Determining the key success factors that influence the brand loyalty of restaurant patrons

N. Jacobs
22137785
BA (Hons)

Dissertation submitted in fulfilment of the requirements for the degree Magister Commercii in Tourism Management at the Potchefstroom Campus of the North-West University

Supervisor: Dr. E. du Plessis
Co-supervisor: Prof. E. Slabbert

November 2015
Declaration with regards to independent work

I, Nadia Jacobs, identity number 9012240016085 and student number 22137785, do hereby declare that this research submitted to the North-West University, for the M.Com study: Determining the Key success factors that influence the brand loyalty of restaurant patrons, is my own independent work; and complies with the Code of Academic Integrity, as well as other relevant policies, procedures, rules and regulations of the North-West University; and has not been submitted before to any institution by myself or any other person in fulfilment (or partial fulfilment) of the requirements for the attainment of any qualification.

Miss. N. Jacobs

30 November 2015

Date
Financial Assistance

Financial assistance from the National Research Foundation (NRF) towards this research is hereby acknowledged. Opinions expressed and conclusions arrived at, are those of the author and are not necessarily attributed to the NRF.
Acknowledgements

“A dream doesn’t become reality through magic; it takes sweat, determination and hard work” – Colin Powell

I would like to express my deepest gratitude to the following, without which I would not have been able to reach my dream and complete this research:

- Firstly, I would like to give thanks to my Heavenly Father for giving me this opportunity as well as the strength and courage when I needed it most.

- My Parents for all their support, encouragement, patience and love. You were there every step of the way. I will forever be grateful for all you have done for me through this trying time. Without you, this study would not have been possible.

- To my study leaders, Dr. L. du Plessis and Prof. E. Slabbert for the guidance, advice, assistance and help throughout this study. Your ideas and enthusiasm helped form this study until the very end.

- To Ediaan. Thank you for your understanding, love and encouragement. You could always cheer me up and encourage me when I needed it. Thank you for sitting beside me through all of those weekends.

- To all the personnel at the Tourism department at the North-West University for their help with the printing of my questionnaires.

- Thank you to all the field workers for handing out the questionnaires in the evenings at the Montana Spur Steak Ranch in Potchefstroom.

- Lastly, to the financial assistance received from the NRF and the North-West University.
Abstract

The tourism industry is the fastest growing industry above all other industries and has an impact on the economy and the environment as well as the community. The variety of sectors within the tourism industry, and the fact that each sector comprises multiple businesses increases the level of competition between tourism organisations significantly, especially in the hospitality sector. Within an industry and sector such as this, it is crucial to retain satisfied patrons and to create loyal patrons as the growth in competition can lead to a loss in customers and in turn a loss in revenue. The recession in 2009, however, caused patrons to decrease and restrict their spending within the hospitality sector, especially at restaurants. Thus delivering a satisfied experience and building loyalty towards a restaurant became of utmost importance. Building loyalty towards a restaurant does however require an understanding of the factors contributing to this loyalty.

The purpose of this research was to determine the key success factors contributing to the loyalty of restaurant patrons. To achieve this aim, the following objectives were set: to determine the importance of marketing and branding within a competitive market by means of a literature review; to determine the importance of brand loyalty within a competitive market by means of a literature review; to determine the key success factors that influence brand loyalty to restaurant patrons, and, lastly, to draw conclusions and make recommendations regarding the key success factors that influence brand loyalty of restaurant patrons.

This was achieved by using a quantitative research approach through distributing self-administered questionnaires among patrons at the Spur Steak Ranch restaurant in Potchefstroom where 255 usable questionnaires were collected. The data collected through the questionnaires were then captured in Microsoft Excel and processed through SPSS. Analyses such as descriptive statistics, factor analyses as well as $t$-tests and ANOVAs were conducted through SPSS.

The descriptive results revealed that aspects such as the cleanliness and tidiness of the restaurant, being able to spend time with friends and family, the food quality,
enjoying the restaurant, the accuracy of the orders, having a good previous experience at the restaurant, the accessibility of the restaurant, having enough personal space and the service quality is very important to restaurant patrons when considering being loyal to the restaurant.

The factor analyses conducted through SPSS revealed five key success factors contributing to restaurant loyalty. These factors are: (1) the service and staff quality; the value and quality of food; (3) the total experience; (4) convenience and (5) the children's facilities and menu.

Comparisons were conducted by means of t-tests between some of the demographic results such as the gender of patrons and the different visiting motives of patrons and the five factors found in the factor analyses. ANOVA comparisons were also conducted on the five key success factors and the demographic results of the different occupations, languages, income, visiting frequency, and on the patrons with a secret tribe kids’ club card. Significant differences were found between the genders of the patrons, as well as within the visiting motives of patrons, their occupations and those that are part of the secret tribe kids’ club loyalty programme.

The results of this study can be used by restaurant managers to improve the factors that patrons perceive as key success factors contributing to their loyalty towards a restaurant. Although there are certain key success factors, these factors differ between industries. This case study is a very specific one aimed at the Spur Steak Ranch restaurant in Potchefstroom, thus the key success factors found are specific to this restaurant, thus the manager of this restaurant can focus specifically on these factors found and by doing this, this restaurant can increase and build their loyal patrons, prevent a loss in patrons and, in turn, increase their revenue and ensure their sustainability and increase their competitive advantage against other family restaurants.

Key terms: Tourism, Tourist, Marketing, Brand, Brand loyalty, Competitiveness, Key success factors
Opsomming

Die toerismebedryf is die vinnigste groeiende bedryf van alle bedrywe en het ‘n impak op die ekonomie, die omgewing sowel as die gemeenskap. Die verskeidenheid sektore binne die toerismebedryf, en die feit dat elke sektor uit verskeie besighede bestaan, verhoog die vlak van mededinging tussen toerisme-organisasies aansienlik, veral binne die gasvryheidsbedryf. Binne ‘n bedryf en sektor soos hierdie is dit noodsaaklik om tevrede klante te behou en lojale klante te skep, aangesien die groei in kompetisie tot ‘n verlies in klante kan lei en op sy beurt ook tot ‘n verlies aan inkomste. Die resessie in 2009 het egter meegebring dat klante hulle besteding verander en beperk, veral by restaurante. Dus het dit uitters belangrik geword om ‘n bevredigende ervaring te bied en lojaliteit teenoor ‘n restaurant te bou. Om lojaliteit teenoor ‘n restaurant te bou verlang egter ‘n begrip van die faktore wat tot hierdie lojaliteit bydra.

Die doel van hierdie navorsing was om die sleutel-suksesfaktore wat tot die lojaliteit van restaurantklante bydra, te bepaal. Ten einde hierdie doel te bereik is die volgende doelwitte gestel: Om deur middel van ‘n literatuuroorsig die belangrikheid van bemarking en handelsmerk-bevordering binne ‘n mededingende mark te bepaal; om aan die hand van ‘n literatuuroorsig die belangrikheid van handelsmerk-lojaliteit binne ‘n mededingende mark te bepaal; en vas te stel wat die sleutel-suksesfaktore is wat klante se lojaliteit teenoor ‘n restaurant beïnvloed; en laastens om gevolgtrekkings en aanbevelings te maak ten opsigte van die sleutel-suksesfaktore wat ‘n invloed het op die lojaliteit van klante teenoor ‘n restaurant.

Dit is bereik deur gebruik te maak van ‘n kwantitatiewe navorsingsbenadering deur 225 vraelyste aan klante by die Spur Steak Ranch restaurant in Potchefstroom te versprei. Die data wat deur vraelyste ingesamel is, is op Microsoft Excell ingesleutel en deur middel van SPSS verwerk. Dataverwerkings soos beskrywende statistiek, faktoranalises, asook t-toetse en ANOVA’s was met SPSS uitgevoer.

Die beskrywende resultate het getoont dat aspekte soos die sindelikheid en netheid van die restaurant, om tyd saam met vriende en familie deur te bring, die kwaliteit van
die voedsel, om die restaurant te geniet, die akkuraatheid van die bestellings, 'n goeie vorige ervaring by die restaurant, die toeganklikheid van die restaurant, genoeg persoonlike ruimte, en diensgehalte is alles aspekte wat baie belangrik is vir restaurant-klante wanneer dit kom by lojaliteit teenoor 'n restaurant.

Die faktorontleding wat deur SPSS uitgevoer is, het vyf sleutelfaktore na vore gebring wat bydra tot lojaliteit teenoor restaurante. Hierdie faktore is (1) die diens- en personeelgehalte; (2) die waarde vir geld en gehalte van die voedsel; (3) die algehele ervaring; (4) gerieflikheid en (5) kinderfasiliteite en spyskaart.

Vergelykings is deur middel van t-toetse getref tussen sommige van die demografiese resultate soos die geslag van die klante en die verskillende besoekmotiverings van klante teenoor die vyf faktore wat tydens die faktorontleding gevind is. ANOVA-vergelykings is ook op die vyf sleutel-suksesfaktore en die demografiese resultate van die verschillende beroepe, tale, inkomste, gereeldheid van besoek, en op die klante met die “secret tribe kids’ club” kaart getref. Beduidende verskille is gevind tussen die geslagte van die klante, asook binne die besoekmotiverings van klante, hul beroep asook diëgene wat deel uitmaak van die “secret tribe kids’ club” lojaliteitsprogram.

Die resultate van hierdie studie kan deur restaurantbestuurders gebruik word om die faktore wat klante as sleutel-suksesfaktore rakende hul lojaliteit teenoor ‘n restaurant beskou, te verbeter. Alhoewel daar baie sleutel sukses faktore is, verskil hierdie faktore tussen die verschillende industrieë. Hierdie gevallestudie is ‘n baie spesifieke een wat op die Spur Steak Ranch restaurant in Potchefstroom gemik is, dus is die sleutel sukses faktore wat gevind is, spesifiek aan hierdie restaurant. Die bestuurder van hierdie restaurant kan dus spesifiek op hierdie faktore wat gevind is fokus. Daardeur kan die restaurant hul getal lojale klante verhoog en verder daarop uitbou, en sodoende ‘n verlies in klante verhoed en op sy beurt hul inkomste verhoog sowel as hul kompeterende voordeel teen ander familie restaurant verhoog.

Sleutelwoorde: Toerisme, toeris, Bemarking, handelsmerk, handelsmerk-lojaliteit, mededingendheid, sleutel-suksesfaktore
# Table of Contents

## CHAPTER 1: INTRODUCTION, BACKGROUND TO THE STUDY, PROBLEM STATEMENT, GOAL, AND METHOD OF RESEARCH

1.1. INTRODUCTION ................................................................................................................. 1

1.2. BACKGROUND TO THE STUDY ...................................................................................... 2
1.2.1. The relationship between tourist destinations and loyalty ............................................. 3
1.2.2. The importance of Marketing ......................................................................................... 4
1.2.3. The benefits of brands .................................................................................................. 5
1.2.4. Brand loyalty ................................................................................................................. 6
1.2.5. Factors that influence brand loyalty ............................................................................. 6

1.3. PROBLEM STATEMENT .................................................................................................... 7

1.4. GOAL OF THE STUDY ....................................................................................................... 8
1.4.1. Goal ............................................................................................................................... 8
1.4.2. Objectives ..................................................................................................................... 8

1.5. METHOD OF RESEARCH ............................................................................................... 9
1.5.1. Literature study .......................................................................................................... 9
1.5.2. Empirical survey ......................................................................................................... 9
1.5.2.1. Research design and method of collecting data ......................................................... 10
1.5.2.2. Sampling .................................................................................................................. 12
1.5.2.3. Development of questionnaire .............................................................................. 13
1.5.2.4. Data analyses ......................................................................................................... 13

1.6. DEFINING THE CONCEPTS .......................................................................................... 14
1.6.1. Tourism ....................................................................................................................... 14
1.6.2. Tourist ......................................................................................................................... 14
1.6.3. Marketing ..................................................................................................................... 15
1.6.4. Brand .......................................................................................................................... 15
1.6.5. Brand loyalty .............................................................................................................. 15
1.6.6. Patrons ......................................................................................................................... 15
1.6.7. Competitiveness ........................................................................................................ 16
1.6.8. Key success factors ................................................................................................... 16

1.7. CHAPTER CLASSIFICATION ......................................................................................... 16

Chapter 1: Introduction and problem statement ................................................................. 16
Chapter 2: A review regarding the importance of marketing and branding within a competitive market .......................................................... 17
Chapter 3: A review regarding brand loyalty and brand loyalty specifically within South Africa. ....... 17
Chapter 4: Assessing the factors that influence the brand loyalty of Spur Steak Ranch Restaurant ..... 17
Chapter 5: Conclusions and recommendations .................................................................................. 17

CHAPTER 2: Analysing marketing as a key management function

2.1. INTRODUCTION ...................................................................................................................... 18
2.2. ANALYSING MARKETING ................................................................................................. 19
  2.2.1. Defining the marketing concept ...................................................................................... 19
  2.2.2. The development of marketing as a field of study ......................................................... 20
  2.2.3. The importance of marketing ........................................................................................ 23
  2.2.4. Challenges facing marketing ......................................................................................... 24
  2.2.5. Describing marketing activities ...................................................................................... 25
2.3. UNDERSTANDING BRANDING AS PART OF THE MARKETING PHENOMENON .. .............. 29
  2.3.1. Defining branding ......................................................................................................... 30
  2.3.2. The importance and role of brands ............................................................................... 32
  2.3.3. The process of creating a brand .................................................................................... 33
  2.3.4. Elements related to strong brands ............................................................................... 34
  2.3.5. How to create a strong brand ...................................................................................... 40
  2.3.6. Measuring a brand ...................................................................................................... 42
  2.3.7. Challenges and difficulties facing branding ................................................................. 43
2.4. CONCLUSION ....................................................................................................................... 45

CHAPTER 3: Analysing brand loyalty

3.1. INTRODUCTION ...................................................................................................................... 46
3.2. ANALYSING BRAND LOYALTY ......................................................................................... 47
  3.2.1. Brand loyalty explained ............................................................................................... 47
  3.2.2. The value of brand loyalty ........................................................................................... 54
  3.2.3. Antecedents of brand loyalty ...................................................................................... 58
3.3. CONCLUSION ....................................................................................................................... 70
CHAPTER 4: Empirical research

4.1. INTRODUCTION .................................................................................................................. 71

4.2. RESEARCH DESIGN ......................................................................................................... 71

4.3. METHOD OF RESEARCH ................................................................................................. 72

4.3.1. Sample framework and sampling ............................................................................. 72

4.3.2. The development of the questionnaire .................................................................... 73

4.3.3. Capturing of data and statistical analyses .............................................................. 74

4.3.3.1. Descriptive analyses ........................................................................................... 74

4.3.3.2. Exploratory analyses .......................................................................................... 75

4.4. DESCRIPTIVE RESULTS OF THE SURVEY ................................................................. 77

4.4.1. Demographic Profile ............................................................................................... 77

4.4.2. Economic Profile ..................................................................................................... 78

4.4.3. Restaurant Behavioural Characteristics ............................................................... 79

4.4.4. Brand Loyalty ......................................................................................................... 82

4.4.4.1. Aspects contributing to restaurant loyalty ......................................................... 82

4.5. EXPLORATORY RESULTS OF THE SURVEY ............................................................. 86

4.5.1. Key success factors of loyalty towards restaurants ................................................ 86

FACTOR 1: Total Experience .............................................................................................. 90

FACTOR 2: Children’s Facilities and Menus .................................................................... 90

FACTOR 3: Service and Staff Quality ............................................................................. 91

FACTOR 4: Value and Quality of Food ........................................................................... 91

FACTOR 5: Convenience .................................................................................................. 92

4.5.2. Correlations between the loyalty factors .................................................................... 92

4.5.3. Aspects influencing the loyalty factors ...................................................................... 94

4.5.3.1. Comparison by gender on loyalty factors ......................................................... 95

4.5.3.2. Comparison by reason for visiting the restaurant: business ............................ 96

4.5.3.3. Comparison by reason for visiting the restaurant: Relaxation ......................... 97

4.5.3.4. Comparison by reason for visiting the restaurant: Family Excursions .................. 97

4.5.3.5. Comparison by reason for visiting the restaurant: Specials ............................... 98

4.5.3.6. Comparison by occupation ............................................................................... 100

4.5.3.7. Comparison by Language ................................................................................ 102

4.5.3.8. Comparison by Income ..................................................................................... 103

4.5.3.9. Comparison by visiting frequency .................................................................... 104
CHAPTER 5: Conclusions and recommendations

5.1. INTRODUCTION ........................................................................................................ - 109 -

5.2. CONCLUSIONS WITH REGARD TO THE LITERATURE STUDY ...................................... - 110 -

4.2.1. Objective 1: .............................................................................................................. - 110 -

4.2.2. Objective 2: .............................................................................................................. - 113 -

5.3. CONCLUSIONS WITH REGARD TO THE EMPIRICAL STUDY ...................................... - 115 -

5.3.1. Objective 3: .............................................................................................................. - 115 -

5.3.1.1. Conclusions......................................................................................................... - 115 -

5.4. RECOMMENDATIONS ................................................................................................... - 121 -

5.4.1. Management .......................................................................................................... - 121 -

5.4.2. Marketing .............................................................................................................. - 122 -

5.5. SUGGESTIONS FOR FURTHER RESEARCH ................................................................ - 123 -

5.6. LIMITATIONS TO THE STUDY .................................................................................... - 123 -

LIST OF REFERENCES .............................................................................................................. - 125 -

APPENDIX A ........................................................................................................................ - 153 -

APPENDIX B ........................................................................................................................ - 154 -
LIST OF FIGURES:

FIGURE 1.1: FIGURE OF THE LITERATURE FRAMEWORK FOR THIS STUDY .................................................. 3

FIGURE 2.1: THE DEVELOPMENT OF MARKETING THROUGHOUT THE CENTURY ............................................. 21
FIGURE 2.2: MARKETING ACTIVITIES ................................................................................................................... 26
FIGURE 2.3: THE DEVELOPMENT OF BRANDING WITHIN THE MARKETING ERAS ............................................. 30
FIGURE 2.4: BRAND AWARENESS PROCESS ........................................................................................................... 34
FIGURE 2.5: BRAND EQUITY MODEL ........................................................................................................................ 35
FIGURE 2.6: AAKER’S BRAND EQUITY MODEL ........................................................................................................... 38
FIGURE 2.7: COMPONENTS OF BRAND MEASUREMENT ......................................................................................... 42

FIGURE 3.1: BRAND LOYALTY APPROACHES ........................................................................................................... 48
FIGURE 3.2: THEORETICAL FRAMEWORK FOR BRAND LOYALTY ................................................................. 50
FIGURE 3.3: CUSTOMER LOYALTY MATRIX .............................................................................................................. 51
FIGURE 3.4: FIGURE OF THE RELATIONSHIP BETWEEN SATISFACTION AND LOYALTY ....................................... 53
FIGURE 3.5: A CONCEPTUAL FIGURE ON BRAND LOYALTY FACTORS ............................................................... 60
FIGURE 3.6: CONCEPTUAL MODEL OF THE RELATIONSHIP BETWEEN SERVICE QUALITY, SATISFACTION AND LOYALTY .............................................................................................................................. 63
# LIST OF TABLES:

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2.1</td>
<td><strong>MARKET SEGMENTATION BENEFITS</strong></td>
<td>27</td>
</tr>
<tr>
<td>Table 4.1</td>
<td><strong>DEMOGRAPHIC PROFILE</strong></td>
<td>77</td>
</tr>
<tr>
<td>Table 4.2</td>
<td><strong>ECONOMIC PROFILE</strong></td>
<td>78</td>
</tr>
<tr>
<td>Table 4.3</td>
<td><strong>BEHAVIOURAL CHARACTERISTICS</strong></td>
<td>80</td>
</tr>
<tr>
<td>Table 4.4</td>
<td><strong>THE ASPECTS CONTRIBUTING TO RESTAURANT LOYALTY</strong></td>
<td>82</td>
</tr>
<tr>
<td>Table 4.5</td>
<td><strong>ASPECTS CONTRIBUTING TO A GREAT AND VERY GREAT EXTENT TO LOYALTY</strong></td>
<td>86</td>
</tr>
<tr>
<td>Table 4.6</td>
<td><strong>KEY SUCCESS FACTORS OF LOYALTY TO RESTAURANTS</strong></td>
<td>87</td>
</tr>
<tr>
<td>Table 4.7</td>
<td><strong>CORRELATION MATRIX</strong></td>
<td>89</td>
</tr>
<tr>
<td>Table 4.8</td>
<td><strong>PEARSON RANK CORRELATION BETWEEN THE VARIOUS FACTORS</strong></td>
<td>93</td>
</tr>
<tr>
<td>Table 4.9</td>
<td><strong>INDEPENDENT T-TEST COMPARING THE GENDER OF PATRONS AND THE FACTORS CONTRIBUTING TOWARDS LOYALTY TO RESTAURANTS</strong></td>
<td>95</td>
</tr>
<tr>
<td>Table 4.10</td>
<td><strong>INDEPENDENT T-TEST FOR COMPARISON BETWEEN THE BUSINESS MOTIVATION OF PATRONS AND THE FACTORS CONTRIBUTING TOWARDS LOYALTY TO RESTAURANTS</strong></td>
<td>96</td>
</tr>
<tr>
<td>Table 4.11</td>
<td><strong>INDEPENDENT T-TEST FOR COMPARISON BETWEEN THE RELAXATION MOTIVATION OF PATRONS AND THE FACTORS CONTRIBUTING TOWARDS LOYALTY TO RESTAURANTS</strong></td>
<td>97</td>
</tr>
<tr>
<td>Table 4.12</td>
<td><strong>INDEPENDENT T-TEST FOR COMPARISON BETWEEN THE FAMILY EXCURSION MOTIVATION OF PATRONS AND THE FACTORS CONTRIBUTING TOWARDS LOYALTY TO RESTAURANTS</strong></td>
<td>98</td>
</tr>
<tr>
<td>Table 4.13</td>
<td><strong>INDEPENDENT T-TEST FOR COMPARISON BETWEEN THE SPECIALS MOTIVATION OF PATRONS AND THE FACTORS CONTRIBUTING TOWARDS LOYALTY TO RESTAURANTS</strong></td>
<td>98</td>
</tr>
<tr>
<td>Table 4.14</td>
<td><strong>ANOVA FOR ANALYSES OF THE OCCUPATIONS, AND THE FACTORS CONTRIBUTING TO RESTAURANT LOYALTY</strong></td>
<td>100</td>
</tr>
<tr>
<td>Table 4.15</td>
<td><strong>ANOVA FOR ANALYSES OF THE LANGUAGE, AND THE FACTORS CONTRIBUTING TO RESTAURANT LOYALTY</strong></td>
<td>102</td>
</tr>
<tr>
<td>Table 4.16</td>
<td><strong>ANOVA FOR ANALYSES OF THE INCOME, AND THE FACTORS CONTRIBUTING TO RESTAURANT LOYALTY</strong></td>
<td>103</td>
</tr>
<tr>
<td>Table 4.17</td>
<td><strong>ANOVA FOR ANALYSES OF THE VISITING FREQUENCY, AND THE FACTORS CONTRIBUTING TO RESTAURANT LOYALTY</strong></td>
<td>104</td>
</tr>
<tr>
<td>Table 4.18</td>
<td><strong>ANOVA FOR ANALYSES OF THE PARTICIPANTS WITH A SECRET TRIBE KIDS’ CLUB CARD, AND THE FACTORS CONTRIBUTING TO RESTAURANT LOYALTY</strong></td>
<td>105</td>
</tr>
</tbody>
</table>
1.1. INTRODUCTION

The World Travel and Tourism Council (WTTC) (2013:4) states that the tourism industry grows faster than any of the other industries such as financial services and manufacturing as well as retail industries. In South Africa, tourism is described as a key strategy used for economic upliftment, community development and to alleviate poverty (Binns & Nel, 2002:235). Tourism as an industry consists of sectors such as accommodation, transport, entertainment and attractions, which also includes cultural, sport and recreational services (WWTC, 2013:6). This wide variety of sectors within tourism makes this industry both unique and complex (World Tourism Organisation, 2007).

The hospitality sector within the tourism industry alone comprises multiple products such as bed and breakfasts, game lodges, inns, caravan parks, hotels, restaurants, coffee shops and fast food outlets, just to name a few (Labour Research Service, 2012:3). Because each sector comprises multiple businesses, the level of competition increases significantly, especially within hospitality. These products compete with each other for loyal tourists which, in turn, contribute to the competitive nature of this industry. Tepeci (1999:223) states that multiple hospitality organisations are struggling to increase their market share due to the growth in international competition and this could also lead to a loss of new customers as there are multiple options to choose from. For the purpose of this study, special attention will be given to restaurants within the hospitality sector. Labour Research Service
(2012:7) states that there are some large tourism organisations that are exiting this sector due to the high level of competition which is a result of numerous new organisations such as restaurants and hotels entering the market, and the expansion of existing organisations within South Africa.

Thus, restaurants need to devote resources to current customers that could result in loyalty to the specific restaurant brand. Heskett (2002:355) adds that for any organisation within the hospitality sector to survive in the increasingly competitive environment, it is essential to create as well as maintain brand loyalty with existing customers.

