based on a customer's previous experiences, and this results in customers expecting this outcome again (Geurts *et al.*, 2017:202).

Belyh (2017) contends that these are not the only types of expectations and suggests that implicit, interpersonal, dynamic, and explicit expectations also form part of the types of expectations. Saleh *et al.* (2016:46) assert that the ability to meet and exceed customers' expectations is of great significance due to the competitive business environment. Failing to meet customers' expected levels of service quality can result in customers having low levels of satisfaction (Nguyen & Nagase, 2020:5). Therefore, businesses should consistently attempt to exceed customers' expectations. Taylor (2021) provides three methods that managers can use when aiming to exceed customers' expectations, namely:

- **Take their time:** The quality of the service provided is more important than solving the problem promptly.
- **Connect with the customer:** Managers can try to get to know and connect with customers to personalise the service.

- **Do more than they would expect:** By doing more than what the customer expects, the customer would not only want to remain loyal to the business, but they would most probably also recommend the products and services to others.

Meeting and exceeding customers' expectations could lead to customer satisfaction (Nguyen & Nagase, 2020:4). Unfortunately, customer expectations change (Alam *et al.*, 2016:57-58), which makes customers one of the variables in the external environment over which managers have the least control (Section 2.11). Consequently, to avoid low levels of customer satisfaction as customers' expectations change, the service outcome must be managed to assure the service offered exceeds the customers' expectations (Onyango & Wasike, 2018:203).

The ability to manage customer expectations will indicate to customers that these businesses can provide high-quality services. High service quality can also be subject to the customer's actual service quality experience (Nguyen & Nagase, 2020:5).

3.3.2 Customer experiences

Customer experience has gained more attention in the last three decades as businesses focused more on improving customers' experience (Jain *et al.*, 2017:642). Customer experience is the response of customers that results from their interaction with the business and service elements (Jaakkola *et al.*, 2015:186). The customer's response can occur at any stage of their interactions with businesses, namely pre-purchase, purchase, or even post-purchase (Gahler *et al.*, 2019:426). McColl-Kennedy *et al.* (2019:9) note that any previous experience could create an expectation of continued interaction between the business and the customers. According to Hotjar (2021), the importance of customer experience can be seen in the benefit it offers, such as:

- **Customer loyalty:** If the customer's experience is positive, they will remain loyal to the brand and continue to support the business.
- **Customer satisfaction:** If the customer's experience is positive, they will feel content and satisfied with the business's experience offering.
- **Improved recommendations:** If the customer experience is positive, they will inform and encourage other potential customers to also do business with this business.

In order to enhance customer interactions, businesses can include the sensory dimension of experiences, which comprises personal interactions with the product and brand, such as tasting, hearing, seeing, and touching (Watkinson, 2019:108). According to Peppers and Rogers (2017:79-80), businesses can enhance their customers' experiences and relationships through the following four tasks:

- **Recognising customers:** When customers are recognised by the business, whether it be telephonically, in person, or online, it establishes a relationship between the business and the customers and positively enhances the customers' experience.
- **Distinguishing between customers:** Each customer is different with different needs; therefore, customer-specific strategies need to be implemented to enhance the customers' relationship with and experience of the business.
- **Interconnection:** When businesses improve their interactions with their customers, they not only gain better insight into the customers' needs but also enhance their relationship with the customer, which will improve the customers' experience.
- **Personalisation:** A business should understand their customers' needs to enhance their relationship by offering a personalised customer experience focused on the customers' specific needs.

To ensure that fast-food franchises offer a positive customer experience, they need to manage customer experiences, which has become very relevant in today's business environment (Gahler *et al.*, 2019:425). Jain *et al.* (2017:649-652) denotes that, due to the increasing importance of customer experience, businesses are employing customer experience managers. The authors identify five steps to assist with managing customer experiences. These steps include:

- **Step 1:** Determining the observations of the customers.
- **Step 2:** Establish an observation platform.
- **Step 3:** Creating an experience that will be associated with your brand.
- **Step 4:** Attracting constant innovation.
- **Step 5:** Establishing customers' crossing points in terms of the extent to which the customers' experience was positive or negative.

Positive customer experiences are what makes fast-food franchises survive and brings them success (Namin, 2017:70). According to McColl-Kennedy *et al.* (2019:9), businesses that succeed at managing customer experiences will improve not only their profits but also customer satisfaction. Customer experiences can be measured against expectations to determine service quality (Sharma, 2016:60).

While the Nordic school focused mainly on studying services provided by businesses in general (Grönroos, 2006:318), the American school focused more on assessing the gaps that exist between service expectations and experiences (Matraeva *et al.*, 2020:78). The gap model of service quality therefore enables researchers and business managers to identify the positive or

negative gaps which exist between customers' expectations and experiences (Adeniran & Fadare, 2018:190; Ali & Raza, 2017:564; Prentkovskis *et al.*, 2018:757; Šíma & Ruda, 2019:44).

Positive gaps exist when the customers' experiences of the services they receive surpass their expectations, thus resulting in satisfaction, whereas negative gaps exist when their expectations surpass their experiences, thus resulting in low levels of satisfaction (Cristobal, 2018:6; Namin, 2017:70). Therefore, to manage service quality, managers need to measure their customers' experiences, expectations, as well as the positive and negative service quality gaps (Lee *et al.*, 2016:1193; Song *et al.*, 2016:776).

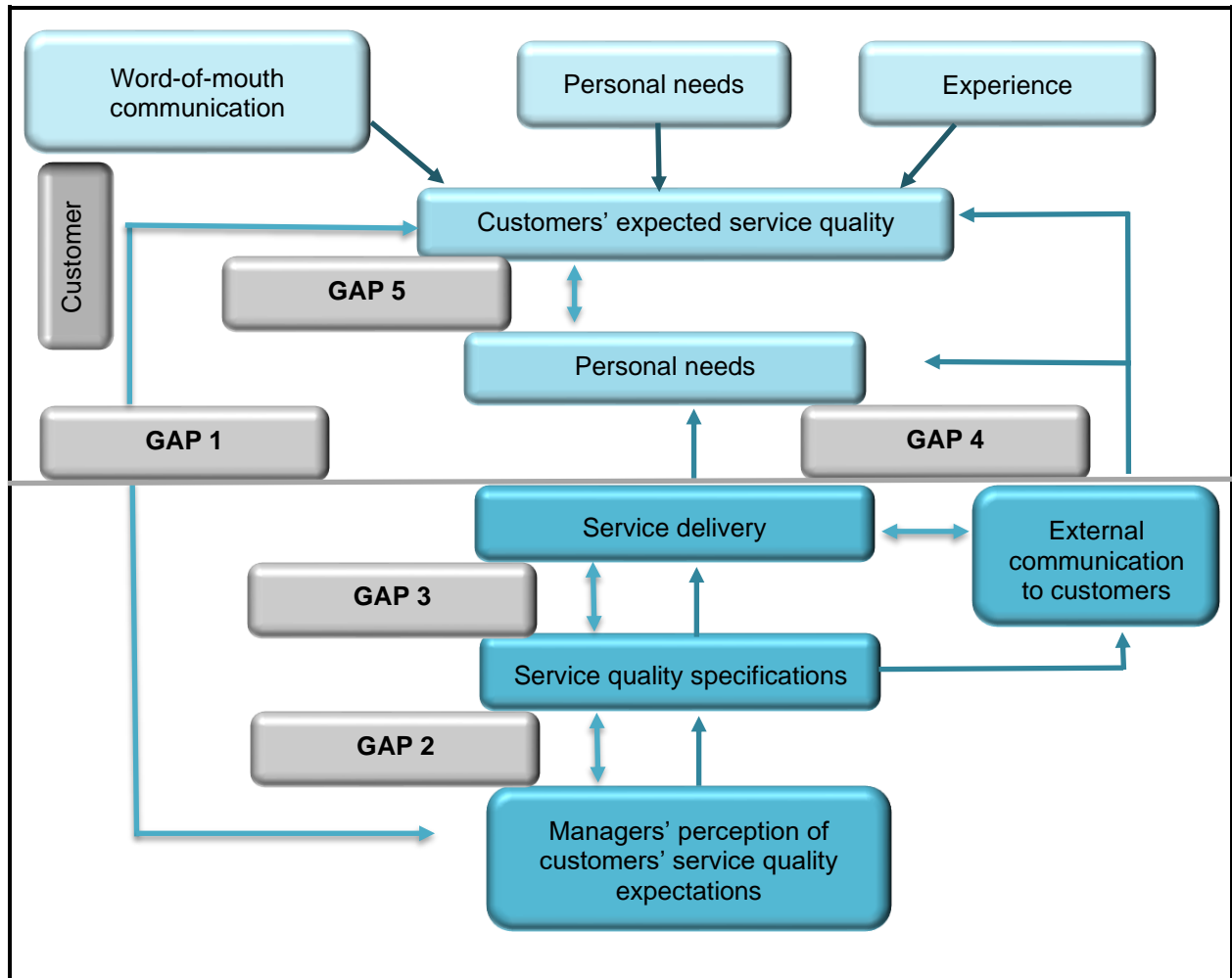
3.4 SERVICE QUALITY GAPS

The service quality gaps are identified and depicted through the gap model of service quality by Parasuraman *et al.* (2020:44). From the model can be derived that the bigger the gap between customer expectations and experiences, the lower the quality of the service being offered. In addition, smaller gaps would indicate higher levels of service quality (Dorney *et al.*, 2019:41-42).

Przybytniowski and Michalski (2020:96) and Khraisat *et al.* (2017:284) propose that the gap model of service quality should be adapted to the contexts and needs of the businesses being researched. Therefore, in this study, service quality was measured by identifying customer expectations, experiences and the service quality gaps in fast-food franchises. The comparison between customer expectations and experience subsequently resulted in the service quality gaps being identified (Thapa, 2020:43). As the service quality gaps are identified, an opportunity arises for the business to overcome the identified gaps and ultimately improve their service quality offerings (Saleem *et al.*, 2017:171).

Franceschini and Mastrogiacomo (2018:87) use the gap model of service quality to depict the five service quality gaps. The authors refer to these gaps as the listening gap (Gap 1) (Section 3.4.1), the design and standards gap (Gap 2) (Section 3.4.2), the performance gap (Gap 3) (Section 3.4.3), service delivery external communication gap (Gap 4) (Section 3.4.4) and the customer gap (Gap 5) (Section 3.4.5). These gaps are the basis on which the gap model of service quality is founded (Odlanicka-Poczobutt & Szmaj, 2020:568), and each gap focuses on a different aspect of service quality when customer expectations and experiences are compared. Figure 3-4 depicts the aspects measured by the five service quality gaps in the gap model of service quality, which are discussed in the subsequent paragraphs (Ismail *et al.*, 2017:181).

Figure 3-4: Gap model of service quality



Source: Adapted from Franceschini and Mastrogiacomo (2018:87); Lee *et al.* (2016:4).

3.4.1 The listening gap (Gap 1)

The listening gap specifies the difference between what management perceives the customers' service quality expectations to be and the customers' actual service quality expectations (Ismail *et al.*, 2017:181; Lee *et al.*, 2016:3). This gap occurs when managers do not understand what customers expect (Odlanicka-Poczobutt & Szmaj, 2020:568). Alzaydi *et al.* (2018:307) emphasise that the inability to understand this gap could negatively influence the customers' perceptions of the service quality offered.

If customers' perceptions of service quality exceed the actual service quality offered then low levels of customer satisfaction could transpire (Juanzon, 2019:38). Fast-food franchises can limit low levels of customer satisfaction by considering customers' service quality expectations and then developing relationships with the customers to assure efficient communication between the customers and the fast-food franchises (Dorney *et al.*, 2019:42).

3.4.2 The design and standards gap (Gap 2)

According to Khraisat *et al.* (2017:285), this gap refers to a misalignment between service quality specifications and managers' perception of customers' service quality expectations. Alzaydi *et al.* (2018:307) suggest that the gap exists when businesses fall short of meeting customers' expectations or they have a low commitment to delivering high service quality. The authors observed that the inconsistent perception that managers of fast-food franchises have of customers' service quality expectations results in the discrepancy between service quality specifications (Alzaydi *et al.*, 2018:308). The inconsistency can be rectified by setting service quality standards that will improve the franchise's ability to meet customers' service quality expectations (Odlanicka-Poczobutt & Szmaj, 2020:568).

3.4.3 The performance gap (Gap 3)

A performance gap originates when the fast-food franchise managers perceive customers' wants but fail to minimise the discrepancy between service delivery and service quality specifications (Ismail *et al.*, 2017:181). Contributing factors of the discrepancy could be unqualified employees who do not properly understand their current roles and the requirements or insufficient technological assistance in the service delivery (Odlanicka-Poczobutt & Szmaj, 2020:568). Fast-food franchises should therefore focus on addressing these factors to improve their performance gap and thereby be able to offer excellent service quality (Alzaydi *et al.*, 2018:307; Dogney *et al.*, 2019:42).

3.4.4 The service delivery gap (Gap 4)

Lee *et al.* (2016:3) assert that this gap indicates the difference between service delivery and external communication. The gap forms the discrepancy between the external communication and the internal service offered (Thapa, 2020:43). This gap can be improved with efficient communication to ensure that customers are informed well through advertising and media and thus create an expectation within the customer (Alzaydi *et al.*, 2018:308). The authors further prescribe that fast-food franchises need to meet the customers' expectations that were evoked by their communication to the customers.

3.4.5 The customer perception gap (Gap 5)

Thapa (2020:43) presupposes that this gap identifies the discrepancy between customers' service quality expectations and their personal needs (Franceschini & Mastrogiacomo, 2018:86). According to Odlanicka-Poczobutt and Szmaj (2020:568), for organisations to offer a service that leads to customers satisfaction, customers' personal needs and expectations should be identified

before they can be met. As fast-food franchises offer services that meet customers' needs and fulfil their expectations, customers will have an increasingly positive experience (Alzaydi *et al.*, 2018:308-309). Conversely, not meeting customers' needs and fulfilling their expectations will result in customers having a negative experience and thus the customer gap. Fast-food franchises should therefore assure that their service quality offerings do not only meet but also exceed their customers' expectations and needs.

Subsequently, Zeithaml *et al.* (2018:35-36) and Lee *et al.* (2016:3) denote that Gap 1-4 (provider gaps) indicates a practical relationship with Gap 5 (customer gap). In agreement, Ismail *et al.* (2017:181) posit that as Gaps 1-4 indicate the service delivery to the customers, Gap 5 links the customers and their needs in order to improve the service quality experienced by fast-food franchise customers.

Overall, the gap model of service quality indicates the importance of meeting and exceeding customers' expectations in order to close the gap between customers' expectations and their actual experience of the service they receive (Khraisat *et al.*, 2017:285). Furthermore, the gaps should be identified and improved in the fast-food franchises in order for them to offer high-quality services that will result in satisfied customers. The evaluation of service quality will, therefore, provide valuable insights into the fast-food franchise management on how to manage and improve their service quality (Lee *et al.*, 2016:3).

3.5 MANAGING AND IMPROVING SERVICE QUALITY

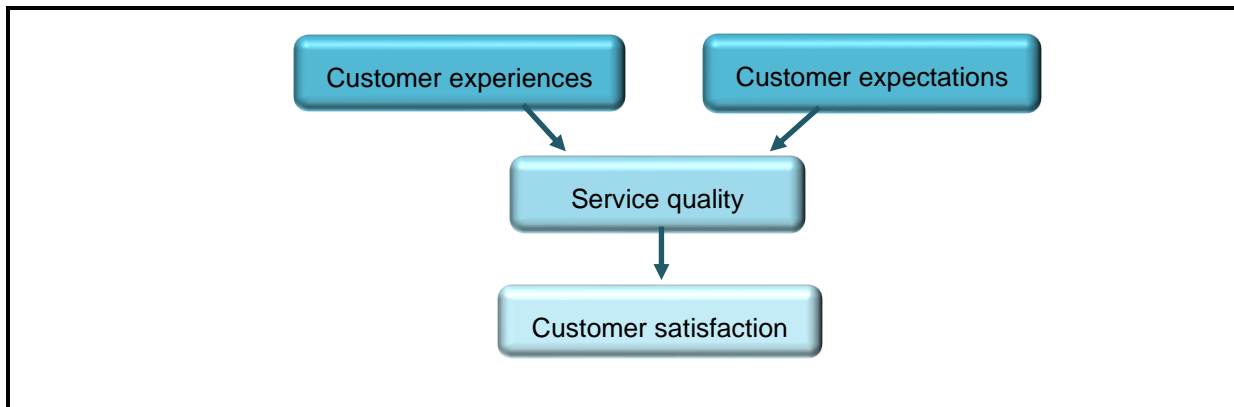
Service quality can be defined as the gap that exists between what the customers expect, and their actual experience of the service being delivered (Chui *et al.*, 2016:134). Customers' expectations of a service can sometimes be unrealistic, which results in businesses not being able to meet or exceed these customers' expectations. So, managers must realise which expectations are realistic and unrealistic in order to manage and capitalise on those expectations which are feasible, for which they are required to determine what those expectations are in the first place (Robinson *et al.*, 2012:59). Managing customer experience entails increasing the worth of each customer by gaining knowledge about customer expectations and then providing experiences to meet those expectations (Peppers & Rogers, 2017:6). Once the customers' expectations are determined, management can compare the expectations of customers with the customers' experiences in order to determine the degree of interaction that is required between the customers and the fast-food franchises (Jain *et al.*, 2017:648).

As indicated in Section 3.4, service quality could be improved by closing the gap that exists between customers' expectations and their experiences (Meesala & Paul, 2018:261). The service quality gaps can be determined by measuring service quality with the SERVQUAL measuring

instrument, which defines service quality through five dimensions, namely tangibility, responsiveness, assurance, empathy, and reliability (Al-Ababneh *et al.*, 2018:56-57).

As the abovementioned service quality gaps are identified, managers from the fast-food franchises can manage customers' expectations and experiences to improve their service quality. Managing and improving service quality will thus result in higher customer satisfaction (Pakurár *et al.*, 2019:113), as illustrated below in Figure 3-5.

Figure 3-5: Service quality components' influence on customer satisfaction



Source: Adapted from Kasiri *et al.* (2017:93).

The most important objective for any business is to survive and be profitable (Achola, 2016:10). In this regard, Meesala and Paul (2018:261) submit that the success and the survival of fast-food franchises can be assured by improving customer satisfaction. Kasiri *et al.* (2017:92) define customer satisfaction as the outcome of the customer's comparison of their expectations with their experience, which, if positive, translates into repeat purchases and ultimately increases the business' profitability (Rana *et al.*, 2017:1).

Meesala and Paul (2018:262) advise that not only will satisfied customers engage in repeat purchasing, but they will also recommend the business to other customers and become loyal towards the fast-food franchises. The opposite has also been noted, i.e., if customers have low levels of customer satisfaction, they will engage in negative word of mouth and will purchase from another business that can exceed their expectations and assure that they are satisfied instead (Ali & Raza, 2017:561). In this regard, fast-food franchise managers need to understand the influence of service quality on customer satisfaction.

3.6 THE INFLUENCE OF SERVICE QUALITY ON CUSTOMER SATISFACTION

Ali and Raza (2017:560) suggest that service quality is questionable in the context of customer satisfaction, while Namin (2017:70) disagrees and denotes that service quality is in fact a determining factor of customer satisfaction. Kiran and Diljit (2017:97) support this denotation by asserting that service quality is a predecessor of customer satisfaction and that a strong

relationship exists between service quality and customer satisfaction (Kasiri *et al.*, 2017:92; Meesala & Paul, 2018:264). Service quality is assessed within the customers mind (mentally) while customer satisfaction is assessed based on the customers' emotional reaction to the service offering, they receive (Kiran & Diljit, 2017:99). Service quality is a concept that focuses on various dimensions instead of being uniform (Ali & Raza, 2017:561), and the importance of each of these dimensions (Section 3.2.2.1-3.2.2.5) varies according to the overall service quality and their influence on customer satisfaction (Meesala & Paul, 2018:262).

Franceschini and Mastrogiacomo (2018:86) explain that measuring service quality can assist managers in formulating strategies to deliver service quality that will result in higher customer satisfaction. Alzaydi *et al.* (2018:310-311) posit that the service quality offerings of fast-food franchises should exceed customers' expectations in order for them to achieve customer satisfaction (Alzaydi, 2018:310-311).

Meesala and Paul (2018:262) agree and emphasise that service quality, whose measures are customer expectation and experience, is an essential factor to manage, as it has an influence on customer satisfaction. By managing and improving service quality, fast-food franchises will be able to expand and increase their market share, which will arise from increased customer satisfaction (Ali & Raza, 2017:561). According to Halvorsrud *et al.* (2016:841), improving service quality can also give the fast-food franchise a competitive advantage in the industry.

Makanyeza and Chikazhe (2017:543) assert that a fast-food franchise will not only have a competitive advantage as service quality is improved – but also satisfied customers. Satisfied customers will recommend the fast-food franchises to other potential customers as well as repeat their purchases (Meesala & Paul, 2018:262). Ultimately as customers are satisfied and repeat their purchases, the fast-food franchise will be able to gain more customers, attain more market share, and increase their competitive advantage, as well as maximise their profits (Rashid & Rokade, 2019:51).

3.7 SERVICE QUALITY IN THE FAST-FOOD FRANCHISE INDUSTRY

Due to growth in the fast-food franchise industry, competition has increased significantly after the turn of the century (Sumaedi & Yarmen, 2015:123) and, therefore, to maximise and compete for profits, fast-food franchises have been focusing on improving the quality of their services to ensure satisfied customers (Zhong & Moon, 2020:460).

The American Customer Service Satisfaction Index (ACSI) measures customer satisfaction levels in the USA through a survey aimed at fast-food franchise customers in terms of the products and service quality that customers are receiving (ACSI, 2021). Subsequently, the ACSI provides some insight into how customers in the USA experience the service quality of the fast-food franchises

and to what extent the service quality has influenced customers satisfaction in the fast-food franchise industry.

Scoring higher than the majority of fast-food franchises in the most recent survey in 2021 in the USA was Chick-fil-A, which received an average ACSI score of 83 out of 100. This score indicates that customers are relatively satisfied with the service quality offering they are receiving (Mendoza, 2021). Meanwhile, scoring lower than the majority of fast-food franchises in 2021 in the USA was McDonald's (with more than 70 million customers daily), which received an average ACSI score of 70 out of 100, indicating that when it comes to service quality, McDonald's has some areas that needs improvement (Vanamburg, 2019). According to Buckingham (2017), McDonald's average ACSI score has not reached a score higher than 73 since 1994; McDonald's has hence been at work to make some necessary improvements to their service quality management, which involves closely managing their food offerings (i.e., meat), employees (i.e., dress code), and the physical outlets (i.e., cleanness) (UKEssays, 2018).

The South African Customer Satisfaction Index (SAcsi) measures customer satisfaction in South Africa through a combination of various indexes, namely a customer expectations index, a product quality index, a perceived value index, a service quality index, and a perceived quality index to provide an average score out of 100 (Consulta, 2016). SAcsi further discloses how customers in South Africa experience service quality and to what extent it has influenced customers satisfaction in the fast-food franchise industry.

Scoring higher than the majority of fast-food franchises in the recent survey in 2020 in South Africa was Nando's, which received an average SAcsi score of 82 out of 100. This score indicates that Nando's customers are satisfied with the food and service quality they are receiving (Church, 2020).

It appears, however, that not all fast-food franchise managers are managing their service quality offerings as proficiently as the abovementioned examples – Namin (2017:70) has found that businesses are experiencing great difficulties in offering high service quality. Therefore, it is of even greater consequence that managers of fast-food franchises ensure that they continuously improve their service quality to ensure they stay ahead of their competition (Sumaedi & Yarmen, 2015:119-120).

Improving service quality requires gaining insight into the motivational elements that contribute to customers' levels of satisfaction. The motivational elements that were identified and measured for this study (Appendix A) include affordability, convenient hours (open 24-hours), staff friendliness, quality products, and variety (various options on the menu).

According to McKay and Subramoney (2017:4), *affordability* is a motivational element, as a customer's purchasing ability depends on whether they are able to afford the price of an item.

