DETERMINANT ANALYSIS OF WORD OF MOUTH IN RESTAURANT INDUSTRY: EMPIRICAL FINDINGS FROM FOOD CONSUMERS IN KARACHI

By

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<tr><td></td><td colspan="2">MBA Thesis 2nd Half-Semester Progress Report & Thesis

Approval Statement</td></tr>
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Supervisor – Student Meeting Record

S#	Date	Place of Meeting	Topic Discussed	Signature of Student
1	15 Oct 2018	Bahria University	Discussion related to topic, first three chapters & deadline	
2	10 Dec 2018	Bahria University	Data Analysis understanding	
3	12 Dec 2018	Bahria University	Discussion related to chapter 4,5 & 6	
4	24 Dec 2018	Bahria University	Discussion related to literature review issues and final submission discussion	

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Abstract

Purpose

The purpose of this study is to analyze the impact of word of mouth on restaurant industry. It also studies the impact of negative and positive word of mouth on social media in food industry. A gap was being identified where restaurateurs were not focusing much on social media reviews. So this study has been conducted to fill that gap.

Methodology & Design

In order to carry out this study, survey method has been used. Questionnaires were being distributed among the food consumers of Karachi. Convenience sampling technique has been used and the sample size taken is 401. For further analysis, correlation, regression analysis, simple mediation and reliability analysis have been employed via Jamovi.

Findings

The results showed that p value is less than 0.05 which shows that there is a significant and positive relationship among variables. All hypotheses were accepted after the statistical analysis which shows that there is significantly positive relationship among Impulsiveness and Urge to Buy, Hedonic & Utilitarian Shopping values and Urge to buy, Urge to buy and Word of Mouth mediated through Customer Satisfaction. Findings exhibit that word of mouth has positive impact on restaurant industry.

Limitations

While conducting this study, few limitations were being observed. First of all, due to the shortage of time, this research was completed in only four months. The biggest weakness of this research is the non-probability convenience sampling. The research only focused the Karachi region and even in Karachi, the sample was almost homogeneous. Sample size that was being chosen was small since researcher was unable to target large sample due to the shortage of time.

Recommendations

Based on the findings of this research, few recommendations are given to the market. A restaurateur should be responsive to changing consumer's need. Front end staff like waiters should be trained to be courteous. They must focus on digital marketing and should be vigilant to online reviews. A restaurant should maintain the same standards in all its branches and franchises. They should focus on crises management and should train their staff too for that. They should also know what customers are thinking about them.

Keywords

Impulsiveness, Hedonic Shopping Value, Utilitarian Shopping Value, Urge to Buy, Satisfaction, Word of Mouth, Restaurant Industry, Social media, Social Commerce

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