Some of the restaurants in South Africa offer loyalty programmes to guests who frequently return to the specific restaurant or restaurant franchise. Each has its own conditions for patrons to join these programmes and each programme’s benefits differ. These benefits encourage guests to return more frequently. Thus, with these benefits guests are more likely to become loyal to the specific restaurant. Even though some restaurant establishments have reaped the benefits of these programmes, it is of utmost importance to recognise the key success factors contributing to their loyalty.

1.2 BACKGROUND TO THE STUDY

Acquiring a holistic view of the background necessitates an understanding of brand loyalty. The literature relevant to these aspects is tourist destinations, marketing, brands, brand loyalty as well as the key success factors of brand loyalty. Figure 1.1 can be seen as a literature framework for this study. These aspects listed will be discussed in further detail below.
1.2.1. The relationship between tourist destinations and loyalty

According to Pike (2008:2) almost all tourism activities take place at destinations, where restaurants form a critical part of the tourism mix for destinations. Sparks, Wildman and Bowen (2001:17) explains that restaurants “enhance the image of a destination, they are a necessary support service, they create jobs and they can also create demand for foods produced in regions”.

A tourist destination is “a place which is very often visited by many domestic and international tourists. It can be a city, town, historical place, beach, mountain, an amusement park, museum or some kind of religiously important place”. The main aim of tourist destinations is to attract high tourist numbers. When tourists choose a destination, the variety of sectors within complicates the decision-making process since tourists have multiple options of accommodation, food and beverage, transport, entertainment and so forth to choose from. Every organisation competes for that final choice. Adding to this, Ana (2008:922) describes tourism destinations as one of the most challenging ‘products’ to market due to its large stakeholder numbers and its brand image over which destination managers have very little control.
Tourists are spoiled with the variety and number of destinations, which compete for attention within the market, and which are cluttered with marketing messages of competing destinations (Pike, 2008:2). Tourists being more educated and well informed (Saayman, 2007:99) have their own perceptions about destinations, making the marketing process even more difficult. Marketing should be used to create a competitive advantage for a destination, in turn creating loyal customers to the specific destination brand. It has never been more important for destinations to create an effective and successful brand (Pike, 2005:258). Unfortunately, marketing a destination is complex as it does not only include one element. Adding to this, with all of these competing destinations, effective marketing has never been more important.

1.2.2. The importance of Marketing

Dwyer and Kim (2003:369) mention that, to achieve a competitive advantage and successful brand, the overall appeal of a tourism destination should be superior to any alternative destination available to potential tourists. In other words, destination marketing should present the destination in such a way that it stands out among its competitors. The Chartered Institute of Marketing (2009:8) states the following: “Marketing focuses on the most fundamental requirements of companies to identify customers, research their needs and preferences, analyse their attitudes to promotion and other factors that influence their purchasing decisions and persuade them to buy products and services from you rather than from a competitor”. Marketing is defined by Kotler, Bowen and Makens (1999:12) as a “social and managerial process by which individuals and groups obtain what they need through creating and exchanging products and value with others”. In addition, Kotler, Adams, Brown and Armstrong (2003) describe marketing orientation as “a philosophy that recognises the achievement of organisational goals, requires an understanding of the needs and wants of the target market, and then delivers satisfaction more effectively than rivals” (Pike, 2008:26).

With this said, Madasu (2013:71) describes marketing from a tourism perspective as “the application of marketing concepts in the travel and tourism industry”. The Chartered Institute of Marketing (2009:2) also emphasises that, without sufficient marketing practices, the organisation will not be able to reach the customers and it
will not be able to satisfy their needs. The need to be a recognised tourism destination presents many difficult marketing challenges, such as the fact that not everyone wants the same tourism package that is offered by the tourism destination, as well as the fact that tourists have different wants and needs, thus they will choose different kinds of tourist destinations (Hossain, 2013:4). As previously mentioned, due to this wide variety of destinations that tourists can choose from, having a successful brand becomes increasingly important (Pike, 2005:258). A ‘brand’ can be described as “a name, term, sign or symbol or the combination of them and that it is to know the goods and services of one seller to differentiate them from others” (Keller, 2011:24).

1.2.3. The benefits of brands

A brand is more than just a product, it forms an image of the organisation (Hossain, 2013:8). In other words, it creates an image in the customer’s mind (Hossain, 2013:8), motivating him/her in choosing a specific product or destination. Ana (2008:922) adds that within a highly competitive tourism environment, it is crucial to create a clear identity or brand which reflects the strengths as well as the personality of a product. According to Daley (2014:44) a brand represents the organisation’s marketing efforts, the experience of the consumer, a mark of quality and of status, it could be the reason for an organisation’s success and another organisation’s failure. Building and maintaining this brand value is key to the success of a tourism organisation such as a restaurant (Ana, 2008:922). Furthermore, “brands introduce stability into businesses, help guard against competitive imitation, and allow customers to shop with confidence in an increasingly complex world” (Aaker, 1991:1; Tepeci, 1999:223). Once customers have made a decision about a brand and its associations, they are often loyal to that brand, continue to buy it in the future, recommend it to friends, and choose the product over others, even those with better features or lower prices (Assael, 1991:52). This is difficult, but important to achieve in the tourism industry due to the changing rivals, and the variety and number of products. Ultimately, brand loyalty refers to a degree of commitment towards the quality of a specific brand. This includes a positive attitude as well as repeat purchases from this brand (Tepeci, 1999:224).
1.2.4. Brand loyalty

Brand loyalty is thus very important and was defined in the early days as “the biased behavioural response expressed over time by some decision making units with respect to one or more alternative brands out of a set of such brands and is a function of psychological processes” (Jacoby & Kyner, 1973:2). More recently, it was suggested that “brand loyalty occurs when a customer chooses to repeatedly purchase a product produced by the same company instead of a substitute product produced by a competitor” (Education portal, 2014). Jacoby and Chestnut (1978:1) in turn explained that, in the long-term, the success of a brand does not only depend on the number of customers that buy at once, but on the number of customers that make regular use of the brand and that keep on returning. This emphasises the level of importance of consumer’s loyalty towards a brand. Tasci and Kozak (2006:300) state that the intentional repurchase from the same brand is a crucial objective in destination marketing as it may show brand loyalty and boost word-of-mouth references. According to Tepeci (1999:224) loyal customers are also beneficial for hospitality organisations as loyal customers are far easier and cheaper to serve than non-loyal customers as they provide higher profitability for the hospitality organisations. Kandampully and Hu (2007:437,439) explain that some dominant drivers for brand loyalty are known as service quality, perceived value, customer satisfaction as well as brand image. The latter has been identified as an important influence on brand loyalty especially within the hospitality industry (Suhartanto, Clemes & Dean, 2013:48).

Because brand loyalty is such an important factor in the success of hospitality organisations, it is important to be aware of the factors that have an influence on brand loyalty. With this said, Tucker (1964:32) add that brand loyalty is always a result of biased responses to a mixture of some characteristics or factors.

1.2.5. Factors that influence brand loyalty

Numerous studies have been done on the concept of brand loyalty (Suhartanto, Clemes & Dean, 2013:47), although very little information is available from a South African point of view. Tepeci (1999:224) has identified eight factors that contributed to brand loyalty within the hospitality industry. These were: awareness, perceived
quality, reputation, image, innovation, brand extension, satisfaction and customer satisfaction. Punniyamoorthy and Raj (2007:226) confirmed these factors, but added the following factors as influential to brand loyalty: involvement, functional value, price worthiness, emotional value, social value, brand trust, commitment, and repeat purchase. Boo, Busser and Baloglu (2009), on the other hand, found that brand value and brand loyalty can be associated with the combination of brand quality and brand personality.

In addition, Suhartanto, Clemes, and Dean (2013:48) added service quality and perceived value as factors. It can thus be seen that the factors that are most frequently found to have an influence on brand loyalty are satisfaction, image, quality and value. Some restaurant establishments use certain factors, such as service quality, to improve their brand loyalty and by determining these factors for each individual restaurant could help them improve their loyalty even further. Although all of these factors are important, it might be the combination of factors or certain key success factors that create higher levels of loyalty.

From the above discussion, it is clear that as Keller (1998) stated, cited by Howard, Kerin and Gengler (2000:250), a brand provides a product or tourism organisation with a unique identity and associations that differentiate it from similar products within the market. This gives organisations the ability to build a competitive advantage as well as future earnings. It can also be seen that it is important for an organisation or destination to stand out among its competitors since there is an increase in the competitive environment. Thus, marketing should take place in such a way that an organisations’ brand is easily identified among all the other competitors’ (WTO, 2007). As a successful brand could lead to a successful organisation and a competitive advantage, it is important to increase brand loyalty to the maximum.

1.3. PROBLEM STATEMENT

Ever since South Africa entered the recession in 2009 (Berger, 2009:1; Anon, 2009:1), multiple industries, including the hospitality industry, experienced major economic and financial pressure as customers started restraining their spending on
food services and specifically on restaurants (Euromonitor, 2011:4). Today, restaurants are still struggling to recover their level of patrons (Du Toit & Erdis, 2012:1) resulting in the fact that each and every customer is of extreme value (Haghighi, Dorosti, Rahnama & Hoseinpour, 2012:5039). “Due to the increase in competition between restaurants, attracting new customers can no longer guarantee profits and success” (Haghighi, Dorosti, Rahnama & Hoseinpour, 2012:5039). Dogdubay and Avcikurt (2009:4) add that some organisations lose approximately 50% of their customers every five years, thus retaining existing customers is crucial to success. Loyal customers also provide stability, predictability and security (Dogdubay & Avcikurt, 2009:4) and are also important for an increase in profitability and maintaining the organisation’s position (Haghighi, Dorosti, Rahnama & Hoseinpour, 2012:5039). Building customer loyalty does, however, require an understanding of the key success factors contributing to customers’ loyalty to restaurants (Du Toit & Erdis, 2012:1). By having an understanding of these key success factors, restaurant managers will be able to focus on these aspects to meet the needs of the customers, satisfy these needs, and create loyal customers, which may result in fewer customer losses, an increase in profit, ensure their sustainability and increase their competitive advantage against other restaurants (Haghighi, Dorosti, Rahnama & Hoseinpour, 2012:5040).

1.4. GOAL OF THE STUDY

Within this section, the goal of the study will be discussed, followed by the desired objectives.

1.4.1. Goal:

To determine the key success factors influencing the brand loyalty of restaurant patrons.

1.4.2. Objectives:

- To determine the importance of marketing and branding within a competitive market, by means of a literature review.
- To determine the importance of brand loyalty within a competitive market, by means of a literature review.
o To collect research data and determine the key success factors that influence brand loyalty of restaurant patrons.

o To draw conclusions and make recommendations regarding the key success factors that influence brand loyalty of restaurant patrons.

1.5. METHOD OF RESEARCH

The research methodology involves two approaches. First of all, the literature study will be discussed followed by a description of the empirical study. Within the literature study, the different sources as well as the electronic databases used were addressed. The empirical survey, in turn, entails information on the details of the data collection, data processing as well as the development of the questionnaire.

1.5.1. Literature study

A literature study was carried out to achieve a better understanding of the importance and the role of marketing and branding within a competitive tourism market as well as the factors determining brand loyalty. To conduct this literature study, various resources were consulted for previous research on these topics. The information gathered for the purpose of this study was in the form of journals, e-books, and articles as well as dissertations of previous years. These resources included academic textbooks, borrowed from the Ferdinand Library at the North-West University, as well as electronic databases such as EbscoHost, SAePublications, Emerald, and Google Scholar. The following keywords were used during the literature study: Tourism, tourist, marketing, brand, satisfaction, brand loyalty, patrons and competitiveness.

1.5.2. Empirical survey

The following section will indicate the methods used to collect the data and information that was used to complete this study. The empirical study involves the description of the data collecting methods, defining the sample population, discussing the development of the questionnaire as well as how the survey was conducted. The empirical study also includes the data analyses, which consist of a description of the software that was used for the statistical processing as well as the statistical techniques that were used.
1.5.2.1. Research design and method of collecting data

Before examining the different types of research designs, it is necessary to understand their importance. According to Creswell (1994b:3), the research design is the general framework that provides guidance in terms of the data collection and analyses procedures relating to the study. Furthermore, it is described as follows: “A research design is the framework or plan for a study used as a guide in collecting and analysing data” (Anon, 2011:27).

There are three types of research design that could be followed. These are exploratory research, descriptive research, and causal research. Anon (2011:27) explains and distinguishes between these three designs by creating a comparison between these research designs and crime investigation television shows as follows: “These shows usually begin with a crime that must be investigated (an unplanned change has occurred in the marketplace). The first step is to search for clues that can help establish what has happened (exploratory research). The clues uncovered in the exploratory phase of the investigation often point toward a particular hypothesis or explanation of the events that occurred, and investigators begin to focus their efforts in this direction, conducting interviews with witnesses and suspects (descriptive research). Finally, a trial is held to determine whether the evidence is sufficient to convict a suspect of the crime (causal research).”

In other words, exploratory research deals with discovering ideas and insights and to gain a better understanding of a situation, while descriptive research is concerned with determining frequencies that occur within a subject or where two variables co-vary and describing a population with respect to these variables. Causal research, on the other hand, is used to determine cause-and-effect relationships between variables (Churchill & Lacobucci, 2005:74; Anon, 2011:27).

The research design used for this study was descriptive in nature, because there are some studies that were used to find frequencies on the topic of factors influencing brand loyalty. Descriptive research requires the ‘who, what, where, when, how and why’ of the research (Burns & Bush, 2010:57; Anon, 2011:34). The research approach that was used for this study was a quantitative approach. Cresswell (1994a:3) states that this approach has been available to social as well as human
scientists for years. Sandelowski (2000:248) emphasises that quantitative research approaches ideally involve probability sampling. Furthermore, a quantitative approach consists of questionnaire surveys to large numbers of people to collect data (Malhotra & Peterson, 2006:40). Thus, quantitative research collects statistical data and tests hypotheses (Melkert & Vos, 2010:35). The data for this study was collected using self-administered questionnaires.

1.5.2.2. Sampling

Within this section the target population will be defined, the framework for the sample will be specified, alternative sampling methods will be discussed and the size of the sample will be determined.

Although there are multiple types of restaurants such as coffee shops, fine dining restaurants, fast food and casual restaurants, this case study is based on a family restaurant as this type of restaurant is the most prominent type. The target population for this study included all visitors to the Montana Spur Steak Ranch in Potchefstroom on the 8, 9, and 11 June 2015 as well as on the 13 and 14 August 2015. A sample of 375 questionnaires was distributed at the restaurant to get a wide spread of respondents. A total of 255 usable questionnaires were received back. A convenience sampling approach was used, because the participants were those that were available at that specific location during those dates. The participants in this study were all members of the Spur Family loyalty club. As there is no pre-set list of respondents, the patrons willing to participate were used.

To determine the sample size needed for this study the following formula was used which, according to Krejcie and Morgan (1970:607) is the appropriate formula.

\[ S = X^2 \frac{N \cdot P \cdot (1 - P)}{d^2 (N-1)} + X^2 \cdot P \cdot (1 - P) \]

Where (S) is the sample size, (X2) the desired confidence level, (N) the population size, (P) the population proportion and (d), the degree of accuracy expressed as a proportion. Krejcie and Morgan (1970:608) further explain that, for a population size of 1000 000, a sample size of 384 would be sufficient.
1.5.2.3. Development of questionnaire

The questionnaire used for this study (Appendix B) was developed based on previous literature on factors influencing loyalty. These questionnaires were used to determine the key success factors that influence the brand loyalty of restaurant patrons.

The questionnaire consisted of two sections. Section A was related to brand loyalty. Section A determined the key success factors that have an influence on brand loyalty of restaurant patrons. Respondents were asked to complete a set of questions on a five-point Likert scale based on the extent to which certain aspects contribute to their loyalty. Section B captured their socio-demographic information. The socio-demographic questions determined the following: gender, home language, age, occupation, province, marital status and the level of education.

1.5.2.4. Data analyses

Data analysis could be described as a process wherein data is processed to find answers to a specific question, ascertaining patterns within the data and to present the results in order to have the best possible impact (Leek, 2013:1).

For the purpose of this study, the data obtained through the questionnaires distributed was captured using Microsoft Excel. Thereafter, the data was processed by using the statistical services offered by the North-West University, where SPSS software was used. SPSS is a statistical package for the Social Sciences. Through using SPSS, frequencies could be discovered with the key success factors influencing the brand loyalty. Firstly, these frequencies provided an overview of the responses by means of graphical display.

Secondly, a factor analysis was conducted to determine the key success factors that have an influence on the brand loyalty of restaurant patrons. The purpose of the factor analysis is to discover similar variants within a list of factors. By doing a factor analysis, the factors that have the biggest influence on the brand loyalty of patrons will be grouped together. Thus, the factors found to play the biggest role in brand loyalty could be focused on and improved to increase the number of loyal patrons to the restaurant.
Thirdly, T-tests and ANOVAs were conducted. The purpose of a T-test is to determine whether the means of two groups are statistically different from each other (Trochim, 2006:369). Within this study a T-test was performed to determine the difference, for the factors that influence brand loyalty of the restaurant and the participants' genders, as well as their travel motives. The ANOVA analyses were conducted on the different occupations of the respondents and the factors influencing loyalty and between the respondents with the secret tribe kids' club card and the loyalty factors.

Lastly, Pearsons Order Correlations were conducted. A Pearson Order Correlation is used to determine the level of interdependence between different variants. Thus, the Pearson Rank Correlations helped to determine the strength and relationship between the loyalty factors found.

1.6. DEFINING THE CONCEPTS

The following concepts will be used frequently throughout the dissertation. Thus, to avoid confusion, they will be defined in this section.

1.6.1. Tourism

Saayman (2007:3) defines tourism as “the total experience that originates from the interaction between tourists, job providers, government systems and communities in the process of providing attractions, entertainment, transport and accommodation to tourists”. In addition, the UNWTO (2014:1) defines tourism as “a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which imply tourism expenditure”.

1.6.2. Tourist

The UNWTO (2014:3) describes the term tourist as follows: “A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight visitor), if his/her trip includes an overnight stay”. Saayman (2007) defines a tourist as “a person who
voluntarily visits a place, away from his normal abode, for a period of at least 24 hours”.

1.6.3. Marketing

Marketing can be defined as a “social and managerial process by which individuals and groups obtain what they need through creating and exchanging products and value with others” (Kotler, Bowen & Makens, 1999:12). Kotler and Armstrong (2000:5) second this exact definition.

1.6.4. Brand

The American Marketing Association (1960:1) proposed that the term brand be defined as “A name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”. For example, differentiating the Protea hotel group from the Hilton hotel group. In addition, Kapferer (1992:11) defines a brand by stating that “a brand is not a product, it is the product's essence, its meaning, and its direction, and it defines its identity in time and space”. The term brand is also defined by the UNWTO (2009) as ‘the collection of perceptions that a person has of a product (or destination) based on the product's (or destination's) observable characteristics, which differentiate it from all other products (or destinations), thereby endowing it with a competitive advantage over other similar products (or destinations)”.

1.6.5. Brand loyalty

Jacoby and Kyner (1973) describe brand loyalty as a behavioural response as well as a psychological process. Brand loyalty consists of both behaviour and attitudes (Tepeci, 1999:224). Creating and maintaining brand loyalty for a tourism destination is difficult as it is a “biased behavioural response expressed over time by some decision-making unit with respect to one or more alternative brands out of a set of such brands” (Jacoby & Chestnut, 1978:80).

1.6.6. Patron

The term ‘patron’ is defined by Vocabulary.com (2016:1) as “A patron supports someone or something. A patron of a business supports the business by being a
loyal customer. Marriam-Webster (2016:1) supports this statement by defining ‘patron’ as “a person who buys a product or uses a service from a business”.

1.6.7. Competitiveness

Feurer and Chaharbaghi (1994:49) explain that there are no singular definitions for competitiveness as the term means different things to different organisations, for example, it could be described as “ability to persuade customers to choose their offerings over alternatives while others view competitiveness as the ability to continuously improve process capabilities”. In addition, Ritchie and Crouch (2003:2) define competitiveness of a tourism destination as: “the ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations”.

1.6.8. Key success factors

According to the Oxford University Press (2013:1), the term factor refers to a circumstance, fact, or influence that contributes to a result. Grunert (1992:2) defines the term key success factors as: “a description of the major skills and resources required to be successful in a given market”. In turn, Gates (2010:9) describes the term as key jobs that need to be performed exceptionally well for an organisation to be successful. For the purpose of this study, key success factors can be seen as crucial aspects or elements needed to increase loyalty within a tourism organisation.

1.7. CHAPTER CLASSIFICATION

Chapter 1: Introduction and problem statement.

Chapter 1 comprised the introduction, the problem statement, the objectives, as well as the method of research that was used for this study. The key concepts, which will be referred to in the study, are also defined. Furthermore, a background of marketing and branding and the problem faced due to brand loyalty was discussed.
Chapter 2: A review regarding the importance of marketing and branding within a competitive market.

Chapter 2 focuses on the importance and the role of marketing as well as branding within a competitive market. The concept of marketing will be defined, the development thereof will be addresses as well as the challenges within marketing. Thereafter, branding within marketing will be analysed, the importance and role of brands will be discussed as well as creating a strong brand.

Chapter 3: A review regarding brand loyalty and brand loyalty specifically within South Africa.

Within chapter 3 a review will be provided, discussing the occurrence of brand loyalty overall. The term brand loyalty will be explained, the value of brand loyalty and the antecedents of brand loyalty will also be provided in chapter 3.

Chapter 4: Assessing the factors that influence the brand loyalty of Spur Steak Ranch Restaurant.

Within chapter 4, the data obtained by the questionnaires will be analysed. The results and findings will also be presented and discussed. The research design, method of research, as well as the descriptive and exploratory results of the survey will be addressed.

Chapter 5: Conclusions and recommendations.

Chapter 5 will conclude the study with conclusions and recommendations regarding the factors found to have an influence on the brand loyalty of Spur Steak Ranch Restaurant as well as the results found in chapter 4.
Determining the importance of marketing and branding within a competitive market, by means of a literature review.

2.1. INTRODUCTION

Tourism has often been referred to as a phenomenon which has an impact on the economy, and environment, as well as on the community. It has been said that the most evident benefit of tourism remains the level of employment in hotels, restaurants, transport as well as in retail establishments (Rutherford, 2001:12; Zwane, 2012:1; Hossain, 2013:4). Secondly, the benefits of tourism include the fact that it supports other industries and professions, and also the contribution that tourism has on the multiplying effect, as the expenditures of tourists are recycled through the local economy (Hossain, 2013:4).

Furthermore, “tourism features a negotiation between two forces: a supply side and a demand side” (Pike, 2008:26). The supply side represents the travel and tourism industry which strives to create and encourage a demand for products and services. On the other hand, the demand side, which represents the tourist, pursues certain travel and tourism products and services to satisfy their needs. Gomezelj and Mihalič (2008:299) are of opinion that demand conditions of a tourism organisation are dependent on its international awareness and image. A higher level of awareness could be facilitated through marketing activities, while the image of the organisation influences the perception as well as the visitation rate. Marketing can be seen as the process through which the demand and supply side exchange
products and value to gain what they need and to satisfy both sides (Kotler, Bowen & Makens, 1999:12). In other words, within a tourism context, marketing can be seen as an exchange process between the travel and tourism industry and the tourist (Pike, 2008:33). Marketing is a key management function in a tourism business consisting of various processes and activities. It is the aim of this chapter to analyse marketing in detail as well as understanding branding as part of the marketing phenomenon.

2.2. ANALYSING MARKETING

Recognising the importance of tourism, it is important to establish a strong relationship between demand and supply where marketing plays an important role. Within the following section, marketing within the tourism industry will be discussed, together with its importance as well as the challenges faced by marketing.

2.2.1. Defining the marketing concept

Marketing is crucial when running a business and it is important for new tourism organisations to take on some form of marketing initiative to be a success (Pike, 2008:3; Morrison, 2013:6; The Chartered Institute of Marketing, 2009:2). The best tourism business or attraction will not be able to succeed without having a planned approach towards marketing (Tourism Western Australia, 2006:3). Unfortunately, there is a common misconception that marketing is selling (Kotler, 2003:14). Although selling is seen as a function of marketing, there are multiple other aspects to consider as well (Tourism Western Australia, 2006:4; The Chartered Institute of Marketing, 2009:2).

Kotler (2003:14), who is seen as the father of marketing (Teik, 2013:1), explained marketing with the following words: “Marketing is not the art of finding clever ways to dispose of what you make. Marketing is the art of creating genuine customer value. It is the art of helping your customers become better off. The marketer’s watchwords are quality, service, and value”. Another definition of marketing states that “marketing means selling your products and services at the right price, with the right promotion, to the right people, at the right location at a profit” (Tourism Western Australia, 2006:4). Cooper and Hall (2008:77) concur with Kotler by explaining that
marketing is focused on delivering value to the customer, where value is seen as the difference between the benefits that the customer receives compared to the service and the costs of obtaining it. In addition, marketing is concerned with both the tangible, as well as the intangible nature of the service, and above all it should focus on consumer needs (Cooper & Hall, 2008:75).