Convenient operating hours is also a motivational element which, as Sevilla *et al.* (2017:12) explain, attracts customers because they will have more time to make purchases at a convenient time. Abu Bakar *et al.* (2017:554) emphasise that a fast-food franchise outlets' understanding of the motivational elements that drive customers and having *friendly employees* influence customers' level of satisfaction (Alhelalat *et al.*, 2017:46). *Quality products* also serve as a motivational element, as customers expect the fast-food products to mostly be healthy, tasty, fresh, and safe to eat, as these elements lead to customers feeling satisfied, in return influencing their purchasing behaviours and the manner in which the fast-food franchise service quality is experienced (Zhong & Moon, 2020:462-463). Customers are also inclined to be more motivated by a menu that offers a *variety* of food choices than a menu with very limited options (McCrary *et al.*, 2019:5).

Service quality, as discussed throughout this chapter, is therefore an imperative success factor for the fast-food franchise industry (Sumaedi & Yarmen, 2015:127). Consequently, improved service quality will result in satisfied customers (Zhong & Moon, 2020:464), which is crucial for the survival of any fast-food franchise (Namin, 2017:70). According to Shamsudin *et al.* (2020:997), fast-food franchise customers will continue to purchase from fast-food franchises that offer reasonable prices and quality services. Hence, fast-food franchises must ensure that they put optimal effort into ensuring that customers experience superior service quality (Shamsudin *et al.*, 2020:1000).

3.8 SUMMARY

This chapter elaborated on the importance of fast-food franchise managers being well-versed about customers' expectations in order to determine whether their service offering meets the customers' expectations, as this will result in superior customer experience and customers satisfaction. This chapter, therefore, provided an in-depth investigation into the identified constructs of this study, namely service quality (expectations and experiences) and customer satisfaction.

This chapter commenced with an introduction (Section 3.1) and the conceptualisation of service quality (Section 3.2) which provided a comprehensive discussion of customer expectations, experiences, and satisfaction. An in-depth discussion on the Nordic and American schools of thought on service quality indicated that the Nordic school of thought was a precursor of the American school of thought, which uses the SERVQUAL dimensions to measure service quality.

Where the measuring of service quality (Section 3.3) was concerned, a discussion of customers' expectations and experiences followed. Thereafter, the service quality gaps were identified (Section 3.4). In order for managers to ensure that customers are satisfied, they needed to

understand how to manage and improve service quality (Section 3.5), which resulted in a thorough understanding of the influence of service quality on customer satisfaction (Section 3.6). Next, the service quality in the fast-food franchise industry was elaborated on (Section 3.7).

From this chapter, it is evident that measuring and managing these service quality gaps to ensure superior customer service that meets customers' expectations and provides an exceptional customer experience will result in customer satisfaction (Section 3.6). Thus, this chapter accentuates that the success of fast-food franchises depends on the level of customers satisfaction, as satisfied customers engage in repeat purchase behaviour, which in turn will result in profit maximisation and the survival of the fast-food franchises. With this chapter, secondary objective 2 (Section 1.4.2) was achieved, which focused on providing a theoretical foundation for service quality and customer satisfaction in the fast-food franchise industry.

The next chapter provides an in-depth discussion of the research methodology of this study.

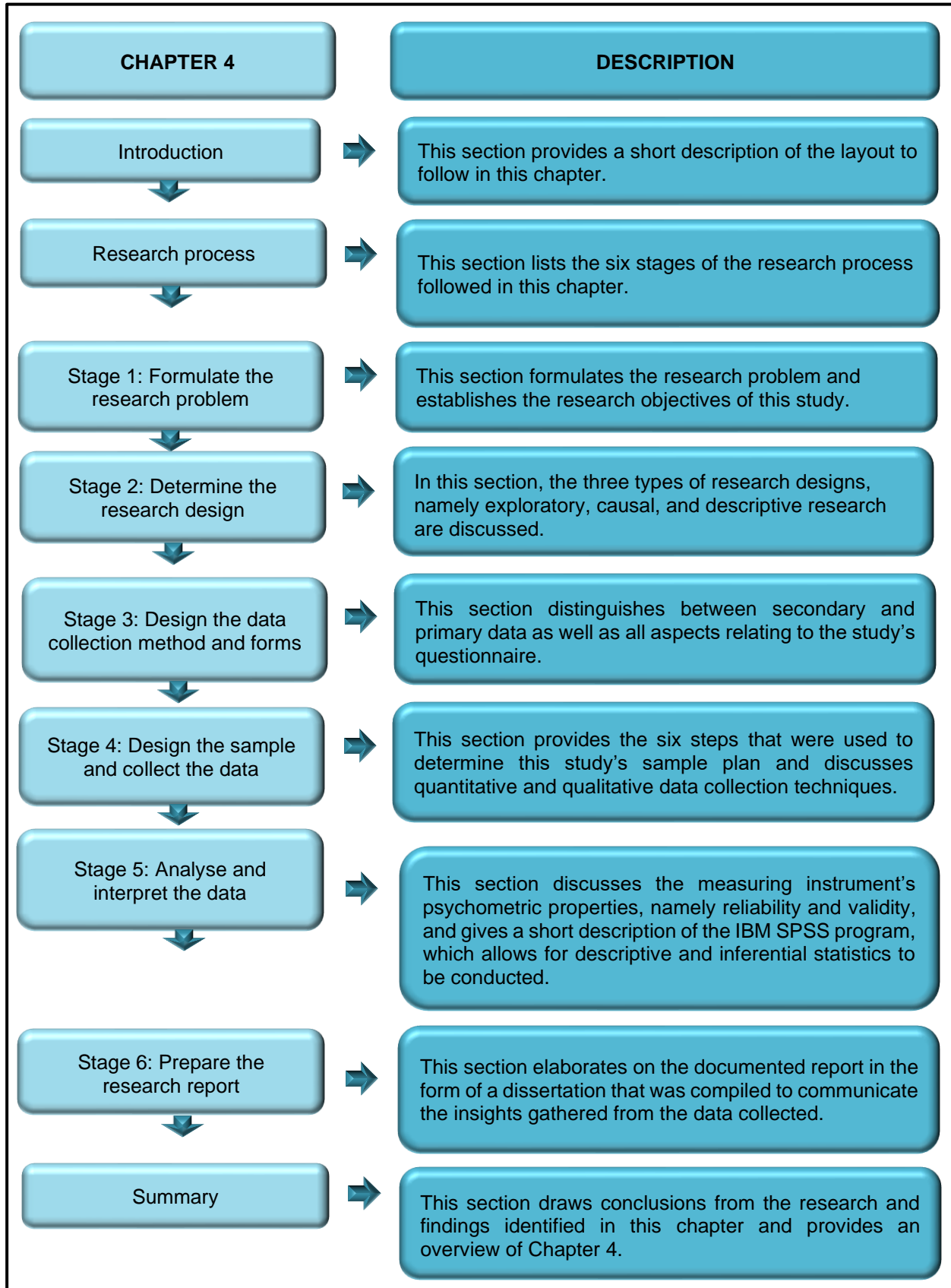
CHAPTER 4

RESEARCH METHODOLOGY

4.1 INTRODUCTION

In this chapter, the research methodology and processes used to achieve the research objectives and hypotheses of this study are examined. The structure of this chapter is guided by an introduction (Section 4.1) and the six stages involved in the research process according to Iacobucci and Churchill (2018:23) (Section 4.2), as depicted by Figure 4-2. Stages 1-6 (Section 4.3 – Section 4.8) are then discussed in detail. The chapter closes with a chapter summary (Section 4.9). The chapter layout is described below in Figure 4-1.

Figure 4-1: Layout of Chapter 4



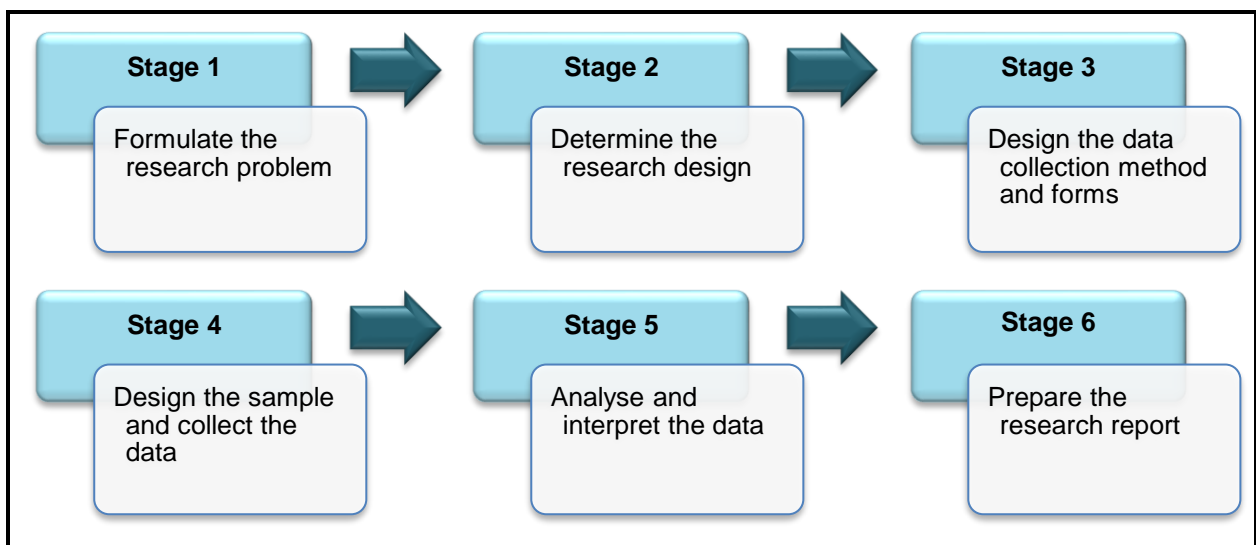
Source: Author's own compilation.

4.2 RESEARCH PROCESS

Research can be described as an effort to find a solution to an identified problem (Sekaran & Bougie, 2016:2). Therefore, research entails the gathering of information (i.e., individual's experiences, behaviours, and environments) and then processing and interpreting this information in a logical and useful manner (DePoy & Gitlin, 2016:3).

Research takes place through a detailed process where data is collected systematically and analysed so researchers can make conclusions that can assist with the identified research problem (Cooper, 2019:9). According to Iacobucci and Churchill (2018:23) the first stage in the research process entails the formulation of the research problem of the study. Next, stage two determines the research design while the third stage focuses on the design of the data collection method and forms. This is followed by the designing of the sample, and the data collection as indicated in stage four. As far as stage five is concerned, the data will be analysed and interpreted in order to be able to prepare the research report in stage six. The stages in the research process are depicted in Figure 4-2.

Figure 4-2: Stages in the research process



Source: Adapted from Iacobucci & Churchill (2018:23).

The abovementioned stages assisted in arranging this research study in an organised manner. Subsequently, the first stage of the research process is discussed.

4.3 STAGE 1: FORMULATE RESEARCH PROBLEM

A research study begins with an interest in observing and then identifying a certain research problem by consulting various information sources (Burns & Veeck, 2020:43), from which certain research objectives are derived (Roni *et al.*, 2020:7), which was completed in Chapter 1, and then determining whether there is adequate information about the identified research problem (Section

1.2) and objectives (Section 1.4), which have also been done. Should there be inadequate information, a gap is identified in the body of literature that must be filled by doing more research (Burns & Veeck, 2020:41). A solution to the research problem can then be formulated by conducting such research (Sekaran & Bougie, 2016:2). Therefore, the purpose of the research is to provide a solution to the identified research problem.

This study's research problem is that *the service quality offered by all franchises does not align with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises* (Section 1.2). Namin (2017:70) asserts that service quality is an important means for fast-food franchise managers to differentiate themselves from other competitors in the industry, as service quality offers a competitive advantage to businesses that strive to improve their service quality and ultimately ensure customer satisfaction. After formulating the research problem, the respective research objectives could be established.

4.3.1 Research objectives

According to Babin and Zikmund (2016:62), during this part of the research process, the research objectives are defined, which outline what the study aims to achieve. The research objectives inform the researcher on what data and information should be collected and analysed to address the research problem (Burns & Veeck, 2020:43). Hair *et al.* (2017:36) posit that the research objectives provide direction for the remainder of the study.

The primary objective of this study was to investigate service quality in terms of expectations and experiences in the fast-food franchise industry in Gauteng and to identify the dimensions of service quality that need to be managed for enhanced customer satisfaction (Section 1.4.1).

The secondary objectives derived from the primary objective and the research problem were to:

- **Secondary objective 1:** To conceptualise management in the fast-food franchise industry.
- **Secondary objective 2:** To provide a theoretical foundation of service quality in the fast-food franchise industry.
- **Secondary objective 3:** To compile a sample profile description of the respondents.
- **Secondary objective 4:** To measure service quality by means of the respondents' expectations and experiences in the fast-food franchise industry.
- **Secondary objective 5:** To determine the respondents' satisfaction towards fast-food franchises.
- **Secondary objective 6:** Identify the dimensions that need to be managed for increased service quality and customer satisfaction.

Secondary objective 1 was achieved in Chapter 2, where management was conceptualised in the fast-food franchise industry. Chapter 3 met secondary objective 2 in providing the theoretical foundation of service quality in the fast-food franchise industry. In Chapter 5, secondary objectives 3-6 are met by providing the empirical results and findings that were utilised to compile a sample profile description of the respondents and measure service quality through the respondents' expectations and experiences in the fast-food franchise industry. Chapter 5 also explains how the study determined the respondents' satisfaction towards fast-food franchises and identifies the dimensions which need to be managed for enhanced service quality and customer satisfaction. The research design is discussed in the next section.

4.4 STAGE 2: DETERMINE THE RESEARCH DESIGN

After the research problem has been formulated (Stage 1), the research design must be determined, as illustrated in Figure 4-2 (Iacobucci & Churchill, 2018:23) with which data will be collected, analysed, and interpreted to provide a solution to the identified research problem (Sekaran & Bougie, 2016:27). Babin and Zikmund (2016:53) explain that the research design provides a framework to follow for your study. The authors mentioned in this paragraph indicate that there are three types of research design, namely exploratory (Section 4.4.1), causal (Section 4.4.2) and descriptive (Section 4.4.3) research, which are discussed subsequently.

4.4.1 Exploratory research

According to Leavy (2017:5), exploratory research can assist in solving a research problem by providing an approach that was formulated from insights gained from focus group experiments. Exploratory research allows for experimentation through an experimental group that receives a certain variable and a controlled group that does not receive the variable, provided that the variable is the difference between the groups (Roni *et al.*, 2020:18). The authors furthermore suggest that after the experiment has been concluded, the researcher can compare the groups with each other to determine whether the controlled variable influenced the groups or whether the group might have been influenced by other elements. Data can also be collected through case studies, interviews and informal discussions with customers, managers, and the like (Sekaran & Bougie, 2016:43). According to Babin and Zikmund (2016:54), this type of data collection allows for a formulated approach that can be used to solve the research problem.

4.4.2 Causal research

Causal research allows for the identification of cause-and-effect relationships between variables by assessing multiple variables simultaneously (Babin & Zikmund, 2016:57). Sekaran and Bougie (2016:72) describe a variable as something that can take on changeable values. In accordance

with to Roni *et al.* (2020:19), the researcher followed the abovementioned process with the exception that no variables were controlled that would allow for the measurement of a dependant variable (variable of primary interest) and independent variables (variables that influences the dependent variable negatively or positively) to determine the relationship between those variables. Leavy (2017:5) suggests that measurements can determine what effect the variables have on each other. Sekaran and Bougie (2016:44) agree that by identifying which variable has an effect on another variable, the researcher can determine the factors that are causing the research problem.

4.4.3 Descriptive research

Descriptive research is the most suitable research design to be used when describing certain groups, events, or circumstances (Leavy, 2017:5; Sekaran & Bougie, 2016:43). The reason for the latter statement is that descriptive research allows for interpretations of the whole population through only observing a subset of the population at one point in time (Toshkov, 2016:31). The observations can be collected through quantitative data expressed numerically to allow the researcher to make interpretations and conclusions (Roni *et al.*, 2020:19). The following table provides additional characteristics of the three types of research designs discussed above.

Table 4-1: Additional characteristics of the three types of research designs

Characteristics	Exploratory Research	Causal Research	Descriptive Research
Amount of uncertainty within decision situation	Highly ambiguous	Partially defined	Unambiguously defined
Key research statement	Research question	Research question	Research hypothesis
Conducted	Early	Later	Later
Usual research approach	Unstructured	Structured	Highly structured
Nature of results	Discovery oriented, productive but still speculative. Often in need of future research.	Can be confirmatory although more research is sometimes still needed. Results can be managerially actionable.	Confirmatory oriented. Fairly conclusive, with managerially actionable results often obtained.

Source: Adapted from Babin and Zikmund (2016:60).

For the purpose of this study, a combination of exploratory and descriptive research designs was deemed the most appropriate. Malhotra *et al.* (2017:72) observe that exploratory research assists in clearly defining the research problem, while Sekaran and Bougie (2016:43) explain that descriptive research describes objects, circumstances, or events. Therefore, exploratory, and descriptive research designs were the most appropriate research design to use for this study, as they made it possible to obtaining background information and provided a description of the

specific characteristics of the fast-food franchise customers (Babin & Zikmund, 2016:54). The designs made it possible for the research objectives to be achieved (Burns & Veeck, 2020:43).

4.5 STAGE 3: DESIGN THE DATA COLLECTION METHOD AND FORMS

Subsequently, after the research design has been determined (Stage 2), the data collection method needs to be designed, as demonstrated in Figure 4-2 (Iacobucci & Churchill, 2018:23). This stage includes collecting information in the form of data (Babin & Zikmund, 2016:69). The information and data can be collected through secondary (Section 4.5.1) or primary (Section 4.5.2) data that will address the research objectives (Burns & Veeck, 2020:44).

4.5.1 Secondary data

Secondary data is data that has been collected for another objective and has, therefore, already been collected (Babin & Zikmund, 2016:143) for a specific study's research objectives but which can be reused for another study's research objectives (Johnston, 2017:619). According to Chrysochou (2017:411), secondary data can be internal, which includes information gathered inside the business (i.e., sales), as well as external, which includes information gathered outside the business (i.e., government, social media, etc.). Secondary data also allows for information and data to be collected through scientific journals, research documents, relevant books, scholarly articles, websites, databases, as well as internet search engines.

Secondary data was obtained by making use of the following secondary academic resources:

- EBSCOhost: Utilises online research platforms and databases.
- Emerald Insight journals: International journals.
- JSTOR: Collection of academic journals and books.
- SACat: Database of South African publications in libraries such as journals and books.
- Nexus: Databases assembled by the NRF of existing and concluded research in South Africa.
- SAMEDIA: Newspaper articles.
- ProQuest: International dissertations and thesis in complete text.

4.5.2 Primary data

Primary data is data that is collected for the first time for a specific objective (Johnston, 2017:619). According to Burns and Veeck (2020:44), this is data that is collected for the identified research problem. Data is also collected for the research objectives (Chrysochou, 2017:411), which in this study was guided by the researcher's annotations (Schuurman, 2020:1015).

For the purpose of this study, both secondary and primary data were collected. Secondary data was obtained through the use of the abovementioned secondary academic resources. Primary data was collected through the use of a survey in the form of a structured, self-administered questionnaire (Section 4.5.2.1) developed on Google forms and shared via the researcher's networks on social media platforms such as WhatsApp, Facebook, Instagram, and LinkedIn. The structured, self-administered questionnaire is discussed in more detail in the following subsections.

4.5.2.1 Questionnaire

A questionnaire is a form of communication between the respondents and the researcher in which questions are developed to initiate a response (Brace, 2018:5). According to Schrepp *et al.* (2017:40), a questionnaire is a cost-effective and well-organised instrument. A questionnaire should therefore flow systematically from one question to another with numerous question formats (Burns & Veeck, 2020:203). According to Jackson (2016:89), the questions should be understandable, simplistic, and easy to answer.

For the purpose of this study, data was collected with a structured, self-administered questionnaire (Appendix A). It is of utmost importance to develop a questionnaire in a structured and systematic manner to assure that the sections follow a logical framework (Brace, 2018:45). The layout of the various sections in the questionnaire should be structured in a manner that will limit errors that could occur (Krosnick, 2018:291). The layout should assist in making the questionnaire easy to respond to (Simuforosa & Wiseman, 2015:81). In this study, the first part of the questionnaire contained the cover page/preamble.

4.5.2.1.1 Questionnaire cover page/preamble

The questionnaire cover page included the cover letter, which introduced the respondent to the questionnaire and highlighted the value of the study (Simuforosa & Wiseman, 2015:80). The questionnaire introduction provided essential information such as the objective of the survey, response anonymity, what the data would be used for, and the duration of the questionnaire (SurveyMethods, 2017). Explaining the title and the objective of the research study on the questionnaires cover page were intended to provoke interest under the respondent to partake in the study (Krosnick, 2018:291).

For the purpose of this study, the questionnaire provided a brief description of the primary objective of the study, which was to investigate service quality in terms of expectations and experiences in the fast-food franchise industry in Gauteng and to identify the dimensions of service quality that need to be managed for enhanced customer satisfaction. The purpose of collecting data for the sample profile description was explained to the respondents. Furthermore,

the respondents were assured that their responses would be kept anonymous and confidential. In this regard, the information collected from the completed questionnaires was treated with the highest standard of privacy and confidentiality.

Since no personal information such as names, addresses or contact numbers were requested, no association could be made between the respondents and their respective responses. Respondents were informed that their participation was voluntary and that they could withdraw from the process at any given time. The collected questionnaires with responses will only be kept for five years after this study is completed and thereafter be destroyed.

Respondents were encouraged to request the results, as the data would only be collected for the objective of this study. The cover page concluded by informing the respondents of the possible duration of completing the questionnaire and thanking the respondents in advance for taking part in this research study. The next part of the questionnaire contained the respective questionnaire sections.

4.5.2.1.2 Questionnaire sections

According to Brace (2018:11), respondents prefer a questionnaire that is interesting, easy to answer and not time-consuming to complete. Therefore, a questionnaire should be developed in a manner that will ensure that the correct response formats are selected and that the questions are unambiguous, unbiased, and clearly stated (Burns & Veeck, 2020:204). The questionnaire, for the purpose of, this study consisted of the following sections.

(a) Screening section

According to Forister and Blessing (2020:63), screening questions are used to determine whether a respondent is eligible to partake in the questionnaire and usually require yes/no answers. Subsequently, this section determined whether respondents were eligible to partake in the survey and complete the provided questionnaire as they form part of the sample that was researched (Brace, 2018:43).

For the purpose of this study, the following screening question were asked:

Have you purchased from the fast-food franchises in Gauteng (i.e., Burger King, Nando's, McDonald's, Muchacho's, Steers or Wimpy) during the last six months?

The screening question determined whether the respondents had purchased from the fast-food franchises in Gauteng (i.e., Burger King, Nando's, McDonald's, Muchacho's, Steers or Wimpy) during the last six months at the time the survey was conducted. The question required a dichotomous response (only two answers available for selection – Yes or No). If the respondents' answered yes, they would be eligible to partake in the study and encouraged to complete the

remainder of the questionnaire. If the respondent answered no, they would not be eligible to partake in the study and therefore would not need to complete the remainder of the questionnaire.

(b) Section A: Demographic information and patronage habits

A sample profile description indicated what the whole population would be like by observing and measuring a subset of the population (Babin & Zikmund, 2016:337). This section of the questionnaire therefore collected data on respondents' demographic information, patronage habits and motivational elements. The collected data was used to draw a sample profile description of the respondents. The sample profile description allowed for only a subset of the population to be measured in order to make conclusions about the whole population (Burns *et al.*, 2017:239).

For the purpose of this study, questions relating to the respondent's year of birth, gender, ethnicity, highest level of education, current employment status, duration of being a fast-food industry customer, preferred purchasing time, as well as the number of times the fast-food outlets' premises are visited were presented to the respondent in order to collect data. Additionally, five elements were presented to the respondents to determine to what level or extent they deemed each of these motivational elements as being important. The questions in this section were open-ended questions where respondents could submit their own answers, as well as closed-ended multiple-choice questions where respondents could select an answer from a list of alternatives. A labelled five-point Likert scale was used to determine the respondent's motivational elements rating.

From the collected data, the sample profile description was drawn to provide insight into the selected target population (all fast-food franchise customers in Gauteng) through a process called statistical inference. These insights were used to identify the implications of the customers' experiences in the fast-food industry and provide managers with recommendations on how service quality can be improved and managed.