According to Lovelock, as cited by Srinivasan (2009:3) tourism marketing has four characteristics. These characteristics are:

- Intangibility, as it cannot be touched or viewed
- Inseparability of the production and the consumption
- Perishability, as unused services cannot be stored for later use
- Heterogeneity, as the services delivered involve people, and people differ from each other

Since tourism is concerned with the creation and selling of experiences, and the fact that it has an intangible nature, makes it difficult to promote tourism organisations and their services as tourists cannot touch or sample them before purchase (Slabbert & Saayman, 2009:404). Adding to this difficulty, tourism marketing differs from the marketing of other services. It differs in the sense that tourism organisations offer the tourist an experience, the service cannot be moved to the customer, the customer must travel to the tourism organisation and the fact that travel requires time and money (Srinivasan, 2009:4), thus it is a leading factor when tourists consider a tourism organisation. It is clear that tourism organisations differ from other organisations, mainly because of the multiple sectors it consist of which include accommodation, transport, food, recreation and attractions (Edgell, 2002:3), the more effectively it could be determined how to satisfy tourists’ needs, the more successful a specific tourism organisation will be. Satisfied customers are also more likely to become loyal to the specific organisation. The tourism experience being offered should be of quality and a fair price, thus adding value to the experience (Edgell, 2002:4). The place refers to the distribution point from where marketing takes place, as technology improves, marketing practices should also improve to reach the customers. Lastly, the promotion should be accurate and the information
given should be helpful in the decision-making process. Marketing is thus the ability to hit the mark (Kotler, 2003:14).

For the purpose of this study, marketing can be defined as the practice of promoting both tangible and intangible tourism products and services which focus on customers’ needs, with the aim of creating long-term relationships with its customers. The importance of delivering value and quality experiences to the customers is also noted.

The next section will illustrate the development and eras that marketing has undergone as well as the different approaches to marketing through the ages.

2.2.2. The development of marketing as a field of study

To fully comprehend marketing management, it is important to understand where marketing began and the changes that took place leading to where marketing is today (Figure 2.1). Marketing has developed through five distinct eras known as the (1) production era, (2) the product era, (3) the selling era, (4) the marketing era and (5) the societal era (Johnson, 2002:2; Marketingmri, 2011:1; Sheth & Parvatiyar (1995:1) and Keelson, 2012:36-38; Lucas, 1983:15-16).
Figure 2.1: The development of marketing throughout the century
Source: Adopted from Johnson (2002:3); Lucas (1983:16); Keelson (2012:36-38); Kotler and Armstrong (2010:35) and Marketingmri (2011)

(1) The production era (1850 – 1900)

The production era took place during the industrial revolution. Due to the improvement and use of machinery and steam power during this era, the mass production of goods was made possible. During this period, there was an overall perception that customers would buy products that are both available and most affordable (Figure 2.1), thus organisations focused on producing and distributing goods and services at the lowest possible. The production of goods was considered more important than the marketing of goods (Johnson, 2002:3) and therefore the needs of the consumer did not play an important role in this era. The number of products available was limited.
(2) The product era (1900 – 1930)

Within this period, a marketing belief emerged stating that customers will rather purchase goods and services that have the highest level of quality, performance and/or innovative aspects. Organisations began developing better quality products and continued to improve them (Figure 2.1). Although the products were of better quality, they were still lacking customer orientation (Marketingmri, 2011). In other words, the organisations kept on improving their products and implementing new features without consulting the customers on their needs or views of the product features (Keelson, 2012:36).

(3) The selling era (1930 – 1950)

After World War 1, merchandise no longer sold automatically (Johnson, 2002:4). This led to a surplus in products which steered organisations towards an aggressive selling approach (Keelson, 2012:38). This approach included personal selling to coax customers into buying the products produced by the organisation. The selling era is characterised by the perception that the sales department would be able to sell whatever the organisation produced and that selling the products is the organisation's main goal instead of customer satisfaction (Keelson, 2012:37). Customers began expressing their needs and preferences, thus organisations had to start acknowledging these needs. Nonetheless the customer was still seen as just the buyer of the product (Lucas, 1983:16). The selling era took on an inside-out perspective (Keelson, 2012:37). This perspective focused on the existing products produced by the organisation and which depended on aggressive selling (Figure 2.1) and promotional techniques to obtain profitable and sufficient sales (Keelson, 2012:37; Marketingmri, 2011). The customer was becoming more important.

(4) The marketing era (1950 – twenty first century)

Within the marketing era, organisations shifted their focus to a marketing orientation, as well as a customer orientation (Johnson, 2002:4). Organisations began to accept the importance of marketing within their organisation and in the process of selling their products (Lucas, 1983:17). Within this era, the concept that marketing begins with the needs and preferences of customers arose, moving away from the
aggressive selling perspective (Figure 2.1). Thus, organisations began to focus on producing what they could sell, instead of attempting to sell what it has produced (Keelson, 2012:37). Organisations also aimed to be more effective and successful in marketing than their competition (Marketingmri, 2011). A marketing orientation acknowledges the interdependence between the organisation and the customers as well as the importance of continued communication between the organisation and the customers (Lucas, 1983:17).

(5) The societal era (1970 – Twenty first century)

Within the societal era, organisations aim to meet needs and to satisfy their target market better than its competition while improving the customers’ and societies’ well-being (Kotler & Armstrong, 2010:35; Keelson, 2012:38; Marketingmri, 2011). Organisations attempt to build long lasting relationships (Figure 2.1) with their customers while considering their immediate environment (Keelson, 2012:38). The focus on the customer in the current year is clear, which highlights the importance of serving their needs better than the next product in order to improve retention.

It is clear that marketing has gone through some rapid changes this past century and it will continue to change as evident in Figure 2.1. As markets expand and new marketing platforms emerge, the science and practice of this profession is being transformed by the minute. What is considered today to be the fastest way to reach customers might be obsolete tomorrow. Therein lies the beauty of this profession (Bartels, 1951). After understanding where marketing began and how it developed, it is important to determine and comprehend its importance.

2.2.3. The importance of marketing

When considering the history of marketing it is clear that marketing grew in importance as the benefits associated with it were realised. It transformed from a time where marketing were not considered as an important activity for organisations to a time where marketing is seen as the most fundamental part of a successful organisation and where organisations strive to build long-term relationships with their customers. Marketing continues to grow in importance and it can be seen as a race with no finishing line (Kotler, 2003:22). Because tourism is a very competitive industry, providing only basic services will not be enough for a tourism organisation
to survive. It is necessary to offer something extra (Hossain, 2013:9) to gain a competitive advantage and to satisfy tourists’ needs and to ensure return visits.

The WTO (2007) explains that, for a destination to compete effectively, it is crucial for it to deliver memorable experiences as well as exceptional value to visitors. Successful marketing is the key to this competitive advantage. The Chartered Institute of Marketing (2009:2) confirms this by describing marketing as “a key management discipline that enables the producers of goods and services to interpret customer wants, needs and desires and to match, or exceed them, in delivery to their target consumers”. Successful marketing practices help by determining who the organisations’ customers are and determining their needs, developing tourism services which will meet these needs at a suitable price and promoting the tourism service in ways that ensure that a purchase will occur (Tourism Western Australia, 2006:4). If marketing is done in an appropriate manner, it could lead to higher levels of awareness of a specific tourism organisation, stronger emotional connections to the organisation and long-term relationships between the tourist and the organisation, it could create loyalty and commitment to the organisation which means return visits and it could build the image of the tourism organisation (Nella & Christou, 2010:4-6). The intention to repurchase from a specific tourism organisation is the main objective of tourism marketing as it may display brand loyalty and increase word-of-mouth recommendations (Tasci & Kozak, 2006:300). It is thus clear that, although it might not be an easy task, marketing within a tourism organisation is of utmost importance and an on-going task in the new era of marketing.

2.2.4. Challenges facing marketing

Recognising the importance of marketing and being aware of the obstacles that it has to overcome is the next step towards successful marketing practices. Kotler (2003:14) explains that marketing is a long-term investment effort. Marketing begins well before the product is manufactured and it continues for long periods after the sale. Product marketing is no easy task, and tourism marketing even more so. Hossain (2013:6) explains that “to be successful in tourism marketing, it is highly important to meet the demands of tourists. Firstly, attracting the travellers to a certain destination and then providing necessary information, available services and
information about what the resort, city, state or region has to offer in an appealing and honest manner”. However, there are multiple challenges that tourism organisations face when marketing their services.

Marketing a tourism organisation and its services is substantially more difficult than any other traditional product, as a traditional product is usually tangible and offered by single organisations having common interests and characteristics, where tourism services are known as very diverse and complex and are also delivered by many different organisations (Richie & Richie, 1998:23). Because tourists cannot sample the experience beforehand, the marketer should represent the tourism service in such a way that the tourist feels convinced to purchase the service. Furthermore, technology and social media are changing rapidly, as well as the customer’s needs, wants and expectations. Customers have higher expectations and demand higher quality in services (Hooley, 2014:3). These could mostly however be overcome by simply following the marketing activities mentioned in Figure 2.2. By constantly doing marketing research and marketing segmentations, the organisation will be able to keep up with the customer/tourists’ needs and the latest trends. The development and innovations of competition can be noticed in time as well as the customer/tourists’ reaction to it, preparing the organisation to act accordingly. The organisation will also be able to adapt their service accordingly, thus gaining a competitive advantage.

2.2.5. Describing marketing activities

Marketing mainly consists of three phases. Firstly, it is important to determine exactly what customers’ want and needs are (Popova, 2006:13; Buhalis, 2000:99). Secondly, to create these services in order to satisfy these needs (Tourism Western Australia 2006:3; Moore, Petty, Palich & Longenecker, 2008:352) and, lastly, to sell the services offered by the tourism organisation (Slabbert & Saayman, 2009:410; Armstrong & Kotler, 2006:5). Marketing is, however, not as simple as that, there are a variety of activities that also play important roles within marketing and it is important that these are understood (Buhalis, 2000:98). These activities could be
used and should be in place to overcome the challenges faced by tourism marketing. Slabbert and Saayman (2009:411) formulated an illustration that explains these multiple activities (Figure 2.2 below).

![Marketing activities diagram]

**Figure 2.2: Marketing activities**

*Source: Slabbert and Saayman (2009:411)*

The first phase of marketing, determining the needs of the customers or tourists and having in-depth knowledge of them is the most important step within marketing. By understanding the customers’ or tourists’ behaviour, organisations will be better equipped to deliver a service that will satisfy the needs of the customer or tourist (Popova, 2006:13). This knowledge can be acquired by undertaking marketing research. Through marketing research, a variety of information can be learned including who the customers/tourists are and also what their preferences are (Armstrong & Kotler, 2006:5). Marketing segmentation is an important part of marketing research (van Limburg, 1998; Jansen-Verbeke & van Rekom, 1996, & Garrod, Fyall & Leask, 2002). Since it is ineffective to serve one large market, it is
more efficient to segment the market into smaller segments, thus enabling the marketer to focus on a single segment at a time (Vitale, 2010:3). Benefits of marketing segmentation, according to Slabbert and Saayman (2009:416), include the following:

Table 2.1: Marketing segmentation benefits

<table>
<thead>
<tr>
<th>Marketing segmentation benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>• By recognising the customers/tourists' differences, the customers/tourists' needs can be matched more effectively with the services of the organisation.</td>
</tr>
<tr>
<td>• The organisation can meet the customers/tourists' needs most effectively in the niche market.</td>
</tr>
<tr>
<td>• Resources could be allocated to markets where the competitive advantage and the returns are the highest.</td>
</tr>
<tr>
<td>• By approaching markets differently to the competition, a competitive advantage could be gained.</td>
</tr>
<tr>
<td>• Emerging trends could be identified more easily as well as possible obstacles.</td>
</tr>
<tr>
<td>• A long-term relationship can be built with a specific group of customers/tourists within a segment.</td>
</tr>
</tbody>
</table>

Source: Slabbert and Saayman (2009:416)

After marketing segmentation has been successfully completed, a marketing mix for each segment can be developed and managed. The marketing mix consists out of four components, product, place, promotion and price (Baker & Cameron, 2007:85; Tourism Western Australia, 2006:5). These four components or elements are key activities for marketing. It is important for organisations to keep their products or services up to date with the newest trends and to keep them relevant (Moore, Petty, Palich & Longenecker, 2008:352). Products constantly need to be modified for sales to keep increasing. When it comes to tourism products, place does not only mean the physical location of the destination or attraction, but also that the product is made as accessible as possible at minimum costs. Since tourism services cannot be stored or brought to the customer/tourist,
the best communication/marketing channels must be selected to reach the desired customers/tourists (Nyaga, 2009:13). Promotion refers to the information being conveyed between the organisation and the potential customers/tourists. When promoting a product or service, it is important to ensure that the message being delivered to the customers/tourists is the intended one as the message perceived can influence their emotions and experience (Lo, 2011:5). The marketing message could easily be lost or interpreted incorrectly. The marketing message should also be consistent to remind the customers/tourists of the product or service and to keep it on top of their minds (Ghodeswar, 2008:7). As the price of the product or service determines the revenue earned by the organisation, it is very important to carefully evaluate the price. Price does, however, not only refer to the financial aspect, but also the value that customers/tourists place on a product/service (Slabbert & Saayman, 2009:436). The service should be perceived as value for money and worth the time that customers/tourists spend on it. These components can be seen in Figure 2.2.

Furthermore, there are certain other factors influencing marketing. These include the image of the organisation and product, the brand itself as well as the positioning (Figure 2.2) of the product. In turn, these have a significant influence on the decision-making process of the potential customer/tourist. Whenever an organisation has a poor and negative image associated with it, customers/tourists are less likely to consider the product or service as a choice or recommend it to friends and family (Di Marino, 2008:5). Thus organisations need to ensure that customers have a positive perception and association with the product or service. The same goes for a brand that is associated with dissatisfaction. Branding is used as a key to differentiate organisations’ products and services from each other (Pappu, Quester & Cooksey, 2005) in other words, setting them apart will give the organisation a competitive advantage (Kim & Kim, 2005). Brands add value to the organisation which makes branding a leading trend in the tourism industry (So, King, Sparks & Wang, 2013:2). In contrast to a strong brand, when customers/tourists have heard of or had a bad experience with a brand they will rather choose another product or service the next time (Di Marino, 2008:5). In addition, when an organisation wants to position their products and services, they need to assemble the appropriate marketing mix (product, place, promotion and price), tailored to the target customers’ needs.
(Brooksbank, 1994:10), thus enabling the intended customers to regard the organisations’ offerings as superior to those of the competition. The image, brand and positioning of the organisation has an influence on the decision-making process (Figure 2.2). In the end, if a customer/tourist is satisfied with a product or service, it could lead to positive word-of-mouth, repeat visits and tourists that are loyal to the brand which, in turn, decreases the marketing efforts that have to be made by marketers (Lopes, 2011:311) (Figure 2.2). It can thus be said that, by catering for the needs of a specific target market, the organisation will have satisfied tourists who could lead to loyal customers/tourists who are beneficial to the organisation.

2.3. UNDERSTANDING BRANDING AS PART OF THE MARKETING PHENOMENON

Branding being one of the factors that influence marketing and the fact that a strong brand perception could lead to higher levels of loyalty, highlights the importance thereof. Branding, as a concept, was originally not associated with products in the same way as it is today. The term ‘brand’ is derived from the word ‘brandr’ which is an old Norse word meaning ‘to burn’ (Clifton & Simmons, 2004:13; Rajaram & Shelly, 2012:100). Branding was a term used to describe the practice of branding cattle or sheep in order to mark and to distinguish them from another herd (Rajaram & Shelly, 2012:100; Hampf & Lindberg-Repo, 2011:1; Blackett, 2004:1). Yet Percy (2003:1) states that the meaning of brand as a “permanent mark deliberately made with a hot iron” is no longer the main idea associated with this term. It was only after the industrial revolution and the mass production of products that organisations began to recognise the need to create familiarity between the organisation’s products and its customers (Kapferer, 2008:3). It was only in the 1940s that companies realised that customers were not just loyal to a brand, but were developing relationships with the brand itself (Richardson, 2012) which is ultimately what tourism organisations also want to achieve. Branding gained increasing importance since the 1950s up until today.
It can be seen in Figure 2.3 that the branding only started becoming of importance between the sales and marketing eras of marketing. The growth in importance of brands led to an abundance of literature and research. Today, building a strong brand is seen as a crucial component for any organisation to be successful (Aaker, 1991, 1996; Kapferer, 2005). Within this section, banding will further be discussed. This includes branding definitions, the role of brands, the importance of brands, how to create a strong brand as well as how to measure a brand and why branding is difficult and challenging.

2.3.1. Defining branding

For a product, service, or organisation to be successful, it needs to be perceived as unique (Stine, 2013:2). By creating a successful brand, it is most certain that the specific organisation will be differentiated from its competition and will gain a competitive advantage, and as tourism organisations and services are increasingly becoming substitutable and more difficult to differentiate, branding becomes more important (Pike, 2005:258). Aaker (1991), who is seen as the father of branding, defines the term “brand” as “a distinguishing name and/or symbol (such as logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors. A brand thus signals to the customer the source of the product, and protects both the customer and the producer from competitors who
would attempt to provide products that appear to be identical" (Hague, 1994:28). Although there are plenty of other definitions for a brand, the definition compiled by Aaker is the one that is most frequently referred to throughout the literature (Richie & Richie, 1998:8; Hague, 1994:28; Blain, Levy and Richie, 2005:329; Ghodeswar, 2008:4). This definition emphasises that a brand differentiates organisations, setting them apart from their competition.

In addition to this, Landa (2005:4) explains the term brand with three integrated meanings:

- The sum total of all characteristics of the product, service, or group, including its physical features, its emotional assets, and its cultural and emotional associations,
- The brand identity as applied to a single product or service, an extended family of products or services, or a group
- The on-going perception that the consumer has of the brand.

There are various authors that agree with the statement of Landa saying that a brand can be seen as the marketing efforts of the organisation, the visitors’ experience, its emotional impact as well as how it places itself within the culture (Daley, 2014:44), also a brand is the combination of what it really is, the perception formed by its consumers as well as their beliefs concerning the brand (Landa, 2005:8). Richie and Ritchie (1998:17) agreed with the definition of Aaker (1991), but adapted it due to the importance of the experience in tourism which resulted in the following definition: “A destination brand is a name, symbol, logo, word mark or other graphic that both identifies and differentiates the destination; furthermore, it conveys the promise of a memorable travel experience that is uniquely associated with the destination; it also serves to consolidate and reinforce the recollection of pleasurable memories of the destination experience”. When branding is done effectively, it creates the perception that there is no other service that could match that of a certain organisation (Stine, 2013:2). Branding creates a mark for quality as well as status (Daley, 2014:44) and thus contributes to higher levels of loyalty towards the tourism organisation.
2.3.2. The importance and role of brands

Branding is essential for any organisation as it is vital to create and maintain customer value as well as a competitive advantage (Holt, 2003:1). It is said that the most dangerous competitors are the organisations that draw the closest resemblance to your organisation (Kotler, 2005:44), thus it is vital for tourism organisations to create a strong and successful brand to positively differentiate themselves from the competition (Stine, 2013:1). Furthermore, Stine (2013:1) explains that “it’s everything people touch, see or hear that immediately sets you apart from the competition”. Thus, a brand is not just a logo or sign, it also includes emotional involvement (Kotler, 2005:30) and everything associated with the brand, contributes to the tourists’ perception of the organisation (Landa, 2005:8). Adding to this, Landa (2005:9) states that the overall perception that a tourist has of the brand is influenced by every single interaction with the brand which could lead to a positive, negative or neutral perception. As the main objective of tourism organisations’ brands is to gain tourists interest, trust and loyalty it is of utmost importance to ensure a successful, positive and strong brand. It is also the only way to sustainable and above-average profit (Kotler, 2005:30). When creating a strong brand, it is important to recognise the fact that branding has certain functions within tourism which need to be taken into account.

Jordaan and Prinsloo (2001:142-143) identified eight roles or functions of brands which could be applied to tourism organisations. The first role or function of a brand is that of communication. Brands serve as a means of communication between the tourism organisation and the tourist. Through branding, tourists get an idea of the services being offered and the type of experience that they could have when they make use of the specific tourism organisation. The second role of brands is known as the reduction function. This involves the attempt to minimise the risk of purchasing a service from an organisation that does not meet their needs. Brands provide the tourist with an indication and signs of consistent service standards. Thirdly, creating a well-known brand reduces the risk associated with introducing a new service or promotion for that tourism organisation as tourists already trust the brand. As previously mentioned, differentiation is an important function of branding as it helps to distinguish similar tourism organisations from each other, thus helping
tourists in their decision-making process. Brands also play an *emotional* role within the decision-making process. The brand provides a sense of trust and *security* concerning the quality of the services offered by the tourism organisation. Another important role or function of brands is *brand familiarity*. In other words, tourists find it much easier to decide on a tourism organisation or service if they are familiar with it. It thus saves the tourist time by not having to assess alternative tourism organisations or services. Lastly, perhaps the most known function of brands is the *image* and associations that come to mind when tourists are confronted with the brand (Hood, 2008:48-49). These associations or perceptions of the brand could be positive, negative or even neutral.

### 2.3.3. The process of creating a brand

Before a brand could convey or evoke any kind of perception relating to it, customers/tourists should first be aware of the brand. If customers/tourists are unaware of the brand it serves no purpose. Gustafson and Chabot (2007:1) explain that when a brand is well known and easily recognised by customers, it has successfully reached brand awareness which is crucial to differentiate the specific organisations’ services and offerings from those of the competition. MacDonald and Sharp (2000:5) add that brand awareness plays an important role in the customers'/tourists’ decision-making process when determining the brands that enter the consideration set, as well as the brand that will be selected at the end (MacDonald & Sharp, 1996). It is thus important to examine the process involved in creating brand awareness and a brand that is a top of mind brand. The process is illustrated in Figure 2.4.
Once a new product enters the market, most potential customers/tourists are unaware of the brand. After a time and some marketing practices, customer/tourists will recognise the brand whenever they come into contact with it, but may be unable to recall it without the contact. If confronted with it often or influenced by a positive experience, the customer/tourists will be able to recall the brand. In other words, they recognise the brand’s logo and what it represents. Marketing practices are a good way to make customers/tourists more aware of a brand. These include consistent advertisement and repetition (Hoyer & Brown, 1990:141; MacDonald & Sharp, 2000:5). With this said, Bogart (1986:208) expresses that by the use of repetition in advertisements, the organisations’ name will be more likely to be upon their consciousness and they will feel comfortable with the brand. Thus the brand will become a top of the mind choice. This means that the customers/tourists will be more likely to select the specific brand in the decision-making process without considering alternative brands (also see Figure 2.2).

2.3.4. Elements related to strong brands

A brand that is on top of customers’ minds is also a strong brand, and having a strong brand could be seen as one of the most valuable assets an organisation could possess (Keller, 2003:11; Keller & Lehmann, 2003:27). When building a strong brand, it is important to shape the image that customers/tourists have about the

---

**Figure 2.4: Brand awareness process**

*Source: Aaker (1991:62)*

![Diagram of brand awareness process]
organisations’ brand. This includes the way they think as well as feel about the specific brand. The organisation has to create positive thoughts, beliefs, opinions and perceptions surrounding the brand resulting in an increase in customers/tourists, loyal customers/tourists and a competitive advantage (Mindtools, 2014) as “the consumer of today makes choices based on whether or not a product fits into her or his lifestyle; whether it represents an exciting new concept – a desirable experience” (Schmitt & Simonson, 1997). A strong brand could further help the customers/tourists transform from simply being aware of the brand to becoming active loyal customers/tourists. For this to take place, certain elements need to be addressed. These elements are important when building a strong brand. The next discussion will refer to two brand equity models with the purpose of simply placing brand loyalty and further recognising its importance when building strong brands as brand loyalty is one of the sub components of brand equity. Keller developed a brand equity model (Figure 2.5) illustrating the process and elements important in building strong brands (Keller, 2009:144).

![Figure 2.5: Brand equity model](source: Keller (2009:144) and Kuhn and Alpert (2004:3)

Keller’s brand equity model consists of six elements or dimensions (Figure 2.5), each with a set of questions that the customer might ask at that time. For brand
resonance, this is the highest level of brand equity, to occur, all the other elements or dimensions first need to be realised. According to Keller (2009), “resonance comes about when the consumer has a high level of awareness and familiarity with the brand and holds some strong, favourable, and unique brand associations in memory” (Eurib, 2009a:1). Brand resonance is also associated with intense active loyal customers/tourists. Before this can be achieved it is important to understand the elements prior to brand resonance.

**Brand salience**

This is the first step in developing a strong brand. Within this element, the brand needs to be identified. In other words, customers/tourists must be able to identify with the brand (Keller, 2003). At this point customers ask – Who are you? (Kuhn & Alpert, 2004:3). Brand salience means that customers/tourists will be able to fully understand the context when the brand is being advertised. It also refers to the level to which customer/tourists are familiar with the brand and are able to recognise it (Eurib, 2009a:1). Adding to this, Morgan and Pritchard (2000) stress that brand salience is the key to successful destination differentiation (Baker & Cameron, 2007:87). Thus it is very important to create identification with the brand. If brand salience is not achieved the progression to the next level on the brand pyramid cannot take place.

**Brand performance and imagery**

Only when brand salience is recognised can the process towards a strong brand move forward. These two elements consist of intrinsic as well as extrinsic characteristics. The intrinsic characteristics entail the observed performance of the organisation or service while the extrinsic characteristics are what customers/tourists think about the brand (Eurib, 2009a:2; Keller, 2009:143). To increase brand equity, close attention should be paid to both brand performance and imagery. Improving brand performance relies on delivering offerings or services that will meet customers'/tourists' needs and exceeding their expectations. Furthermore, brand imagery can be improved by understanding and altering customers'/tourists' psycho-social needs. In other words, the perception that customers/tourists have of the
brand can be positively influenced by experience or advertising. This building block answers the customers’ question of - What are you? (Kuhn & Alpert, 2004:3).

**Consumer judgements and feelings**

After strong and positive brand associations are realised, the brand can continue on the process towards becoming a strong brand. Within this step, the brand is confronted with the way customers/tourists think and feel about the brand and their response to the previous step of performance and imagery. At this stage, the brand is being judged, thus the customer/tourist formulates an attitude and opinion of the brand and answers the question - What about you? (Kuhn & Alpert, 2004:4; Eurib, 2009a:2). Keller (2009:2) explains that brand judgements are rational, while the feelings toward the brand are emotional. The feelings of the customer/tourist towards the brand are related to the opinion that they have of the brand. Their opinion is furthermore formed by three aspects, quality, reliability and superiority (Keller, 2009:3; Eurib, 2009a:3). The feeling they have of the brand is also based on factors such as warmth, pleasure, tension, security, social acceptance and self-respect (Keller, 2009:3). When all these conditions are met, the last and highest level of the pyramid can be reached, thus creating a strong brand.

**Brand resonance**

When this level has been reached, the customer/tourist is willing to have a long-lasting relationship with the brand, thus becoming a loyal customer/tourist (Keller, 2001). Loyal customers/tourists lead to return visits as well as an increase in revenue, a decrease in marketing efforts and a competitive advantage. Kuhn & Alpert (2004:3) add that, to build a strong brand, the highest level of the pyramid (brand resonance) should be reached where a relationship exists with the customers.

In contrast, Aaker (1991:270) introduced his own brand equity model where he recognised five components that he considered as important to brands. Aaker (1991) defines brand equity as “a set of brand assets or liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm’s customers” (Aaker 1991:15; Ritchie & Ritchie,
The components within Aaker’s model include brand loyalty, brand awareness, perceived quality, brand associations and other proprietary assets (Baker & Cameron, 2007:88) (See Figure 2.6).

Figure 2.6: Aaker’s brand equity model

Source: Eurib (2009b); Aaker (1991:270); Ritchie and Ritchie (1998:9)

Aaker (1991:19-21) explains that when these five components are managed successfully, they could add immense value to the services of the organisation which, in turn, could create further customer satisfaction which also leads to a number of other benefits for the organisation (Tuominen, 1999:79). Brand loyalty, for example, could lead to a decrease in marketing costs because simply retaining customers is much more cost efficient than having to attract new ones (Tuominen, 1999:80). Also, loyal customers will enable the organisation to respond to competitive threats (Aaker, 1991:46-49; Dekimpe, Steenkamp, Mellens & Adeele, 1997:405-407). Brand awareness, on the other hand, increases the chances of the brand being considered when making a purchasing decision (Eurib, 2009b:2). Aaker (1991) adds that brand loyalty begins when customers become aware of the organisation and its services (Kayaman & Arasli, 2007:98), also the higher the level of awareness, the higher is the possibility that they will purchase the service.
Customers with a positive perception regarding the brand, will also be more likely to be a source of positive word-of-mouth and boost and spread brand awareness (Eurib, 2009b:2).

Aaker (1996:1) identified not only recognition and brand recall (Aaker, 1991:1) as levels of awareness, but also top-of-mind, brand dominance, brand knowledge and brand opinion (Lee, 2011:36, Tuominen, 1999:82). Another component of Aaker's brand equity model is perceived quality. Zeithaml (1988:3, 4) explains perceived quality as the judgement that customers has regarding the organisations' or services' overall excellence. Furthermore, some researchers (Zeithaml, 1988; Steenkamp, 1997) classified perceived quality into two groups, intrinsic and extrinsic attributes. The intrinsic attributes refer to the physical factors of the tourism product such as the colour, form or appearance while the extrinsic attributes refer to factors of the product such as its brand name, the quality, price and packaging. A strong brand with high perceived quality will be able to extend further and have a higher success rate (Aaker, 1991:86-88). When considering the components of brand equity, brand associations are a very important part of Aaker's brand equity model.

Brand associations, according to Kotler and Keller (2006:188), are all things connected in the customer's memory to the brand such as brand related feelings, perceptions, images and experiences. Aaker (1991:272; 1992:31) states that “brand associations can affect the processing and recall of information, provide a point of differentiation, provide a reason to buy, create positive attitudes and feelings and serve as the basis of extensions”. The associations provided by a well-established brand name can influence purchase behaviour and affect user satisfaction. Even when the associations are not important to brand choices, they can reassure, reducing the incentive to try other brands (Tuominen, 1999:83). Furthermore, the more proprietal assets an organisation has, the greater competitive advantage the organisation will have (Eurib, 2009b:2).

It is clear that Aaker's (1991:1) and Keller's (1993:1) idea of brand equity differs as well as the components involved in building a strong brand. Nonetheless, they both define brand equity from a customer perspective and also stress the value that brand equity provides the organisation as well as the customer (Kayaman & Arasli,
2007:95). If these two brand equity models (Figure 2.5 and Figure 2.6) are compared it is clear that both Aaker (1991) and Keller (1993) realised the importance of brand awareness and brand loyalty to a strong brand. Adding to this, Aaker (1991:1) emphasised that “brand loyalty is a basis of brand equity that is created by many factors, chief among them being the user experience”, while Keller (2000:1) states that “brand loyalty is a key variable for management interested in the value of brand equity when measured from a consumer perspective”. Thus, to reach brand loyalty, a strong brand should first be created.

2.3.5. How to create a strong brand

After evaluating the elements that are related to a strong brand, it is important to take a look at how this can be managed. There are certain themes that tourists associate with the term brand. By paying attention and focusing on these themes, a tourism organisation should be able to create a stronger brand for themselves, which may result in a positive image with satisfied tourists that are more likely to return to the specific tourism organisation. There are seven themes that will be discussed, image, recognition, differentiation, consistency, brand messages, emotional response, and expectations.

Image:

Tourism organisations should determine the image that they would like to portray and make sure that the correct image is then conveyed to their intended target market (Ghodeswar, 2008:6). The tourism organisation should ensure that the image received by the tourists is a positive one. Blain, Levy and Richie (2005:332) state that branding can enhance a tourism organisations’ image among its visitors.

Recognition:

First of all, tourists should be aware of the brand. A brand should also be memorable. Blain et al. (2005:335) explains that brand recognition is a very important aspect within the decision-making process of the tourists when considering tourism organisations. Tourists should be able to recognise a specific tourism organisation and choose it rather than any of the competition.
Differentiation:

Differentiation is seen as an integral part in creating strong brands (Blain et al., 2005:335). As there are so many similar tourism organisations, brands should highlight the unique experiences that could be expected at a specific tourism organisation. It should create a unique selling proposition. A strong brand creates points of difference from their competitors to achieve a competitive advantage (Keller, 2000; Aaker, 2009:20).

Consistency:

Brands should be consistent with the image, message and experience to tourists that they send out (Chillifish, 2010:3; Aaker, 2009:4). Blain et al. (2005:335) emphasise that “consistency assists in facilitating awareness and providing an assurance of quality while reducing perceived risk”. Consistence enhances brand trust.

Brand messages:

Brands should represent what the tourism organisation stands for. They should be a manner of communication between the tourism organisation and the tourists. It is also important that the lines of communication between the tourism organisation and the tourists are open at all times. Ghodeswar (2008:6) states that a marketing message “that is creatively executed helps the brand to break the clutter and build strong impact in the target market”.

Emotional response:

It is important for a brand to evoke emotional responses from tourists as tourism is all about creating a memorable experience that is associated with positive thoughts. “If visitor reactions are not emotionally positive in nature, then destinations cannot expect to keep loyal visitors, either in repeat visitation or positive word-of-mouth” (Blain et al., 2005:335).
**Expectations:**

Brands should be used to create positive visitor expectations related to the specific tourism organisation. Due to the increase in competitiveness between tourism organisations and the wide range of tourism organisations that tourists could choose from, it is crucial to build awareness as well as sending the promise of a quality experience. This could influence the decision-making process for the tourists.

According to Kotler (2005:28) a sign of a strong brand is the amount of loyalty or preference it enjoys. There are also ways to measure the success and strength of a brand.

### 2.3.6. Measuring a brand

Ritchie and Ritchie (1998:18-19) created a diagram of components that could be used to measure the effectiveness of a brand. Within this diagram (Figure 2.7) the components are split into two categories, the pre-experience and post-experience components, each with their own aspects.

<table>
<thead>
<tr>
<th>Pre-Experience – Selection</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Identification</td>
</tr>
<tr>
<td>2. Differentiation</td>
</tr>
<tr>
<td>3. Anticipation</td>
</tr>
<tr>
<td>4. Expectation</td>
</tr>
<tr>
<td>5. Reassurance</td>
</tr>
</tbody>
</table>

of the destination: the destination experience

<table>
<thead>
<tr>
<th>Post-Experience – Recollection</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Consolidation</td>
</tr>
<tr>
<td>b) Reinforcement</td>
</tr>
</tbody>
</table>

of destination memories

*Figure 2.7: Components of brand measurement*

*Source: Ritchie and Ritchie (1998:18)*
Within the pre-experience stage a brand should create awareness of the organisation of service (identification), it should create an unique image (differentiation) (Kaplanidou & Vogt, 2003:2; Stine, 2013:4), anticipation as well an expectation of what could be expected of the organisation or service, thus creating a desire for it and, lastly, the brand should assure the tourist of a quality experience that could be expected. In the post-experience stage the brand should consolidate and reinforce the memories that the tourists have of the whole experience. For a brand to be successful, it should excel in all of the above aspects. Kotler (2005:28) adds that a strong and successful brand lends coloration as well as resonance to a tourism organisation or service.

Kaplanidou and Vogt (2003:5) agree that the components of Ritchie and Ritchie’s model are indications of a strong brand, but also argue that the following components should be taken into account: brand name awareness, visitors’ perceptions about the brand as well as its identity, visitors’ opinions and attitudes, brand loyalty and their travelling behaviours. Keller and Lehmann (2006:752) explain that a strong brand has a lower price elasticity and its advertising elasticity may be larger. Before a brand can become a strong brand, it faces multiple challenges that need to be overcome.

2.3.7. Challenges and difficulties facing branding

There are certain challenges that have to be considered when branding takes place, as branding tourism organisations and services are both more complex and diverse than other goods and services (Pike, 2005:258-259).

The first challenge that has to be recognised is the fact that tourism offerings and services are multidimensional (Panasiuk, 2012:96). Thus, to reach the minds of tourists, the message portrayed should be focused and encapsulate the diverse and unique characteristics of the tourism organisation and its services.

Secondly, tourism organisations and services are faced with a target market which is heterogeneous and which has a wide range of segments for their offerings or
services (Chuo, 2012:22). Thus, tourism organisations need to target multiple geographic markets to attract tourists.

Thirdly, the tourism organisation has little to no control over the correct message being delivered to the potential tourists (Reid, Wearing & Croy, 2008:46). In other words, the tourists may misunderstand the message that is supposed to be portrayed by the brand.

Fourthly, it should be ensured that the promises made by the brand should be delivered (Ghodeswar, 2008:4). For example, a brand promise of quality should be experienced as soon as the tourist makes contact with the tourism organisation.

Fifthly, as brand loyalty is seen as the cornerstone for the success of tourism organisations, it is important for tourists to have a positive image of the specific tourism organisation (Lopes, 2011:311). Staying in touch with tourists after their visit is just as important as when they are purchasing the tourism offerings or services. This is an important means of enhancing the tourism organisations’ brand and improving brand loyalty.

Lastly, funding may present as a challenge as consistency within branding is very important (Pike, 2005:258-259).

If these obstacles within branding a tourism organisation could be overcome, the tourism organisation will reap multiple benefits and most likely have numerous tourists who return to the specific brand.
24. CONCLUSION

The purpose of this chapter was to determine the importance of marketing and branding within an extremely competitive industry such as hospitality, as it is becoming increasingly important not only to gain tourists but also to have them continuously return. This was done by means of a literature review. The first step towards creating loyal tourists is effective marketing. By making use of marketing, the needs of tourists are realised thus giving the tourism organisation the opportunity to meet those needs and to create a satisfactory experience for the tourists which, in turn leads to a positive brand image. It is very important for organisations to have a well-known brand that is on top of customers’ minds when they are in the decision-making process. The organisations’ brand should differentiate the organisation’s offerings and services from those of its competitors. The organisation should therefore ensure that the message that the brand sends out is a positive one and that the intended message is received correctly by the customers. Creating a strong brand is, however, a difficult task as there are some obstacles that need to be faced such as the fact that tourism organisations and their services are multidimensional and must address a heterogeneous market. Funding is also one of the challenges as marketing practices are costly. If these challenges are overcome, a strong and successful brand could lead to an increase in customers as satisfied customers encourage positive word-of-mouth. Satisfied customers also tend to become loyal to the specific brand.
Determining the importance of brand loyalty within a competitive market, by means of a literature review.

3.1. INTRODUCTION

Now that the importance of tourism marketing and branding in terms of creating loyal customers has been realised, it is crucial to obtain a better understanding of loyalty, the value thereof and ultimately the factors contributing to brand loyalty. For the purpose of this study, the focus will mainly be on the hospitality sector, especially the restaurant industry.

Whenever a tourist travels he/she makes use of food and beverages, which form part of the hospitality sector within tourism (Mackenzie & Chan, 2009:1), they expect to receive a satisfactory experience. This satisfactory experience can, in turn, lead to a loyal customer. Satisfaction can be seen as “a feeling which results from a process of evaluating what was received against that expected, the purchase decision itself and/or the fulfilment of needs/wants” (Fecilikova, 2004). In an industry such as this, it is of utmost importance both to create loyal customers as well as to retain satisfied customers (Bowie & Buttle, 2004:7).

Since it has been found that loyalty increases the organisation’s profitability (Kandampully & Suhartanto, 2000:347; Tsaur, Chiu & Haung, 2001:397; Baker & Crompton, 2000:786; Bowen & Chen, 2001:213), and gains new customers/tourists in a competitive environment (Chiou, 2004:686), determining the ultimate key success factors that influence loyalty to a tourism organisation, especially in the
The restaurant industry is extremely important (Kandampully & Suhartanto, 2000:346). The goal of this chapter is to present a better understanding of loyalty and its importance as well as the antecedents of loyalty as this knowledge can assist restaurant managers in implementing practices and strategies that will lead to return visits and increase loyalty from existing as well as potential patrons (Kandampully & Suhartanto, 2000:346).

3.2. ANALYSING BRAND LOYALTY

As brand loyalty is such an important part of the success of a tourism organisation, there are certain aspects that need to be addressed. These include the different approaches to loyalty, what is brand loyalty, why brand loyalty is important, as well as antecedents of brand loyalty. Firstly brand loyalty is explained.

3.2.1. Brand loyalty explained

The concept of brand loyalty was first mentioned by Copeland in 1923 in his study called “brand insistence” (Opperman, 2000:79 & Knox & Walker, 2001:111), thus research into brand loyalty dates back for well over 40 years, while in the tourism, hospitality as well as recreational fields of study, loyalty research only dates back over 10 years (Opperman, 2000:79; Backman & Crompton, 1991:206; Pritchard & Howard, 1997). Jacoby and Chestnut (1978) found over 53 different operational definitions for brand loyalty within the literature (Opperman, 2000:79 & Backman & Crompton, 1991:206). Due to the complexity of the brand loyalty concept, Jacoby and Chestnut classified them into three different approaches (Backman & Crompton, 1991:206; Opperman, 2000:79; Knox & Walker, 2001:113). These three approaches are known as the behavioural approach (1), the attitudinal approach (2) and the composite approach (3) (See Figure 3.1) (Bowen & Chen, 2001:213).
The earliest definitions of brand loyalty were written from a behavioural approach (Opperman, 2000:79; Petrick, 2005:200). Brand loyalty defined from this perspective is solely based on the actual purchasing behaviour of the customers (Opperman, 2000:79), in other words, it focuses on consistent and repetitious purchasing behaviour (Bowen & Chen, 2001:213; Kandampully & Suhartanto, 2000:347), thus purchasing frequency (Petrick, 2005:200) is an indicator of loyalty. This approach however came into question as it created multiple measurement and conceptual problems (Petrick, 2005:200) as a repeat purchase is not necessarily the result of a psychological and emotional commitment towards the brand (Tepeci, 1999:224) and brand loyalty involves more than just repeat purchasing (Petrick, 2005:200). For example, a customer/tourist may constantly dine at a specific restaurant for convenience reasons, but as soon as a new restaurant opens that offers better value, they will switch (Bowen & Chen, 2001:214). Backman and Crompton (1991:206) stated that loyalty should include a positive and favourable attitude towards the brand being purchased. This was supported by multiple researchers (Kandampully & Suhartanto, 2000:347; Tsaur et al., 2001:398; Tideswell & Fredline, 2004:187).
attitudinal approach was first used by Guest in 1942 in his study of “brand preferences” (Opperman, 2000:79). Loyalty definitions based on an attitudinal approach are mainly centred on the intensity of the customers’/tourists’ preferences and affection towards the product and their intentions to purchase and recommend the product (Guest, 1942; Iwasaki & Havitz, 1998; Kandampully & Suhartanto, 2000:347; Petrick, 2005:200) as well as an emotional and psychological attachment to the product or brand. However, in the late 1960s, researchers began to discount the use of only behavioural or attitudinal approaches to loyalty (Backman & Crompton, 1991:206) since it is possible for a customer/tourist to have a positive attitude towards a restaurant, but does not dine at it due to the expense (Toh, Hu & Withaim, 1993), but is still willing to recommend the restaurant to others (Bowen & Chen, 2001:214). Researchers such as Day (1969) argued that, to be a true loyal customer, the customer should consistently purchase the product together with a positive attitude towards the brand or product (Day, 1969; Opperman, 2000:79). Day (1969) thus suggested a composite approach to loyalty that combines the first two approaches, the behavioural and attitudinal approach (Backman & Crompton, 1991:206; Bowen & Chen, 2001:214; Tideswell & Fredline, 2004:188; Petrick, 2005:200; Knox & Walker, 2001:114; Weaver & Lawton, 2011:336). This approach is thus based on product preferences, tendency to switch brands, the purchase frequency as well as the overall amount or frequency of purchase (Pritchard & Howard, 1997; Hunter, 1998; Wong, Dean & White, 1999; Bowen, & Chen, 2001:214). Furthermore, it has been found that the composite approach to loyalty is a valuable instrument to achieve a better understanding of loyalty in upscale organisations (Jacob & Kyner, 1973; Backman & Crompton, 1991; Prichard & Howard, 1997; Bowen & Chen, 2001:214).
Figure 3.2: Theoretical framework for brand loyalty

Source: Author’s own compilation
Because loyalty cannot solely be explained by attitudinal or behavioural measures (Petrick, 2005:201), Jacoby and Kyner (1973) proposed a six-point definition (Figure 3.2), which is also, according to Backman and Crompton (1991), the most frequently used definition of loyalty (Petrick, 2005:201).

Brand loyalty is described as (1) the biased (i.e. non-random), (2) behavioural response (i.e. Purchase), (3) expressed over time, (4) by some decision-making unit, (5) with respect to one or more alternative brands out of a set of such brands, and (6) is a function of psychological (decision-making, evaluative) processes (Jacoby & Kyner, 1973:2).

In accordance with Jacoby and Kyner’s (1973:2) loyalty definition, Backman (1988) developed an index to measure customer’s loyalty that is based on the customer’s behavioural consistency and psychological attachment, thus based on the composite approach. According to this index, customers can be assigned to one of four quadrants, each representing a level of loyalty to the product.

![Customer loyalty matrix](https://example.com/figure3.3)

**Figure 3.3: Customer loyalty matrix**
*Source: Adapted from Backman (1988) and Petrick (2005:201)*

The four quadrants consist of low loyalty, spurious loyalty, latent loyalty and high loyalty into which the customers can be classified (Figure 3.2 and Figure 3.3). Their
classification depends on the level of their repeat purchasing behaviour (High vs. low) and their attitudinal attachment (High vs. low) towards the product (Tideswell & Fredline, 2004:188). Customers who fall into the low loyalty quadrant had low behavioural consistency, meaning that they do not repurchase the product on a frequent base, as well as a low attitudinal psychological attachment or positive attitude towards the brand/product (Petrick, 2005:201). Spurious loyalty occurs when customers frequently purchase the product, but not due to a preference for the product, thus having high behavioural consistency, but low psychological attachment (Dick & Basu, 1994; Tideswell & Fredline, 2004:188). Latent loyals, on the other hand, are customers who purchase the product on an infrequent base, although they have a strong emotional attachment to the product, thus scoring low on behavioural consistency, but high on psychological attachment (Shoemaker & Lewis, 1999:349; Tideswell & Fredline, 2004:188; Petrick, 2005:201). Customers categorised as High loyalty customers, are those who do not only have a high level of attachment to the product, but also a high level of repeat purchasing behaviour, thus resulting in benefits for the organisation, such as positive word-of-mouth referrals (Shoemaker & Lewis, 1999:349; Tideswell & Fredline, 2004:188; Petrick, 2005:201). In addition, it has been found by Heiens and Pleshko (1996), as cited in Petrick (2005:201) that customers who are categorised as latent loyals may become highly loyal customers if they are persuaded into more frequent purchasing behaviour. Tideswell and Fredline (2004:188) are of the opinion that the implementation of this matrix is a good way to determine the nature of customers’ loyalty to restaurants, as it should be measured by the frequency of visitation as well as their attitude towards the specific restaurant.

The definition of Jacoby and Kyner (1973:2) may still be the most accurate according to the composite approach, but it is certainly not the only definition used to describe loyalty. In accordance with Jacoby and Kyner's definition, Tepeci (1999:224) states that brand loyalty involves commitment towards the brand accompanied by a positive attitude and repetitive purchases of the brand. In turn, Moolla and Bisschoff (2012a:102) express that “loyal tourists are repeat visitors who choose a brand or organisation without even considering other options”. Hence, Bloemer and Kasper (1995) are of opinion that loyalty to a tourism organisation can thus be seen as an indication of satisfaction with the product or services that were received (Ballester &
Alemán, 2000:1239). Lin, Wu and Wang (2000:145) adds that satisfaction encourages repurchasing intentions and that higher levels of satisfaction have a direct influence on higher levels of loyalty to the organisation, thus tourism organisations should ensure that they deliver more satisfactory experiences to their tourists than the competition (Kotler, 2005:38) as loyalty is only created over time with positive experiences which require constant effort (Moolla & Bisschoff, 2012a:102).

Figure 3.4: Figure of the relationship between satisfaction and loyalty
Source: Tepeci (1999:226)

Figure 3.4 represents the relationship that exists between the levels of satisfaction and the level of loyalty. Tepeci (1999:226) explains that the higher the level of satisfaction experienced, the higher the level of loyalty seems to be, which should be every tourism organisations’ top priority. Tourism organisations should thus attempt to increase the level of tourist loyalty as well as the commitment towards the product (Kotler, 2005:42).

Kandampully and Suhartanto (2000:346) however, argue that merely satisfying customers/tourists is not sufficient as there is no guarantee that satisfied customers/tourists will return.

Although loyalty to a tourism organisation is seen as a key outcome of customer/tourist satisfaction (Chiou, 2004:686; Chen & Tsai, 2008:1167) it cannot
explain all the variable of customer/tourist loyalty (Chiou, 2004:686). In other words, satisfying customers is not the only factor involved in achieving loyalty. Even though there are multiple researchers claiming that satisfaction leads to return visits and loyalty (Seaton & Bennet, 1996:6; Morrison, 2010:23; Kozak & Rimmington, 2000; Van Can, 2013:12), there are also just as many researchers that argue that even though satisfaction is important, it may not be a prerequisite that influences long-term loyalty (Chiou, 2004:686; Ranaweera & Prabhu, 2003:375; Matzler, Füller & Faullant, 2007:411; Skogland & Siguaw, 2004:223), it could even be an independent variable of loyalty (Chiou, 2004:686).

For the purpose of this study, brand loyalty can be seen as a high level of attachment and commitment towards a product while having high levels of repurchasing intention.