(c) Section B: Construct measurements

This section of the questionnaire collected data about the service quality offered by the fast-food franchise industry in Gauteng and will, therefore, focus on the respondents' expectations and experiences. The collected data was used to measure the research constructs and subsequently address the secondary research objectives. This section allowed for an overall indication of the service quality offered by fast-food franchises.

For the purpose of this study, questions from the SERVQUAL scale developed by Parasuraman *et al.* (1988:12) were presented to the respondent in order to collect data. These questions focused on service quality and consisted of five dimensions, namely tangibles,

responsiveness, assurance, empathy, and reliability. The scale used a labelled five-point Likert scale to measure customer expectations and experiences. The five-point Likert scale measured the respondents' service quality expectations (1 = Not important and 5 = Extremely important), as well as their service quality experiences (1 = I do not experience this to 5 = I always experience this). The results and findings from the data were interpreted to ultimately provide managers with recommendations on how service quality can be managed within the fast-food franchise industry in Gauteng.

(d) Postscript

The questionnaire concluded with a postscript. A postscript can be defined as a supplementary thought added to a document after the document has been completed.

For the purpose of this study, the postscript conveyed thanks to the respondents for taking part in this research study.

This chapter now provides a description of the level of scale measurements that was used. Part of the questionnaire served to classify the questionnaire's level of scale measurement of the questionnaire.

4.5.2.1.3 Questionnaire level of scale measurement

A scale is a research instrument used to classify data into a category or measure the variables for statistical analysis and allows for a value to be associated with an object (Burns *et al.*, 2017:205). According to Awang *et al.* (2016:15), the collected data can be measured by using any of the following four primary scales of measurement, namely nominal, ordinal, interval, or ratio.

(a) Nominal scale

According to Babin and Zikmund (2016:272), the nominal scale allows for a value to be assigned to an object in order to categorise the collected data. Each object will only have one value assigned to it, which assures that the data is categorised in such a manner as to ensure clear identification (Malhotra *et al.*, 2017:337). According to Chyung *et al.* (2017:2) the nominal scale depicts labels of equal value.

(b) Ordinal scale

Ordinal scales indicate the differences between objects through ordered categories (Burns *et al.*, 2017:207). Sekaran and Bougie (2016:208) explain that an ordinal scale classifies data into categories which allow for the data to be ranked based on their differences, and these differences indicate the position of the objects (Malhotra & Dash 2016:259).

(c) Interval scale

An interval scale indicates the differences in quantities according to characteristics of both the nominal and ordinal scale (Babin & Zikmund, 2016:275). Malhotra *et al.* (2017:340) describe that an interval scale ranks objects in a manner that assures that there are equal differences between the measurements. According to Chyung *et al.* (2017:2), these equal differences allow for equal intervals.

(d) Ratio scale

According to Malhotra and Dash (2016:261), a ratio scale has all the characteristics of a nominal, ordinal and interval scale as well as an absolute zero. According to Sekaran and Bougie (2016:209-210), absolute zero allows for the representation of absolute quantities and the measuring of standard deviations, coefficients, and variances. Ratio scales permit data to be classified, ranked, and compared in intervals or according to the differences (Malhotra *et al.*, 2017:341). Not only does the ratio scale have an absolute zero but the scale also depicts equal ratios (Chyung *et al.*, 2017:2).

For the purpose of this study, all of the above scales were implemented in the questionnaire that was used together with the various response formats indicated below. The nominal scale was used where it was most appropriate for respondents to assign one value to be categorised to the data. For example, in the screening question, respondents' assigned values could be categorised to determine whether the respondent would be eligible to partake in the remainder of the survey. The ordinal scale was used to classify the data into categories based on a ranking. For example, the ranking of how long the respondents had been a customer of the fast-food franchise industry determined which category was ranked above another. The interval scale was used to rank the SERVQUAL scale's 44 items in terms of the respondents' levels of agreement. Lastly, the ratio scale was used where respondents were asked to indicate their year of birth. Subsequently, the questionnaire response formats are discussed next.

4.5.2.1.4 Questionnaire response formats

Responses are important in a study because different responses can be compared anonymously from which to formulate and report findings (Sarstedt & Mooi, 2019:77). Babin and Zikmund (2016:306) elaborate that the type of question asked to provoke a response depends to a large degree on the respondent's level of availability to provide their responses and the type of data that is to be selected. Based on this, a questionnaire's questions and statements can be either open-ended or closed-ended.

(a) Open-ended questions

According to Krosnick (2018:266), an open-ended question allows the respondent to provide a response in their own words. Babin and Zikmund (2016:306) explain that open-ended questions are answered in the respondent's own words and usually propose a challenge or specific subject. Open-ended questions allow for respondents to provide an in-depth response by allowing the respondent to elaborate and explain their specific response (Sekaran & Bougie, 2016:118).

(b) Closed-ended questions

Closed-ended questions are used most frequently in surveys because they allow respondents to choose a response from a predetermined set of options that the researcher decides to include (Krosnick, 2018:266), which requires less time from the respondent to answer and less time for the researcher to collect and analyse the data. In such a case, respondents usually have to choose one option between a set of alternatives (Sekaran and Bougie, 2016:389) as a response. According to Sarstedt and Mooi (2019:71), the following **closed-ended questions** are available:

- **Simple dichotomous questions:** Simple dichotomous questions should be clear and labelled to depict the available responses (Krosnick, 2018:270). With this question type, respondents can choose one of the two stipulated fixed alternative responses (Babin & Zikmund, 2016:309).
- **Multiple-choice questions:** According to Malhotra *et al.* (2017:387), multiple-choice questions allow for alternative responses to be stipulated. The respondents can choose a response from a list of various stipulated fixed alternative responses (Babin & Zikmund, 2016:309).
- **Scaled response questions:** Scaled-response questions are questions that measure a respondent's attitude towards an object through predetermined answers (DJS Research, 2020). With this type of question, the respondent can select a response from a list of various options, sort the responses in an order that would suit them best or even rank their responses (Babin & Zikmund, 2016:285). The scales used can be classified under both rating and ranking scales (Sekaran & Bougie, 2016:213).

- **Rating scales**

According to Sekaran and Bougie (2016:206), a rating scale allows respondents to provide a response in terms of the various categories provided. Babin and Zikmund (2016:285) clarify that the respondents' responses are based on the characteristics an object acquires. The following rating scales are often used in research:

- **Category response scale**

According to Awang *et al.* (2016:15), categorical data is data that can be divided into various categories. The respondents are provided with categories that order the responses and can provide either numerical values to choose from or expressive labels (Fotios, 2019:127). To assure that there is no intersection between the categories, individual categories should be used (Sarstedt & Mooi, 2019:72). Therefore, a category scale has various categories to select as a response and this allows for a more detailed response (Babin & Zikmund, 2016:287).

○ **Constant sum scale**

Malhotra *et al.* (2017:345) demonstrate that a constant-sum scale allows a respondent to allocate a unit to a respective object based on an indicated criterion. Malhotra and Dash (2016:266) suggest that the units could be in the form of dollars, points, or labels, to name a few. However, Hair *et al.* (2017:178) advise that the units allocated are usually out of hundred. A constant sum scale measures attitudes by calculating the total through the accumulated units allocated (Babin & Zikmund, 2016:291).

○ **Graphic rating scale**

The graphic rating scale uses a scaling descriptor presentation to present various response options (Hair *et al.*, 2017:177). From the graphic continuum, the respondents will select any point to indicate their attitude rating (Babin & Zikmund, 2016:291). Hair *et al.* (2017:178) explain that an X can be allocated on the graphic line divided into equal intervals to indicate their response.

○ **Itemised scale**

An itemised scale provides various categories that are ordered based on the scale positions with a description allocated to each category (Malhotra *et al.*, 2017:349). According to Malhotra and Dash (2016:280), the most used itemised rating scales are the Likert, semantic differential, and staple scale.

- A **Likert scale** is the most utilised scale, as it requires minimal effort to use and is easy to comprehend (Babin & Zikmund, 2016:287). According to Sarstedt and Mooi (2019:76), attitudes are determined by asking respondents to express their level of agreement with the provided statements. The respondent's attitudes expressed through their agreement levels are

measured by allowing them to select options ranging on either a five, seven- or ten-point scale (Awang *et al.*, 2016:13-14). According to Malhotra and Dash (2016:280), the categories usually range from 'strongly disagree' to 'strongly agree' with which respondents are able to express their level of agreement.

- A **semantic differential scale** is a seven-point scale with contradictory endpoints, or two extremes (Malhotra & Dash, 2016:281). This scale allows respondents to depict their attitudes by selecting an option from the contradictory options provided about a concept (Babin & Zikmund, 2016:289). As stated, the contradictory points are positioned on the endpoints of the scale on which respondents can express how they feel about a given statement by indicating a position anywhere between the two endpoints that reflects best how they feel about the statement (Sarstedt & Mooi, 2019:70).

- A **staple scale** can be identified as the scale without a zero in the middle and with measures that range from positive numbers to corresponding negative numbers (Burns *et al.*, 2017:212). A staple scale is, therefore, a unipolar scale with points numbered from -5 to 5 to depict the categories a respondent can use to express how accurately the provided statement describes the object (Malhotra & Dash, 2016:283). Malhotra *et al.* (2017:348) agree that a staple scale is a unipolar 10-point scale that measures attitudes and does not possess a zero or neutral point.

- **Ranking scales**

Based on the criteria, respondents are provided with objects based on criteria and are requested to order or rank these objects (Malhotra *et al.*, 2017:344). According to Sekaran and Bougie (2016:206), a ranking scale, therefore, allows a respondent to draw a comparison between the objects provided by providing a response that indicates a ranking order amongst the objects. Malhotra and Dash (2016:265) advise that ranking scales measure attributes and preferences towards selected brands. The following ranking scales are often used in research:

- **Paired comparison scale**

According to Malhotra *et al.* (2017:243), a paired comparison is when a respondent receives two objects to choose from and then, based on a certain criterion, selects only one object. Babin and Zikmund (2016:293) suggest that the respondents could be presented with more than two objects, however comparisons are mostly

made in pairs. Paired comparison scales are mostly utilised when the objects are physical items and is therefore, the most utilised comparative scaling technique (Malhotra & Dash, 2016:263).

- **Forced-choice scale**

Zikmund and Babin (2016:295) posit that a forced-choice scale allows respondents to select one of the fixed alternatives. Malhotra *et al.* (2017:354) assert that due to there being fixed alternatives, there are no options available to avoid providing a response. This means that the respondent cannot select a neutral option, as the respondent can only select either a positive or negative response and not a neutral response (Hair *et al.*, 2017:171).

- **Comparative scale**

According to Malhotra *et al.* (2017:342) a comparison scale allows for objects to be compared to one another. While comparing objects, respondents are left with no choice but to select between the provided objects (Malhotra & Dash, 2016:262). Hair *et al.* (2017:177) assert that by selecting an object, a respondent is expressing their attitude towards the object.

For the purpose of this study, one open-ended question was asked where respondents had to indicate their year of birth. The rest of the questionnaire consisted of closed-ended question types such as simple dichotomous questions and scaled response questions where respondents had to choose between set alternative options. The questionnaire included, as part of its response types, rating scales in the form of itemised scales, where three Likert scales were provided for respondents to indicate their attitudes towards various objects and statements. Table 4-2 below summarises this study's questionnaire sections, questions, level of scale measurement, responses and scale types that were used in this study.

Table 4-2: Summary of this study's questionnaire scales and response formats

Sections	Question	Level of scale measurement	Response	Scale type
Screening question	1	Nominal	Closed: Simple dichotomous	-
Section A: Demographic information and patronage habits	2.1	Ratio	Open	-
	2.2	Nominal	Closed: Simple dichotomous	-
	2.3	Nominal	Closed: Multi-choice	Category
	2.4	Nominal	Closed: Multi-choice	Category
	2.5	Nominal	Closed: Multi-choice	Category
	2.6	Ordinal	Closed: Multi-choice	Category
	2.7	Ordinal	Closed: Multi-choice	Category
	2.8	Ordinal	Closed: Multi-choice	Category
	2.9	Interval	Closed: Scaled-response	Likert (5-point)
Section B: Construct measurement	3.1-3.22	Interval	Closed: Scaled-response	Likert (5-point)

Source: Researcher's own compilation.

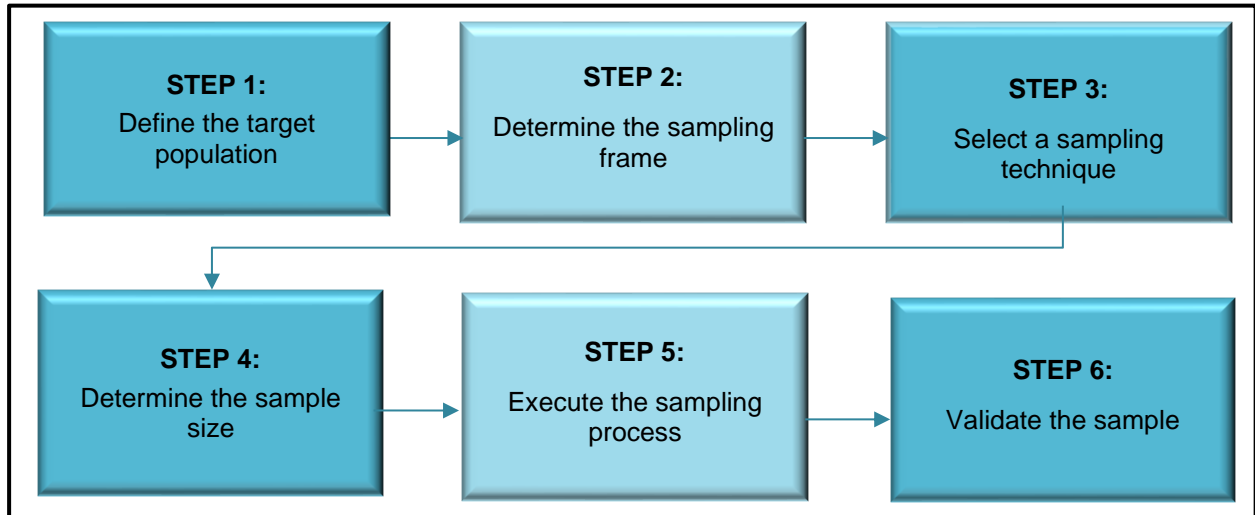
4.6 STAGE 4: DESIGN THE SAMPLE AND COLLECT THE DATA

Once the data collection method has been designed (Stage 3), the sample needs to be designed with which the data needs to be collected afterwards, as depicted in Figure 4-2 (Iacobucci & Churchill, 2018:23). According to Babin and Zikmund (2016:69), the next step in the research process is the planning of a sample, which entails measuring a subset of the population in order to formulate conclusions that apply to the entire population.

4.6.1 Sample design

Sekaran and Bougie (2016:235) explain that sampling entails selecting a representation of an entire population based on events, individuals, or objects to solve the research problem. The process of selecting the above or other fundamentals to represent the entire population is known as the sample plan (Valencia-Go, 2016:49). In accordance with Malhotra *et al.* (2017:414), the following steps as depicted in Figure 4-3 were used to determine this study's sample plan

Figure 4-3: Sample plan steps



Source: Adapted from Malhotra *et al.* (2017:414).

4.6.1.1 Step 1: Define the target population

Population refers to the number of individuals who reside in a certain country (Taherdoost, 2016:19). Researchers want to make inferences about a certain group of people, in which case the target population refers to the specific part of the population that will be investigated (Sekaran & Bougie, 2016:236). The group that was investigated in this study had a common set of characteristics (Babin & Zikmund, 2016:337). In Table 1-2 the target population was extended within the following three components, namely elements (similarity between sample units), sampling units (respondents), the extent (location) to provide context on where the research will take place (Babin & Zikmund, 2016:341).

For the purpose of this study, respondents had to have made use of the fast-food franchises in the Gauteng province of South Africa for them to have been eligible to form part of the target population.

4.6.1.2 Step 2: Determine the sampling frame

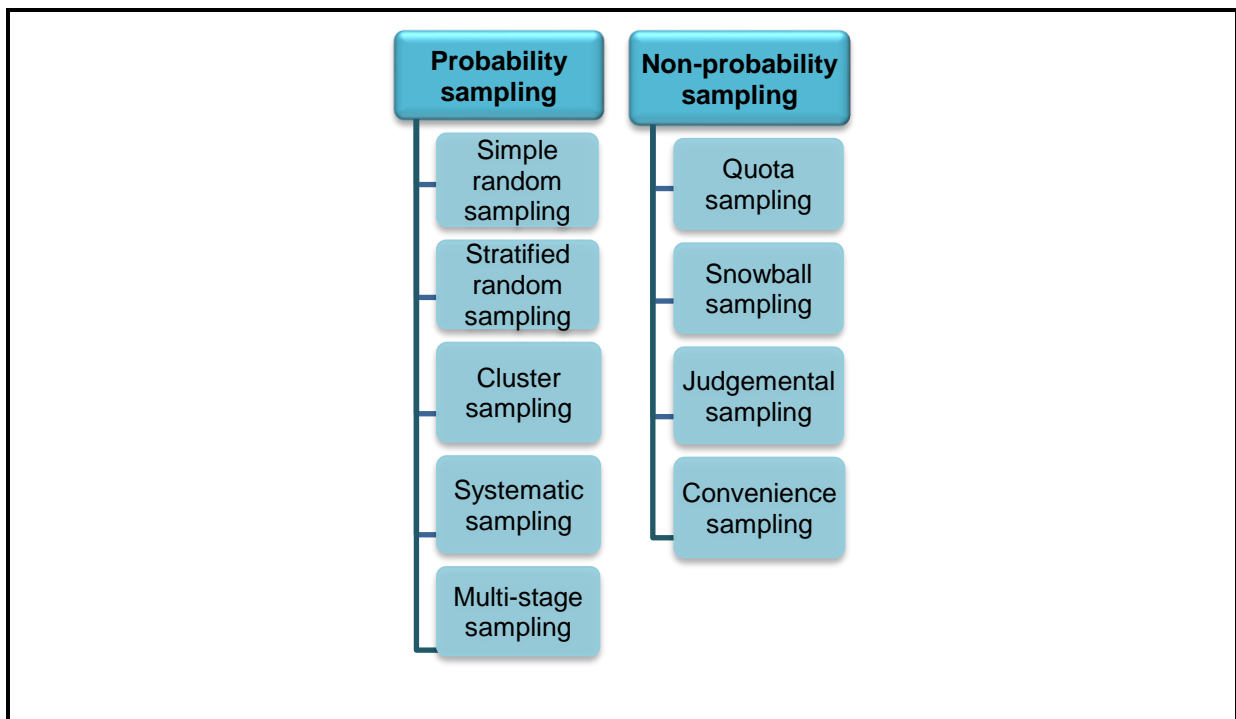
The identified sample frame has to be representative of the entire population, as the sample is selected from this list (Taherdoost, 2016:20). A sampling frame was selected according to the target population, which consisted of individuals with similar characteristics (Quirk & Palmer-Schuyler, 2014:21). The fast-food franchise industry has numerous customers daily, which makes it a complex task to compile a list of all the fast-food franchise customers that exist. The unavailability of a complete list of all the customers within the fast-food franchise industry in Gauteng could result in a sample error (Burns *et al.*, 2017:239).

For the purpose of this study, no sampling frame was used, given not only the unavailability of a complete record of all the customers within the fast-food franchise industry in Gauteng but the Protection of Personal Information Act (POPIA) Act (4 of 2013), which prohibits the attainment of South African citizen’s personal information.

4.6.1.3 Step 3: Select a sampling technique

According to Gauglitz and Moore (2014:95), the sample to be selected in a study will determine the type of sampling method and technique to be used. Benzo *et al.* (2018:152) refer to a sampling technique as the sampling method that will be used for the study’s sample. Etikan *et al.* (2016:1) advise that sampling can either be statistical (probability sampling) or non-statistical (non-probability sampling). Sharma (2017:749-750) denotes that these two types of sampling can be further classified under the respective sampling techniques depicted in Figure 4-4.

Figure 4-4: Sampling techniques



Source: Adapted from Taherdoost (2016:20).

4.6.1.3.1 Probability sampling

Sekaran and Bougie (2016:240) define probability sampling as a technique where every individual in the population has an equal and known chance of being selected for the sample. Sharma (2017:749) emphasises that this type of sampling is more accurate because it will be a more accurate representation of the entire population. Probability sampling can be classified further into five distinct techniques, namely simple random, stratified random, cluster, systematic and multi-stage sampling.

(a) Simple random

According to Ros and Guillaume (2020:6), simple random sampling allows for the equal inclusion of the population in the sample. Moreover, simple random sampling allows the researcher to swiftly gain information about and insight into the entire population. The information is collected swiftly because sample's information is collected independently and in a single attempt (Sharma, 2017:750).

(b) Stratified random

Stratified sampling refers to a sampling technique where the population is divided into sub-groups referred to as strata, which are selected based on similar characteristics that give members of the population an even chance of being selected for the sample (Babin & Zikmund, 2016:353). Stratified sampling requires that every individual in the population must be studied in one stratum (Thomas, 2021).

(c) Cluster sampling

Cluster sampling allows for the target population to be grouped into clusters, from which a random sample is then selected (Sekaran & Bougie, 2016:245). Cluster sampling is a useful technique when there is no complete list of the population (Babin & Zikmund, 2016:354).

(d) Systematic sampling

Systematic sampling commences with a random start (Ros & Guillaume, 2020:12) where only the first unit's selection is therefore random (Etikan & Bala, 2017:216). The sample is then selected based on a specified fixed number interval where the n-th number is selected from the sample (Taherdoost, 2016:21), which allows for the selection of a sample that is divided among the population evenly (Sharma, 2017:750).

(e) Multi-stage sampling

Babin and Zikmund (2016:356) explain that multi-stage sampling makes use of a combination of two or more probability sampling techniques. The methods are combined in the most effective manner and are normally used based on large probes of geographical areas (Etikan & Bala, 2017:217).

4.6.1.3.2 Non-probability sampling

Non-probability sampling is a technique where every individual in the populations chance of being selected for the sample is unknown, due to the sample being selected based on individuals' judgement or based on convenience (Babin & Zikmund, 2016:348). Sekaran and Bougie

(2016:240) state that the population does not have an equal or known chance of being selected. Non-probability sampling can be further classified into four distinct techniques namely quota, snowball, judgemental and convenience sampling.

(a) Quota sampling

Quota sampling allows for the suitable representation through the proportional sampling of respondents (Sekaran & Bougie, 2016:248). According to Sarstedt *et al.* (2018:654) the researcher determines the characteristics prior to the quota selection from the target population. Quota sampling is therefore, mostly utilised for when an exact amount of a subgroup of the population needs to be represented and studied (Sharma, 2017:751).

(b) Snowball sampling

The snowball sampling method is a non-probability sampling technique that is used when the sample has an element of complexity or requires rare characteristics (Tyrer & Heyman, 2016:58). Etikan and Bala (2017:216) demonstrate that respondents with similar characteristics can assist in recruiting additional respondents. Taherdoost (2016:20) agrees when saying that the respondents will motivate other respondents to partake in the study.

(c) Judgement sampling

Babin and Zikmund (2016:349) explain that judgemental sampling entails the selection of respondents based on the researcher's judgment of the respondents' characteristics. Sharma (2017:751) agrees in saying that the respondents selected for the sample depend on the researcher's judgement and that a judgement can be based on analytical, logical, or theoretical principles.

(d) Convenience sampling

Convenience sampling allows for the collection of information from the sample in the most convenient manner possible to the researcher (Sekaran & Bougie, 2016:247). Moreover, Taherdoost (2016:22) expresses that convenience sampling can assist with certain limitations the researcher might experience. According to Etikan *et al.* (2016:2), convenience can be applied in terms of ease of access, availability, or geographical proximity.

For the purpose of this study, non-probability sampling was used, given that the various respondents that were to be selected to partake in this study had to meet the criteria of being a customer of the fast-food franchise in Gauteng at least within the last six months. Furthermore, convenience sampling was used because it allows for the collection of data from any respondent at any preferred or convenient location (Jackson, 2016:98). Taherdoost (2016:22) asserts that convenience sampling is the preferred sampling technique for students because it is an easier

sampling technique to implement and is more cost-effective compared to the other sampling techniques.