3.2.2. The value of brand loyalty

Insight into the different approaches towards loyalty as well as the customer classification matrix make way for an in-depth analyses of loyalty and the value thereof for tourism organisations. Kotler (2005:37) explains this by stating that because products and services are temporary, organisations are faced with the challenge of keeping their tourists longer than they do their products and services. Adding to this, Tepeci (1999:227) remarked that as hospitality is such a competitive sector, it is not only important for organisations to attract new tourists but also to keep their existing ones. Regrettably, very few tourism organisations realise the importance of loyal tourists and spend more time and money on acquiring new tourists rather than retaining their current tourists (Kotler, 2005:37). In fact, it has been found that it can cost up to six times more to attract new tourists to a tourism organisation than it does to retain old ones (Mellens, Dekimpe & Steenkamp, 1996:507; Reichheld & Sasser, 1990; Thomas, 2001, as cited by Petrick, 2005:199). This is supported by Kotler (2005:41) who stated that retaining current tourists could cost five to ten times less than acquiring new ones. Reichheld and Sasser (1990) as cited in Bowen and Chen (2001:213) found that if an organisation retains only 5% of its customers, their profitability could undergo an increase from 25% up to 125% (Tsaur et al., 2001:397). Bowen and Chen (2001:213) explain that this increase in profit is because loyalty is the key to the reduction in marketing costs, an increase in
sales as well as the decline in operational costs as less marketing practices are needed. Tepeci (1999:227) further explains that brand loyalty is fundamental within the hospitality sector as repeat purchase largely increases the revenue of a tourism organisation as the majority of loyal tourists are willing to pay higher prices (Mellens, Dekimpe & Steenkamp, 1996:507).

Aaker (1991) as cited in Tepeci (1999:224) states that loyalty “introduces stability into businesses, helps guard against competitive imitation, and allows consumers to shop with confidence in an increasingly complex world”. Loyalty is seen as the link that secures the bond between the patron and the restaurant (Petrick, 2005:200). Furthermore, a high level of loyal tourists gives tourism organisations a competitive advantage over other organisations. Tepeci (1999:224) put forth a list of benefits associated with loyalty. The list comprises the following benefits: continued profit, reduced marketing costs, increased per-customer revenue growth, decreased operating costs, increased referrals, increased price premiums as well as the provision of a competitive advantage. These benefits will now be discussed in further detail:

**Continued profit**

Tourist loyalty is a long-term commitment towards the organisation. This means that the longer a tourist is a loyal visitor, the more profit the tourism organisations receive from that single tourist (Tepeci, 1999:224), thus organisations rely on their loyal tourists as it is much more cost effective to retain current customers/tourists than it is to attract new ones (Um, Chon & Ro, 2006, as cited in Do Valle, Silva, Mendes & Guerreiro, 2006:26).

**Reduced marketing cost**

Marketing costs such as advertising are noticeably lower for tourism organisations with a high number of loyal tourists as it is not necessary for those organisations to advertise as much (Tepeci, 1999:224). Because loyal customers already know the products and services offered by the organisation they require less information, and also serve as a source of information for other customers/tourists, thus reducing marketing costs significantly (Bowen & Chen, 2001:213).
Increased per-customer revenue growth

As visitors increase their spending patterns over time (Tepeci, 1999:224), loyal tourists help tourism organisations increase their revenue. When a tourist repeatedly visits a tourism organisation, they become more familiar with the organisation’s products, they are more likely to sample and purchase other products and services offered by the organisation. Bowen and Chen (2001:213) support this by stating that loyal tourists tend to purchase a wider variety of products at the organisation and also tend to purchase more frequently. They are also more willing to spend more (Harris & Goode, 2004:139) and are less price sensitive (Do Valle, Silva, Mendes & Guerreiro, 2006:26).

Decreased operating cost

As loyal tourists’ data is already captured into the computer, the front desk clerk only has to retrieve the visitor's details instead of entering the data which takes time (Tepeci, 1999:224). Also, loyal tourists are more familiar with the organisation’s premises and services, the tourists are less dependent on the employees of the organisation for information and help which saves servicing cost (Tepeci, 1999:224; Do Valle et al., 2006:26).

Increased referrals

Loyal tourists are more likely to lead to referrals and provide references (Bowen & Chen, 2001:213) as they know they will receive a satisfactory experience and good service (Tepeci, 1999:224), thus helping to promote the organisation (Bowen & Chen, 2001:213). Referrals are crucial for tourism organisations as word-of-mouth is one of the best marketing methods (Tepeci, 1999:224). Bowen and Chen (2001:213), Tsaur et al. (2001:397); Petrick (2005:200) and Opperman (2000:78) alluded to the fact that the power and importance of word-of-mouth referrals should never be overlooked in the hospitality sector, especially since some customers/tourists seems to prefer personal information sources (Bowen & Chen, 2001:213). Reichheld and Sasser (1990), as cited by Tsaur et al. (2001:397) state that up to 60 percent of purchases can be prescribed as the result of positive word-of-mouth referrals. It can also be expected that loyal tourists will discuss their experience at the restaurant more positively than non-loyal customers/tourists, which
also results in positive word-of-mouth referrals (Shoemaker & Lewis, 1999, as cited in Petrick, 2005:200). Tourists who visit a tourism destination due to a referral also tend to stay longer than other visitors (Tepeci, 1999:224). Recent research suggests that word-of-mouth reviews left by past guests might become more important than the organisation’s current grading (Carter, 2010:2). It can thus be said that positive word-of-mouth serves as a guarantee of the restaurants’ reliability and also decreases the customers/tourists’ perceived risk (Bowen & Chen, 2001:216).

**Increased price premiums**

Because loyal tourists are aware that they will receive a unique value and experience, they are willing to pay more (Tepeci, 1999:224; Harris & Goode, 2004:139). They are also less likely to switch to another tourism organisation with lower prices. Reichheld and Sasser (1990) as cited by Bowen and Chen (2001:216) add that loyal customers/tourists who are less likely to switch to another restaurant are also more likely to purchase more products and services than non-loyal customers. They will thus rather make use of an organisation that they trust than take a chance on a more affordable option. Loyal tourists tend to be less sensitive to price increases at the specific tourism organisation than non-loyal tourists (Tepeci, 1999:224 & Do Valle, Silva, Mendes & Guerreiro, 2006:26). Thus the tourism organisation can maintain and increase their revenue.

**The provision of a competitive advantage**

Petrick (2005:200) explains that loyal customers will be more likely to “identify with, have trust in, and be committed to the supplier when faced with adversity”. Creating loyal customers/tourists is thus of utmost importance when dealing with a competitive environment, such as the restaurant industry.

Due to the importance of loyalty, many organisations, such as restaurants, have started loyalty programmes to gain an increase in customer spending and retain customers (Shoemaker & Lewis, 1999:346; Worthington & Fear, 2009:1). Dunn (1997) explains that organisations with loyalty programmes generally wish to:
• protect market share from competitors
• Attract high value customers from competitors
• retain and grow high value customers
• upgrade high value customer `lookalikes` (that is, reward non-high value customers who have similar characteristics to the organisation's best customers so they will become better customers)
• retain a `core group` of moderate value customers
• Create `opportunity cost` for using a competitor

Loyalty programmes can be in the form of discounts or rewards points where the customer receives a gift after a certain number of points have been earned (Worthington & Fear, 2009:1). There is also no payment involved with most loyalty cards, as their primary purpose is to record transactions and purchasing behaviour to reward customers (Worthington & Fear, 2009:1). Loyalty programmes are especially important for tourism organisations as the card records the purchasing behaviour of the customers alongside the member number (Worthington & Fear, 2009:1), which is valuable as it can later be used to analyse their market and their purchasing behaviour.

Although loyalty programmes hold many benefits for organisations, Tideswell and Fredline (2004:186) stress that “true customer loyalty cannot be attained solely by rewarding buyers with such monetary-based rewards”. In other words, there are other factors that need to be considered when an organisation wants to create truly loyal customers. In the following section attention is given to the factors that contribute to brand loyalty in order to be able to increase customer loyalty by focusing on these antecedents.

3.2.3. Antecedents of brand loyalty

The fact that the tourism and hospitality industries are characterised by heterogeneity, intangibility, and the inseparability of the production of the service or product and the consumption thereof, makes the concept of loyalty and the understanding thereof even more important (Wilkins et al., 2009:3). As the success of tourism organisations depends greatly on the organisations' capability to retain its
current customers, in turn making them loyal tourists to the specific tourism organisation (Mellens, Dekimpe & Steenkamp, 1996:507), it is important to explore the key success factors that influence brand loyalty. By determining these factors the tourism organisation will be able to increase tourist satisfaction which may lead to an increase in loyal tourists (Tepeci, 1999:244). Adding to this, Van Can (2013:4) explains that, due to the recognised importance of loyalty, many academics and practitioners have attempted to determine the most significant antecedents of loyalty to increase repeat visitation. This is not easy as the factors relating to brand loyalty differ for each customer and loyalty is experienced differently (Salim, 2011:11).

Moolla and Bisschoff (2012b:343) for instance, identified twelve different key success factors influencing brand loyalty. Moolla and Bisschoff (2012a:102) further explains explain that while certain influences work together to achieve loyalty, they can also work independently. Tepeci (1999:244-245), on the other hand, found eight factors that contribute contribute to brand loyalty. He found that awareness, reputation, image, perceived quality, innovation, brand extension, satisfaction and customer background are related to brand loyalty. Wilkins et al. (2009:4) argues that customer satisfaction, service quality, value and brand trust can be seen as factors influencing loyalty. Moolla and Bisschoff (2012b:342) agree with Wilkins et al. (2009:4) but add a few factors such as switching costs, relationship proneness, brand involvement, commitment, repeated purchase behaviour, brand affect, brand relevance, brand performance and culture. The factors found by Suhartanto et al. (2013:48) concurs with that of Wilkins et al. (2009:4) and Moola and Bisschoff (2012b:342) stating that service quality, perceived value, and customer satisfaction are factors of brand loyalty, also he adds a factor of brand image. In addition, Nawaz and Usman (2011:214-215) add commitment and trust as contributing factors of brand loyalty. Nawaz and Usman (2011:216) also made some important connections between these factors. Nawaz and Usman (2011:216) came to the conclusion that by improving service quality brand loyalty can be created as service quality is closely related to satisfaction and as satisfaction is associated with brand loyalty it creates commitment to the specific brand. In turn, commitment to a preferred brand also leads to the development of loyalty to that specific brand.
It can thus be seen that certain factors presented themselves within multiple studies as very important in brand loyalty. Figure 3.5 below is an illustration of the factors that presented themselves most frequently.

Figure 3.5: A conceptual figure on brand loyalty factors
Source: Adapted from Nawaz and Usman (2011:214-215); Tepeci (1999:244-245); Wilkins et al. (2009:4); Moola and Bisschoff (2012b:343) & Suhartanto et al. (2013:48)

It can be seen from Figure 3.5 that the factors that occurred most frequently are customer satisfaction, service quality, brand trust, perceived value, brand image and commitment. These six factors, which are seen as the key success factors according to the literature, will now be discussed in further detail.

Customer satisfaction

One of the antecedents that multiple researchers found is customer/tourist satisfaction. Customer satisfaction is defined by Kotler and Armstrong (1996) as
cited in Hoque, Rana and Chowdhury (2013:303) as “the level of a person’s felt state resulting from comparing a product’s perceived performance or outcome in violation to his/her own expectations”. Customer satisfaction can thus be seen as comparative behaviour between the customers’ inputs and expectations before visitation and post evaluations and obtainments (Wang & Shieh, 2006:196). This can be due to the influence that satisfaction has on the tourists’ choice in destination or organisation, as well as their decision to revisit (Kozak & Rimmington, 2000, as cited in Van Can, 2013:4). As soon as tourists feel satisfied with a product or service they are more likely to return to the specific tourism organisation. Tourism organisations should firstly attempt to understand tourists’ needs and meeting those needs as much as possible. Understanding the needs of customers and knowing how to satisfy these needs makes it possible for organisations to become aware of the main factors influencing long-term relationships with the customer (Dovalienė, Gadeikienė & Piligrimienė, 2007:59). Only when tourists are satisfied will they return and become loyal to the brand.

In addition, Anderson, Fornell and Rust (1997:131) stress that word-of-mouth from satisfied customers can be of great benefit to any organisation. As previously mentioned, it can reduce the costs of attracting new customers and it increases the organisation’s overall reputation (Anderson 1994, Fornell, 1992). Shoemaker and Lewis (1999:353) however, state that customer/tourist loyalty is not the same as customer/tourist satisfaction. Shoemaker and Lewis (1999:353) explain that while satisfaction only measures the extent to which the customers/tourists’ expectations are met, loyalty measures the likelihood of return visits and repurchases. Thus, satisfaction can occur without loyalty, but loyalty cannot occur without satisfaction. Although customer satisfaction was seen as the main antecedent for loyalty and repurchasing behaviour for a number of years, researchers concluded after some research about the importance of customer satisfaction to long-term relationships that satisfaction is not the only important factor influencing loyalty (Dovalienė et al., 2007:59).
Service quality

Malik, Ghafoor and Iqbal (2012:124) explain that service quality is seen as one of the main factors that has an influence on customer satisfaction. Service quality is not only seen as an important factor within the manufacturing industries, it is also extremely important in industries that deliver services to customers such as the tourism industry. The concept of service quality is defined by Grönroos (1982:37) as “the outcome of an evaluation process where the consumer compares his expectations with the service he perceived he has received”. Wyckoff (1984:81), who defined service quality from a company’s perspective, states that “Service quality is the degree of excellence for meeting the customer’s requirements, and control over the variability in achieving that excellence”. Nitecki and Herron’s (2000:259) definition, in turn stating that service quality is the “meeting or exceeding customer expectations, or as the difference between customer perceptions and expectations of service”, which concurs with both Grönroos’ (1982) and Wyckoff’s (1984) definitions. Parasuraman, Zeithaml, and Berry (1985, 1988) state that service quality is mostly defined as an outcome of the comparison between the expectations of service quality and the perceptions of the customers’ feelings. Thus, service quality does not only include the service evaluation, but also the process of service delivery (Seyanont, 2007:13). In addition, Parasuraman et al. (1988) explain that service quality needs to be understood before the needs and wants of customers can be satisfied.

Numerous studies on service quality and customer satisfaction have found that service quality is an antecedent of customer satisfaction (Caruana, 2002; Cronin & Taylor, 1992; Parasuraman et al. 1994; Teas, 1994 as cited in Wilkins et al., 2009:5). Customer satisfaction, on the other hand, is seen as a mediating factor between service quality and loyalty (Caruana, 2002:815). Dovalienė et al. (2007:60) further explain that service quality drives customer satisfaction. A higher level of customer satisfaction can thus be achieved by a high level of service quality (Malik et al., 2012:124) which, in turn, leads to higher levels of customer loyalty (Tepeci, 1999:225). Service quality also has a direct positive influence on loyalty (Lai, Griffin & Babin, 2009:982). Figure 3.6 illustrates the relationship between service quality, satisfaction and loyalty.
Figure 3.6: Conceptual model of the relationship between service quality, satisfaction and loyalty

*Source: Adapted from Wilkins et al. (2009:4) and Lai et al. (2009:981)*

**Brand trust**

Reichheld and Schefter (2000:107) explain that, for an organisation to gain loyal customers, the organisation should first gain their trust. Lemmer (2011:96) states that “trust is an essential part of brand loyalty, and is derived from the quality of the brand experience”. In addition to this, Wilkins et al. (2009:16) stated that brand trust is rooted in the experiences that customers have with the brand. With this said, trust as a concept has been defined by multiple researchers such as Chow and Holden (1997:278) who view trust as “a willingness to rely on an exchange partner in whom one has confidence”. Gurviez (1998) and Gurviez and Korchia (2002), as cited by Touzani and Temessek (2009:232), on the other hand described trust as “the consumer presumption that the brand, as a personified entity, commits itself to have a predictable action, in accordance with his expectations, and to maintain this orientation in the length”, followed by Chaudhuri and Holbrook’s (2001:84) definition stating that trust is “the willingness of the average customer to rely on the ability of the brand to perform its stated function”. It is clear from the above definitions, that trust consists of a feeling of confidence in the organisation, as well as relying on the organisation to meet his/her expectations.

Furthermore, for an organisation to build a long-term relationship with the customers that is built on trust, the organisation should fulfil the customer's needs and wants
(Malik et al., 2012:124). If a customer is unable to trust an organisation to fulfil his/her needs, the customer will be dissatisfied (Mostaghel, 2006:60). In turn, customers are more likely to return to an organisation when they are satisfied, which is also an indication of trust towards the organisation (Lemmer, 2011:47). If trust is experienced in the relationship between the customer and the organisation, it will result in brand loyalty (Chaudhuri & Holbrook, 2001:84; Wilkins et al., 2009:6; Narteh, Agbemabiese, Kodua & Braimah, 2013:429) which, in turn, increases repeat visitation as well as the repurchasing of products (Lin, Wu & Wang, 2000:278; Wood, 2004:158; Keller 2008:6). It has also been found that customers who trust an organisation and who are loyal towards it are willing to pay more for offerings such as products and services (Kim, Kim, Kim, Kim & Kang, 2008:75; Story & Hess, 2006:407; Opperman, 2000:78).

Gurviez (1998), as cited by Touzani and Temessek (2009:232), explains that brand trust consists of two components, the cognitive and effective components. Within trust, the cognitive component is referred to as credibility. This includes the reliability of information about the brand, the organisation’s performance as well as the organisation’s ability to satisfy their needs. On the other hand, the affective component is integrity. This is the perception that the customer has relating to the organisation’s motivations towards them. Touzani and Temessek (2009:232) explain that both of these components can lead to loyalty. According to Narteh et al. (2013:141) owning up to the promises that have been made is just as important as it is to build long-term customer relationships. Trust can be built by means of committing to the promises made, expressing concern and showing integrity towards customers (Narteh et al., 2013:141).

**Perceived value**

Perceived value is seen as a partial facilitator in the relationship that exists between perceived quality and satisfaction (Dmitrović, Cvelbar, Kolar, Brenčič, Ograjenšek, & Žabkar, 2008:120). Perceived value has been defined by Zeithalm (1988:14) as “a consumer’s overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given”. It can thus be seen as the
comparison between the benefits received to the costs of attaining it (Chiou, 2004:687). Multiple researchers have found that perceived value serves as an extension to the customer satisfaction-service quality dimension, as it integrates the relationship between the customers experience and the financial expenses involved in the transaction (Dodds & Monroe, 1985; Dodds, Monroe & Grewal, 1991). With this said, researchers such as Saeed, Lodhi, Mehmood, Ishfaque, Dustgeer, Sami, Mahmood and Ahmad (2013:1365) state that it is impossible to achieve customer satisfaction without perceived value, as this means that the brand has failed in meeting the customer's expectations. This is supported by Sadeh, Asgari, Mousavi and Sadeh (2012:1557) as they are of opinion that the expectations of customers have a direct impact on both perceived value and customer satisfaction. Sadeh et al. (2012:1557) further state that the expectations of the customers serves as the basis for the assessment of the expenses versus the services delivered, which might result in a sense of perceived value. Bosque and Martin (2008) explain that when the perceived value exceeds the expectations that the customer had of the experience, the customer will most likely have a high level of satisfaction.

As perceived value and satisfaction are closely related, it has been found that perceived value, as satisfaction, is an important antecedent of repurchasing intention (Chiou, 2004:687). Harris and Goode (2004:150) add that perceived value has both a direct and an indirect association with loyalty. As a result of the positive influence that perceived value has on satisfaction, perceived value has a direct influence on word-of-mouth endorsements as well as repurchasing intention (Dodds & Monroe, 1985; Dodds, Monroe, & Grewal, 1991), which then leads to loyalty of customers. In addition, Punniyamoorthy and Raj (2007:225) state that the higher the level of perceived value, the higher the level of loyalty will be. This concept, however, has its challenges as customers will perceive value differently, depending on their wants and needs (Zeithalm, 1988). For example, some customers will perceive an experience as value when the costs are low, while the next customer compares the quality of the experience against the financial costs involved. Thus, the factors and components leading up to perceived value may differ (Sweeney & Soutar, 2001:204).
Brand image

Due to the increasingly competitive nature of the tourism industry, it is crucial for organisations within this industry to ensure that their offerings stand out in the market place (Saeed et al., 2013:1364). This is why brand image is important, brand image is the tool that helps organisations place their brands in the minds of their customers in a distinct way (Saeed et al., 2013:1364). A positive brand image is the best way to distinguish one tourism organisation from another, thus leading to a competitive advantage. Building brand image is especially important for service organisations such as tourism organisations because it is an important contributing factor for product marketing (Malik et al., 2012:124).

Recognising the importance of brand image, Keller (1993) defined the term brand image as “the brand relations retained in consumers’ mind causes the assumptions about a brand” (Malik et al., 2012:124). Hawkings, Best and Coney (2001:245) elaborated on this by stating that brand image “refers to the schematic memory of a brand. It contains the target market’s interpretation of the product’s attributes, benefits, use and characteristics of users and manufacturers. It is what customers think of and feel when they hear or see a brand”. Another definition of brand image, as defined by Nandan (2005:1) explains that brand image can be seen as the perceptions that the customer has of the brand. More recently, Kotler and Keller (2006:286) described brand image as “the perceptions and beliefs held by consumers, as reflected in the associations held in the consumer’s memory”. It can thus be concluded from these definitions that brand image is concerned with the perceptions and associations that the customer forms in his/her mind when they are confronted by the brand (Keller, 2008:51; Kapferer, 2008:174; Sayre, 2008:183; Oakenfull & McCarthy, 2010:281; Shimp, 2010:39). These perceptions and image of the brand are important for word-of-mouth marketing as well as the customer’s decisions for future purchases (Lemmer, 2011:56).

As brand imagery involves the customer’s abstract perception about the brand, instead of what the brand represents and does, it is important to create positive experiences and impressions when the customer comes into contact with the brand (Lemmer, 2011:8). This should especially be kept in mind since the brand image is
formed and directly associated with the customer's experience with the organisation and its offerings (Lemmer, 2011:8).

The perceptions of the brand image can, however, differ from the identity that the organisation had intended to establish (Lombard, 2007:11), thus the organisation should attempt to create a favourable brand image as well as establish it in accordance with the brand's characteristics as they want it to stand out in the customer's mind (Keller, 2001:14). This is, however, a challenge for any organisation as customers will form different opinions (brand image) relating to the brand as no two persons are the same and form their own perceptions as a result of multiple factors such as their personality (Lombard, 2007:57). Touzani and Temessek (2009:238) explain that organisations should focus their attention on building affective relationships between the brand and its customers through encouraging a brand image that expresses values that are closely related to those of the customer, which, in turn, leads to brand loyalty. Multiple studies have found that brand image has an influence on brand loyalty (Malik *et al*., 2012:124; Saeed *et al*., 2013:1364; Lombard, 2007:55), which is why organisations should make every effort to deliver products and services that are satisfactory, efficient and competitive. By doing this, it could lead to a positive brand image (Burke & Resnick, 2000:93; Bowie & Buttle, 2004:28; George, 2008:34; McCabe, 2009:184) which is of utmost importance as a negative brand image is both difficult and costly to reposition (Lemmer, 2011:57).

**Commitment**

Multiple studies in the literature view brand commitment as either a part of loyalty, an indication of loyalty, as a construct affecting loyalty, as an independent variable or as a measurement of loyalty (Shuv-Ami, 2010:1). Some of the early definitions of commitment states that it is “the link that exists between an individual and his acts” (Kiesler, 1971). Johnson (1973) then modified this definition by describing commitment as “the extent to which an action is dedicated to the completion of a line of action”. These definitions, however, seemed vague in contrast to the importance of customer commitment. Crottts, Coppage, and Andibo (2001:196) thus compiled a new definition for commitment describing commitment as “the desire to continue the
relationship and to work to ensure its continuance”. Gurviez and Korchia (2002) supported this definition by stating that commitment from the customer can be seen as the overall intention to maintain a long-lasting relationship. Thus, commitment is generally seen as the desire as well as the intention to continue with the relationship between the customer and the organisation (Touzani & Temessek, 2009:230). Shuv-Ami (2010:3) also describes commitment as the degree of attachment that the customer has towards a specific brand that they continuously use and re-buy. Multiple researchers has found that customers that are highly committed to a specific brand will frequently search for marketing activities presented by the brand (Brown, 1952; Barwise & Ehrenberg, 1987; Chaudhuri, 1995; Baldinger & Rubinson, 1996; Bandyopadhyay, Gupta, & Dube, 2005, as cited by Chi, Yeh & Yang, 2009:137). To ensure the continued commitment to the organisation and brand, it is important for customers to have the perception that they receive sufficient value in turn for their loyalty towards the organisation (Dube & Renaghan, 1999:82). Touzani and Temessek, (2009:227) add that whenever customers have a feeling of commitment towards the brand, they will become loyal customers. Furthermore, “The notion of commitment provides an essential basis for distinguishing between brand loyalty and other forms of repeat purchasing behaviour and holds promise for assessing the relative degrees of brand loyalty” (Jacoby & Kyner, 1973:3).