4.6.1.4 Step 4: Determine the sample size

Malhotra *et al.* (2017:417) define sample size as the number of individuals from the population to be included in the study. Taherdoost (2017:237) notes that various statistical formulas can be used to calculate sample size, and advises on the following:

$$n = \frac{p(100-p)z^2}{E^2},$$

where:

n = Required sample size;

p = Percentage occurrence of state or condition;

E = Percentage of maximum error required; and

z = Value corresponding to the level of confidence required.

The process of determining the sample size can be influenced by the unpredictability of the sample or the study’s research problem (Babin & Zikmund, 2016:380). The research problem **for this study**, namely that *the service quality offered by all franchises does not align with customers’ expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises* was addressed by making use of problem-solving research, as depicted in Table 4-3.

Table 4-3: Research study’s sample size

Type of study	Minimum size	Typical range
Problem identification	500	1000-2500
Problem-solving research	200	300-500
Product test	200	300-500
Test marketing studies	200	300-500
TV, radio, print or online advertising	150	200-300
Test-marketing audits	10 stores	10-20 stores
Focus groups	6 groups	6-12 groups

Source: Adapted from Malhotra *et al.* (2017:418).

Problem-solving research initiates with an identified problem that needs to be researched to find a satisfactory solution to the identified problem (Von Hippel & Von Krogh, 2016:207). As seen in Table 4-3, problem-solving research essentially requires a sample size that ranges between 300

and 500 respondents, with a minimum of 200 respondents, should any errors occur while completing the questionnaire (Malhotra *et al.*, 2017:418).

4.6.1.5 Step 5: Execute the sampling process

In order for the sampling process to be executed effectively, all the stages of the sampling process need to be followed. This includes the sample planning stage with the abovementioned steps.

For the purpose of this study, this study’s sampling plan is presented in the below Table 4-4.

Table 4-4: Summary of this study’s sample plan

Study plan	Explanation
Target population / Sampling elements / Sampling units	All fast-food franchise customers in Gauteng.
Extent	Within the Gauteng province of South Africa.
Sample frame	No sampling frame is available.
Sample method	Non-probability sampling
Sample type	Convenience sampling
Sampling size	Problem-solving research (300-500 participants)

Source: Researcher’s own compilation.

4.6.1.6 Step 6: Validate the sample

The sample needs to be validated, which means to determine whether the sample truly is representative of the entire population by providing accurate measurements from which to make valid conclusions (Babin & Zikmund, 2016:281). In order to validate the sample, a screening question must be implemented to determine whether the respondents meet the criteria of the sample (Malhotra *et al.*, 2017:418). A screening question thus determines whether a respondent is eligible to partake in the study (Forister & Blessing, 2020:63).

After the sampling plan has been developed and implemented, data collection commences (Babin & Zikmund, 2016:69). According to Burns and Veeck (2020:45), the data collected should be of exceptional quality, and errors from the fieldworker or respondent – whether on purpose or by accident – should be avoided.

4.6.2 Data collection

According to Rutberg and Bouikidis (2018:209), the study determines the type of data collection technique to use. Chrysochou (2017:412) explains that data can be collected either through a quantitative data collection technique (Section 4.6.2.1) that applies a form of statistical analysis

or a qualitative data collection technique (Section 4.6.2.2) to provide insights. A discussion of quantitative and qualitative data collection techniques follows below.

4.6.2.1 Quantitative data collection techniques

Quantitative data collection is characterised by numerical values that are assigned in an insightful manner (Babin & Zikmund, 2016:113). With this technique, data is collected by measuring variables and testing relationships to provide statistical data (Leavy, 2017:9), and it uses empirical assessments in the form of numerical measurements to address the research objectives (Burns *et al.*, 2017:144). According to Leavy (2017:18), quantitative data collection techniques consist of surveys and experiments.

4.6.2.1.1 Surveys

Leavy (2017:19) describes that the survey technique can be utilised by making use of a questionnaire to collect data in the form of responses received from the questions that were addressed to the sample (Chrysochou, 2017:420). The survey technique allows for the collection of information and data from a vast group of respondents (Hair *et al.*, 2017:109).

4.6.2.1.2 Experiments

Burns and Zikmund (2016:59) explain that an experiment entails the process of influencing the cause in order to determine the effect. As such, an experiment allows researchers to determine the effect of an independent variable on the dependent variable to determine the cause-and-effect relationship (Chrysochou, 2017:420). Furthermore, according to Hair *et al.* (2017:122), experiments are examinations used to either verify or disestablish a hypothesised relationship between variables.

4.6.2.2 Qualitative data collection techniques

Qualitative data entails written or verbal data (Hair *et al.*, 2017:78). This research technique is used to clarify, investigate, or define collected data to gain meaningful insights into phenomena such as a person's experiences and activities (Leavy, 2017:9). The insights allow for interpretations to be made without utilising numerical values (Babin & Zikmund, 2016:109). According to Chrysochou (2017:413-418), qualitative data collection techniques are interviews, focus groups, observations, ethnography, and projective techniques.

4.6.2.2.1 Interviews

An interview can be defined as a one-on-one interaction between a respondent and an interviewer, after which the researcher draws conclusions from the responses of the respondent (Burns & Veeck, 2020:137). The questions are developed prior to the interview and are centred on a focus area for which to collect data from the responses (Sadan, 2017:59). According to Leavy (2017:14), the following interview techniques are available, namely structured, in-depth, semi-structured, oral history and focus group interviews.

4.6.2.2.2 Focus groups

According to Leavy (2017:19), a focus group can be used to collect data from participants by dividing them into groups of six and leading a discussion in an area that will avoid distractions, such as a room or office, where the researcher can ask the participants various questions. Babin and Zikmund (2016:120) agree when noting that a focus group can consist of six to ten participants, and they explain that the various questions asked can be open and unstructured through which participants are motivated and encouraged to engage in the discussion.

4.6.2.2.3 Observations

Sadan (2017:62) describes that observations detail participants' characteristics, reactions, and behaviours. Burns and Veeck (2020:124-126) define observations as the actions of observing participants and then detailing the findings. Observations can be either structured, where it is decided in advance what should be observed, or unstructured, where no predetermined observations are decided upon.

4.6.2.2.4 Ethnography

Ethnography entails the observation of respondents' views and traditions in their current settings (Malhotra et al., 2017:62). Hair et al. (2017:91) explain that ethnography provides insight by detailing the behaviours of respondents that are influenced socially and culturally. Ethnography, therefore, describes and details respondents' cultures, languages, and relationships, to name a few (Chrysochou, 2017:417).

4.6.2.2.5 Projective techniques

According to Babin and Zikmund (2016:129), projective research techniques allow respondents to project their state of mind and views onto an inanimate article, which allows for a subsidiary manner of questioning. The questioning encourages respondents to reflect on their views and feelings regarding a specific issue (Malhotra *et al.*, 2017:222). Hair *et al.* (2017:92) emphasise

that projective techniques use indirect questioning to understand respondents' views and encourage responses.

For the purpose of this study, a quantitative research approach was used in the form of a survey to collect data. The survey was conducted through the use of a structured, self-administered questionnaire. The reason for choosing this approach is that quantitative research allowed for structured responses that required fewer interpretations, and it also enhanced the psychometric properties namely the reliability and validity of the measurement scales (Babin & Zikmund, 2016:111). The data was collected from 5 November 2020 to 17 March 2021 after which the data was analysed (Schuurman, 2020:1015). According to Sekaran and Bougie (2016:24), the data that is collected during this approach forms the foundation of the data analysis that will follow.

After the sample has been designed and the data collection methods identified (Stage 4), the data must be analysed and interpreted, as illustrated in Figure 4-2 (Iacobucci & Churchill, 2018:23). Data analysis allows for data to be used in calculations and summarised in order for the researcher to understand the data and identify patterns (Babin & Zikmund, 2016:70). The researcher does this by analysing the raw collected data (Johnston, 2017:623), which is typically captured and edited with statistical instruments (Sekaran & Bougie, 2016:273). The statistical instruments analyse the data to provide solutions to the identified research problem and objectives (Burns & Veeck, 2020:45).

4.7 STAGE 5: ANALYSE AND INTERPRET THE DATA

After the sample has been designed and the data collection methods identified (Stage 4), the data must be analysed and interpreted, as illustrated in Figure 4-2 (Iacobucci & Churchill, 2018:23). Data analysis allows for data to be used in calculations and summarised in order for the researcher to understand the data and identify patterns (Babin & Zikmund, 2016:70). The researcher does this by analysing the raw collected data (Johnston, 2017:623), which is typically captured and edited with statistical instruments (Sekaran & Bougie, 2016:273). The statistical instruments analyse the data to provide solutions to the identified research problem and objectives (Burns & Veeck, 2020:45).

4.7.1 Psychometric properties

Before data analysis commences, the measuring instrument's psychometric properties need to be assessed in terms of its reliability and validity to determine its effectiveness (Hayashi *et al.*, 2019:99; Mohajan, 2017:59). The testing of a measuring instrument's reliability and validity will ensure that any errors related to the instrument are minimalised (Field, 2018:15). Subsequently,

the reliability (Section 4.7.1.1) and validity (Section 4.7.1.2) of scales should also be tested to assure quality data.

4.7.1.1 Reliability

Reliability assures a researcher that a certain measuring instrument can be used because it offered reliable and consistent results when utilised previously (Babin & Zikmund, 2016:280). Sarstedt and Mooi (2019:36) advise that reliability determines the extent to which the measuring instrument is free from random error. Mohajan (2017:59) mentions that, once the instrument's reliability has been tested, it will mean that the data that it collected is reliable. The measuring instrument's reliability can be determined with the Cronbach's alpha coefficient.

4.7.1.1.1 Cronbach's alpha coefficient (α)

According to Sarstedt and Mooi (2019:280), the most used instrument for measuring internal reliability is the Cronbach's alpha coefficient. This coefficient ranges from zero, which indicates that there is no reliability in the various items that were measured, to one, which indicates that there is complete reliability in the items (Babin & Zikmund, 2016:280). The authors further describe the classifications of the value intervals, as depicted in the table below.

Table 4-5: Cronbach's alpha coefficient value interpretation

Cronbach's alpha coefficient value	Reliability
0.80-0.96	Very good reliability
0.70-0.80	Good reliability
0.60-0.70	Fair reliability
Below 0.60	Poor reliability

Source: Adapted from Babin and Zikmund (2016:280-281).

4.7.1.2 Validity

According to Mohajan (2017:59), validity determines what the measuring instrument will measure as well as its effectiveness. Therefore, validity establishes a reassurance in the researcher that the conclusions made from data that has been analysed through the measuring instrument can be substantiated and corroborated (Hayashi *et al.*, 2019:99). Through validity, the analysed data can provide an honest representation of the identified constructs in the study (Babin & Zikmund, 2016:283). Hayashi *et al.* (2019:99) advise that validity is best indicated when making use of quantitative studies.

4.7.1.2.1 Measure of sample adequacy

The measure of sample adequacy (MSA) is calculated to determine the validity of the measuring instrument and determine whether the data set was suitable for factor analysis. Measures used in this study were the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity.

The Kaiser-Meyer-Olkin (KMO) measures the suitability of the sample data (Othman *et al.*, 2019:3) as well as the sampling adequacy and can possess a value between 0 and 1 (Shankar *et al.*, 2018:11595). According to Ay *et al.* (2018:1645), the KMO needs to specify a value higher than 0.60 to indicate that sampling is adequate and factor analysis can be useful with the data

According to Othman *et al.* (2019:3) and Shankar *et al.* (2018:11595), Bartlett's test of sphericity is conducted to confirm the suitability of data for exploratory factor analysis and to calculate the correlation between the variables. Kisanjani and Purnomo (2019:1034) inform that $p < 0.05$ values are allowed, and that factor analysis can be useful with the data. The correlations are indicated with a p-value (Sarstedt & Mooi, 2019:265).

To analyse the data effectively, the data collected from the questionnaires should be inserted into a software program (Burns & Veeck, 2020:45) that specialises in data analysis. One well-known software program is SPSS, which focuses on the analysis of quantitative data (Sarstedt & Mooi, 2019:389).

4.7.2 Statistical program used in this study (SPSS)

IBM SPSS (Statistical Package for the Social Sciences) is a statistical program used to conduct statistical analyses (George & Mallery, 2016:2). SPSS (version 27) as developed by IBM Corporation is a popular tool for analysis under researchers for its ability to analyse vast amounts of datasets while focusing on quantitative data analysis (Sarstedt & Mooi, 2019:123).

The statistical program allows for multivariate data analysis as well as frequency distributions such as percentages and statistics summarised as a mean, median or mode (Hair *et al.*, 2017:39). SPSS also allows for the analysis of variance (ANOVA) and regression analysis, to name a few (Sarstedt & Mooi, 2019:22). The data can be analysed through computing statistics that describe the dataset (Burns & Veeck, 2020:315). Statistical data analysis, which is used to describe datasets, is discussed in the sections below.

From the data that has been collected, various analyses can be conducted to transform the raw collected data into usable data. Therefore, a brief discussion on descriptive statistics (Section 4.7.2.1) and inferential statistics (Section 4.7.2.2) follows.

4.7.2.1 Descriptive statistics

Descriptive statistics allow for the analysed data to be depicted in a comprehensible manner by summarising and describing the analysed data (Conner, 2017:52). The descriptive measures form the basis for the analysis to follow in the study (Burns & Veeck, 2020:316). Descriptive statistics analyse the data to determine the frequency, percentage, mean and standard deviation.

4.7.2.1.1 Percentage

A percentage is expressed as a fraction of a hundred. According to Babin and Zikmund (2016:363), percentage values can be depicted through a table that provides a summary of the percentages associated with each value in the dataset.

4.7.2.1.2 Frequency

According to Sekaran and Bougie (2016:279), frequency refers to the number of times a value occurs in the dataset. The summary of the documented frequencies is indicated as a frequency distribution (Hair *et al.*, 2017:172).

4.7.2.1.3 Mean

Central tendency indicates where the middle of the dataset can be found (Janicak, 2015:66) and is the most utilised measure given that it determines the fundamental share of frequency and includes the mean, median and mode (Conner, 2017:52). The mean is also known as the data average and is a determinant of the central tendency of the data set (Babin & Zikmund, 2016:265). The mean can be determined by calculating the accumulated sum of values and then dividing the sum of values by the total values in the dataset (Conner, 2017:52).

4.7.2.1.4 Standard deviation

Dispersion metrics allow for data to be summarised by determining the dispersion of the data (Babin & Zikmund, 2016:236). Dispersion metrics depict inconsistencies found in the dataset (Sekaran & Bougie, 2016:283). According to Janicak (2015:66), dispersion metrics includes range, variance, and standard deviation. Standard deviation is utilised to depict variability of the sample distribution from the mean (Sarstedt & Mooi, 2019:389). The standard deviation distribution can be depicted in a normal or bell-shaped curve (Burns & Veeck, 2020:320). The standard deviation can be determined through the square root of the variance (Sekaran & Bougie, 2016:284).

4.7.2.2 Inferential statistics

Inferential statistics can be described as an entire population being represented through a sample that is interpreted (Babin & Zikmund, 2016:362). The sample can be interpreted through an independent sample t-test, paired sample t-test, one-way ANOVA, or standard multiple regression. However, **for the purpose of this study**, only the paired sample t-test is elaborated on as seen below.

4.7.2.2.1 Paired sample t-test

A paired sample t-test allows for the comparison of two means whose observations are from a similar sampling unit (Babin & Zikmund, 2016:425). This entails that the same sampling unit is observed twice, and this allows for the differences to be determined (Sarstedt & Mooi, 2019:163). Ross and Willson (2017:17) agree and explain that a repeated measure t-test can occur when the same group is tested again while making use of the same measure. An example of paired sample t-test could be to compare genders (i.e., male and female).

For the purpose of this study, the well-known and utilised SERVQUAL measurement scale was used in order to measure the service quality of the fast-food franchise industry in Gauteng. The SERVQUAL scale has been used numerous times, which confirms the instrument's validity and reliability (Ali & Raza, 2017; Al-Neyadi *et al.*, 2018; Haming *et al.*, 2019). SPSS analysed the data collected and provided a summarised table indicating the descriptive statistics that were used, which included frequencies, percentages, mean and the standard deviation of the dataset. Inferential statistics were interpreted through a paired sample t-test.

Based on the abovementioned discussions, Table 4-6 summarises the statistical techniques that were used in this study to achieve the secondary objectives.

Table 4-6: Summary: Statistical techniques to be utilised in this study

Section	Data analysis	Statistical technique
Section A: Demographical information and patronage habits	Demographic profiles	
	Year of birth (Age)	Frequencies (n) and percentages (%)
	Gender	Frequencies (n) and percentages (%)
	Ethnicity	Frequencies (n) and percentages (%)
	Highest level of education	Frequencies (n) and percentages (%)
	Current employment status	Frequencies (n) and percentages (%)

Table 4-6: Summary: Statistical techniques to be utilised in this study (continued)

Section	Data analysis	Statistical technique
Section A: Demographical information and patronage habits	Patronage habits	
	Duration of being a customer of the fast-food industry	Frequencies (n) and percentages (%)
	Preferred purchase time	Frequencies (n) and percentages (%)
	Physical visits to the premises of the fast-food outlet	Frequencies (n) and percentages (%)
	Motivational elements	
	Rating of important elements	Mean scores (\bar{x}) and standard deviations (σ)
Section B: Construct measurement	Reliability	Cronbach's alpha values (α -values)
	Validity	Kaiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity
	Customer expectations	Mean scores (\bar{x}) and standard deviations (σ)
	Customer experiences	Mean scores (\bar{x}) and standard deviations (σ)
Hypotheses	H0: There is no statistically significant difference between service quality expectations and service quality experiences. H1: There is a statistically significant difference between service quality expectations and service quality experiences. H1a: Service quality has a positive statistically significant influence on the respondents' customer satisfaction. H1b: Service quality has a negative statistically significant influence on the respondents' customer satisfaction.	Paired sample t-test

Source: Adapted from Babin and Zikmund (2016:280-281).

The next step involved communicating the analysed data.

4.8 STAGE 6: PREPARE THE RESEARCH REPORT

Having analysed and interpreted the data (Stage 5), the last stage entails the preparation of the research report, as shown in Figure 4-2 (Iacobucci & Churchill, 2018:23).

According to Cooper and Schindler (2014:504), the research process concludes with stage six, which focuses on the empirical results of this study and therefore presents the findings, data analysis, interpretation, conclusions, and recommendations. The findings can be interpreted to

provide answers to the identified research problem (Hair *et al.*, 2017:40). The insights gathered from the data collected can be communicated through a documented report, verbally through a presentation or visually through visual aids such as videos (Burns & Veeck, 2020:45-46).

For the purpose of this study, a research report was compiled in the form of this dissertation. The dissertation contextualises the management of service quality and contributes to the body of knowledge on customer expectations, experiences, and satisfaction.

4.9 SUMMARY

This chapter provided the research methodology and processes utilised to achieve the research objectives of this study. This chapter commenced with an introduction (Section 4.1) and provided an in-depth discussion on this study's research methodology through the six stages in the research process (Section 4.2). This chapter also explained how each of these steps was implemented (Section 4.3 - 4.8).

From this chapter, it was evident that research was needed in order to find a solution to the identified research problem. Furthermore, it explained how this study used a combination of exploratory and descriptive research designs, and that both secondary and primary data were collected. A quantitative research approach was used in the form of a structured, self-administered questionnaire (Appendix A) in order to collect data. Section A of the questionnaire was used to collect data with regards to the respondents' demographic information and patronage habits and motivational elements. Section B used the SERVQUAL measuring instrument to collect data on the service quality offered by the fast-food franchise industry in Gauteng, and it focused on the respondents' expectations and experiences. Non-probability sampling was selected, and convenience sampling was used to obtain data from the respondents who had purchased from the fast-food franchises in Gauteng during the last six months at the time of this study. The number of participants used for problem-solving research typical ranges between 300-500, with a minimum requirement of 200 respondents. The data was collected from 5 November 2020 to 17 March 2021 and was analysed with SPSS in order to provide solutions to the identified research problem and objectives.

Subsequently, this study continues with Chapter 5, which presents the empirical results and findings obtained from the collected data in order to investigate the service quality in the fast-food franchise industry in Gauteng.

CHAPTER 5

EMPERICAL RESULTS AND FINDINGS

5.1 INTRODUCTION

The theoretical underpinnings pertaining to management in the fast-food franchise industry were discussed in Chapter 2 and customer expectations, experience, and customer satisfaction in Chapter 3, followed by the research methodology applicable to this study in Chapter 4. To contribute towards the obtaining of secondary objectives 3, 4, 5 and 6 (Section 1.4), exploratory and descriptive research designs were used to gather sufficient data and report the results from this data.

In this chapter, the results and findings of the study are presented by measures of reporting, explaining, and interpreting the data gathered from the structured, self-administered questionnaires. The empirical results and findings are used to compile a sample profile description of the respondents as well as to measure respondents' service quality expectations and experiences in the fast-food franchise industry.

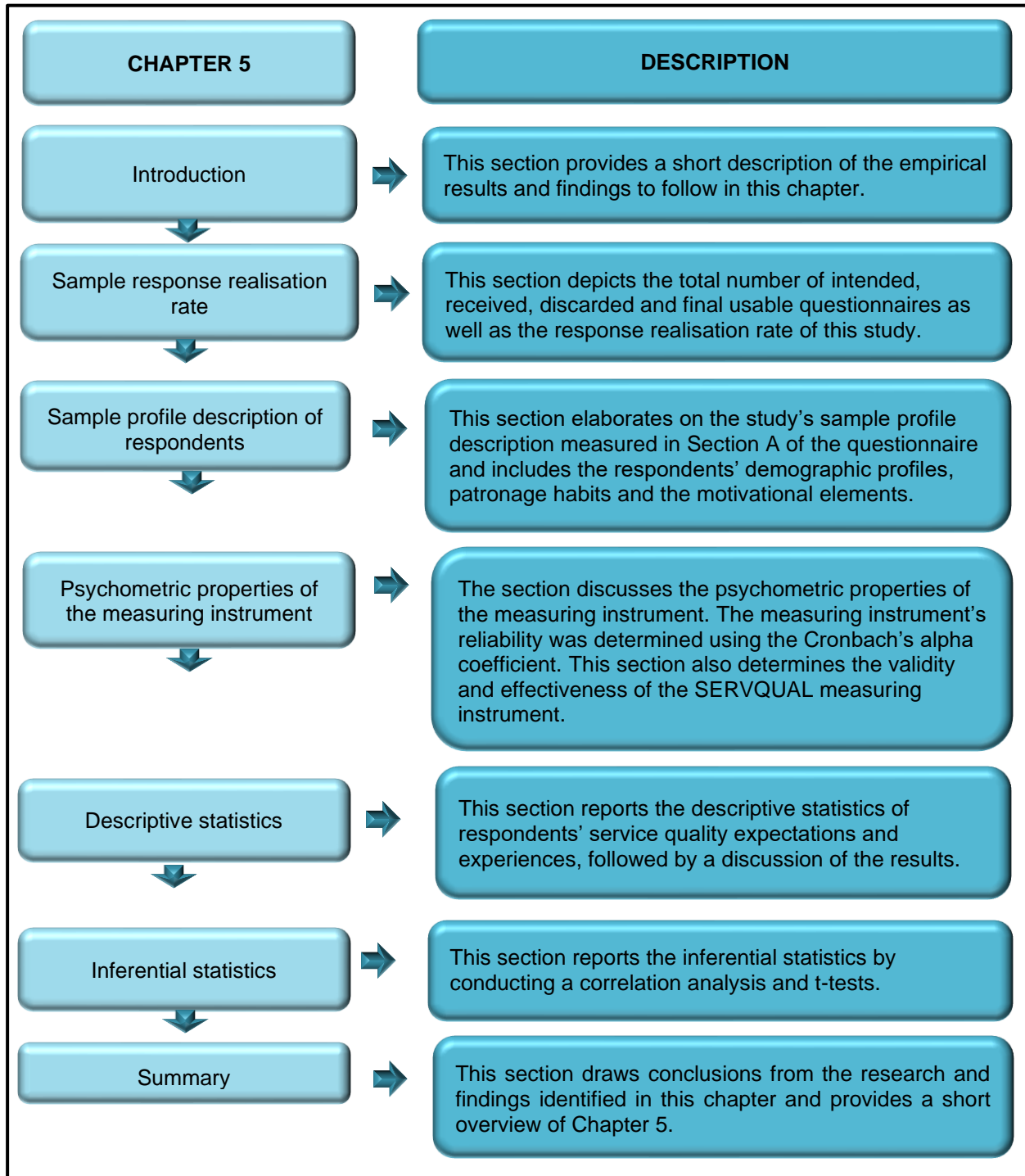
This chapter is organised according to the sections of the structured questionnaire to address the following applicable secondary research objectives:

- **Secondary objective 3:** To compile a sample profile description of the respondents.
- **Secondary objective 4:** To measure service quality by means of the respondents' expectations and experiences in the fast-food franchise industry.
- **Secondary objective 5:** To determine the respondents' satisfaction towards fast-food franchises.
- **Secondary objective 6:** Identify the dimensions that need to be managed for increased service quality and customer satisfaction.