It is proposed by Chaudhuri and Holbrook (2001:85) that commitment that led to loyalty intentions can be seen as a result of trust in the organisation. Tideswell and Fredline (2004:189) recognise that, for a customer to be considered as loyal, they must hold a feeling of both trust and commitment (Lewin & Johnston, 1997:23; Morgan & Hunt, 1994:26). Thus, the obligation of building a relationship that is formed through trust and commitment should be realised by the organisation (Narteh et al., 2013:414). Commitment however, has a double nature. Commitment can either be a calculated or an effective commitment (Allen & Meyer, 1990:9; Kumar, Hibbard & Stern 1994:100; Morgan & Hunt, 1994:27; Mattila, 2006:176; Shuv-Ami, 2010:3). Calculated commitment refers to the extent to which customers will repurchase from a specific organisation as long as the benefits outweigh the costs of switching to another organisation (Touzani & Temessek, 2009:230), while effective commitment is based on an emotional attachment to the organisation and a desire to maintain a relationship with the organisation without taking any form of material such as costs into consideration.
It has been found that when comparing these two forms of commitment, effective commitment is the most effective driver of customer loyalty (Mattila, 2006:176; Li, Petrick & Zhou, 2008:85 & Touzani & Temessek, 2009:230).

Because these factors were found in multiple studies that are based on various scenarios, the aim of this study is to determine which of these, if not all, factors are key success factors in brand loyalty in order to improve and increase their level of loyalty. Furthermore, when customers are loyal to an organisation, they are more likely to trust and be committed to the organisation, especially when they are faced with competing organisations (Petrick, 2005:200).
3.3. CONCLUSION

It is clear that loyalty research has come a long way, through different approaches up to the composite approach, which is a combination between the behavioural approach and the attitudinal approach. The different types of loyalty are also important to note as it is important for customers to have a high level of attachment as well as frequent purchasing behaviour to be considered highly loyal to a tourism organisation.

From this chapter, the importance of brand loyalty is clear due to the benefits that it holds for tourism organisations such as restaurants. These benefits include an increase in profit, reduced marketing costs, an increase in customer revenue, a decrease in operating costs, increased referrals, increased price premiums and a competitive advantage.

When a tourism organisation wants to create and increase loyal customers, it is important for them to be aware of the factors or antecedents leading to brand loyalty. There are multiple researchers that have examined the loyalty construct and that have each found multiple factors determining loyalty. From their research, the author has isolated the factors that have been found most frequently throughout the literature. These factors are: customer satisfaction, service quality, brand trust, perceived value, brand image and commitment.

The aim of this study, however, is to determine the key success factors that have an influence on the loyalty of restaurant patrons.
4.1. INTRODUCTION

The hospitality sector, and especially the restaurant industry, is known as a global industry (Kandampully & Suhartanto, 2000:346). It thus has a significant impact on and makes a contribution to global economies (Wilkins, Merrillees & Herington, 2009:1), provides employment for millions of people and delivers services to customers worldwide (Kandampully & Suhartanto, 2000:346; Wilkins et al., 2009:1). The Education Bureau of Hong Kong (Edb, 2009:23) explains that the tourism and hospitality industry is a “people industry”. This means that the products and services are delivered by people (the service providers) for people (the customers) (Okello & Yerian, 2009:606). Thus “people” in a tourism context, includes tourists who interact with each other, as well as with the personnel.

“People” can thus be considered as a crucial part of the customers'/tourists’ experience and satisfaction (Lemmer, 2011:56). By satisfying customers, an organisation could gain loyal tourists who contribute to a variety of benefits for the organisation. The purpose of this chapter is to empirically analyse the key success factors that influence the brand loyalty of restaurant patrons. By doing this, restaurant owners become aware of these factors which can assist them in increasing their loyal visitors, keeping their patron numbers from decreasing and, in turn, increasing their profitability. Firstly, the research methodology chosen for this study will be discussed.

4.2. RESEARCH DESIGN

According to Parahoo (2006) research design can be described as “a plan that describes how, when and where data are to be collected and analysed”. Labaree
(2013:9) argues that research design is more than just a work plan. A research design’s aim is to ensure that the results obtained through the research enable the researcher to answer the initial question of the study as clearly as possible (Labaree, 2013:9). The research design for this study is twofold. Firstly, a descriptive research design was chosen for this study, representing the who, what, when and how that is associated with the target population (Berndt & Petzer, 2011:343). Descriptive analyses are used to summarise large amounts of data and explain and describe it in simpler ways (Trochim, 2006:1; Laerd statistics, 2015:1). Secondly, an exploratory research design was also followed so that the researcher could investigate the novelty concerning the research topic (Saunders, Lewis & Thornhill, 2000:97). Within the exploratory analyses, certain aspects are compared to find any combinations or interdependence between them.

4.3. METHOD OF RESEARCH

Within the research methodology section, the development of the survey, population and sample of the survey will be discussed as well as the development of the questionnaire, and the different analyses conducted on the data received from the surveys.

4.3.1. Sample framework and sampling

Singh (s.a.:2) explains that a sample framework is “a listing of the population units from which a sample is to be selected at any stage of sampling”. Sampling, on the other hand, is described by Trochim (2006:1) as “the process of selecting units (e.g., people, organisations) from a population of interest so that by studying the sample one may fairly generalise the results back to the population from which they were chosen”. When conducting research, there are two sampling methods to consider, probability sampling and non-probability sampling. Probability sampling is used when all the units in the population have equal probabilities of being chosen, while non-probability sampling does not involve random selection (Trochim, 2006:1). Non-probability sampling is used when units in the population fitting specific criteria are approached. The target population for the distribution of questionnaires included all patrons to the Spur Steak Ranch restaurant in Potchefstroom on 8, 9 and 11 June 2015 as well as on 13 and 14 of August 2015. The Spur Steak Ranches had their beginning in 1967 in Cape Town when executive chairman, Allen Ambor, founded
the Golden Spur. Since then, the Spur steak ranch group has grown into an international brand with over 237 local restaurants and 28 international restaurants in the United Kingdom, Australia and Mauritius. Spur steak ranches pride themselves on their warm, family-friendly environment with generous portions of great tasting food (Spur Group, 2003:1).

Due to the non-availability of a list of possible respondents that will visit the restaurant, it was decided to follow a non-probability sampling method - convenience sampling. In other words those respondents visiting the restaurant on the selected dates were approached to participate in the survey. However, only one person per group was permitted to complete the questionnaire and respondents had to be part of the loyalty club of Spur Steak Ranches. Loyalty to Spur thus served as a screening question. Five fieldworkers from North-West University assisted in the distribution of the questionnaires after they were briefed on the aim of the study, the various questions and how to approach possible respondents.

4.3.2. The development of the questionnaire

Data can either be collected in a qualitative or a quantitative manner. Qualitative research design attempts to extend and deepen the understanding of a certain subject (Hancock, Ockleford & Windridge, 2009:4). Qualitative research design is used when a new area in research is being explored where the problem or issue is not yet fully understood or properly identified (Hancock et al., 2009:4). Data collected in a qualitative way is usually done through personal interviews or observations which are time and cost consuming (Kritsonis, 2009:2; My-peer toolkit, 2010:1). Quantitative research, on the other hand, is generally used to control a certain phenomenon. Quantitative research further sought to bring an understanding of the phenomenon through test questionnaires, checklists, and surveys (Kritsonis, 2009:2). Kritsonis (2009:2) explains that features of quantitative research are “defining the problem or questions to be studied and developing a hypotheses that predicts the results of the research before the study begins; controlling contextual factors that might influence the results of the study; collecting data from samples of participants; and using numerical statistical approaches to analyse the collected data”. Because the research for this study is quantitative, a questionnaire approach was used. The questionnaire used for this study was designed based on literature
from previous studies such as those of Deloitte (2013:11,43); Hyun (2010:264) and Wilkins et al. (2009:4) who studied brand loyalty within the hospitality industry. The questionnaire was used to capture the perceptions of patrons as to which factors contribute to their loyalty towards a restaurant. The questionnaire consisted of four different sections. In the first section, the respondents were asked to indicate to which extent certain aspects contribute to their loyalty towards the restaurant. The aspects contributing to loyalty consisted of 37 items that were measured on a 5-point Likert scale where 1 represented to a very little extent, 2 = to a little extent, 3 = to some extent, 4 = to great extent and 5 = to a very great extent. The second section captured the demographic profile of the respondents. This included details such as the age, gender, home language, city of residence, and occupation. These questions were mainly closed-ended questions. The third section contained the economic details of the patrons (annual gross income and their expenditure) and again closed-ended questions were used. Lastly, the patrons’ restaurant visiting behaviour was measured, which includes number of people in visiting group, frequency of visits, their reason for visiting the restaurant, their intent to return and loyalty cards.

4.3.3. Capturing of data and statistical analyses

After the collected data was captured, multiple statistical analyses were done. For this study, Microsoft Excel was used to capture the collected data. After capturing the data, statistical techniques were used for multiple analyses. Software called SPSS (Statistical Package for the Social Sciences) was used for analyses with reference to descriptive statistics, factor analysis as well as t-tests, Pearson rank correlation analyses and One-way-analyses-of-variance (ANOVAs). By doing these data analyses, trends and significant aspects could be pointed out.

4.3.3.1. Descriptive analyses

“Descriptive statistics is the term given to the analysis of data that helps describe, show or summarise data in a meaningful way such that, for example, patterns might emerge from the data” (Laerd statistics, 2015:1). Descriptive statistics are used with
success for quantitative data to simplify and describe large amounts of data in a basic and manageable way. Descriptive statistics thus provide a more basic summary of what the data shows (Trochim, 2006:1).

The questionnaire consisted of two sections, Section A, a Likert scale of factors contributing to loyalty and Section B, the demographic profile of the respondents. For the purpose of this study, both sections were used for the descriptive data analyses.

**4.3.2 Exploratory analyses**

Exploratory analysis “is used to investigate the full nature of the phenomenon and other factors related to it” (Dangaiso, 2014:53). Firstly, a factor analysis was conducted on the data, followed by t-tests, ANOVAs and a Pearson rank correlation analysis.

**4.3.3.2 Factor analysis**

Gabor (2010:121) defines the term factor analysis as a method that investigates the interdependent relations between several variables which explain a certain phenomenon. The amount of information in the initial variables is reduced by establishing a smaller set of dimensions known as factors and which focus on the interdependence among them (Gabor, 2010:121). For the purpose of this study, a factor analysis was conducted to find similar variants within the aspects listed in the questionnaire, the 5-point Likert scale measuring the extent to which the aspects listed contribute to loyalty towards restaurants. Section A was used for this analysis. By doing this, the factors found to have the largest influence on patrons’ loyalty towards a restaurant can be identified and restaurant managers can improve on those aspects to increase their number of loyal patrons.

Due to the exploratory nature of this research, factor loadings above 0.30 were considered adequate (Pallant, 2010:183). A reliability coefficient, Cronbach’s Alpha (CA), was computed for each factor to estimate the internal consistency. All factors with a CA above 0.6 were considered reliable as a recommended CA for any study is ≥0.60 (Pallant, 201:183). The Bartlett’s Test of Sphericity needs to have a significant value of p≤0.000.
43322. **t-tests**

Statwing (2015:1) explains that “a t-test helps one compare whether two groups have different average values (for example, whether men and women have different average heights)”. When considering t-tests, there are two types available: independent samples t-test and paired samples t-test. For the purpose of this study, independent-sample t-tests were conducted as they are used to compare the mean scores of two different groups of people or situations (Pallant, 2010:239). The first t-tests were conducted on the difference in gender of the participants and the factors found through the factor analysis. In other words, the t-test determined whether men and women have different perceptions towards the factors. The second t-test was based on the different motivations of participants visiting restaurants and the factors from the factor analyses, thus it could be seen which factors are important in relation to the different motivations of the participants.

43323. **One-way-analysis of variance (ANOVA)**

One way analysis of variance (ANOVA) is used when the mean scores of more than two groups are compared. “One-way analysis of variance involves one independent variable (referred to as factor) which has a number of different levels. These levels correspond to the different groups or conditions” (Pallant, 2010:249). Within this study, ANOVAs were conducted on language, occupation, income, frequency of visit and the kids’ club card, but only certain comparisons were significant. The different occupations of patrons were compared to the five factors found to have an influence on restaurant loyalty as the level of education could have an impact on their level of loyalty and their perception towards the factors contributing towards it. Secondly, an ANOVA analysis was conducted on the factors important to those part of the kids’ club and those that are not part of the club.

43324. **Pearson rank correlation**

A Pearson rank correlation shows the linear relationship between data sets (Hauke & Kossawski, 2011:1; Statistics how to, 2015:1). When conducting a correlation
analysis, the strength and relationship between variants are determined, thus their level of interdependence is measured. Pearson rank correlation coefficients ($r$) can only take on values from -1 to +1 (Pallant, 2010:128). Pearson rank correlations were done to determine the relationships between the loyalty factors.

The analyses of the data will now be discussed.

4.4. DESCRIPTIVE RESULTS OF THE SURVEY

The descriptive results will assist in drawing conclusions regarding the data and formulating recommendations which can help restaurant managers to focus on the important factors contributing to the loyalty of patrons.

From the survey conducted at the Montana Spur steak ranch (Potchefstroom), the following results were found. Firstly, the demographic profile of the patrons to the Spur Steak ranch restaurant at the specific time will be discussed, and thereafter, their economic profile, followed by their behavioural details. Lastly, the aspects contributing to restaurant loyalty will be discussed which is the main aim of this study.

4.4.1. Demographic Profile

Within this section, the demographic aspects of the patrons to the Spur Steak Ranch in Potchefstroom on the 8, 9 and 11 June 2015 and on the 13 and 14 of August 2015 are discussed.

Table 4.1: Demographic Profile

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>CATEGORY</th>
<th>PERCENTAGE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>41%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>59%</td>
</tr>
<tr>
<td>Age</td>
<td>Average</td>
<td>30.09 years</td>
</tr>
<tr>
<td>Language</td>
<td>Afrikaans</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>English</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>15%</td>
</tr>
<tr>
<td>City</td>
<td>Potchefstroom</td>
<td>49%</td>
</tr>
</tbody>
</table>
As can be seen in Table 4.1, 59% of the respondents who participated in the survey were female while 41% were male. The average age of the patrons was 30.09 years and 70% spoke Afrikaans as a first language. Fifteen percent were English, while the other 15% spoke an African language such as Setswana, Zulu, and Xitsonga as a first language. Other languages included Dutch, Venda and Ndebele. The majority of participants (49%) resided in Potchefstroom, while 14% visited from surrounding cities such as Klerksdorp and 37% from towns further away, such as Johannesburg. Thirty-six percent (36%) of respondents indicated that they are still students, followed by 15% in professional positions, 9% in management positions and 7% were self-employed. Thirty-three percent (33%) indicated that they were in other occupations such as technical or sales, administrative, mining, farming, education, civil service, a housewife or unemployed.

The economic profile of the patrons will now be discussed.

4.4.2. Economic Profile

The economic profile included the gross annual income of patrons, and their average expenditure.

Table 4.2: Economic Profile

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>CATEGORY</th>
<th>PERCENTAGE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>&lt; R20 000</td>
<td>36%</td>
</tr>
<tr>
<td></td>
<td>R20 001 – R140 000</td>
<td>22%</td>
</tr>
<tr>
<td></td>
<td>R140 001 – R221 000</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>R305 001 – R431 000</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>&gt; R552 000</td>
<td>9%</td>
</tr>
</tbody>
</table>
From Table 4.2 it can be seen that thirty-six percent (36%) of respondents indicated that they earned an income of less than R20,000 per annum, while 22% earned between R20,001 and R140,000. Ten percent (10%) respectively indicated that they received an income between R140,001 and R221,000 and R305,001 and R431,000. Only nine percent (9%) indicated that they earn a gross annual income of more than R552,000, followed by 8% earning between R221,001 and R305,000 and those earning between R431,001 and R552,000 (5%). There is thus a good spread of data amongst the various income groups.

Patrons spend an average of R146.81 on alcoholic refreshments, R118.88 on non-alcoholic beverages and R323.09 on food. The respondents indicated that they spend on average an additional R125.33 such as compensation for the waiter. Thus, the average expenditure of patrons is R714.13 per visit (Table 4.2).

### 4.4.3. Restaurant Behavioural Characteristics

Within this section, the behavioural characteristics of the patrons will be addressed, such as their average group size, visit frequency, their motivation for visiting, their intent to return to the restaurant, the competition of the restaurant, the factors associated with its success as well as whether the participants have loyalty cards and their perception towards the effectiveness of the cards.
### Table 4.3: Behavioural Characteristics

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>CATEGORY</th>
<th>PERCENTAGE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group size</td>
<td>Average</td>
<td>4.43 people</td>
</tr>
<tr>
<td>Visit frequency</td>
<td>Once a month</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>Once every 2 -3 months</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>Weekly</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>8%</td>
</tr>
<tr>
<td>Visit motivation</td>
<td>Relax;</td>
<td>69%</td>
</tr>
<tr>
<td></td>
<td>Excursion</td>
<td>54%</td>
</tr>
<tr>
<td></td>
<td>Specials</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Business</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>5%</td>
</tr>
<tr>
<td>Intent to return</td>
<td>Yes, definitely</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>No, definitely not</td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>Perhaps</td>
<td>5%</td>
</tr>
<tr>
<td>Competition</td>
<td>Mikes Kitchen</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>Panarottis</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>Beef Boys</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>Ocean Basket</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>Wimpy</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>53%</td>
</tr>
<tr>
<td>Success</td>
<td>Food quality</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>Service quality</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>Specials</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>Atmosphere</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>48%</td>
</tr>
<tr>
<td>Family Loyalty cards</td>
<td>Yes;</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>0%</td>
</tr>
<tr>
<td>Kids’ Club Card</td>
<td>Yes</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Not applicable</td>
<td>45%</td>
</tr>
<tr>
<td>Increase loyalty</td>
<td>Yes;</td>
<td>64%</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>36%</td>
</tr>
<tr>
<td>Reason</td>
<td>No real benefits</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rewards not real reason for dining out.</td>
<td></td>
</tr>
</tbody>
</table>
As can be seen from Table 4.3, the average patron dines with a group of 4.43 people once a month (50%). Sixty-nine percent (69%) of respondents indicated that they visit the restaurant to relax, for family excursions (54%) and for the specials offered (40%). Only 12% indicated that they visit the restaurant for business purposes. Ninety-four percent (94%) indicated that they will revisit the restaurant in the future, while 5% are unsure and only 1% will not revisit the restaurant.

When asked to name the restaurants biggest competition 14% respectively indicated Mikes Kitchen and Panarottis, followed by Beef Boys (7%), Ocean Basket (6%) and Wimpy (6%). Other competition includes Primi Piat, Dros, Steak house grill and John Dorry’s to name a few. According to the respondents, the success of the restaurant is due to its food quality (27%), the service quality (12%), followed by the specials offered (9%) and the atmosphere (4%). Other factors mentioned to contribute to the success includes the children facilities, breakfast special, the familiarity of the restaurant and signature menu to name a few. Thus, managers should pay special attention to the quality of the food they serve and the service the patrons receive. All of the respondents had the Spur family loyalty card, while only 30% owned the “Secret Tribe Kids’ Club” card and 45% indicated that it did not apply to them for example groups that did not have children, or student groups. When asked whether the loyalty cards increased their loyalty towards the restaurant, 64% indicated that it does, while 36% responded that it does not because they find no real benefits associated with the card or that they do not dine at the specific restaurant to gain rewards. Restaurant managers could thus improve the benefits associated with the card for those patrons that indicated that they find no real benefits associated with it or create more awareness about the card.

When respondents were asked what restaurants could do to improve and increase their loyalty, they recommended more benefits should be associated with the loyalty cards, the restaurant should be affordable, they should have a variety of specials, in other words, not the same specials every week, beverage (specific alcoholic) specials with the food specials and the same level of service and food quality at all restaurants if it is a chain restaurant.

Thus it is clear that it is important to patrons to visit a restaurant to relax and spend
time with friends and family. The success can also mostly be owed to the quality of the food offered at the restaurant. It can also be seen that patrons have a need for affordable restaurants with good service and food quality.

4.4.4. **Brand Loyalty**

The following section focuses on the descriptive analyses of brand loyalty and the aspects that contribute to their loyalty towards a restaurant.

4.4.4.1. **Aspects contributing to restaurant loyalty**

The respondents were asked to rate the extent to which the aspects listed in Table 4.4 below contribute to their loyalty towards restaurants on a 5-point Likert scale.

**Table 4.4: The aspects contributing to restaurant loyalty**

<table>
<thead>
<tr>
<th>ASPECTS</th>
<th>To a very little extent</th>
<th>To a little extent</th>
<th>To some extent</th>
<th>To a great extent</th>
<th>To a very great extent</th>
<th>Mean value and Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trained staff</td>
<td>2%</td>
<td>4%</td>
<td>17%</td>
<td>39%</td>
<td>38%</td>
<td>4.1 (±0.95)</td>
</tr>
<tr>
<td>Professional staff</td>
<td>1%</td>
<td>4%</td>
<td>16%</td>
<td>39%</td>
<td>40%</td>
<td>4.1 (±0.89)</td>
</tr>
<tr>
<td>Friendly staff</td>
<td>1%</td>
<td>3%</td>
<td>8%</td>
<td>38%</td>
<td>50%</td>
<td>4.3 (±0.82)</td>
</tr>
<tr>
<td>Accurate handling of orders</td>
<td>1%</td>
<td>3%</td>
<td>10%</td>
<td>36%</td>
<td>50%</td>
<td>4.3 (±0.82)</td>
</tr>
<tr>
<td>Timely handling of requests/inquiries</td>
<td>2%</td>
<td>4%</td>
<td>16%</td>
<td>37%</td>
<td>41%</td>
<td>4.1 (±0.96)</td>
</tr>
<tr>
<td>Service quality</td>
<td>1%</td>
<td>3%</td>
<td>13%</td>
<td>30%</td>
<td>53%</td>
<td>4.3 (±0.86)</td>
</tr>
<tr>
<td>The availability of supervision for children</td>
<td>8%</td>
<td>8%</td>
<td>17%</td>
<td>26%</td>
<td>41%</td>
<td>3.8 (±1.27)</td>
</tr>
<tr>
<td>The restaurant offers a good product for the price I pay</td>
<td>3%</td>
<td>7%</td>
<td>17%</td>
<td>35%</td>
<td>38%</td>
<td>4.0 (±1.04)</td>
</tr>
<tr>
<td>Feature</td>
<td>1%</td>
<td>7%</td>
<td>17%</td>
<td>38%</td>
<td>37%</td>
<td>4.0 (±0.97)</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----</td>
<td>----</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>-------------</td>
</tr>
<tr>
<td>Good value for money</td>
<td>2%</td>
<td>5%</td>
<td>14%</td>
<td>41%</td>
<td>38%</td>
<td>4.1 (±0.96)</td>
</tr>
<tr>
<td>Good specials</td>
<td>2%</td>
<td>5%</td>
<td>13%</td>
<td>39%</td>
<td>41%</td>
<td>4.1 (±0.98)</td>
</tr>
<tr>
<td>The food quantity</td>
<td>2%</td>
<td>6%</td>
<td>11%</td>
<td>38%</td>
<td>43%</td>
<td>4.1 (±0.97)</td>
</tr>
<tr>
<td>The variety of food on the menu</td>
<td>2%</td>
<td>6%</td>
<td>11%</td>
<td>38%</td>
<td>43%</td>
<td>4.1 (±0.97)</td>
</tr>
<tr>
<td>The quality of the food</td>
<td>0%</td>
<td>3%</td>
<td>10%</td>
<td>35%</td>
<td>52%</td>
<td>4.4 (±0.78)</td>
</tr>
<tr>
<td>The restaurant caters for food preferences e.g. Halaal, Vegetarian</td>
<td>9%</td>
<td>12%</td>
<td>17%</td>
<td>33%</td>
<td>29%</td>
<td>3.6 (±1.27)</td>
</tr>
<tr>
<td>The variety of beverages on the menu</td>
<td>5%</td>
<td>4%</td>
<td>22%</td>
<td>30%</td>
<td>39%</td>
<td>3.9 (±1.12)</td>
</tr>
<tr>
<td>The special menu for children</td>
<td>7%</td>
<td>4%</td>
<td>15%</td>
<td>36%</td>
<td>37%</td>
<td>3.9 (±1.16)</td>
</tr>
<tr>
<td>The benefits for members of the 'secret tribe kids' club'</td>
<td>10%</td>
<td>7%</td>
<td>19%</td>
<td>34%</td>
<td>30%</td>
<td>3.7 (±1.25)</td>
</tr>
<tr>
<td>There is a playground for my children</td>
<td>11%</td>
<td>4%</td>
<td>13%</td>
<td>29%</td>
<td>43%</td>
<td>3.9 (±1.30)</td>
</tr>
<tr>
<td>There are child-friendly facilities</td>
<td>10%</td>
<td>2%</td>
<td>14%</td>
<td>31%</td>
<td>43%</td>
<td>4.0 (±1.25)</td>
</tr>
<tr>
<td>The restaurant is clean and tidy</td>
<td>1%</td>
<td>1%</td>
<td>8%</td>
<td>32%</td>
<td>58%</td>
<td>4.5 (±0.79)</td>
</tr>
<tr>
<td>There is enough personal space</td>
<td>2%</td>
<td>3%</td>
<td>8%</td>
<td>36%</td>
<td>51%</td>
<td>4.3 (±0.91)</td>
</tr>
<tr>
<td>Availability of additional facilities e.g. TV, Wi-Fi, power supply</td>
<td>8%</td>
<td>9%</td>
<td>29%</td>
<td>26%</td>
<td>28%</td>
<td>3.56 (±1.22)</td>
</tr>
<tr>
<td>The restaurant has a generator</td>
<td>5%</td>
<td>2%</td>
<td>16%</td>
<td>31%</td>
<td>46%</td>
<td>4.1 (±1.09)</td>
</tr>
</tbody>
</table>
When considering the results shown in Table 4.4, it is important to notice the mean
value as well as the standard deviation of the different aspects. According to the mean values, the cleanliness and tidiness of a restaurant (M=4.5; SD=±0.79) contributed the most towards restaurant loyalty. This finding correlates with Du Toit and Erdis (2012:4) and Erdis (2009:123) who found cleanliness as an important factor within loyalty.