This chapter commences with a brief introduction (Section 5.1) and a discussion of the sample's response realisation rate (Section 5.2). This is followed by a sample profile description of the respondents (Section 5.3) and includes their demographic profiles, patronage habits and motivational elements. Thereafter, the psychometric properties of the measuring instrument (Section 5.4) is discussed in terms of the measuring instrument's reliability and validity. Next, the descriptive statistics (Section 5.5) follow to report on service quality expectations and experiences and the associated dimensions. With regards to the inferential statistics (Section 5.6), a correlation analysis is calculated to evaluate the impact of service quality in the fast-food franchise

industry in Gauteng on the respondents' expectations and experiences. Subsequently, t-tests followed from the paired sample t-test that was conducted to identify the correlation between the dimensions of service quality expectations and experiences as well as any statistically and practically significant differences between service quality expectations and experiences. Finally, the chapter closes with a chapter summary (Section 5.7).

Figure 5-1: Layout of Chapter 5



Source: Researcher's own compilation.

5.2 SAMPLE RESPONSE RATE

The study was conducted amongst fast-food franchise customers in Gauteng. Malhotra *et al.* (2017:418) emphasise that a sample size between 300 and 500 respondents with a minimum of 200 respondents should be obtained for problem-solving research (Section 1.5.2.3.4). Therefore, the researcher's objective was to obtain at least 300 completed questionnaires to result in a sample of 300 responses. The questionnaire responses were obtained by repeatedly sharing the questionnaire on various social media platforms such as WhatsApp, Facebook, Instagram, and LinkedIn. Table 5-1 provides a summary of the total number of intended, received, discarded and final usable questionnaires as well as the response realisation rate of this study.

Table 5-1: Response realisation rate

Questionnaires	Total
Number of intended questionnaires	300
Number of questionnaires received	373
Number of discarded questionnaires	58
Number of final usable questionnaires	315
Response realisation rate	105%

Source: Researcher's own calculation from the empirical results.

From Table 5-1 it is evident that although 300 questionnaire responses were intended, 373 questionnaire responses were received. From these questionnaire responses, 58 were discarded due to those responses not meeting the minimum criteria to be eligible for a part of this study, which resulted in a final 315 usable questionnaires for this study. This resulted in a final response realisation rate of 105%, which indicates that the intended sample size was realised, and the information could be utilised to construct the sample profile description of respondents.

5.3 SAMPLE PROFILE DESCRIPTION

The pre-requisite for being eligible to partake in this study was determined by the screening question presented in the questionnaire (a), which was aimed at identifying only those respondents who have purchased from the indicated fast-food franchises in Gauteng (i.e. Burger King, Nando's, McDonald's, Mochachos, Steers or Wimpy) in the six months prior to data collection. If the respondents' answered yes, they were eligible to partake in the study and were therefore encouraged to complete the remainder of the questionnaire.

The questionnaire commenced with Section A, which focused on determining the sample profile description of the respondents. In this regard, the respondents' demographic profiles (Section 5.3.1) and patronage habits (Section 5.3.2) were determined. Additionally, the respondents were

asked to rate five motivational elements (Section 5.3.3) pertaining to fast-food outlets. This rating is indicative of the motivation the respondents have to buy from fast-food outlets.

5.3.1 Demographic profiles

The demographic profiles, which were drawn from the final 315 usable questionnaires, assisted not only in gaining a greater understanding of the study's population, but they also enabled the researcher to determine how the target population was represented. The respondents' demographic profiles were created according to their age, gender, ethnicity, highest level of education and current employment. In Table 5-2, the frequencies (n) and percentages (%) of the items pertaining to the variables of the respondents' demographic profiles are summarised.

Table 5-2: Demographic profile of the respondents

Variables	Items	n	%
Year of birth (age)	Younger than 20 years	37	11.74
	21 years to 40 years	166	52.70
	41 years to 60 years	95	30.16
	Older than 60 years	17	5.40
	Average age	315	34.61
Gender	Male	100	31.75
	Female	214	67.94
	Incomplete / Missed	1	0.31
Ethnicity	Asian	1	0.32
	African	34	10.79
	Mixed-race	18	5.71
	Indian	16	5.08
	White	246	78.10
	Other	0	0
Highest level of education	Primary school not completed	2	0.63
	Primary school completed	5	1.59
	High school not completed	35	11.11
	Matric / Grade 12 completed	100	31.75
	Technical college diploma	33	10.48
	University or technology diploma	22	6.98
	University degree	67	21.27
	Postgraduate degree	51	16.19
Current employment status	Unemployed	21	6.67
	Student	55	17.46
	Self-employed	35	11.11
	Part-time employed	30	9.52
	Full-time employed	155	49.21
	Housewife or househusband	8	2.54
	Retired	11	3.49

Source: Researcher's own compilation.

As shown in Table 5-2, most of the respondents were aged between 21 and 40 years (52.70%; n = 166), with an overall average age of 34.61 years. Furthermore, 31.75% (n = 100) of the respondents were male, while 67.94% (n = 214) were female. Although this study did not segregate ethnicity according to ethnicity, it could be observed that most respondents who agreed to partake in this research were white (78.10%; n = 246), while African participants (10.79%; n = 34) were the second-largest group of respondents. Concerning their qualifications, most respondents hold a matric/grade 12 certificate as highest qualification (31.75%; n = 100). However, cumulatively, 118 respondents (37.46%) held some form of graduate or postgraduate degree while 55 respondents had a technical college diploma or a university or technology diploma as their highest qualification. At the time of data collection, the majority of respondents were full-time employed (49.21%; n = 155).

5.3.2 Patronage habits

The patronage habits of the respondents assisted the researcher in gaining insight into the duration of the respondents being fast-food franchise customers, preferred purchasing time, as well as the number of times they visited the fast-food outlets' premises. In Table 5-3, the frequencies (n) and percentages (%) of the items pertaining to the variables of the respondents' patronage habits are presented.

Table 5-3: Patronage habits of the respondents

Variables	Items	n	%
Duration of being a customer of the fast-food industry	Less than 2 years	6	1.90
	2 to 4 years	18	5.71
	5 to 7 years	39	12.38
	8 to 10 years	28	8.89
	Longer than 10 years	224	71.11
Preferred purchase time	Early morning	20	6.35
	Noon	74	23.49
	Afternoon	203	64.45
	At night	18	5.71
Physical visits to the premises of the fast-food outlet	Daily	12	3.81
	Weekly	107	33.97
	Monthly	169	53.65
	Yearly	27	8.57

Source: Researcher's own compilation.

As shown in Table 5-3, most of the respondents had been fast-food franchise customers for longer than 10 years (71.11%; n = 224) and preferred to make their purchases in the afternoon (64.45%; n = 203). Although most of the respondents visited the premises of the fast-food franchise outlets

at least once per month (53.65%; n = 169), it is also worth mentioning that a significant number of respondents visited their fast-food franchise outlets on a weekly basis (33.97%; n = 107).

5.3.3 Motivational elements

The last question in Section A focused on the respondents' ratings of the level of the motivational elements in the fast-food franchise industry. Table 5-4 represents the respondents' ratings of these elements on a five-point Likert scale. The five-point Likert scale ranged from 1 denoting "Least important" to 5 denoting "Most important". The responses were interpreted in order to calculate the mean scores (\bar{x}) and standard deviations (σ) of the identified motivational elements.

Table 5-4: Motivational elements

Element	\bar{x}	σ
Affordability	3.62	1.140
Convenient hours (24-hour open)	3.29	1.230
Friendliness of employees	3.79	1.130
Quality products	4.28	0.997
Variety (Various options on the menu)	3.57	1.078

Source: Researcher's own compilation.

As indicated in Table 5-4, the motivational element that scored the highest on level of importance was "Quality products" ($\bar{x} = 4.28$; $\sigma = 0.997$), while the lowest scoring element was "Convenient hours (24-hour open)" ($\bar{x} = 3.29$, $\sigma = 1.230$).

From the data pertaining to the respondents' demographic profiles, patronage habits and motivational elements can be derived that most of the respondents in this study were on average 34-year-old full-time employed white females with a post-matric qualification. They had been fast-food customers for more than 10 years, purchased at least once a month in the afternoons from fast-food outlets in Gauteng, and they relied, to a great extent, on the quality of the products they bought from fast-food franchises.

5.4 PSYCHOMETRIC PROPERTIES OF THE MEASURING INSTRUMENT

In order to ensure quality results, a measuring instrument with psychometric properties should be utilised, as such a measuring instrument offers accurate and valid data that can be interpreted (Souza *et al.*, 2017:649). To determine the accuracy of the measuring instrument, two categories of psychometric properties, namely reliability (Section 5.4.1) and validity (Section 5.4.2), can be used (Gridley *et al.*, 2019:256).

5.4.1 Reliability

Reliability determines the extent to which the measuring instrument is free from random error (Sarstedt & Mooi, 2019:36). The measuring instrument's reliability can be determined by utilising the Cronbach's alpha coefficient (α -values). The Cronbach's alpha coefficients were calculated to measure the internal consistency or reliability between several items in order to determine the reliability of the questionnaires' responses (Bujang *et al.*, 2018:85). Table 5-5 indicates the Cronbach's alpha coefficients interpretation of reliability.

Table 5-5: Cronbach's alpha coefficients interpretations

Cronbach's alpha coefficients	Reliability
0.6	Poor
0.7	Good
0.8	Very good
0.9	Excellent

Source: Adapted from Babin and Zikmund (2016:280-281).

As illustrated in Table 5-5, the measuring instrument is considered as having certain levels of reliability if the Cronbach's alpha coefficient value is equal to or greater than 0.60 (Babin & Zikmund, 2016:281). In this study, the reliability was measured for all the dimensions of the SERVQUAL measuring instrument in terms of the dimensions for service quality expectations, overall service quality expectations, the dimensions for service quality experiences, and overall service quality experiences. Table 5-6 summarises the Cronbach's alpha values (α -values) for the scales used in this study.

Table 5-6: Reliability of the measuring instrument

Variable	Dimensions	Number of items	α -value	Reliable/ Not reliable
Service quality expectations	Tangibles	4	0.934	Reliable – Excellent
	Reliability	5	0.960	Reliable – Excellent
	Responsiveness	4	0.924	Reliable – Excellent
	Assurance	4	0.924	Reliable – Excellent
	Empathy	5	0.932	Reliable – Excellent
Overall service quality expectations	All dimensions	22	0.982	Reliable – Excellent
Service quality experiences	Tangibles	4	0.894	Reliable – Very good
	Reliability	5	0.930	Reliable – Excellent
	Responsiveness	4	0.905	Reliable – Excellent
	Assurance	4	0.908	Reliable – Excellent
	Empathy	5	0.924	Reliable – Excellent
Overall service quality experience	All dimensions	22	0.975	Reliable – Excellent

Source: Researcher's own compilation.

Table 5-6 illustrates that Cronbach's alpha values range between 0.924 and 0.960 for service quality expectations and between 0.894 and 0.930 and for service quality experience. The overall Cronbach's alpha value for service quality expectations is 0.982 and the value for service quality experience is 0.975. These values indicate that the SERVQUAL measuring instrument that was used to measure service quality in the fast-food franchise industry has high levels of internal consistency.

5.4.2 Validity

Validity determines what the measuring instrument will measure as well as the effectiveness of the measurement (Mohajan, 2017:59). The content validity of the SERVQUAL measuring instrument used in this study has already been confirmed by several studies that were conducted in contexts other than the fast-food industry in South Africa (Ali & Raza, 2017; Al-Neyadi *et al.*, 2018; Haming *et al.*, 2019). To assess the construct validity of the measuring scales and identify the underlying relationships between the variables of SERVQUAL measuring instrument as it was utilised in the context of this study, an exploratory factor analysis was conducted on all the service quality dimensions (tangibility, reliability, responsiveness, assurance, and empathy) with the SPSS program, version 27.

5.4.2.1 Factorability of the measuring instrument

Prior to the factor analysis, the suitability of the data for factor analyses (factorability) had to be assessed. In this regard, a measure of sample adequacy (MSA) for each of the five dimensions of service quality expectations and experiences was calculated with the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity. The KMO test measures the sampling adequacy and can possess a value between 0 and 1 (Shankar *et al.*, 2018:11595). The KMO needs to specify a value higher than 0.60 to indicate that sampling is adequate (Ay *et al.*, 2018:1645). According to Othman *et al.* (2019:3), Bartlett's test of sphericity is conducted to confirm the suitability of data for exploratory factor analysis and calculate the correlation between the variables (Shankar *et al.*, 2018:11595). The correlations are indicated with a p-value (Sarstedt & Mooi, 2019:265), and, according to Kisanjani and Purnomo (2019:1034), the factorability of data depends on $p < 0.05$.

Based on the factor analysis conducted on this section of the measuring instrument it can be concluded that the measuring instrument contains acceptable elements of validity. Table 5-7 below summarises the KMO and p-values for the scales that were used to measure the constructs in this study.

Table 5-7: Construct validity of the measuring scales

Variable	Factors extracted	KMO	p-value (Bartlett)	% of variance explained	Communalities
Service quality expectations					
Tangibility	1	0.855	<0.001	83.68	0.769-0.890
Reliability	1	0.908	<0.001	86.39	0.840-0.895
Responsiveness	1	0.838	<0.001	82.29	0.642-0.895
Assurance	1	0.781	<0.001	81.68	0.748-0.876
Empathy	1	0.881	<0.001	78.77	0.669-0.831
Service quality experience					
Tangibility	1	0.790	<0.001	76.25	0.707-0.814
Reliability	1	0.887	<0.001	78.54	0.720-0.835
Responsiveness	1	0.823	<0.001	78.45	0.626-0.883
Assurance	1	0.852	<0.001	78.48	0.762-0.800
Empathy	1	0.891	<0.001	76.78	0.492-0.863
* Sampling adequacy value between 0 and 1					
**factorability of data depends on $p < 0.05$					

Source: Researcher's own compilation.

In accordance with the result in Table 5-7, it is evident that:

- with reference to the respondents' service quality expectations of the tangibility dimension, the KMO value (0.885) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the tangibility dimension can be reduced to one factor with 83.68% of the variance explained and communalities ranging from 0.769 to 0.890.
- with reference to the respondents' service quality expectations of the reliability dimension, the KMO value (0.908) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the reliability dimension can be reduced to one factor with 86.39% of the variance explained and communalities ranging from 0.840 to 0.895.
- with reference to the respondents' service quality expectations of the responsiveness dimension, the KMO value (0.838) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the responsiveness dimension can be reduced to one factor with 82.29% of the variance explained and communalities ranging from 0.642 to 0.895.
- with reference to the respondents' service quality expectations of the assurance dimension, the KMO value (0.781) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the assurance dimension can be reduced to one

factor with 81.68% of the variance explained and communalities ranging from 0.748 to 0.876.

- with reference to the respondents' service quality expectations of the empathy dimension, the KMO value (0.881) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the empathy dimension can be reduced to one factor with 78.77% of the variance explained and communalities ranging from 0.669 to 0.831.
- with reference to the respondents' service quality experiences of the tangibility dimension, the KMO value (0.790) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the tangibility dimension can be reduced to one factor with 76.25% of the variance explained and communalities ranging from 0.707 to 0.814.
- with reference to the respondents' service quality experiences of the reliability dimension, the KMO value (0.887) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the reliability dimension can be reduced to one factor with 78.54% of the variance explained and communalities ranging from 0.720 to 0.835.
- with reference to the respondents' service quality experiences of the responsiveness dimension, the KMO value (0.823) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the responsiveness dimension can be reduced to one factor with 78.45% of the variance explained and communalities ranging from 0.626 to 0.883.
- with reference to the respondents' service quality experiences of the assurance dimension, the KMO value (0.852) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the assurance dimension can be reduced to one factor with 78.48% of the variance explained and communalities ranging from 0.762 to 0.800.
- with reference to the respondents' service quality experiences of the empathy dimension, the KMO value (0.891) and Bartlett's test of sphericity ($p < 0.001$) indicate that factor analysis is appropriate. In addition, the empathy dimension can be reduced to one factor with 76.78% of the variance explained and communalities ranging from 0.492 to 0.863.

Based on the aforementioned, it can be noted that all the responses met the criteria of validity and therefore, the responses could be deemed reliable and valid.

5.5 DESCRIPTIVE STATISTICS

In accordance with the retained factors identified in the previous paragraphs, descriptive statistics were used to summarise the data and provide an effectual representation of the respondents' expectations and experiences of service quality in the fast-food franchise industry in Gauteng. Descriptive statistical techniques, namely mean scores (\bar{x}) and standard deviations (σ), were used to report service quality expectations and experiences, as well as the associated dimensions.

5.5.1 Service quality expectations

Based on the statements pertaining to service quality expectations, the respondents had to indicate the importance of the items according to the five dimensions on a five-point Likert-scale (Appendix A), where 1 is 'Not important' and 5 is 'Extremely important'. In the following discussion, the results are reported in terms of the mean scores (\bar{x}) and standard deviations (σ). Since the Likert-scale has specific ratings at levels 1 and 5, the following ranges of mean score results within these ratings were used as guidelines for reporting purposes:

- Not important: Mean score of $1 < \text{and} \leq 1.5$
- Slightly important: Mean score of $1.5 < \text{and} \leq 2.5$
- Relatively important: Mean score of $2.5 < \text{and} \leq 3.5$
- Important: Mean score of $3.5 < \text{and} \leq 4.5$
- Extremely important: Mean score of $4.5 < \text{and} \leq 5$

5.5.1.1 Service quality expectations of the tangibles dimension

In Table 5-8, the mean scores (\bar{x}) and standard deviations (σ) obtained from the four individual statements of tangibles were summarised.

Table 5-8: Service quality expectations of the tangibles dimension

SERVICE QUALITY EXPECTATIONS			
Dimension	Statements	\bar{x}	σ
Tangibles	Quality equipment (cash registers, computers, furniture, etc.).	3.45	1.328
	Visual appealing physical facilities (building, entrance, layout, etc.).	3.70	1.232
	Neatness of employees (clothing, uniforms, physical appearance, etc.).	3.98	1.268
	Visual appealing materials (menus, display boards, files, receipts, etc.).	3.73	1.226
Overall tangibles		3.72	1.155

\bar{x} = mean, σ = std dev

Overall, the respondents indicated that their expectations of tangibles are important ($\bar{x} = 3.72$; $\sigma = 1.155$). Although the respondents expect most of the items pertaining to the service quality

tangibles dimension to be important (mean score of $3.5 < \bar{x} \leq 4.5$), the respondents agreed most with the item “Neatness of employees (clothing, uniforms, physical appearance, etc.)” ($\bar{x} = 3.98$; $\sigma = 1.268$) (important expectation) and least with the item “Quality equipment (cash registers, computer, furniture, etc.)” ($\bar{x} = 3.45$; $\sigma = 1.328$) (relatively important).

5.5.1.2 Service quality expectations of the reliability dimension

In Table 5-9 the mean scores (\bar{x}) and standard deviations (σ) obtained from the five individual statements measuring the importance of reliability are shown.

Table 5-9: Service quality expectations of the reliability dimension

SERVICE QUALITY EXPECTATIONS			
Dimension	Statements	\bar{x}	σ
Reliability	The ability of the fast-food franchise to do something by a certain time.	4.09	1.179
	The fast-food franchise’s sincere interest when I have a problem.	4.09	1.224
	The ability of the fast-food franchise to perform its service right the first time.	4.20	1.154
	The ability of the fast-food franchise to deliver on its customer service promises.	4.20	1.157
	Error-free service delivery.	4.07	1.141
Overall reliability		4.13	1.088

\bar{x} = mean, σ = std dev

Overall, the respondents indicated that their expectations of reliability are important ($\bar{x} = 4.13$; $\sigma = 1.088$), as they indicated all the items pertaining to the service quality reliability dimension to be important (mean score of $3.5 < \bar{x} \leq 4.5$). The respondents agreed most with the two items “The ability of the fast-food franchise to perform its service right the first time” ($\bar{x} = 4.20$; $\sigma = 1.154$) (important expectation), and “The ability of the fast-food franchise to deliver on its customer service promises” ($\bar{x} = 4.20$; $\sigma = 1.157$) (important expectation). The respondents agreed least with the item “Error-free service delivery” ($\bar{x} = 4.07$; $\sigma = 1.141$) (important expectation).

5.5.1.3 Service quality expectations of the responsiveness dimension

The mean scores (\bar{x}) and standard deviations (σ) obtained from the four individual statements measuring the importance of responsiveness are depicted in Table 5-10 below.

Table 5-10: Service quality expectations of the responsiveness dimension

SERVICE QUALITY EXPECTATIONS			
Dimension	Statements	\bar{x}	σ
Responsiveness	Information about the fast-food franchise services.	3.38	1.229
	Prompt service from the fast-food franchise employees.	4.12	1.127
	The willingness of the employees at the fast-food franchise to help me.	4.21	1.121
	The availability of employees to respond to my request.	4.16	1.133
Overall responsiveness		3.97	1.041

\bar{x} = mean, σ = std dev

As evident in Table 5-10 with regards to respondents' expectations of responsiveness, the overall mean score was ($\bar{x} = 3.97$; $\sigma = 1.041$), meaning that the respondents rated the responsiveness item as important. The respondents considered most of the items pertaining to the service quality responsiveness dimension to be important (mean scores of $3.5 <$ and ≤ 4.5), although they agreed the most with the item "The willingness of the employees at the fast-food franchise to help me" ($\bar{x} = 4.21$; $\sigma = 1.121$) (important expectation) and the least with the item "Information about the fast-food franchise service" ($\bar{x} = 3.38$; $\sigma = 1.229$) (relatively important).

5.5.1.4 Service quality expectations of the assurance dimension

In Table 5-11 the mean scores (\bar{x}) and standard deviations (σ) obtained from the four individual statements measuring the importance of assurance are indicated.

Table 5-11: Service quality expectations of the assurance dimension

SERVICE QUALITY EXPECTATIONS			
Dimension	Statements	\bar{x}	σ
Assurance	The actions of the employees lead me to feel confident as a customer.	3.90	1.2333
	The fast-food franchise environment (comfortable, relaxed, etc.)	3.74	1.189
	Well-mannered and polite employees.	4.22	1.123
	The knowledge of the employees about the inner workings of the fast-food franchise (products and service).	3.97	1.215
Overall assurance		3.96	1.075

\bar{x} = mean, σ = std dev

Overall, the respondents indicated that their expectations of assurance are important ($\bar{x} = 3.96$; $\sigma = 1.075$). Although the respondents assessed all of the items pertaining to the service quality assurance as being important (mean scores of $3.5 <$ and ≤ 4.5), they agreed the most with the item "Well-mannered and polite employees" ($\bar{x} = 4.22$; $\sigma = 1.123$) (important expectation) and the least with the item "The fast-food franchise environment (comfortable, relaxed, etc.)" ($\bar{x} = 3.74$; $\sigma = 1.189$) (important expectation).

5.5.1.5 Service quality expectations of the empathy dimension

In Table 5-12 the mean scores (\bar{x}) and standard deviations (σ) obtained from the five individual statements measuring the importance of empathy are summarised.

Table 5-12: Service quality expectations of the empathy dimension

SERVICE QUALITY EXPECTATIONS			
Dimension	Statements	\bar{x}	σ
Empathy	Individual attention from the fast-food franchise as a whole.	3.67	1.191
	Convenient operating hours.	3.83	1.143
	Special attention from the employees.	3.42	1.182
	The employees have my best interest at heart.	3.94	1.146
	Employees understand my specific needs.	3.90	1.113
Overall empathy		3.75	1.024

\bar{x} = mean, σ = std dev

As is evident in Table 5-12, the respondents' regarded empathy as important overall ($\bar{x} = 3.75$; $\sigma = 1.024$). This entails that the respondents deemed most of the items pertaining to the service quality empathy dimension as important (mean scores of $3.5 <$ and ≤ 4.5). The respondents agreed the most with the item "The employees have my best interest at heart" ($\bar{x} = 3.94$; $\sigma = 1.146$) (important expectation) and least with the item "Special attention from the employees" ($\bar{x} = 3.42$; $\sigma = 1.182$) (relatively important).

As a whole, the respondents considered all the dimensions of service quality expectations as important. However, they indicated the reliability dimension as being the most important service quality expectations dimension ($\bar{x} = 4.13$; $\sigma = 1.088$) and the tangibles dimension as the least important service quality expectations dimension ($\bar{x} = 3.72$; $\sigma = 1.155$).

With the reliability dimension, results that were obtained are supported by the literature (Section 3.2.2.5), which states that reliability is the most important dimension to be managed by businesses. In this regard, customers expect the service quality they receive to be consistent and precise. Managers, therefore, need to ensure that products and services are provided by the promised time, that employees are sympathetic and reassuring when customers have problems, that businesses are dependable and that accurate records must be kept of their business ventures.

Although the tangibles dimension was measured as the least important service quality expectations dimension, it is still an important dimension to customers. For managers, the results of the tangibles dimension indicate that customers expect equipment to be up to date, facilities to be visually appealing, employees to appear well-dressed and the appearance of physical facilities should be in keeping with the type of service provided.

5.5.2 Service quality experiences

Based on the statements pertaining to service quality experiences, the respondents had to indicate their experiences of the items pertaining to the five dimensions on a five-point Likert-scale (Appendix A), where 1 denoted “I do not experience this” and 5 denoted “I always experience this”. In the following discussion, the results are reported in terms of the mean scores (\bar{x}) and standard deviations (σ). Since the Likert scale has specific ratings at levels 1 and 5, the following ranges of mean score results within these ratings were used as guidelines for reporting purposes:

- No experience: Mean score of $1 < \text{and } \leq 1.5$
- Experience rarely: Mean score of $1.5 < \text{and } \leq 2.5$
- Experience sometimes: Mean score of $2.5 < \text{and } \leq 3.5$
- Experience most of the time: Mean score of $3.5 < \text{and } \leq 4.5$
- Experience always: Mean score of $4.5 < \text{and } \leq 5$

5.5.2.1 Service quality experiences of the tangibles dimension

In Table 5-13, the mean scores (\bar{x}) and standard deviations (σ) obtained from the four individual statements measuring the respondents’ experiences of tangibles are summarised.

Table 5-13: Service quality experiences of the tangibles dimension

SERVICE QUALITY EXPERIENCES			
Dimension	Statements	\bar{x}	σ
Tangibles	Quality equipment (cash registers, computers, furniture, etc.).	3.36	1.071
	Visual appealing physical facilities (building, entrance, layout, etc.).	3.53	0.965
	Neatness of employees (clothing, uniforms, physical appearance, etc.).	3.60	0.970
	Visual appealing materials (menus, display boards, files, receipts, etc.).	3.57	0.967
Overall tangibles		3.51	0.866

\bar{x} = mean, σ = std dev

Overall, the respondents indicated that they experienced service quality tangibles most of the time ($\bar{x} = 3.51$; $\sigma = 0.866$). Although the respondents experienced the items pertaining to service quality tangibles most of the time (mean score of $3.5 < \text{and } \leq 4.5$), they agreed most with the item “Neatness of employees (clothing, uniforms, physical appearance, etc.)” ($\bar{x} = 3.60$; $\sigma = 0.970$) (experience most of the time) and least with the item “Quality equipment (cash registers, computer, furniture, etc.)” ($\bar{x} = 3.36$; $\sigma = 1.071$) (experience sometimes).

5.5.2.2 Service quality experiences of the reliability dimension

In Table 5-14 the mean scores (\bar{x}) and standard deviations (σ) obtained from the five individual statements measuring the respondents' experiences of reliability are shown.

Table 5-14: Service quality experiences of the reliability dimension

SERVICE QUALITY EXPERIENCES			
Dimension	Statements	\bar{x}	σ
Reliability	The ability of the fast-food franchise to do something by a certain time.	3.40	0.973
	The fast-food franchise's sincere interest when I have a problem.	3.18	1.140
	The ability of the fast-food franchise to perform its service right the first time.	3.47	0.918
	The ability of the fast-food franchise to deliver on its customer service promises.	3.47	0.988
	Error-free service delivery.	3.29	1.024
Overall reliability		3.36	0.890

\bar{x} = mean, σ = std dev

The respondents indicated overall that they experienced service quality reliability sometimes (\bar{x} = 3.36; σ = 0.890), as they indicated that they experienced all the items pertaining to service quality reliability some of the time (mean score of $2.5 <$ and ≤ 3.5). Respondents agreed most with the two items "The ability of the fast-food franchise to perform its service right the first time" (\bar{x} = 3.47; σ = 0.918) (experience sometimes) and "The ability of the fast-food franchise to deliver on its customer service promises" (\bar{x} = 3.47; σ = 0.988) (experience sometimes). The respondents agreed least with the item "The fast-food franchise's sincere interest when I have a problem" (\bar{x} = 3.18; σ = 1.140) (experience sometimes).

5.5.2.3 Service quality experiences of responsiveness dimension

In Table 5-15, the mean scores (\bar{x}) and standard deviations (σ) obtained from the four individual statements measuring the respondents' experiences of responsiveness are indicated.

Table 5-15: Service quality experiences of the responsiveness dimension

SERVICE QUALITY EXPERIENCES			
Dimension	Statements	\bar{x}	σ
Responsiveness	Information about the fast-food franchise services.	3.12	1.122
	Prompt service from the fast-food franchise employees.	3.31	1.016
	The willingness of the employees at the fast-food franchise to help me.	3.36	1.035
	The availability of employees to respond to my request.	3.36	1.045
Overall responsiveness		3.29	0.930

\bar{x} = mean, σ = std dev

As evident in Table 5-15 with regards to respondents' overall experience, they indicated that they experienced service quality responsiveness sometimes ($\bar{x} = 3.29$; $\sigma = 0.930$), based on the fact that they indicated that they experienced all the items pertaining to the service quality responsiveness some of the time (mean scores of $2.5 <$ and ≤ 3.5). Furthermore, the respondents agreed most with the two items "The willingness of the employees at the fast-food franchise to help me" ($\bar{x} = 3.36$; $\sigma = 1.035$) (experience sometimes) and "The availability of employees to respond to my request" ($\bar{x} = 3.36$; $\sigma = 1.045$) (experience sometimes). The respondents agreed least with the item "Information about the fast-food franchise services" ($\bar{x} = 3.12$; $\sigma = 1.122$) (experience sometimes).

5.5.2.4 Service quality experiences of the assurance dimension

In Table 5-16, the mean scores (\bar{x}) and standard deviations (σ) obtained from the four individual statements measuring the respondents' experiences of assurance are summarised.

Table 5-16: Service quality experiences of the assurance dimension

SERVICE QUALITY EXPERIENCES			
Dimension	Statements	\bar{x}	σ
Assurance	The actions of the employees lead me to feel confident as a customer.	3.26	1.068
	The fast-food franchise environment (comfortable, relaxed, etc.)	3.43	1.054
	Well-mannered and polite employees.	3.37	1.049
	The knowledge of the employees about the inner workings of the fast-food franchise (products and service).	3.11	1.150
Overall assurance		3.29	0.957

\bar{x} = mean, σ = std dev

Overall, the respondents indicated that they experienced service quality assurance sometimes ($\bar{x} = 3.29$; $\sigma = 0.957$) because they indicated that they experience all of the items pertaining to the service quality assurance sometimes (mean scores of $2.5 <$ and ≤ 3.5). The respondents agreed the most with the item "The fast-food franchise environment (comfortable, relaxed, etc.)" ($\bar{x} = 3.43$; $\sigma = 1.054$) (experience sometimes) and least with the item "The knowledge of the employees about the inner workings of the fast-food franchise (products and service)" ($\bar{x} = 3.11$; $\sigma = 1.150$) (experience sometimes).

5.5.2.5 Service quality experiences of the empathy dimension

Table 5-17 indicates the mean scores (\bar{x}) and standard deviations (σ) obtained from the five individual statements measuring the respondents' experiences of empathy.

Table 5-17: Service quality experiences of the empathy dimension

SERVICE QUALITY EXPERIENCES			
Dimension	Statements	\bar{x}	σ
Empathy	Individual attention from the fast-food franchise as a whole.	3.04	1.088
	Convenient operating hours.	3.76	1.018
	Special attention from the employees.	3.06	1.051
	The employees have my best interest at heart.	3.13	1.114
	Employees understand my specific needs.	3.24	1.087
Overall empathy		3.25	0.938

\bar{x} = mean, σ = std dev

As is evident in Table 5-17 with regards to respondents' overall empathy experience, they indicated that they experienced service quality empathy sometimes ($\bar{x} = 3.25$; $\sigma = 0.938$), as they indicated that they experienced all the items pertaining to service quality some of the time (mean scores of $2.5 <$ and ≤ 3.5). The respondents agreed the most with the item "Convenient operating hours" ($\bar{x} = 3.76$; $\sigma = 1.018$) (experience most of the time) and least with the item "Individual attention from the fast-food franchise as a whole" ($\bar{x} = 3.04$; $\sigma = 1.088$) (experience sometimes).

In terms of service quality experience as a whole, the respondents experienced most of the dimensions of service quality only sometimes (mean scores of $2.5 <$ and ≤ 3.5). In this regard, they indicated that they experienced the tangibles dimension most of the time ($\bar{x} = 3.51$; $\sigma = 0.866$), while they experienced the empathy dimension least of the time ($\bar{x} = 3.25$; $\sigma = 0.938$).

Regarding the tangibles dimension, the results are supported by the literature (Section 3.2.2.1), which states that tangibles are the most noticeable dimension of the SERVQUAL model. For managers, these results indicate that customers experience up to date equipment, visually appealing facilities, well-dressed appearances of employees and the appearance of physical facilities in keeping with the type of service provided most of the time.

However, concerning the empathy dimension, customers experienced personal attention and a sense of care (Section 3.2.2.4) only some of the time. For managers, these results indicate that customers experienced the individual and personal attention they receive, the recognition of their interests and an understanding of their needs by employees in the fast-food franchise industry only some of the time.

5.6 INFERENCE STATISTICS

In this section, various inferential statistical methods are used to identify correlations between the dimensions of service quality expectations and experiences as well as any statistically and practically significant differences between service quality expectations and experiences. The results from the inferential statistics are especially important for managers in the fast-food industry

who want to remain informed about the specific expectations and experiences dimensions they need to manage to ensure high levels of service quality. In this regard, the reporting of the inferential statistics commences with a correlation analysis of the dimensions of service quality expectations and experiences, followed by t-tests to identify, and report statistically and practically significant differences between the respondents' service quality expectations and experiences.

5.6.1 Correlation analysis

Only inter-factor correlations were calculated for the respondents' service quality expectations and experiences respectively to determine how the influences on the dimensions (factors) affect each other. In this regard, Spearman's *rho* was used as a non-parametric statistical method to test the relationships between two sets of data (Walker & Maddan, 2019:203). Correlation values can vary between (-1.00) and (1.00), with (0.00) indicating no correlation between two variables [$r = 0.10$ (small effect), $r = 0.30$ (medium effect) and $r = 0.50$ (large effect)] (Cohen, 1988:79-81). Correlation coefficients can be either positive or negative, depending on the direction of the relationship between the two variables.

5.6.1.1 Correlation analysis for the dimensions of service quality expectations

The correlation analysis for the dimensions of service quality expectations (Table 5-18) revealed that all the dimensions have statistically significant, positive relationships ($p < 0.005$). In addition, the effect sizes of all these relationships are large ($rho > 0.50$), indicating that changes in the expectations of any of the dimensions would lead to large effects in the same direction in the other dimensions. This information is important for managers of fast-food franchises since such interactions can have an effect on the customers' expectations of any of the other dimensions in the same direction. For instance, if customers expect high levels of reliability, they are likely to develop high expectations of the other dimensions.

Table 5-18: Spearman's rho for the dimensions of service quality expectations

Correlations							
			Tangible	Reliability	Responsiveness	Assurance	Empathy
Spearman's rho	Tangible	Correlation Coefficient	1.000				
		Sig. (2-tailed)					
		N	315				
	Reliability	Correlation Coefficient	0.681**	1.000			
		Sig. (2-tailed)	0.000				
		N	315	315			
	Responsiveness	Correlation Coefficient	0.745**	0.806**	1.000		
		Sig. (2-tailed)	0.000	0.000			
		N	315	315	315		
	Assurance	Correlation Coefficient	0.767**	0.756**	0.855**	1.000	
		Sig. (2-tailed)	0.000	0.000	0.000		
		N	315	315	315	315	
	Empathy	Correlation Coefficient	0.672**	0.745**	0.825**	0.843**	1.000
		Sig. (2-tailed)	0.000	0.000	0.000	0.000	
		N	315	315	315	315	315
**Correlation is significant on a 1% level (2-tailed), *Correlation is significant on a 5% level (2-tailed), when $r = 0.10$ (small effect), $r = 0.30$ (medium effect) and $r = 0.50$ (large effect).							

Source: Researcher's own compilation.

5.6.1.2 Correlations analysis for the dimensions of service quality experiences

Table 5-19 demonstrates that all the dimensions have statistically significant, positive relationships ($p < 0.005$) in the correlation analysis. The effect sizes of all these relationships are large ($\rho > 0.50$), indicating that changes in the experiences of any of the dimensions would have large effects in the same direction in the other dimensions. Subsequently, this information is important for managers of fast-food franchises, since they need to realise that when their customers experience the dimensions of service quality in a specific manner (high or low levels of service quality), it will have a large effect on the other dimensions in the same direction. For instance, if customers experience low levels of reliability, this experience will have a large effect on their experiences of the other dimensions in the same direction.

Table 5-19: Spearman's rho for the dimensions of service quality experiences

Correlations							
			Tangible	Reliability	Responsiveness	Assurance	Empathy
Spearman's rho	Tangible	Correlation Coefficient	1.000				
		Sig. (2-tailed)					
		N	315				
	Reliability	Correlation Coefficient	0.711**	1.000			
		Sig. (2-tailed)	0.000				
		N	315	315			
	Responsiveness	Correlation Coefficient	0.672**	0.880**	1.000		
		Sig. (2-tailed)	0.000	0.000			
		N	315	315	315		
	Assurance	Correlation Coefficient	0.700**	0.847**	0.901**	1.000	
		Sig. (2-tailed)	0.000	0.000	0.000		
		N	315	315	315	315	
	Empathy	Correlation Coefficient	0.649**	0.803**	0.855**	0.898**	1.000
		Sig. (2-tailed)	0.000	0.000	0.000	0.000	
		N	315	315	315	315	315
**Correlation is significant on a 1% level (2-tailed), *Correlation is significant on a 5% level (2-tailed), when $r = 0.10$ (small effect), $r = 0.30$ (medium effect) and $r = 0.50$ (large effect).							

Source: Researcher's own compilation.

5.6.2 T-Tests

A null and alternative hypothesis are formulated, where a null hypothesis (indicated as H_0) is a statement expecting no difference or effect, and an alternative hypothesis (indicated as H_1) is used to test against the null hypothesis (Sarstedt & Mooi, 2019:156). After the hypothesis has been tested, the result will either lead to the acceptance of the hypothesis, indicating there is no difference or effect, or its rejection. Gerald (2018:50) notes that the inferential statistical procedure for defining the probability level of rejecting the null hypothesis can be determined with a t-test. The author further explains that t-tests test the significance of the mean of the random samples and the difference between the means of two samples.

5.6.2.1 Paired sample t-test for overall expectations and experiences

A paired sample t-test was conducted to test for correlations between service quality expectations and service quality experiences in order to evaluate differences between the respondents' service quality expectations and experiences in the fast-food franchise industry in Gauteng. In this regard, the following hypotheses were tested:

- H_0 : There is no statistically significant difference between service quality expectations and service quality experiences.
- H_1 : There is a statistically significant difference between service quality expectations and service quality experiences.

If H_0 is rejected, the following sub-hypotheses are tested through paired sample t-tests to determine the nature of service quality in the fast-food franchise industry as well as the influence of the statistically significant differences on customer satisfaction.

- H_{1a} : Service quality has a positive statistically significant influence on the respondents' customer satisfaction.
- H_{1b} : Service quality has a negative statistically significant influence on the respondents' customer satisfaction.

The results in Table 5-20 below reveal that a statistically significant difference exists between the respondents' service quality expectations and experiences ($p = 0.000$). Therefore, **H_0 is rejected** and H_{1a} and H_{1b} need to be tested (Section 1.4.3).

In this regard, further investigation revealed a positive difference ($t > 0$), which indicates the respondents have higher expectations of service quality than what they experience. This difference is also confirmed by $t = 10.85$ which resonates outside the critical value range (-1.960

and +1.960) when $df = 314$. In addition, $p \approx 0.000$ (sig. 2 tailed) confirms the positive statistically significant difference between the service quality expectations and service quality experiences of the respondents. The summary of the paired-sample effect sizes in Table 5-21 reveals a medium practically significant effect ($d = 0.611$). These results led the researcher to conclude the respondents believed the service quality of fast-food franchises in Gauteng to be lower than their expectations. Subsequently, it can be concluded that according to the respondents, the service quality of fast-food franchises in Gauteng is low and, therefore, their customer satisfaction is subsequently influenced negatively. These results confirm the need for managers of fast-food franchises to focus on managing the service quality dimensions, which have an impact on customer satisfaction.

Table 5-20: Paired sample t-test for overall expectations and experience

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Dev	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	EXPECTATIONSOVERALL - EXPERIANCEOVERALL	12.54	20.53	1.16	10.27	14.82	10.85	314	0.000

Source: Researcher’s own compilation.

Table 5-21: Paired sample effect sizes

		Cohen's d	Standardizer ^a	Point Estimate	95% Confidence Interval	
					Lower	Upper
Pair 1	EXPECTATIONSOVERALL – EXPERIANCEOVERALL		20.52590	0.611	0.490	0.731

a. The denominator used in estimating the effect sizes. Cohen's d uses the sample standard deviation of the mean difference. Hedges' correction uses the sample standard deviation of the mean difference, plus a correction factor.

Source: Researcher’s own compilation.

5.6.2.2 Paired sample t-tests for the dimensions of service quality

In the previous section a paired sample t-test revealed statistically significant difference exists between the respondents’ service quality expectations and experiences ($p = 0.000$) and this difference has a large practically significant effect ($d = 0.611$). The next logical step in the data analysis is to compare the respondents’ expectations and experiences of the dimension of service

quality (tangibility, reliability, responsiveness, assurance, and empathy) and determine the width and direction (positive or negative) of the gaps between the respondents' expectations and experiences in each dimension. If the respondents' experiences surpass their expectations (experiences > expectations), it is viewed as a positive difference and no managerial interventions are needed to enhance these dimensions of service quality. However, if the respondents' expectations surpass their experiences (expectations > experiences), it is viewed as a negative difference and managerial interventions are needed to enhance these dimensions of service quality.

To compare the respondents' expectations and experiences of the dimensions of service quality the following statistically developed hypotheses were tested (Table 5-22).

Table 5-22: Statistical hypotheses for the dimensions of service quality

Tangibles
<ul style="list-style-type: none"> • H_{1t}: A positive statistically significant difference exists between the experiences and expectations of tangibles (TANEXPER > TANEXPEC).
<ul style="list-style-type: none"> • H_{2t}: A negative statistically significant difference exists between the experiences and expectations of tangibles (TANEXPER < TANEXPEC).
Reliability
<ul style="list-style-type: none"> • H_{1r}: A positive statistically significant difference exists between the experiences and expectations of reliability (RELEXPER > RELEXPEC).
<ul style="list-style-type: none"> • H_{2r}: A negative statistically significant difference exists between the experiences and expectations of reliability (RELEXPER < RELEXPEC).
Responsiveness
<ul style="list-style-type: none"> • H_{1rs}: A positive statistically significant difference exists between the experiences and expectations of responsiveness (RESEXPER > RESEXPEC).
<ul style="list-style-type: none"> • H_{2rs}: A negative statistically significant difference exists between the experiences and expectations of responsiveness (RESEXPER < RESEXPEC).
Assurance
<ul style="list-style-type: none"> • H_{1a}: A positive statistically significant difference exists between the experiences and expectations of assurance (ASSEXPER > ASSEXPEC).
<ul style="list-style-type: none"> • H_{2a}: A negative statistically significant difference exists between the experiences and expectations of assurance (ASSEXPER < ASSEXPEC).
Empathy
<ul style="list-style-type: none"> • H_{1e}: A positive statistically significant difference exists between the experiences and expectations of empathy (EMPEXPER > EMPEXPEC).
<ul style="list-style-type: none"> • H_{2e}: A negative statistically significant difference exists between the experiences and expectations of empathy (EMPEXPER < EMPEXPEC).

Source: Researcher's own compilation.

In Table 5-23 below, the summary of results from the paired sample t-tests for the dimensions of service quality is summarised.

Table 5-23: Paired sample t-test for the dimensions of service quality

Paired Samples Test									
	Paired Differences					t	Df	Sig. (2-tailed)	Cohen's d
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference					
				Lower	Upper				
TANEXPECT– TANEXPER	0.80952	3.93278	0.22159	0.37354	1.24551	3.653	314	0.000	0.206
RELEXPECT– RELEXPER	3.82857	5.26578	0.29669	3.24481	4.41233	12.904	314	0.000	0.727
RESEXPECT– RESEXPER	2.71746	4.17906	0.23546	2.25418	3.18075	11.541	314	0.000	0.650
ASSEXPECT– ASSEXPER	2.65714	4.36801	0.24611	2.17291	3.14138	10.797	314	0.000	0.608
EMPEXPECT– EMPEXPER	-1.37460	4.77513	0.26905	-1.90397	-0.84524	-5.109	314	0.000	0.288

Source: Researcher's own compilation.

Based on results summarised in Table 5-23 above, it is revealed that statistically significant differences exist between the experiences and expectations of the tangibles dimension ($t = -3.653$; $p < 0.05$), the reliability dimension ($t = -12.904$; $p < 0.05$), the responsiveness dimension ($t = -11.541$; $p < 0.05$) and the assurance dimension ($t = -10.797$; $p < 0.05$). The summary also revealed that a statistically significant differences exist between the experiences and expectations of the empathy dimension ($t = -5.109$; $p < 0.05$).

From these results it can, therefore, be concluded that managers in the fast-food franchise industry in Gauteng need to manage tangibles, reliability, responsiveness, and assurance to enhance their service quality. Since the results revealed that the respondents' experiences of empathy surpass their expectations, this dimension is the only dimension that contributes to improved service quality.

In addition, Cohen's d for effect sizes revealed that the reliability dimension ($d = 0.727$), the responsiveness dimension ($d = 0.650$) and the assurance dimension ($d = 0.608$) have medium to large effects in practice, with the empathy dimension ($d = 0.288$) and the tangibles dimension ($d = 0.206$) having small effects in practice. Furthermore, from the aforementioned effect sizes of the dimensions, it is evident that the reliability dimension has the widest gap ($d = 0.727$; $\bar{x} = 3.82857$), with the responsiveness dimension having the second largest gap ($d = 0.650$; $\bar{x} = 2.71746$), the assurance dimension has the third largest gap ($d = 0.608$; $\bar{x} = 2.65714$) and the tangibles dimension has smallest gap ($d = 0.288$; $\bar{x} = -0.80952$). Since service quality could be improved when the identified gaps that exists between customers' expectations and experiences are managed, these results indicate that more managerial focus should be directed at increasing

the service quality of the reliability dimension (largest gap) and the least managerial effort should be directed at the tangibles dimension (smallest gap).

Based on the results from the paired sample t-tests, calculated for the dimensions of service quality, the following conclusions can be made in terms of the statistically developed hypotheses (Table 5-24).