Secondly, being able to spend time with friends/family at a restaurant (M=4.4; SD=±0.76) was considered to contribute greatly, as well as the quality of the food (M=4.4; SD±0.78). This is confirmed by Hyun (2010:254) who stated that within the restaurant industry, the quality of food has a great influence on patrons’ behaviour towards a restaurant.

According to the results, when a patron enjoys dining at a restaurant (M=4.3; SD=±0.79), they perceive it as influential to their loyalty towards a restaurant, in other words they are satisfied. This is supported by multiple studies as a very important factor to consider (Shoemaker & Lewis, 1999:353; Dovalienė, Gadeikienė & Pilgrimienė, 2007:59; Hyun, 2010:256).

In accordance with Deloitte (2013:11), order accuracy (M=4.3; SD=±0.82) was also placed among the factors having a great influence on loyalty towards restaurants. As most of these aspects can be managed, it is important for managers to ensure that the staff is trained well and create a satisfactory dining experience.

Together with these factors, having a good previous experience (M=4.3; SD=±0.83) also seems of great importance as well as the accessibility of the restaurant (M=4.3; SD=±0.89), having enough personal space (M=4.3; SD=±0.91) and the service quality of the restaurant (M=4.3; SD=±0.86). Although very little literature could support the previous experience and the accessibility as important factors, a variety of research was found on service quality as an important factor (Malik et al., 2012:124; Wilkins et al., 2009:5; Lai et al., 2009:981).

As can be seen in Table 4.5, the respondents indicated that the following aspects contributed to their loyalty *to a great* and *very great extent.*
As Table 4.5 shows, the aspects rated as contributing a great to a very great extent towards patrons’ loyalty which includes whether the restaurant is clean and tidy, spending time with friends and family, the quality of the food, simply enjoying the restaurant, the accuracy of orders, having a good previous experience, the accessibility of the restaurant, having enough personal space and the service quality.

It is thus clear that all of these aspects contribute to loyalty as they all had mean values above 3 that indicate that they do contribute to loyalty to some extent.

Thus, even in a family restaurant, the most important contributors to loyalty remain related to a good product and offering quality service as well as giving patrons a good experience while at the restaurant.

4.5. EXPLORATORY RESULTS OF THE SURVEY

Within this section, the factor analysis done on the aspects contributing to the loyalty towards a restaurant will be discussed. Further analyses were done through ANOVA, t-tests as well as Pearson Rank Order Correlations to determine whether certain loyalty levels are influenced by variables such as age and income.

4.5.1. Key success factors of loyalty towards restaurants

For this study, a factor analysis was performed on section A of the questionnaire to determine the key success factors that contributed to loyalty towards restaurants and the validity thereof. There are certain measures to take into account when
performing factor analyses. It is important that the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is above 0.6 and the Bartlett's Test of Sphericity ($p \leq 0.000$) is less than 0.5 (Pallant, 2010:183). These are used to determine whether the covariance matrix was suitable for the factor analyses. The factor loadings should be above 0.30 (Pallant, 2010:183), the eigenvalue should be 1.0 or more and the variance explained should be above 50%. It is also important to determine the Cronbach Alpha Coefficient as an indication of the internal consistency of the data. The closer to 1 the higher is the internal consistency of the data which means that all the items that are grouped together, belong together.

In the case of this study the KMO was 0.897 which is appropriate and the Bartlett test was significant ($p=.000$). The five factors explained 63.77% of the variance and all factor loadings were above 0.40.

Table 4.6 below represents the key success factors of loyalty towards restaurants as they were rated of importance which resulted in five key factors.

**Table 4.6: Key success factors of loyalty to restaurants**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
<th>Factor 4</th>
<th>Factor 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total experience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children facilities and menu</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service and staff quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value and quality of food</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convenience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Can spend time here with friends/family</td>
<td>.692</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have fond memories of the restaurant</td>
<td>.679</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good previous experience</td>
<td>.675</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The fact that my family/friends are loyal customers</td>
<td>.661</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I enjoy dining at the restaurant</td>
<td>.591</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel at home when dining at the restaurant</td>
<td>.578</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Me and my company feel important when visiting the restaurant</td>
<td>.544</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The restaurant offers what they promise in their advertisements</td>
<td>.451</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a playground for my children</td>
<td>.846</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are child-friendly facilities</td>
<td>.835</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The benefits for members of the ‘secret tribe kids’ club’</td>
<td>.795</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The special menu for children</td>
<td>.771</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The restaurant caters for food preferences e.g. halal, vegetarian</td>
<td>.672</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The variety of beverages on the menu</td>
<td>.453</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional staff</td>
<td>.937</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trained staff</td>
<td>.851</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friendly staff</td>
<td>.817</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timely handling of requests/inquiries</td>
<td>.683</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accurate handling of orders</td>
<td>.660</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service quality</td>
<td>.640</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The food quantity</td>
<td>.790</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good specials</td>
<td>.716</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Good value for money & .644  
The variety of food on the menu & .615  
The quality of the food & .600  
The restaurant has a generator & .743  
The restaurants' location is convenient & .693  
The restaurant is accessible & .688  
Availability of additional facilities & .455  

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>.896</th>
<th>.878</th>
<th>.887</th>
<th>.816</th>
<th>.780</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter-item mean correlations</td>
<td>.531</td>
<td>.542</td>
<td>.568</td>
<td>.472</td>
<td>.492</td>
</tr>
</tbody>
</table>

| Mean Value | 4.12 | 3.83 | 4.20 | 4.14 | 4.01 |

It is clear from Table 4.6 that all of the factors found have an internal consistency as they all have a Cronbach Alpha above 0.70 which is highly acceptable for exploratory data. Five key factors presented themselves through the factor analysis as having an influence on patrons’ loyalty towards a restaurant.

Table 4.7: Correlation Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>Total Experience</th>
<th>Children facilities and menu</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Experience</td>
<td>1.000</td>
<td>.301</td>
<td>.356</td>
<td>.319</td>
<td>.327</td>
</tr>
<tr>
<td>Children’s facilities and menu</td>
<td>.301</td>
<td>1.000</td>
<td>.157</td>
<td>.263</td>
<td>.201</td>
</tr>
<tr>
<td>Service and staff quality</td>
<td>.356</td>
<td>.157</td>
<td>1.000</td>
<td>.398</td>
<td>.331</td>
</tr>
</tbody>
</table>
From the Correlation Matrix shown in Table 4.7, it is clear that all of the factors received fairly small correlations which mean that the factors listed are all independent of each other.

**FACTOR 1: Total Experience**

This factor consisted of eight different variables, spending time with friends/family; having fond memories of the restaurant; having good previous experiences at the restaurant; the fact that my family/friends are loyal customers; enjoy dining at the restaurant; feeling at home when dining at the restaurant; feeling important when visiting the restaurant; and that the restaurant offers what they promise in their advertisements. This factor was labelled Total Experience and yielded a Cronbach Alpha value of 0.896 and a mean value of 4.12 which was the third highest value. In other words, the total experience was the third most important factor contributing to loyalty towards a restaurant.

Although a large quantity of literature have found and expressed the importance of satisfaction as an antecedent towards loyalty, very few authors have reported the total experience as an important factor. Berry and Carbone (2007:31), however, express that ‘customers’ desire to come back to a business again (loyalty) results more from how they feel about the total experience they receive than from what they rationally think about a company’s products and services. The importance of the experience should therefore not be underestimated as it cannot be touched or tested beforehand but still influences loyalty.

**FACTOR 2: Children’s Facilities and Menus**

The second factor called children’s facilities and menus consisted of six variables that were clustered together. These factors include a playground for children, child-friendly facilities, benefits for children with a loyalty card, a special menu for children, the fact that the restaurant caters for food preferences and the variety of beverages on the menu. The Cronbach Alpha for this factor was 0.878 and the mean value was 3.83. This factor had the lowest mean value out of the five factors which means that

<table>
<thead>
<tr>
<th>Value and quality of food</th>
<th>0.319</th>
<th>0.263</th>
<th>0.398</th>
<th>1.000</th>
<th>0.332</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience</td>
<td>0.327</td>
<td>0.201</td>
<td>0.331</td>
<td>0.332</td>
<td>1.000</td>
</tr>
</tbody>
</table>
children facilities and the menu is important but the least important factor in comparison with the other factors. Although children’s facilities could not be found as an antecedent to loyalty within the literature, Deloitte (2013:43) found the menu and the menu variety as an important factor within their research. With this said, there is a definite gap for research on children’s facilities within restaurants. This factor should play an important role especially in family restaurants.

**FACTOR 3: Service and Staff Quality**

The six variables grouped together in factor 3 were labelled Service and Staff quality and included: professional staff, trained staff, friendly staff, the timely handling of requests/inquiries, accurate handling of orders and the overall service quality. Service- and staff quality yielded a Cronbach Alpha value of 0.887 and a mean value of 4.20 which calculated as the highest mean value. Thus, service and staff quality is seen as the most important factor contributing to patrons’ loyalty. Tepeci (1999:244 -245); Wilkins et al. (2009:4), Hyun (2010:264); Nawaz and Usman (2011:216); Moola and Bisschoff (2012b:342); and Suhartanto et al. (2013:48) also found service quality as a crucial antecedent of loyalty. It can thus be said that, by ensuring excellent service and staff quality through training, managers can increase the level of satisfaction of patrons and, in turn, increase their number of loyal patrons.

**FACTOR 4: Value and Quality of Food**

The fourth factor consisted of five variables including the food quantity, good specials, value for money, the variety of food on the menu and the quality of the food. This factor had a 0.816 Cronbach Alpha and a mean value of 4.14. Value and Quality of food was thus the second most important factor contributing to loyalty. These factors are confirmed by Hyun (2010:264) as important to the satisfaction of patrons to a restaurant, which then leads to loyalty. Value was also found as an important factor according to Wilkins et al. (2009:4); Moola and Bisschoff (2012b:342); Suhartanto et al. (2013:48) and Deloitte (2013:15). In the case of this study, these two items grouped into one factor.
FACTOR 5: Convenience

The last factor measured was convenience. Variables such as whether the restaurant has a generator, the restaurants’ location is convenient, if the restaurant is accessible and the availability of additional facilities were grouped together. This factor was labelled convenience. The Cronbach Alpha value was 0.780 and the mean value 4.01. The convenience of a restaurant is thus the fourth most important factor when it comes to loyalty towards a restaurant. This factor correlates with Sun (1995) and Soriano (2002), as cited by Hyun (2010:255) that stated that when patrons dine out, they prefer a convenient location.

Thus it is evident that the key success factors contributing to the loyalty of restaurant patrons are the service- and staff quality, the total experience, the value and quality of food; the convenience of the restaurant and the children facilities and menu.

4.5.2. Correlations between the loyalty factors

To determine the strength and relationship, if there is any, between two of the factors a Pearson rank correlation was conducted. In the case of this study, the variables were the five factors that were found through the factor analyses, thus the total experience, Children’s facilities and menu, service and service quality and convenience were analysed. To ensure that these correlations have statistical significance, the correlation should be p<.05 (Pallant, 2010:134). It can be seen from Table 4.8 all of these correlations scored .000, thus there are statistically significant correlations between the variables. Besides, statistical significance is important to interpret the strength of the relationship between the variables and type of relationship.

When determining the strength of the relationship, the value of the correlation coefficient should range between -1.00 to 1.00. “This value will indicate the strength of the relationship between two variables. A correlation of 0 indicates no relationship at all, a correlation of -1.0 indicates a perfect negative correlation” (Pallant, 2010:134). When interpreting the strength of the value, Cohen (1988:79-81) suggests a guideline of small r=0.10 to 0.29, medium r=0.30 to 0.49 and large r=0.50 to 1.0.
Table 4.8: Pearson Rank Correlation between the various factors

<table>
<thead>
<tr>
<th></th>
<th>Total Experience</th>
<th>Children facilities and menu</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Experience</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.535</td>
<td>.496</td>
<td>.603</td>
<td>.625</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>254</td>
<td>254</td>
<td>254</td>
<td>254</td>
<td>254</td>
</tr>
<tr>
<td><strong>Children’s facilities and menu</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.535</td>
<td>1</td>
<td>.236</td>
<td>.385</td>
<td>.423</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>254</td>
<td>255</td>
<td>255</td>
<td>255</td>
<td>254</td>
</tr>
<tr>
<td><strong>Service and staff quality</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.496</td>
<td>.236</td>
<td>1</td>
<td>.519</td>
<td>.445</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>254</td>
<td>255</td>
<td>255</td>
<td>255</td>
<td>254</td>
</tr>
<tr>
<td><strong>Value and quality of food</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.603</td>
<td>.385</td>
<td>.519</td>
<td>1</td>
<td>.509</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>254</td>
<td>255</td>
<td>255</td>
<td>255</td>
<td>254</td>
</tr>
<tr>
<td><strong>Convenience</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.625</td>
<td>.423</td>
<td>.445</td>
<td>.509</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>254</td>
<td>254</td>
<td>254</td>
<td>254</td>
<td>254</td>
</tr>
</tbody>
</table>

It is clear from the Pearson rank correlation that all the factors had significant positive correlations to each other which make them dependent on one other. For example, when restaurant managers want to improve the service quality of the
restaurant, attention should also be given to the children’s facilities and the total experience of the patrons.

When looking at Table 4.8, it is clear that a small correlation exists between the children’s facilities and menu and the service and staff quality \((r=0.236)\), while a medium relationship correlation was found between children’s facilities and menu and the value and quality of food \((r=0.385)\); children’s facilities and menu and convenience \((r=0.423)\); the service and staff quality and convenience \((r=0.445)\) as well as the service and staff quality and the total experience \((r=0.496)\). In turn, large correlations were found between the total experience and the children’s facilities and menu \((r=0.535)\); the total experience and the value and quality of food \((r=0.603)\); the total experience and the convenience \((r=0.625)\); the service and staff quality and the value and quality of food \((r=0.519)\) and lastly the value and quality of food and the convenience \((r=0.509)\).

The highest correlation between total experience and value and quality of food shows that if restaurant managers want to improve the total experience of visitors they should give direct attention to the value and quality of the food. The interdependence of all the loyalty factors is clear and therefore not one of the aspects relevant in the value chain of restaurants should be untouched.

### 4.5.3. Aspects influencing the loyalty factors

Within this section, \(t\)-tests and analysis of variance (ANOVA) were conducted where some of the demographic results were compared to the five factors found in the factor analysis (Table 4.6) to determine whether certain demographic characteristics such as gender differ when considering the factors influencing loyalty towards a restaurant. Very few significant relationships were found, except when it comes to patrons’ motivation to visit a restaurant. The results for these analyses will be explained in the following four tables.
Comparison by gender on loyalty factors

T-test analyses are conducted when the variables on some continuous variable are compared for two groups or on two occasions (Pallant, 2010:239). For the purpose of this study, t-tests were conducted on the gender of the participants and the factors contributing towards loyalty.

Table 4.9: Independent t-test comparing the gender of patrons and the factors contributing towards loyalty to restaurants

<table>
<thead>
<tr>
<th>Factor</th>
<th>Male (N=102)</th>
<th>Female (N=149)</th>
<th>F-Value</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Experience</td>
<td>M=4.04</td>
<td>M=4.19</td>
<td>.043</td>
<td>.092</td>
</tr>
<tr>
<td></td>
<td>SD±0.71</td>
<td>SD±0.68</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children’s Facilities and Menus</td>
<td>M=3.82</td>
<td>M=3.83</td>
<td>2.581</td>
<td>.902</td>
</tr>
<tr>
<td></td>
<td>SD±0.90</td>
<td>SD±1.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service and staff quality</td>
<td>M=4.09</td>
<td>M=4.31</td>
<td>.160</td>
<td>.016</td>
</tr>
<tr>
<td></td>
<td>SD±0.69</td>
<td>SD±0.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value and quality of food</td>
<td>M=4.08</td>
<td>M=4.18</td>
<td>.073</td>
<td>.295</td>
</tr>
<tr>
<td></td>
<td>SD±0.70</td>
<td>SD±0.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convenience</td>
<td>M=3.97</td>
<td>M=4.04</td>
<td>.591</td>
<td>.496</td>
</tr>
<tr>
<td></td>
<td>SD±0.86</td>
<td>SD±0.79</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

p<0.05

From Table 4.9, it can be seen that there is one significant difference in the perception of females and males regarding the contributing factors of loyalty with specific reference to the service and staff quality (p<0.05). It can be seen that women view this factor as a more important contributing factor (M=4.31; SD±0.69) than it is to men (M=4.09; SD±0.69). To create loyal women patrons it is thus necessary to deliver excellent service and staff quality.
Comparison by reason for visiting the restaurant: business

A *t*-test conducted on the patrons’ business motivation for visiting a restaurant and the factors contributing towards loyalty.

Table 4.10: Independent *t*-test for comparison between the business motivation of patrons and the factors contributing towards loyalty to restaurants

<table>
<thead>
<tr>
<th>Factor</th>
<th>Yes (N=)</th>
<th>No (N=)</th>
<th>F-Value</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Experience</td>
<td>M=3.86</td>
<td>M=4.17</td>
<td>.049</td>
<td>.030</td>
</tr>
<tr>
<td>Children’s Facilities and Menus</td>
<td>M=3.97</td>
<td>M=3.78</td>
<td>6.157</td>
<td>.326</td>
</tr>
<tr>
<td>Service and staff quality</td>
<td>M=4.09</td>
<td>M=4.24</td>
<td>.216</td>
<td>.312</td>
</tr>
<tr>
<td>Value and quality of food</td>
<td>M=3.98</td>
<td>M=4.16</td>
<td>.838</td>
<td>.219</td>
</tr>
<tr>
<td>Convenience</td>
<td>M=3.77</td>
<td>M=4.05</td>
<td>.232</td>
<td>.082</td>
</tr>
</tbody>
</table>

*p*<0.05

When a *t*-test was conducted on the business visiting motivations of respondents and the factors influencing restaurant loyalty (Table 4.10), it is clear that the total experience is of less importance to respondents visiting the restaurant for business reasons (M=3.86; SD±0.77) than those that do not (M=4.17; SD±0.68). Thus aspects such as spending time with friends/family; having fond memories of the restaurant; having good previous experiences at the restaurant; the fact that my family/friends are loyal customers; enjoy dining at the restaurant; feeling at home when dining at the restaurant; feeling important when visiting the restaurant; and that the restaurant offers what they promise in their advertisements are very important to patrons visiting the restaurant for other reasons than business. Clearly business patrons expect a different experience.
Comparison by reason for visiting the restaurant: Relaxation

A $t$-test conducted on the patrons’ relaxation motivation and the factors contributing towards loyalty.

Table 4.11: Independent $t$-test for comparison between the relaxation motivation of patrons and the factors contributing towards loyalty to restaurants

<table>
<thead>
<tr>
<th>Factor</th>
<th>Yes (N=)</th>
<th>No (N=)</th>
<th>F-Value</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Experience</td>
<td>M=4.26</td>
<td>M=3.82</td>
<td>6.597</td>
<td>.000</td>
</tr>
<tr>
<td>Children’s Facilities and Menus</td>
<td>M=3.86</td>
<td>M=3.68</td>
<td>.028</td>
<td>.202</td>
</tr>
<tr>
<td>Service and staff quality</td>
<td>M=4.35</td>
<td>M=3.95</td>
<td>9.962</td>
<td>.000</td>
</tr>
<tr>
<td>Value and quality of food</td>
<td>M=4.26</td>
<td>M=3.87</td>
<td>12.683</td>
<td>.000</td>
</tr>
<tr>
<td>Convenience</td>
<td>M=4.09</td>
<td>M=3.85</td>
<td>.017</td>
<td>.040</td>
</tr>
</tbody>
</table>

$p<0.05$

It is evident from Table 4.11 that factors such as the total experience (M=4.26; SD±0.58); the service and staff quality (M=4.35; SD±0.59); the value and quality of food (M=4.26; SD±0.60) and the convenience (M=4.09; SD±0.75) are considered as more important contributing factors when visiting the restaurant to relax than otherwise. Thus, when patrons visit a restaurant with the intent to relax, they expect quality service, good food and they want to be comfortable in order to have a satisfying experience.

Comparison by reason for visiting the restaurant: Family Excursions

A $t$-test conducted on the patrons’ family excursion motivation and the factors contributing towards loyalty.
Table 4.12: Independent $t$-test for comparison between the Family excursion motivation of patrons and the factors contributing towards loyalty to restaurants

<table>
<thead>
<tr>
<th>Family Excursions</th>
<th></th>
<th></th>
<th>F-Value</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factor</td>
<td>Yes (N=)</td>
<td>No (N=)</td>
<td>F-Value</td>
<td>P-Value</td>
</tr>
<tr>
<td>Total Experience</td>
<td>M=4.10</td>
<td>M=4.16</td>
<td>2.034</td>
<td>.526</td>
</tr>
<tr>
<td></td>
<td>SD±0.67</td>
<td>SD±0.73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children’s Facilities and Menus</td>
<td>M=3.76</td>
<td>M=3.85</td>
<td>1.531</td>
<td>.490</td>
</tr>
<tr>
<td></td>
<td>SD±0.95</td>
<td>SD±1.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service and staff quality</td>
<td>M=4.19</td>
<td>M=4.26</td>
<td>.192</td>
<td>.429</td>
</tr>
<tr>
<td></td>
<td>SD±0.71</td>
<td>SD±0.71</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value and quality of food</td>
<td>M=4.15</td>
<td>M=4.12</td>
<td>2.600</td>
<td>.765</td>
</tr>
<tr>
<td></td>
<td>SD±0.71</td>
<td>SD±0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convenience</td>
<td>M=3.95</td>
<td>M=4.09</td>
<td>.271</td>
<td>.211</td>
</tr>
<tr>
<td></td>
<td>SD±0.82</td>
<td>SD±0.82</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$p<0.05$

It is clear from Table 4.12 that no significant differences were found between those that visit the restaurant for family excursions and those that do not. Thus, all of the factors are equally important to patrons visiting a restaurant for a family excursion.

4535. Comparison by reason for visiting the restaurant: Specials

A $t$-test conducted on the patrons’ motivation of visiting a restaurant for its specials and the factors contributing towards loyalty.

Table 4.13: Independent $t$-test for comparison between the specials motivation of patrons and the factors contributing towards loyalty to restaurants.

<table>
<thead>
<tr>
<th>Specials</th>
<th></th>
<th></th>
<th>F-Value</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factor</td>
<td>Yes</td>
<td>No</td>
<td>F-Value</td>
<td>P-Value</td>
</tr>
<tr>
<td>Total Experience</td>
<td>M=4.04</td>
<td>M=4.19</td>
<td>2.726</td>
<td>.118</td>
</tr>
<tr>
<td></td>
<td>SD±0.61</td>
<td>SD±0.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children’s Facilities and Menus</td>
<td>M=3.65 SD±0.97</td>
<td>M=3.91 SD±0.97</td>
<td>.005</td>
<td>.041</td>
</tr>
<tr>
<td>Service and staff quality</td>
<td>M=4.20 SD±0.59</td>
<td>M=4.24 SD±0.79</td>
<td>5.908</td>
<td>.709</td>
</tr>
<tr>
<td>Value and quality of food</td>
<td>M=4.18 SD±0.64</td>
<td>M=4.11 SD±0.79</td>
<td>3.064</td>
<td>.454</td>
</tr>
<tr>
<td>Convenience</td>
<td>M=3.93 SD±0.75</td>
<td>M=4.07 SD±0.87</td>
<td>1.627</td>
<td>.214</td>
</tr>
</tbody>
</table>

p<0.05

One significant difference was found between those that visit the restaurant for specials and those that do not (p<0.041). For those that visit the restaurant to take advantage of the specials considered children’s facilities and menus a less important contributing factor to loyalty (M=3.65; SD±0.97) than those that do not (M=3.91; SD±0.97). This could be because most of the respondents were students and do not yet have children.