Table 5-24: Conclusions of statistically developed hypotheses

Tangibles	
<ul style="list-style-type: none"> H_{1t}: A positive statistically significant difference exists between the experiences and expectations of tangibles (TANEXPER > TANEXPEC). 	Rejected
<ul style="list-style-type: none"> H_{2t}: A negative statistically significant difference exists between the experiences and expectations of tangibles (TANEXPER < TANEXPEC). 	Retained
Reliability	
<ul style="list-style-type: none"> H_{1r}: A positive statistically significant difference exists between the experiences and expectations of reliability (RELEXPER > RELEXPEC). 	Rejected
<ul style="list-style-type: none"> H_{2r}: A negative statistically significant difference exists between the experiences and expectations of reliability (RELEXPER < RELEXPEC). 	Retained
Responsiveness	
<ul style="list-style-type: none"> H_{1rs}: A positive statistically significant difference exists between the experiences and expectations of responsiveness (RESEXPER > RESEXPEC). 	Rejected
<ul style="list-style-type: none"> H_{2rs}: A negative statistically significant difference exists between the experiences and expectations of responsiveness (RESEXPER < RESEXPEC). 	Retained
Assurance	
<ul style="list-style-type: none"> H_{1a}: A positive statistically significant difference exists between the experiences and expectations of assurance (ASSEXPER > ASSEXPEC). 	Rejected
<ul style="list-style-type: none"> H_{2a}: A negative statistically significant difference exists between the experiences and expectations of assurance (ASSEXPER < ASSEXPEC). 	Retained
Empathy	
<ul style="list-style-type: none"> H_{1e}: A positive statistically significant difference exists between the experiences and expectations of empathy (EMPEXPER > EMPEXPEC). 	Retained
<ul style="list-style-type: none"> H_{2e}: A negative statistically significant difference exists between the experiences and expectations of empathy (EMPEXPER < EMPEXPEC). 	Rejected

Source: Researcher’s own compilation.

5.7 SUMMARY

In this chapter the empirical results of the investigation of the management of service quality and customer satisfaction in the fast-food franchise industry in Gauteng were provided. This chapter commenced with an introduction (Section 5.1). Thereafter, the results were provided and reported according to the respective statistical techniques used in this study. The sample response

realisation rate (Section 5.2) was indicated. This was followed by the sample profile description of respondents (Section 5.3) which included respondents' demographic profiles, patronage habits and the motivational elements in order to depict the participants of this study.

With this chapter secondary objective 3 (Section 1.4.2) was achieved, which entailed the compilation of a sample profile description of the respondents. In this regard, it was revealed that most of the respondents in this study are on average 34-year-old full-time employed white females with a post-matric qualification. They had been fast-food customers for more than 10 years, purchased at least once a month in the afternoons from fast-food outlets in Gauteng, and they relied, to a great extent, on the quality of the products they bought from fast-food franchises (Section 5.3). Secondary objective 4 (Section 1.4.2) was also achieved through descriptive statistics which focused on measuring respondents' service quality expectations and experiences in the fast-food franchise industry.

Next, the psychometric properties of the measuring instrument (Section 5.4) were determined based on the measuring instrument's reliability and validity. Thereafter, the descriptive statistics followed to report the service quality expectations and experiences, as well as the associated dimensions (Section 5.5). Next the inferential statistics followed, which included a correlation analysis and t-tests (Section 5.6).

Secondary objective 5 (Section 1.4.2) which necessitated the determining of respondents' satisfaction towards fast-food franchises, was also achieved by conducting a paired sample t-test which concluded that according to the respondents, the service quality of fast-food franchises in Gauteng is low and, therefore, their customer satisfaction is subsequently influenced negatively. Secondary objective 6 (Section 1.4.2), was also achieved through identifying the dimensions that need to be managed for increased service quality and customer satisfaction.

The results and findings indicated that according to the service quality expectations, the reliability dimension is the most important dimension to be managed and that the tangibility dimension is the least important dimension for customers. It was also identified that according to the service quality experience, the customers experienced the tangibility dimension most of the time and the empathy experience least of the time.

From this chapter, it is evident that customer satisfaction is the result that follows once customer's experiences meets and exceeds the customers' initial expectations of the service quality of the fast-food franchise industry.

CHAPTER 6

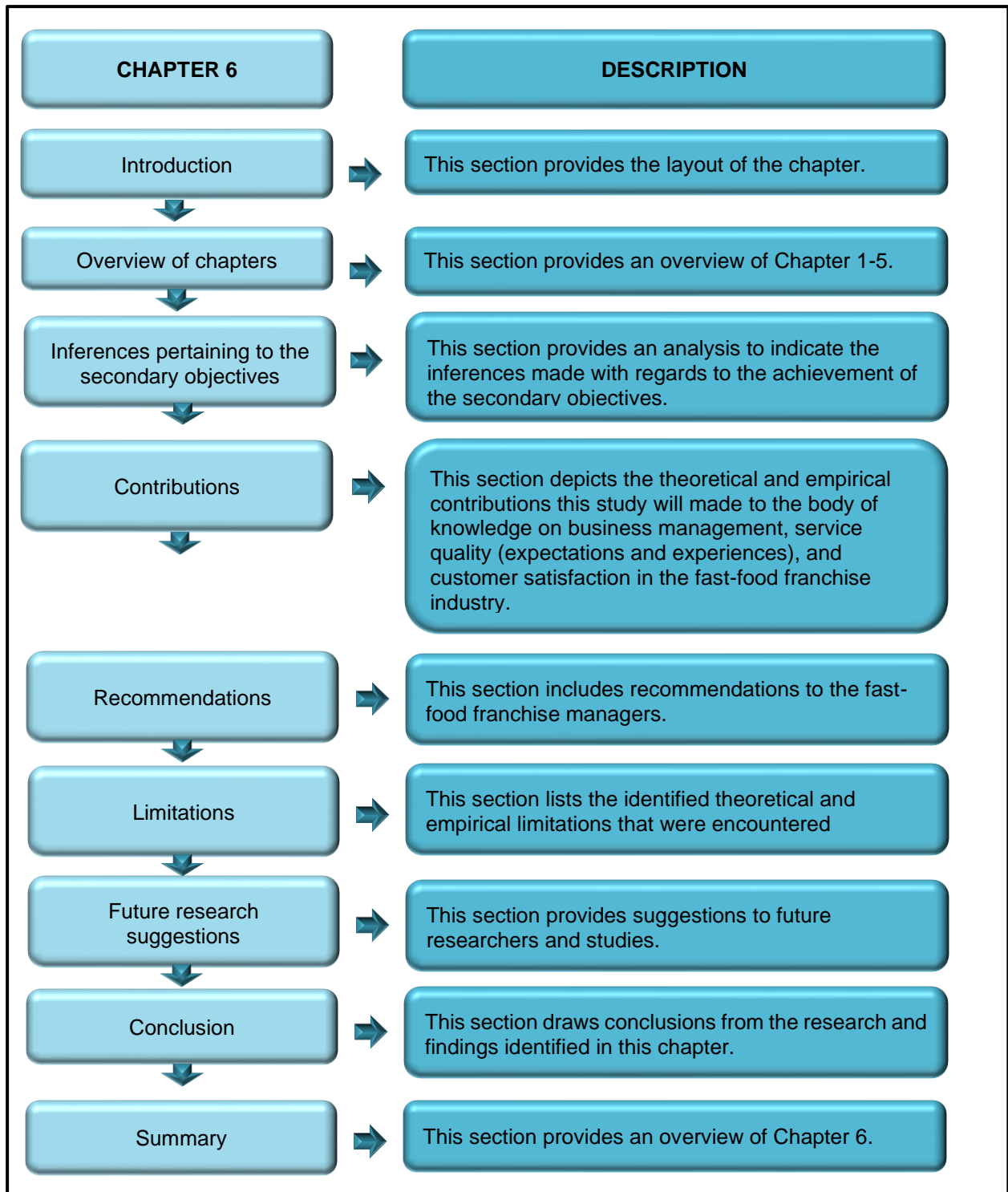
OVERVIEW, INFERENCES, CONTRIBUTIONS, RECOMMENDATIONS, LIMITATIONS AND FUTURE RESEARCH SUGGESTIONS

6.1 INTRODUCTION

This chapter presents an overview of this study together with its inferences, contributions, recommendations, limitations and future research suggestions of this study regarding the management of service quality in the fast-food franchise industry in Gauteng.

This chapter commences with a brief introduction (Section 6.1) followed by an overview of Chapters 1–5 (Section 6.2) through highlighting the important aspects discussed in each of these chapters. Next, the inferences pertaining to the secondary objectives are discussed with reference to Figure 6-2, which indicates the relationships between the primary and secondary objectives, the method of investigation and the chapters in this study (Section 6.3). Thereafter, theoretical as well as empirical contributions are discussed (Section 6.4) after which recommendations are made (Section 6.5), for the fast-food franchise managers on how to manage and improve service quality in the fast-food franchise industry in Gauteng. Lastly, the study's limitations (Section 6.6), and the future research suggestions are given (Section 6.7), followed by a summary section (Section 6.8) and a conclusion section (Section 6.9). Figure 6-1 provides the layout of chapter 6 to follow.

Figure 6-1: Layout of Chapter 6



Source: Researcher's own compilation.

6.2 OVERVIEW OF CHAPTERS

As explained in Chapter 1, service quality is the result of a comparison between the service a customer expects to receive and the experience of the actual service they receive. Consequently, it can be said that once the customers' expectations and experiences are aligned, it will lead to customer satisfaction as depicted in this study's literature overview synopsis (Figure 1-4). Based on this relationship, the success and survival of the fast-food franchise industry depends to a large extent on the fast-food franchises ability to offer superior service quality that will improve customers' satisfaction (Section 1.1). If managed effectively, service quality can also increase industry competitiveness and ensure returning customers to the franchise.

Nevertheless, it appears that not all fast-food franchises offer superior service quality, which resulted in the identified research problem, namely that *the service quality offered by all franchises does not align with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises* (Section 1.2). Service quality (expectations and experiences) influences customer satisfaction and should therefore be further investigated. Subsequently, service quality and customer expectations, experiences, and satisfaction formed the foundation of this study, which argues that satisfied customers should be the main managerial consideration for any fast-food franchise, as customers have the power to influence the fast-food franchises' profitability (Section 1.3).

The primary objective of this study was to investigate service quality in terms of expectations and experiences in the fast-food franchise industry in Gauteng and identify the dimensions of service quality that need to be managed for enhanced customer satisfaction (Section 1.4.1). By investigating this, insights were obtained with regards to customers' expectations and experiences which could then be interpreted in order to determine customers level of satisfaction with the fast-food franchises in Gauteng.

In order to address the primary objective of the study, a number of secondary objectives were formulated (Section 1.4.2). These following secondary objectives were derived from the primary objective and research problem:

- **Secondary objective 1:** To conceptualise management in the fast-food franchise industry.
- **Secondary objective 2:** To provide a theoretical foundation of service quality in the fast-food franchise industry.
- **Secondary objective 3:** To compile a sample profile description of the respondents.
- **Secondary objective 4:** To measure service quality by means of the respondents' expectations and experiences in the fast-food franchise industry.

- **Secondary objective 5:** To determine the respondents' satisfaction towards fast-food franchises.
- **Secondary objective 6:** Identify the dimensions that need to be managed for increased service quality and customer satisfaction.

In order to achieve the abovementioned primary and secondary objectives, Chapter 2 conceptualised management in the fast-food franchise industry (secondary objective 1). This chapter noted that customers have various requirements, preferences, and expectations, and should these not be met, customers will have a negative service quality experience (Section 2.1). If not managed correctly, the negative service quality experiences will not only lead to lower levels of customer satisfaction but also, far worse, to various repercussions for the sustainability and competitiveness of fast-food franchises. It is therefore of utmost importance that fast-food franchise managers ensure that they meet customers' expectations. This chapter set out to provide a thorough understanding of the business management discipline as a whole and identify the elements of the business (Figure 2-3, Section 2.5 - Section 2.10) that could influence the managers' managerial approaches, decisions and objectives. This chapter emphasised that customers are the most important variable to manage within a fast-food franchise, and that the fast-food franchises success depends on its customers (Section 2.11).

Chapter 3 presented a theoretical foundation of service quality and customer satisfaction in the fast-food franchise industry (secondary objective 2), which focused on customer expectations, experiences, and customers' satisfaction. This chapter established that should the customers' expectations be met it would lead to customer satisfaction, whereas should the customers' expectations not be met it could lead to low levels of customer satisfaction (Section 3.1). This chapter conceptualised service quality and provided a discussion on both the Nordic school of thought, and the American school of thought, who have made the greatest advances on the measuring of service quality (Section 3.2).

Furthermore, the American school of thought developed the SERVQUAL model that was used for this study and included five dimensions, namely tangibles, responsiveness, assurance, empathy, and reliability. It was determined that managers should be well-versed in their customers' expectations and experiences. Therefore, this chapter provided a discussion of both concepts respectively (Section 3.3). This chapter also identified the service quality gaps (Section 3.4) and established that in order for the service quality to be improved, the service quality gaps first needs to be managed (Section 3.5). This chapter demarcated the influence of service quality on customer satisfaction and establishes that service quality precedes customer satisfaction (Section 3.6). This chapter highlights the importance of service quality in the fast-food franchise industry,

as the improvement of service quality, will result in continuous purchases, profit maximisation and high levels of satisfaction experienced by customers (Section 3.7).

Chapter 4, examined the research methodology and processes used to achieve the research objectives of this study. In order to achieve the research objectives, the six stages of the research process were utilised as a guiding framework (Section 4.3 – Section 4.8). A quantitative research approach, and a combination of exploratory and descriptive research designs was utilised. Both secondary and primary data were collected in addition to the use of a survey in the form of a structured, self-administered questionnaire (Appendix A) that was developed on Google forms and shared via the researcher's networks on social media platforms such as WhatsApp, Facebook, Instagram and LinkedIn.

Chapter 5, presented the results and findings of the study by measures of reporting, explaining, and interpreting the data gathered from the structured, self-administered questionnaire. From the empirical results and findings, emerged the sample response realisation rate (Section 5.2) of 105% and the sample profile description of the respondents (secondary objective 3) in terms of the demographic profiles, patronage habits and motivational elements (Section 5.3).

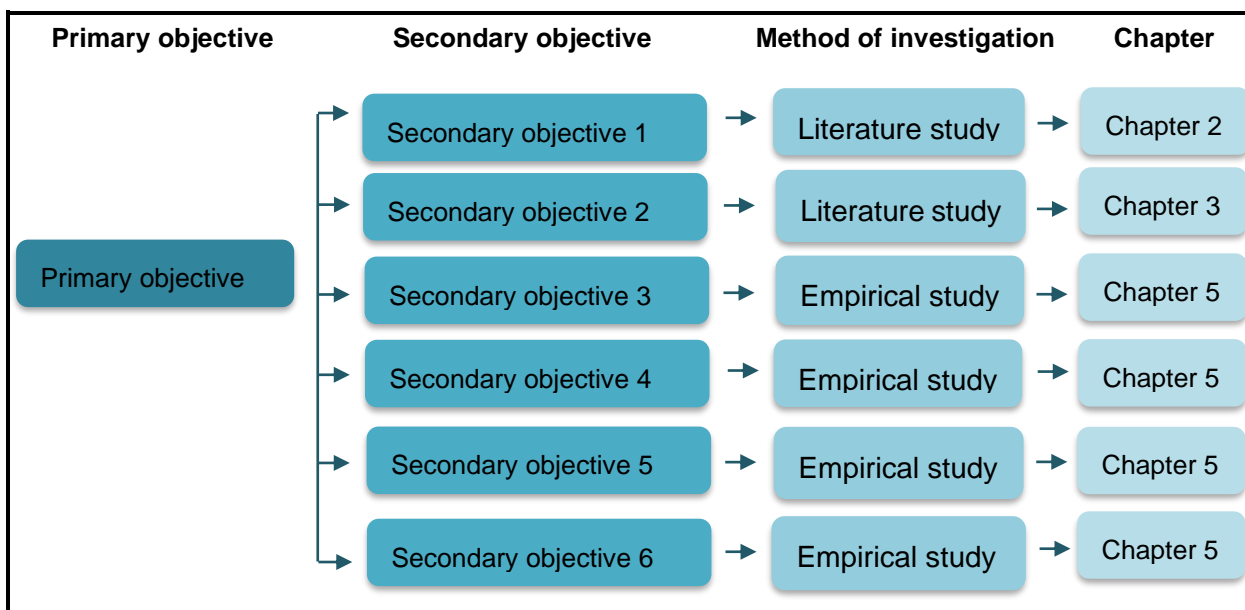
The empirical results and findings were further utilised to determine the psychometric properties of the measuring instrument (Section 5.4), which indicated that the SERVQUAL measuring instrument has high levels of internal consistency and has acceptable elements of validity. Next, descriptive statistics (Section 5.5) were conducted to provide an effectual representation of the respondents' expectations and experiences of service quality in the fast-food franchise industry in Gauteng. With regards to the inferential statistics (Section 5.6), a correlation analysis was conducted to evaluate the impact of service quality in the fast-food franchise industry in Gauteng on the respondents' expectations and experiences (secondary objective 4). Subsequently, t-tests followed where a paired sample t-test was conducted which revealed that the dimensions of service quality expectations and experiences all have statistically significant, positive relationships, with a large effect size indicating that changes in any of the dimensions will lead to large effects in the same direction in other dimensions. From the empirical results and findings respondents' satisfaction towards fast-food franchises was determined (secondary objective 5), which revealed that respondents have higher expectations of service quality than what they experience and that, according to the respondents, the service quality of fast-food franchises in Gauteng is low, which indicates that their customer satisfaction is subsequently influenced negatively. In order to improve service quality, a greater managerial focus should be placed on identifying which dimensions need to be managed to increase service quality and customer satisfaction (secondary objective 6). The managerial effort towards the service quality of the

reliability dimension (largest gap) should therefore be increased, and less managerial effort should be placed on the tangibles dimension (smallest gap).

6.3 INFERENCES PERTAINING TO THE SECONDARY OBJECTIVES

This study focused throughout on the primary and secondary objectives formulated in Chapter 1, as these objectives guided the study. The primary objective of this study was achieved by investigating service quality (expectations and experiences) in the fast-food franchise industry in Gauteng and identifying the dimensions of service quality that need to be managed for enhanced customer satisfaction. With regards to the secondary objectives, each of these formulated secondary objectives of the study were subsequently addressed and reported on as depicted by the summary of the relationships between the primary and secondary objectives, the method of investigation and the chapters (Figure 6-2).

Figure 6-2: A summary of the relationships between the primary and secondary objectives, the method of investigation and the chapters



Source: Researcher's own compilation.

In order to determine whether the secondary objectives contributed to the current body of knowledge on business management, service quality, customer expectations, experiences, and satisfaction in the fast-food franchise industry in Gauteng, an analysis was conducted to indicate the achievement of the secondary objectives.

6.3.1 Secondary objective 1

To conceptualise management in the fast-food franchise industry.

To conceptualise management in the fast-food franchise industry, research needed to be conducted pertaining on management within a business. From the research it was established that within a business, management entails the various tasks performed by managers (i.e., planning, organising, leading/activating, and controlling) and that these tasks are executed by managers when they allocate resources to different departments in their business. Management is necessary to achieve the business objectives and, ultimately, the research highlights the universal importance of business management (Section 2.2). Business management was therefore analysed further in Chapter 2 and revealed the following elements of business management in order to make the following inferences:

Table 6-1: Secondary objective 1 inferences

Inferences
<ul style="list-style-type: none"> • Business management entails an understanding of the levels on which managers operate in businesses. Management occurs on three distinct levels namely top-level management, which establishes objectives, middle-level management, which organises the tasks, and lower-level management, which encourages the employees to perform these tasks (Section 2.5). • Business management entails the functions that managers execute within these business levels to assure that businesses operate efficiently, which include human resource, marketing, administration, financial, information technology, operations, public relations, and logistics management (Section 2.6). • Business management includes tasks such as planning, organising, leading/activating, and controlling abilities (Section 2.7). • Business management entails various managerial roles and includes managers' interpersonal, decisional, and informational roles (Section 2.8). • Business management includes managerial skills (conceptual, human, and technical skills) and competencies (strategic action, communication, planning and administration, teamwork, multicultural, and self-management competency) (Section 2.9).

Source: Researcher's own compilation.

6.3.2 Secondary objective 2

To provide a theoretical foundation of service quality in the fast-food franchise industry.

This objective was focused on providing a theoretical foundation of service quality and customer satisfaction in the fast-food franchise industry, which was done in Chapter 3. Achieving this objective was of utmost importance, as managers need to be well-versed in their customers' expectations to determine whether the management of their service offering meets the customers' expectations and ultimately assure high levels of customers' satisfaction. From the research conducted a theoretical foundation of service quality and customer satisfaction was established, and the following inferences were made:

Table 6-2: Secondary objective 2 inferences

Inferences
<ul style="list-style-type: none">• Customers' expectations of service quality, as well as their experiences of the services being offered, determines the level of customer satisfaction (Section 3.1).• Meeting customer's expectations will lead to higher levels of customer satisfaction, whereas not meeting those expectations can lead to low levels of customer satisfaction (Section 3.1).• Service quality was defined as the degree to which customers are satisfied with the service they receive (Section 3.2) and therefore the gap that exists between what the customers expect and their actual experience of the service being delivered (Section 3.5).• The SERVQUAL model is used to determine the customers' expectations and - experiences relating to the features of the five dimensions, which are then compared in the gap model of service quality to identify the service inefficiencies (gaps) that exist between customer expectations and experiences (Section 3.3).• As customers are satisfied and repeat their purchases, the fast-food franchise will be able to gain more customers, attain more market share, and increase their competitive advantage, as well as maximise their profits (Section 3.6).

Source: Researcher's own compilation.

6.3.3 Secondary objective 3

To compile a sample profile description of the respondents.

This objective was achieved in Chapter 5, where the sample profile description of the respondents was compiled based on the respondents' demographic profiles (Section 5.3.1), patronage habits (Section 5.3.2) and motivational elements (Section 5.3.3). The demographic profiles were drawn from the final 315 usable questionnaires. The respondents' demographic profiles were created in terms of their age, gender, ethnicity, highest level of education and current employment. The

patronage habits of the respondents assisted the researcher in gaining insight into the duration of them being fast-food franchise customers, their preferred purchasing time, as well as the number of times the fast-food outlets premises were visited. The motivational elements focused on the respondents' ratings of the levels of the motivational elements in the fast-food franchise industry. Subsequently, the following inferences could be made with regards to the sample profile description of the respondents.

Table 6-3: Secondary objective 3 inferences

Inferences
<ul style="list-style-type: none">• Most of the respondents in this study were on average 34-year-old full-time employed white females with a post-matric qualification. They had been fast-food customers for more than 10 years, purchased at least once a month in the afternoons from fast-food outlets in Gauteng, and they relied, to a great extent, on the quality of the products they bought from fast-food franchises (Section 5.3).

Source: Researcher's own compilation.

6.3.4 Secondary objective 4

To measure service quality by means of the respondents' expectations and experiences in the fast-food franchise industry.

Secondary objective 4 was achieved in Chapter 5 where an effectual representation of the respondents' expectations and experiences of service quality in the fast-food franchise industry in Gauteng was provided. From the abovementioned, the following inferences could be made:

Table 6-4: Secondary objective 4 inferences

Inferences
<ul style="list-style-type: none">• All the dimensions of service quality expectations were important to the respondents. The respondents indicated that the reliability dimension is the most important service quality expectations dimension, and the tangibles dimension is the least important service quality expectations dimension (Section 5.5.1).• Most of the dimensions of service quality experiences were experienced only sometimes. The respondents indicated that they experience the tangibles dimension most of the time, while they experience the empathy dimension least of the time (Section 5.5.2).

Source: Researcher's own compilation.

6.3.5 Secondary objective 5

To determine the respondents' satisfaction towards fast-food franchises.

As customer satisfaction is the result that follows when customers experience exceeds their expectations, respondents' service quality expectations and experiences in the fast-food franchise industry in Gauteng was evaluated in Chapter 5. Secondary objective 5 was achieved as the difference in service quality expectations and experiences were evaluated, resulting in respondents' level of satisfaction towards fast-food franchises. Based on this, the following inference was made:

Table 6-5: Secondary objective 5 inferences

Inferences
<ul style="list-style-type: none">• Respondents' satisfaction towards fast-food franchises in Gauteng is low and, therefore, their customer satisfaction is subsequently influenced negatively (Section 5.6.2.1).

Source: Researcher's own compilation.

6.3.6 Secondary objective 6

Identify the dimensions that need to be managed for increased service quality and customer satisfaction.

Chapter 5 achieved the abovementioned objective as the respondents' expectations and experiences of the dimension of service quality (tangibility, reliability, responsiveness, assurance, and empathy) were determined. The width and direction (positive or negative) of the gaps between the respondents' expectations and experiences in each dimension was also determined. This enabled the researcher to identify the dimensions in which the respondents' expectations surpass their experiences (expectations > experiences) as this is viewed as a negative difference and managerial interventions are then needed for increased service quality and customer satisfaction. Subsequently, the following inferences were made:

Table 6-6: Secondary objective 6 inferences

Inferences
<ul style="list-style-type: none">• Managers in the fast-food franchise industry in Gauteng need to manage tangibles, reliability, responsiveness, and assurance to enhance their service quality (Section 5.6.1.2).• Service quality can be improved when the identified gaps that exists between customers' expectations and experiences are managed, and therefore, the reliability dimension with the widest gap, the responsiveness dimension with the second largest gap and the assurance dimension with the third largest gap need to be managed (Section 5.6.1.2).

Source: Researcher's own compilation.

6.4 CONTRIBUTIONS

This study made theoretical, as well as empirical contributions to the existing literature on business management, service quality (expectations and experiences), and customer satisfaction in the fast-food franchise industry.

6.4.1 Theoretical contribution

As discussed in Section 1.2, after an extensive search it was revealed that no studies were available that related specifically to the management of customer expectations, experience, and satisfaction in the fast-food franchise industry in Gauteng. In this regard, this study investigated the management of service quality and customer satisfaction in the fast-food franchise industry in Gauteng in order to provide a meaningful contribution to the body of knowledge on business management, service quality, customer expectations, experiences, and satisfaction in the fast-food franchise industry in Gauteng.

Theoretically, this study achieved two secondary objectives through conceptualising management in the fast-food franchise industry, as well as through the theoretical foundation that was provided of service quality in the fast-food franchise industry.

Furthermore, the investigation provided, insights on customers' experiences and expectations and how these constructs ultimately influence the level of customers' satisfaction. The insights obtained from this study could potentially assist managers from the fast-food franchise industry with the necessary recommendations on how to manage and improve service quality within their fast-food franchises.

6.4.2 Empirical contribution

This study made an empirical contribution through the results and findings obtained from the data collection and analysed. Interpreting the results and findings from the measuring instrument will assist managers with understanding customers' expectations, as well as their experiences in order to improve their customers level of satisfaction.

Empirically, this study achieved the remainder of the secondary objectives that were formulated when the study commenced. This included the compilation of a sample profile description of the respondents, providing descriptive statistics which focused on measuring respondents' service quality expectations and experiences in the fast-food franchise industry, determining respondents' satisfaction towards fast-food franchises, and identifying the dimensions that need to be managed for increased service quality and customer satisfaction. The study also assisted in identifying the respective limitations and provided the necessary recommendations to managers of fast-food franchises whilst providing future research suggestions.

This study is not only relevant to the management of fast-food franchises, but it also serves as a blueprint for other scholars that wish to conduct a similar study to investigate the management of service quality in the fast-food franchise industry in Gauteng or other provinces within South Africa.

6.5 RECOMMENDATIONS

The primary objective of this study was to investigate service quality in terms of expectations and experiences in the fast-food franchise industry in Gauteng and to identify the dimensions of service quality that need to be managed for enhanced customer satisfaction. The insights obtained from this study can potentially assist managers from the fast-food franchise industry with the necessary recommendations on how to manage and improve service quality within their franchises. In alignment with the outlined objectives, this study offers the following recommendations:

- Fast-food franchise managers need to understand the management discipline, as well as all the elements of management in the business in order to ensure that their managerial approaches, decisions, and objectives are focused on providing superior service quality (Section 2.1).
- Managers in the fast-food franchise industry should possess the ability to understand their customers' needs and requirements so that they are able to manage service quality in a manner that will exceed customers' expectations (Section 2.13).

- Given that the respondents' indication the reliability dimension as the most important service quality expectations dimension, managers need to ensure that products and services are provided by the promised time, employees are sympathetic and reassuring when customers have problems, businesses are dependable and accurate records are kept of their business ventures (Section 3.2.2.5).
- Given that the respondents' indication that the tangibles dimension is the least important service quality expectations when compared to the other dimensions, managers will have to understand what customers expect, such as equipment to be up to date, facilities to be visually appealing, employees to appear well-dressed and the appearance of physical facilities in keeping with the type of service provided (Section 3.2.2.1).
- As respondents indicated that they experience the empathy dimension of service quality experiences the least of the time when compared to the other dimensions, managers will have to know that customers are attuned to individual and personal attention they receive, the recognition of their interests, and an understanding of their needs by employees in the fast-food franchise industry (Section 3.2.2.4).
- As respondents indicated that they experience the tangibles dimension of service quality experiences most of the time, managers have to take note that customers experience up to date equipment, visually appealing facilities, well-dressed appearance of employees and the appearance of physical facilities in keeping with the type of service provided most of the time (Section 3.2.2.5), indicating that this dimension receives much attention already.
- As per service quality expectations dimensions, the correlation analysis and effect sizes revealed that changes in the expectations of any of the dimensions would lead to large effects in the same direction in the other dimensions, and therefore, managers need to realise that when focusing on managing elements of one dimension, it would have a large effect on the customers' expectations of the other dimensions in the same direction (Section 5.6.1.1).
- With regards to the service quality experience dimensions, the correlation analysis and effect sizes revealed that changes in the experiences of any of the dimensions would result in large effects in the same direction in the other dimensions. It is thus important that managers take note that when their customers experience the dimensions of service quality in a specific manner (high or low levels of service quality), it would have a large influence on the other dimensions in the same direction (Section 5.6.1.2).

- As per the empirical results and findings, it was revealed that respondents have higher expectations of service quality than what they experience, and that, according to the respondents, the service quality of fast-food franchises in Gauteng is low and, therefore, their customer satisfaction in this province is subsequently influenced negatively (Section 5.6.2.1). In order to improve service quality, greater managerial focus should be directed at increasing the service quality of the reliability dimension (largest gap) and the managerial effort should be least directed at the tangibles dimension (smallest gap) (Section 5.6.2.2).
- From these results it can be concluded that managers in the fast-food franchise industry in Gauteng need to manage tangibles, reliability, responsiveness, and assurance to enhance their service quality. Since the results revealed that the respondents' experiences of empathy surpass their expectations, this dimension is the only dimension with a notable contribution to improved service quality (Section 5.6.2.2).

These insights are used to identify the limitations experienced in this study.

6.6 LIMITATIONS

As no study is without limitations, this study also encountered various limitations which ultimately had an influence on the research process, results, and findings (Burns *et al.*, 2017:443). According to Aaker *et al.* (2011:15), to obtain accurate results the researcher needs to be aware of the various limitations. Taking this into consideration, it is important to take note of the following theoretical and empirical limitations that were encountered throughout this study:

6.6.1 Theoretical limitations

As mentioned, an extensive search revealed that no studies are available, pertaining to the combination of the management of customer expectations, experience, and satisfaction in the fast-food franchise industry in Gauteng. This resulted in a limited amount of readily available information as well as an inability to compare this study's literature shortcomings with previous studies.

6.6.2 Empirical limitations

This study encountered the following empirical limitations:

- This study was limited to only one province namely Gauteng and excluded the other eight provinces within South Africa.

- The scope of the study was only limited to the fast-food franchise industry and excluded all of the other established industries.
- The sample size of 315 was not large enough to be a fair representation of all the fast-food franchise customers in Gauteng. Therefore, due to the nature and size of the study, it cannot be assumed that the results gained from this study can be applied to all fast-food franchises within the fast-food franchise industry.
- The sample profile description results were skewed, with 67.94% (n = 214) of respondents being female white 78.10% (n = 246), which resulted in the sample profile description not being a fair representation of all the fast-food franchise customers in Gauteng.
- Due to the unavailability of a complete record of all the customers within the fast-food franchise industry in Gauteng, as well as the privacy rights set out within the Protection of Personal Information Act (POPIA) Act (4 of 2013), this research study did not make use of a sample frame. The unavailability of a sample frame resulted in the utilisation of non-probability convenience sampling, which also contributed to the study not being able to fairly represent all of the fast-food franchise customers in Gauteng, as respondents were selected based on elements such as ease of access, availability, or geographical proximity.
- Due to the voluntary nature of respondents' participation, respondents could withdraw from the survey at any time, which resulted in 58 questionnaires that needed to be discarded.
- Only a quantitative research approach was utilised to collect and analyse the data.
- Due to COVID-19 pandemic regulations implemented by the World Health Organization (WHO) that indicated that social distancing should be implemented to avoid the spread of the COVID-19 virus, data collection was limited to online platforms (i.e., WhatsApp, Facebook, Instagram, and LinkedIn).

6.7 FUTURE RESEARCH SUGGESTIONS

By noting the abovementioned limitations (both theoretical and empirical), future research suggestions can include:

- Future studies could include a broader scope of respondents. This could be done through extending the research to all the other provinces and not just Gauteng.

- Future studies could make use of more than one research approach either in the form of mixed-method or quantitative and qualitative approach rather than just a quantitative research approach to collect and analyse the data.
- Future studies can use the results obtained from this study as a point of reference.
- Future studies could formulate hypotheses to also test the statistical significance of the effects of each of the service quality dimensions on customer satisfaction.
- Service quality (expectations and experiences) and customer satisfaction can also be investigated in individual franchises (for example: McDonalds) to be able to compare how different fast-food franchises are managing their service quality and customer satisfaction.
- Future research can also include employees as respondents in order to determine how they view and rate the respective fast-food franchises.
- Future research studies can investigate unidentified areas in the fast-food franchise industry which can also be managed to ensure improved service quality and customer satisfaction.
- Future research studies could further investigate why customers deem some service quality dimensions as more important than others.

6.8 SUMMARY

This chapter commenced with an introduction and followed with an overview of this study, where a brief explanation of Chapter 1-5 (Section 6.2) was provided in order to provide the context of this research study. This was followed by the inferences pertaining to the secondary objectives (Section 6.3). The chapter proceeded by making theoretical, as well as empirical contributions (Section 6.4) to the existing literature on business management, service quality (expectations and experiences), and customer satisfaction in the fast-food franchise industry in Gauteng. Thereafter, a set of recommendations (Section 6.5) were made to fast-food franchise managers, as managers need to manage and improve service quality. These insights were used to identify both theoretical and empirical limitations (Section 6.6) experienced in this study. Thereafter, future research suggestions were put forward to apprise future research studies stemming from this research (Section 6.7). Finally, the chapter ended off with a summary section (Section 6.8), and a conclusion section (Section 6.9).

6.9 CONCLUSION

The final chapter commenced with a brief overview of the study, and as such highlighted various parts discussed in the previous chapters. This was followed by the study's inferences, contributions and recommendations regarding the management and improvement of service quality in the fast-food franchise industry in Gauteng. Thereafter, the limitations of the study were posited, and suggestions for future research were proposed.

This study achieved the primary objective (Section 1.4.1), and the six secondary objectives (Section 1.4.2). Furthermore, it rejected H1a and supported H2b (Section 1.4.3). The identified problem, namely that *the service quality offered by all franchises not aligning with customers' expectations and experiences, which has a negative impact on the sustainability and competitiveness of fast-food franchises* (Section 1.2), was also attended to with the recommendations set out for fast-food franchise managers. Ultimately, this study will assist managers on how to manage and improve service quality and customer satisfaction within the fast-food franchise industry in Gauteng.

In conclusion, the researcher trusts that fast-food franchises will realise the importance of meeting and exceeding customers' expectations to ensure high levels of customer satisfaction. It is also the researcher's hope that recommendations made in this study pertaining to the management of service quality in the fast-food franchise industry in Gauteng will be of value to fast-food franchise managers.

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APPENDIX A: QUESTIONNAIRE



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This survey forms part of a Master’s study in Business Management and focuses on investigating the management of service quality in the fast-food franchise industry in Gauteng.

Objective:

This questionnaire has been developed to obtain feedback regarding how service quality can be managed in the fast-food franchise in South Africa with focus on the Gauteng province. This study will specifically examine service quality (customer experiences and expectations) in the fast-food franchise.

From the demographic data collected a sample description will be drawn, which will provide insight to the researcher about the selected target population (All fast-food franchise customers in Gauteng), through a process called statistical inferences. These insights can be used to identify any implications experienced in the fast-food industry, or to provide managers with recommendations on how service quality can be managed and improved.

Anonymity and confidentiality:

All information gathered through the completed questionnaires will be treated with the utmost standard of privacy and confidentiality during the analyses and publication thereof as part of a Master’s degree dissertation. Should any of the findings from this study be published in academic journals or presented at academic conferences, no association will be made between you and your completed questionnaire, as no personal identifiable information will be requested. Your participation in this survey is completely voluntary, and you may withdraw from the process at any time.

Results:

The results will only be used empirically for the written dissertation of the study. Respondents are welcome to request results upon the completion of the study.

The questionnaire will take approximately 10 min to complete, please assure that all answers are completed from your own perspective and as required.

Appendix A: Questionnaire

Thank you in advance for your willingness to complete the questionnaire and to take part in this research.

Should you have any questions, please contact Prof Alfred Henrico (at Alfred.Henrico@nwu.ac.za) or Chane Naude (at chanenaude8@gmail.com).

Yours sincerely,

Chane Naude

(Ethical clearance: NWU-00857-20-A4)

1. SCREENING QUESTION

This section will determine if the respondents will be eligible to continue with the rest of the questionnaire.

- 1.1. Have you purchased from the fast-food franchises in Gauteng (i.e. Burger King, Nando's, McDonald's, Mochachos, Steers or Wimpy) during the last 6 months?

Yes	1
No	2

If your answer is "Yes" to the above question, please complete the remainder of the questionnaire.

If your answer is "No" to the above question you do not have to complete the remainder of the questionnaire.

2. SECTION A – SAMPLE DESCRIPTION

This section will provide background information in order to compile a sample description of respondents. This section is not compulsory.

2.1. Year of birth?

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2.2. What is your gender?

Male	1
Female	2

2.3. What is your ethnicity?

Asian	1
African	2
Mixed-race	3
Indian	4
White	5
Other, please specify:	6

2.4. What is your highest level of education?

Primary school not completed	1
Primary school completed	2
High school not completed	3
Matric / Grade 12 completed	4
Technical college diploma	5
University or Technology diploma	6
University degree	7
Postgraduate degree	8

2.5. What is your current employment status?

Unemployed	1
Student	2
Self-employed	3
Part-time employed	4
Full-time employed	5
Housewife or househusband	6
Retired	7

2.6. How long have you been a customer of the fast-food franchise industry?

Less than two years	1
2 to 4 years	2
5 to 7 years	3
8 to 10 years	4
Longer than 10 years	5

2.7. When do you prefer to purchase from the fast-food franchise industry?

Morning (6:00 am – 11:59 am)	1
Noon (12:00 pm – 4:59 pm)	2
Evening (5:00 pm – 7:59 pm)	3
At night (8:00 pm – 5:59 am)	4

2.8. How often do you physically visit the premises of fast-food franchise outlets?

Daily	1
Weekly	2
Monthly	3
Yearly	4

Appendix A: Questionnaire

2.9. Please rate the level of importance of the following elements of the fast-food franchise industry.

	Elements	Least important	Slightly important	Moderately important	Important	Most important
2.9.1.	Affordability	1	2	3	4	5
2.9.2.	Convenient hours (24-hour open)	1	2	3	4	5
2.9.3.	Friendliness of employees	1	2	3	4	5
2.9.4.	Quality products	1	2	3	4	5
2.9.5.	Variety (Various options on the menu)	1	2	3	4	5

3. SECTION B – Expectations from the fast-food franchise industry

This section will measure respondents' service quality expectations. Please indicate according to the scale below your **expectations** of the fast-food industry in Gauteng.

EXPECTATIONS FROM THE FAST-FOOD FRANCHISE INDUSTRY						
	Statement	Not important	Slightly important	Relatively important	Important	Extremely important
TANGIBLES						
3.1	Quality equipment (cash registers, computers, furniture, etc.).	1	2	3	4	5
3.2	Visual appealing physical facilities (building, entrance, layout, etc.).	1	2	3	4	5
3.3	Neatness of employees (clothing, uniforms, physical appearance, etc.).	1	2	3	4	5
3.4	Visual appealing materials (menus, display boards, files, receipts, etc.).	1	2	3	4	5
RELIABILITY						
3.5	The ability of the fast-food franchise to do something by a certain time.	1	2	3	4	5
3.6	The fast-food franchise's sincere interest when I have a problem.	1	2	3	4	5
3.7	The ability of the fast-food franchise to perform its service right the first time.	1	2	3	4	5
3.8	The ability of the fast-food franchise to deliver on its customer service promises.	1	2	3	4	5
3.9	Error-free service delivery.	1	2	3	4	5
RESPONSIVENESS						
3.10	Information about the fast-food franchise services.	1	2	3	4	5
3.11	Prompt service from the fast-food franchise employees.	1	2	3	4	5

Appendix A: Questionnaire

3.12	The willingness of the employees at the fast-food franchise to help me.	1	2	3	4	5
3.13	The availability of employees to respond to my request.	1	2	3	4	5
ASSURANCE						
3.14	The actions of the employees lead me to feel confident as a customer.	1	2	3	4	5
3.15	The fast-food franchise environment (comfortable, relaxed, etc.)	1	2	3	4	5
3.16	Well-mannered and polite employees.	1	2	3	4	5
3.17	The knowledge of the employees about the inner workings of the fast-food franchise (products and service).	1	2	3	4	5
EMPATHY						
3.18	Individual attention from the fast-food franchise as a whole.	1	2	3	4	5
3.19	Convenient operating hours.	1	2	3	4	5
3.20	Special attention from the employees.	1	2	3	4	5
3.21	The employees have my best interest at heart.	1	2	3	4	5
3.22	Employees understand my specific needs.	1	2	3	4	5

4. SECTION B – Experiences from the fast-food franchise industry

This section will measure respondents' service quality experiences.

Please indicate according to the scale below your **experiences** of the fast-food industry in Gauteng.

EXPERIENCES FROM THE FAST-FOOD FRANCHISE INDUSTRY						
	Statement	I do not experience this	I rarely experience this	I experience this sometimes	I experience this most of the time	I always experience this
TANGIBLES						
4.1	Quality equipment (cash registers, computers, furniture, etc.).	1	2	3	4	5
4.2	Visual appealing physical facilities (building, entrance, layout, etc.).	1	2	3	4	5
4.3	Neatness of employees (clothing, uniforms, physical appearance, etc.).	1	2	3	4	5
4.4	Visual appealing materials (menus, display boards, files, receipts, etc.).	1	2	3	4	5
RELIABILITY						
4.5	The ability of the fast-food franchise to do something by a certain time.	1	2	3	4	5
4.6	The fast-food franchise's sincere interest when I have a problem.	1	2	3	4	5
4.7	The ability of the fast-food franchise to perform its service right the first time.	1	2	3	4	5
4.8	The ability of the fast-food franchise to deliver on its customer service promises.	1	2	3	4	5
4.9	Error-free service delivery.	1	2	3	4	5
RESPONSIVENESS						
4.10	Information about the fast-food franchise services.	1	2	3	4	5

Appendix A: Questionnaire

4.11	Prompt service from the fast-food franchise employees.	1	2	3	4	5
4.12	The willingness of the employees at the fast-food franchise to help me.	1	2	3	4	5
4.13	The availability of employees to respond to my request.	1	2	3	4	5
ASSURANCE						
4.14	The actions of the employees lead me to feel confident as a customer.	1	2	3	4	5
4.15	The fast-food franchise environment (comfortable, relaxed, etc.)	1	2	3	4	5
4.16	Well-mannered and polite employees.	1	2	3	4	5
4.17	The knowledge of the employees about the inner workings of the fast-food franchise (products and service).	1	2	3	4	5
EMPATHY						
4.18	Individual attention from the fast-food franchise as a whole.	1	2	3	4	5
4.19	Convenient operating hours.	1	2	3	4	5
4.20	Special attention from the employees.	1	2	3	4	5
4.21	The employees have my best interest at heart.	1	2	3	4	5
4.22	Employees understand my specific needs.	1	2	3	4	5

Thank you for your participation in this research study.

APPENDIX B: ETHICAL APPROVAL



NORTH-WEST UNIVERSITY
YUNIBESITHI YA BOKONE-BOPHIRIMA
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Economic and Management Sciences Research
Ethics Committee (EMS-REC)

28 September 2020

Prof A Henrico and Prof L van Staden
Per e-mail
Dear Proffs Henrico and van Staden,

EMS-REC FEEDBACK: 18092020

Student: Naude, C (25909037)(NWU-00857-20-A4)

Applicant: Prof A Henrico / Prof L van Staden – MCom in Business Management

Your ethics application on, *Investigating the management of service quality and customer satisfaction in the fast-food Franchise Industry in Gauteng*, which served on the EMS-REC meeting of 18 September 2020, refers.

Outcome:

Approved as a minimal risk study. A number **NWU-00857-20-A4** is given for one year of ethics clearance.

Due to the Covid-19 lock down ethics clearance for applications that involve data collection or any form of contact with participants are subject to the restrictions imposed by the South African government.

Kind regards,

Mark
Rathbone

Digitally signed by Mark
Rathbone
DN: cn=Mark Rathbone,
o=North-West University,
ou=Business management,
email=mark.rathbone@nwu.ac.
za, c=ZA
Date: 2020.09.29 12:51:07
+02'00'

Prof Mark Rathbone

Chairperson: Economic and Management Sciences Research Ethics Committee (EMS-REC)

APPENDIX C: STATISTICAL ANALYSIS CONFIRMATION



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Statistical Consultation Services
Tel: +27 18 285 2016
Fax: +27 0 87 231 5294
Email: suria.ellis@nwu.ac.za

15 September 2021

Re: Dissertation, Ms C Naude, student number 25909037

We hereby confirm that the Statistical Consultation Services of the North-West University analysed the data of the above-mentioned student and assisted with the interpretation of the results. However, any opinion, findings or recommendations contained in this document are those of the author, and the Statistical Consultation Services of the NWU (Potchefstroom Campus) do not accept responsibility for the statistical correctness of the data reported.


Kind regards

A handwritten signature in black ink that reads 'SM Ellis'.

Prof SM Ellis (Pr. Sci. Nat.)

Associate Professor: Statistical Consultation Services

APPENDIX D: LANGUAGE EDITING CONFIRMATION

<h3>Language Editor's Declaration</h3>	
	<ul style="list-style-type: none">■ Language Matters Pty Ltd■ info@languagematters.co.za■ 082 920 2991■ www.languagematters.co.za
<hr/>	
Language editing – Translation – Transcription – Simultaneous interpreting	
<p>info@languagematters.co.za 156 O R Tambo Street Miederpark Potchefstroom 2531</p>	
<p>To whom it may concern,</p> <p>This document certifies that the manuscript/title listed below has been edited, within reasonable, ethical and professional limits, for syntax, grammar, spelling, punctuation and specific stylistic requirements of the English language by one or more qualified language practitioner(s) at Language Matters. The editor's revisions and comments serve as recommendations; the overall quality of the final manuscript's contents remains the responsibility of the client/author. The language editor does not accept responsibility for any changes made to the manuscript after the issuing of this declaration.</p>	
Manuscript title:	Investigating the management of service quality in the fast-food franchise industry in Gauteng.
Author(s):	C Naudé
Date Issued:	15 November 2021
Issued by:	BGS Language Matters and Media Services

APPENDIX E: TECHNICAL EDITING CONFIRMATION

LEON DU PREEZ
TECHNICAL EDITING

Leon du Preez
Lecturer
North-West University
Potchefstroom
2531

19 November 2021

To whom it may concern:

DECLARATION OF TECHNICAL EDITING

This letter verifies that I, Leon du Preez, did the technical editing of Ms C Naudé's dissertation entitled: *"Investigating the management of service quality in the fast-food franchise industry in Gauteng"* for the degree Master of Commerce in Business Management at the North-West University. The document has been edited (formatted) in accordance with the technical requirements of the North-West University as set out in the Manual for Higher Degrees Studies and Referencing Guide (NWU Harvard 2020). Notwithstanding, the editor's revisions are recommendations and as such the implementation thereof remains the responsibility of the author. Therefore, the editor will not be responsible for any changes made after the date of issue.

Sincerely,



Mr Leon du Preez