4532  Comparison by occupation

One-way ANOVA analysis was conducted for this study, first to determine whether certain factors are more important to certain occupations and educational levels, the language of patrons, their income, their frequency of visitation and the patrons with a secret tribe kids’ club card, in other words, patrons with children.
<table>
<thead>
<tr>
<th>Factor</th>
<th>Total Experience</th>
<th>Children Facilities and Menus</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional</td>
<td>M=3.90 SD±0.74</td>
<td>M=3.38 SD±0.99</td>
<td>M=3.96 SD±0.84</td>
<td>M=3.79 SD±0.80</td>
<td>M=3.63 SD±0.98</td>
</tr>
<tr>
<td>Management</td>
<td>M=4.24 SD±0.74</td>
<td>M=3.92 SD±1.20</td>
<td>M=4.29 SD±0.75</td>
<td>M=3.93 SD±0.98</td>
<td>M=4.03 SD±0.76</td>
</tr>
<tr>
<td>Self-employed</td>
<td>M=3.88 SD±1.10</td>
<td>M=3.96 SD±0.90</td>
<td>M=4.08 SD±1.10</td>
<td>M=4.06 SD±1.04</td>
<td>M=4.13 SD±0.92</td>
</tr>
<tr>
<td>Technical personnel</td>
<td>M=3.67 SD±0.74</td>
<td>M=3.50 SD±0.77</td>
<td>M=3.85 SD±0.78</td>
<td>M=3.73 SD±0.76</td>
<td>M=3.86 SD±0.75</td>
</tr>
<tr>
<td>Sales</td>
<td>M=4.14 SD±0.66</td>
<td>M=3.64 SD±1.04</td>
<td>M=4.25 SD±0.77</td>
<td>M=4.20 SD±0.70</td>
<td>M=3.92 SD±0.93</td>
</tr>
<tr>
<td>Farmer</td>
<td>M=4.46 SD±0.56</td>
<td>M=4.10 SD±0.63</td>
<td>M=4.19 SD±0.43</td>
<td>M=4.18 SD±0.39</td>
<td>M=4.32 SD±0.55</td>
</tr>
<tr>
<td>Mining</td>
<td>M=3.67 SD±0.52</td>
<td>M=4.19 SD±0.31</td>
<td>M=4.17 SD±0.44</td>
<td>M=4.33 SD±0.12</td>
<td>M=3.75 SD±1.39</td>
</tr>
<tr>
<td>Administrative</td>
<td>M=4.31 SD±0.57</td>
<td>M=3.67 SD±0.99</td>
<td>M=4.51 SD±0.62</td>
<td>M=4.26 SD±0.59</td>
<td>M=4.12 SD±0.78</td>
</tr>
<tr>
<td>Civil service</td>
<td>M=4.55 SD±0.61</td>
<td>M=4.54 SD±0.53</td>
<td>M=4.42 SD±0.50</td>
<td>M=4.50 SD±0.42</td>
<td>M=4.75 SD±0.35</td>
</tr>
</tbody>
</table>
As per Table 4.14, no statistically significant difference was identified between the factors and the occupations. Thus the occupation of the respondents had no influence on their perceptions regarding the factors contributing to loyalty of restaurants.
Comparison by Language

A One-way ANOVA analysis was conducted on the language of patrons and the factors contributing to restaurant loyalty.

Table 4.15: ANOVA for analysis of the language, and the factors contributing to restaurant loyalty

<table>
<thead>
<tr>
<th>Factor</th>
<th>Total Experience</th>
<th>Children Facilities and Menus</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afrikaans</td>
<td>M=4.12</td>
<td>M=3.76</td>
<td>M=4.27</td>
<td>M=4.15</td>
<td>M=4.03</td>
</tr>
<tr>
<td></td>
<td>SD±0.69</td>
<td>SD±0.99</td>
<td>SD±0.69</td>
<td>SD±0.75</td>
<td>SD±0.78</td>
</tr>
<tr>
<td>English</td>
<td>M=4.26</td>
<td>M=3.93</td>
<td>M=4.16</td>
<td>M=4.19</td>
<td>M=4.10</td>
</tr>
<tr>
<td></td>
<td>SD±0.62</td>
<td>SD±0.95</td>
<td>SD±0.67</td>
<td>SD±0.56</td>
<td>SD±0.72</td>
</tr>
<tr>
<td>Other</td>
<td>M=4.01</td>
<td>M=3.99</td>
<td>M=4.03</td>
<td>M=4.07</td>
<td>M=3.81</td>
</tr>
<tr>
<td></td>
<td>SD±0.84</td>
<td>SD±0.95</td>
<td>SD±0.75</td>
<td>SD±0.77</td>
<td>SD±1.09</td>
</tr>
<tr>
<td>F-Value</td>
<td>1.215</td>
<td>1.126</td>
<td>1.920</td>
<td>.252</td>
<td>1.313</td>
</tr>
<tr>
<td>P-Value</td>
<td>.298</td>
<td>.326</td>
<td>.149</td>
<td>.778</td>
<td>.271</td>
</tr>
</tbody>
</table>

p<0.000

Table 4.15 represents the comparison between the language of patrons and the factors contributing to loyalty to restaurants. It is clear that the perceptions of the factors contributing to loyalty towards a restaurant do not differ across
different language groups. Patrons speaking different languages all consider the same factors as important to their loyalty towards a restaurant.

4534. Comparison by Income

A One-way ANOVA analysis was conducted on the income of patrons and the factors contributing to restaurant loyalty.

Table 4.16: ANOVA for analyses of the income, and the factors contributing to restaurant loyalty

<table>
<thead>
<tr>
<th>Factor</th>
<th>Total Experience</th>
<th>Children Facilities and Menus</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;R20 000</td>
<td>M=4.09 SD±0.68</td>
<td>M=3.76 SD±0.89</td>
<td>M=4.19 SD±0.76</td>
<td>M=4.13 SD±0.79</td>
<td>M=3.97 SD±0.76</td>
</tr>
<tr>
<td>R20 001 – R140 000</td>
<td>M=4.17 SD±0.74</td>
<td>M=3.74 SD±0.97</td>
<td>M=4.30 SD±0.65</td>
<td>M=4.20 SD±0.70</td>
<td>M=4.13 SD±0.80</td>
</tr>
<tr>
<td>R140 001 – R221 000</td>
<td>M=4.13 SD±0.97</td>
<td>M=3.58 SD±1.34</td>
<td>M=4.15 SD±0.96</td>
<td>M=4.31 SD±0.72</td>
<td>M=3.93 SD±1.17</td>
</tr>
<tr>
<td>R221 001 – R305 000</td>
<td>M=4.20 SD±0.76</td>
<td>M=4.02 SD±0.72</td>
<td>M=3.99 SD±0.85</td>
<td>M=4.11 SD±0.78</td>
<td>M=4.12 SD±0.74</td>
</tr>
<tr>
<td>R305 001 – R431 000</td>
<td>M=4.15 SD±0.52</td>
<td>M=3.96 SD±0.95</td>
<td>M=4.30 SD±0.60</td>
<td>M=4.08 SD±0.59</td>
<td>M=4.11 SD±0.72</td>
</tr>
<tr>
<td>R431 001 – R552 000</td>
<td>M=4.13 SD±0.63</td>
<td>M=4.07 SD±0.96</td>
<td>M=4.32 SD±0.54</td>
<td>M=4.08 SD±0.65</td>
<td>M=3.95 SD±0.90</td>
</tr>
<tr>
<td>&gt; R552 000</td>
<td>M=4.11 SD±0.58</td>
<td>M=3.86 SD±0.80</td>
<td>M=4.26 SD±0.58</td>
<td>M=4.04 SD±0.56</td>
<td>M=3.98 SD±0.64</td>
</tr>
</tbody>
</table>
From the comparison between the income of the patrons and the factors contributing to loyalty (Table 4.16), it is clear that there were no significant differences found between the income patrons receive and their perception towards the factors contributing to restaurant loyalty, thus all income groups view the factors in the same manner.

4535. Comparison by visiting frequency

A One-way ANOVA analysis was conducted on the visiting frequency of patrons and the factors contributing to restaurant loyalty.

Table 4.17: ANOVA for analyses of the visiting frequency, and the factors contributing to restaurant loyalty

<table>
<thead>
<tr>
<th>Factor</th>
<th>Total Experience</th>
<th>Children Facilities and Menus</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M=4.21 SD±0.81</td>
<td>M=3.94 SD±1.04</td>
<td>M=4.28 SD±0.78</td>
<td>M=4.27 SD±0.76</td>
<td>M=4.15 SD±0.95</td>
</tr>
<tr>
<td>Weekly</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Once a month</td>
<td>M=4.20 SD±0.65</td>
<td>M=3.83 SD±0.95</td>
<td>M=4.28 SD±0.65</td>
<td>M=4.15 SD±0.73</td>
<td>M=4.08 SD±0.75</td>
</tr>
<tr>
<td>Once every 2 -3 months</td>
<td>M=3.92 SD±0.71</td>
<td>M=3.57 SD±1.03</td>
<td>M=4.07 SD±0.80</td>
<td>M=3.99 SD±0.76</td>
<td>M=3.80 SD±0.80</td>
</tr>
<tr>
<td>Other</td>
<td>M=3.99 SD±0.57</td>
<td>M=3.98 SD±0.84</td>
<td>M=4.18 SD±0.59</td>
<td>M=4.16 SD±0.59</td>
<td>M=3.97 SD±0.66</td>
</tr>
</tbody>
</table>
Table 4.17 demonstrates that no significant difference was found between the visiting frequency of patrons and the factors contributing to restaurant loyalty. In other words, the frequency of visitation of patrons does not change the factors that are important to restaurant loyalty. Thus, the factors that is important for a patron visiting the restaurant once a week and one that only visits once every two months are the same.

Table 4.18: ANOVA for analysis of the participants with a secret tribe kids’ club card, and the factors contributing to restaurant loyalty

<table>
<thead>
<tr>
<th>Factor</th>
<th>Total Experience</th>
<th>Children Facilities and Menus</th>
<th>Service and staff quality</th>
<th>Value and quality of food</th>
<th>Convenience</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>M=4.10 SD±0.85</td>
<td>M=4.09 SD±0.79</td>
<td>M=4.05 SD±0.85</td>
<td>M=4.01 SD±0.89</td>
<td>M=4.03 SD±0.90</td>
</tr>
<tr>
<td>No</td>
<td>M=4.14 SD±0.71</td>
<td>M=3.81 SD±0.97</td>
<td>M=4.30 SD±0.73</td>
<td>M=4.11 SD±0.78</td>
<td>M=4.00 SD±0.83</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>M=4.16 SD±0.61</td>
<td>M=3.59 SD±1.09</td>
<td>M=4.32 SD±0.59</td>
<td>M=4.27 SD±0.60</td>
<td>M=4.06 SD±0.74</td>
</tr>
<tr>
<td>F-Value</td>
<td>.128</td>
<td>5.277</td>
<td>3.242</td>
<td>2.604</td>
<td>.087</td>
</tr>
<tr>
<td>P-Value</td>
<td>.880</td>
<td>.006</td>
<td>.041</td>
<td>.076</td>
<td>.917</td>
</tr>
</tbody>
</table>

p<0.000
Table 4.18 represents the comparison between the secret tribe kids’ club card and the factors contributing to restaurant loyalty. The Tukey B tests indicated significant differences between the children's facilities and menu (M=4.09; SD±0.79) and the patrons that indicated that they have the secret tribe kids' club card as well as those indicating that the secret tribe kids' club card does not apply to them. According to the results, the children's facilities and menus were of more importance to patrons with the secret tribe kids' club card (M=4.09; SD±0.79) than to those that did not (M=3.81; SD±0.97) or those that indicated that it did not apply to them (M=3.59; SD±1.09). This makes sense as those with the secret tribe kids’ club card are those patrons with children. Thus, the patrons with children consider the secret tribe kids' club card as important to their loyalty.
4.6. CONCLUSION

Within this chapter, the key success factors contributing to the brand loyalty of restaurant patrons were determined by means of a survey conducted on the patrons of Spur Steak Ranch restaurant in Potchefstroom on 8, 9 and 11 June 2015 as well as on 13 and 14 of August 2015. The questionnaires were self-administered and distributed among the patrons dining at the Spur restaurant at the specific times and dates and were willing to participate. The data was then captured in Excel and analysed through SPSS. Different analyses were done including a factor analysis, Pearson rank correlation, t-tests and ANOVAs.

The average respondent was 30 years of age, Afrikaans speaking, and resides in Potchefstroom. The majority of respondents were either students or in a professional occupation, received less than R20 000 per annum and had an average spending of R714.13 at the restaurant. The respondents indicated that they dine with an average of 4 people once a month with the motivation to relax or for a family excursion. Ninety-four percent (94%) of respondents indicated that they will revisit the restaurant and 64% indicated that the fact that they own loyalty cards contributes to their level of loyalty towards a restaurant.

When respondents were asked to rate certain aspects on a Lickert scale according to their contribution to their loyalty towards the restaurant, the respondents indicated that the following aspects contributed to their loyalty to a great extent and to a very great extent: whether the restaurant is clean and tidy, spending time with friends/family, the quality of the food, simply enjoy dining at the restaurant, and the accurate handling of orders.

From the factor analysis conducted, the five key success factors participants perceived as having a contribution to their restaurant loyalty are their total experience, the children facilities and menu, the service and staff quality, the value and quality of food and the convenience of the restaurant. All of these factors found, coincide with the literature of previous studies on loyalty. Some more than others. Through conducting a Pearson rank correlation it is clear that all of the factors found had a definite impact on patrons’ restaurant loyalty as all of the factors have a strong
relationship with one another, which means that they are interdependent and that all of them combined lead to a strong feeling of loyalty towards a restaurant.

The $t$-tests conducted, however, revealed that the importance of the factor *service and staff quality* differs between men and women, and that women find this factor more important than men. The second $t$-test, measuring the visiting motivations of patrons with the different factors concluded that *total experience* is extremely important to patrons visiting the restaurant for reasons other than business purposes, while the *total experience, service and staff quality, value and quality of food* and *convenience* are of importance to those wanting to relax while *Children’s Facilities and Menus* are considered less important to patrons with the motivation to visit for the specials offered than those visiting for other reasons.

With these results recommendations could be made for restaurant managers with the aim of increasing their level of loyal patrons and, in turn, increasing revenue and gaining a competitive advantage. These conclusions and recommendations will be discussed in Chapter 5.
Conclusions and recommendations

CHAPTER 5

5.1. INTRODUCTION

Today, it is clear that customers have specific preferences and perceptions as to what will satisfy their needs, as well as a perception of what a specific organisation has to offer and whether it can satisfy these needs which could lead to loyal customers. The main aim of this study was to determine the key success factors influencing the brand loyalty of restaurant patrons by using the case study of a popular family restaurant in South Africa. By doing this, the factors found to have the biggest influence on the loyalty of patrons towards a restaurant can be improved which will, in turn, increase customer satisfaction and lead to a higher number of loyal customers. An increase in loyal customers means an increase in revenue which might lead to a competitive advantage. This becomes more important given the number of restaurants in South Africa.

To achieve the aim of this study, the following objectives were identified:

- To determine the importance of marketing and branding within a competitive market, by means of a literature review
- To determine the importance of brand loyalty within a competitive market, by means of a literature review
- To collect research data and determine the key success factors that influence brand loyalty of restaurant patrons
- To draw conclusions and make recommendations regarding the key success factors that influence brand loyalty of restaurant patrons
These objectives will be the basis for this chapter. In the last section of this chapter, recommendations and suggestions will be made with regard to further research.

5.2. CONCLUSIONS WITH REGARD TO THE LITERATURE STUDY

4.2.1. Objective 1:

Determining the importance of marketing and branding within a competitive market, by means of a literature review

- A higher level of awareness of the organisation could be facilitated through marketing activities, while the image of the organisation influences the perception as well as the visitation rate (c.f. 2.1)
- Marketing can be seen as an exchange process between the travel and tourism industry and the tourist (c.f. 2.1)
- Marketing is crucial when running a business and it is important for new tourism organisations to take on some form of marketing initiative to be a success (c.f. 2.2.1)
- Since tourism is concerned with the creation and selling of experiences, and the fact that it is of intangible nature, makes it difficult to promote tourism organisations and their services as tourists cannot touch or sample it before purchase (c.f. 2.2.1)
- Marketing has developed through five distinct eras known as the (1) production era, (2) the product era, (3) the selling era, (4) the marketing era and (5) the societal era (c.f. 2.2.2). Today the focus is on creating networks and improving relationships with customers.
- It transformed from a time where marketing was not considered as an important activity for organisations to a time where marketing is seen as the most fundamental part of a successful organisation and where organisations strive to build long-term relationships with their customers (c.f. 2.2.3)
- Because tourism is a very competitive industry, providing only basic services will not be enough for a tourism organisation to survive (c.f. 2.2.3)
- Successful marketing is one of the key components to a competitive advantage (c.f. 2.2.3)
If marketing is done in an effective manner, it could lead to higher levels of awareness of a specific tourism organisation, stronger emotional connections to the organisation and long-term relationships between the tourist and the organisation, it could also create loyalty and commitment to the organisation which means return visits and it could build the image of the tourism organisation (c.f. 2.2.3)

Because tourists cannot sample the experience beforehand, the marketer should represent the tourism service in such a way that the tourist feels convinced to purchase the service (c.f. 2.2.4)

Furthermore, there are certain factors influencing the success of marketing. These include the image of the organisation and product, the brand itself as well as the positioning of the product (c.f. 2.2.5)

Thus organisations need to ensure that customers should have a positive perception and association with the product or service (c.f. 2.2.5)

Branding is used as a key to differentiate organisations’ products and services from each other (c.f. 2.2.5)

Brands add value to the organisation which makes branding a leading trend in the tourism industry (c.f. 2.2.5)

In the end, if a customer/tourist is satisfied with a product or service, it could lead to positive word-of-mouth, repeat visits and tourists that are loyal to the brand which, in turn, decreases the marketing efforts that have to be made by marketers (c.f. 2.2.5)

Because branding is one of the factors that influence marketing and the fact that a strong brand perception could lead to higher levels of loyalty, highlight the importance thereof (c.f. 2.3)

Branding was a term used earlier to describe the practice of branding cattle or sheep to mark and to distinguish them from another herd (c.f. 2.3)

It was only after the industrial revolution and the mass production of products that organisations began to recognise the need to create familiarity between the organisation’s products and its customers (c.f. 2.3)

Today, building a strong brand is seen as a crucial component for any organisation to be successful (c.f. 2.3)
- 112 -

- By creating a successful brand, it is most certain that the specific organisation will be differentiated from its competition and will gain a competitive advantage (c.f. 2.3.1)
- As tourism organisations and services are increasingly becoming substitutable and more difficult to differentiate, branding becomes more important (c.f. 2.3.1)
- Branding creates a mark for quality as well as status and thus contributes to higher levels of loyalty towards the tourism organisation (c.f. 2.3.1).
- A brand is not just a logo or sign, it also includes emotional involvement and everything associated with the brand that contributes to the tourists’ perception of the organisation (c.f. 2.3.2)
- Before a brand could convey or evoke any kind of perception relating to brand, customers/tourists should first be aware of the brand (c.f. 2.3.3)
- A brand that is on top of customers’ mind is also a strong brand, and having a strong brand could be seen as one of the most valuable assets an organisation could possess (c.f. 2.3.4)
- When building a strong brand, it is important to shape the image that customers/tourists have about the organisation’s brand (c.f. 2.3.4)
- A strong brand could further help the customers/tourists transform from simply being aware of the brand to becoming active loyal customers/tourists (c.f. 2.3.4)
- To build a strong brand, certain elements need to be addressed such as those proposed by Keller and Aaker (c.f. 2.3.4)
- Keller’s brand equity model consists of six elements or dimensions: brand salience, brand performance and imagery, consumer judgements and feelings, and brand resonance (c.f. 2.3.4)
- In contrast, Aaker (1991:270) introduced his own brand equity model where he recognised five components that he considered as important to brands. These were: brand loyalty, brand awareness, perceived quality, brand associations and proprietal assets (c.f. 2.3.4)
- After evaluating the elements that are related to a strong brand, it is important to take a look at how these can be managed (cf. 2.3.5)
There are seven themes that tourists associate with the term brand. These are: image, recognition, differentiation, consistency, brand messages, emotional response, and expectations (cf. 2.3.5).

There are certain challenges that have to be considered when branding takes place (cf. 2.3.7) such as:

- The fact that tourism offerings and services are multidimensional (cf. 2.3.7). In other words there are multiple businesses per sector to choose from, each with different characteristics.

- Tourism organisations and services are faced with a target market which is heterogeneous and that has a wide range of segments for their offerings or services (cf. 2.3.7)

- Tourism organisations have little or no control over the correct message being delivered to the potential tourists (cf. 2.3.7) as the message conveyed could be misunderstood by some potential tourists.

- It should be ensured that the promises made by the brand, such as their food portions, should be delivered on (cf. 2.3.7)

- As brand loyalty is seen as the cornerstone for the success for tourism organisations, it is important for tourists to have a positive image of the specific tourism organisation (cf. 2.3.7)

- Funding may present as a challenge as consistency within branding is very important (cf. 2.3.7) and advertising is costly to uphold.

- If these obstacles within branding a tourism organisation could be overcome, the tourism organisation will reap multiple benefits and most likely have numerous tourists who return to the specific brand (cf. 2.3.7).

4.2.2. Objective 2:

Determining the importance of brand loyalty within a competitive market, by means of a literature review

- Since it has been found that loyalty increases the organisation's profitability and ability to gain new customers/tourists in a competitive environment, determining the ultimate key success factors that influence loyalty to a tourism
organisation, especially in the restaurant industry, is extremely important (cf. 3.1)

- Research into brand loyalty dates back well over 40 years, while in the tourism, hospitality, as well as recreational fields of study, loyalty research only dates back over 10 years (cf. 3.2.1)
- Due to the complexity of the brand loyalty concept, Jacoby and Chestnut classified them into three different approaches (cf. 3.2.1)
  - These three approaches are known as the behavioural approach (1), the attitudinal approach (2) and the composite approach (3) (cf. 3.2.1)
- It has been found that the composite approach to loyalty is a valuable instrument to achieve a better understanding of loyalty in upscale organisations (cf. 3.2.1) such as high class restaurants.
- Because loyalty cannot solely be explained by attitudinal or behavioural measures, Jacoby and Kyner (1973) proposed a six-point definition accordingly: (1) the biased (i.e., non-random), (2) behavioural response (i.e. Purchase), (3) expressed overtime, (4) by some decision making unit, (5) with respect to one or more alternative brands out of a set of such brands, and (6) is a function of psychological (decision-making, evaluative) processes (cf. 3.2.1)
- Satisfaction encourages repurchasing intentions and that higher levels of satisfaction have a direct influence on higher levels of loyalty to the organisation, thus tourism organisations should ensure that they deliver more satisfactory experiences to its tourists than the competition (cf. 3.2.1)
- Although loyalty to a tourism organisation is seen as a key outcome of customer/tourist satisfaction it cannot explain all the variables of customer/tourist loyalty (cf. 3.2.1)
- Because products and services are temporary, organisations are faced with the challenge of keeping their tourists longer than they do their products and services (cf. 3.2.2)
- It has been found that it can cost up to six times more to attract new tourists to a tourism organisation than it does to retain old ones (cf. 3.2.2)
- If an organisation retains only 5 percent of its customers, their profitability could undergo an increase from 25 percent up to 125 percent (cf. 3.2.2)
• Brand loyalty is fundamental within the hospitality sector as repeat purchases largely increase the revenue of a tourism organisation as the majority of loyal tourists are willing to pay higher prices (cf. 3.2.2)

• Benefits associated with loyalty are continued profit, reduced marketing costs, increased per-customer revenue growth, decreased operating costs, increased referrals, increased price premiums as well as the provision of a competitive advantage (cf. 3.2.2)

• As the success of tourism organisations depends greatly on the organisation’s capability to retain its current customers, in turn making them loyal tourists to the specific tourism organisation it is important to explore the key success factors that influence brand loyalty (cf. 3.2.3)

• Due to the recognised importance of loyalty, many academics and practitioners have attempted to determine the most significant antecedents of loyalty to increase repeat visitation (cf. 3.2.3)

• Factors that occurred most frequently are customer satisfaction, service quality, brand trust, perceived value, brand image and commitment (cf. 3.2.3)

5.3. CONCLUSIONS WITH REGARD TO THE EMPIRICAL STUDY

5.3.1. Objective 3:

Collect research data and determine the key success factors that influence brand loyalty to restaurants.

5.3.1.1. Conclusions

Within this section, conclusions are drawn regarding the results from the survey. This will include the profile of the participants, the aspects contributing to restaurant loyalty, the key success factors contributing to restaurant loyalty and the comparisons between the demographic profile of the participants and the key success factors.

• The profile of the respondents

The following can be concluded from the profile of the respondents:
• The average age of respondents was 30 years of age. The majority of these respondents were female and Afrikaans speaking, this could be due to the fact that the survey was conducted in Potchefstroom where the majority of residents speak Afrikaans, the statistics for other cities, for example Pretoria, might differ. Most of the respondents also resided in Potchefstroom or surrounding cities and were either a student or held a professional occupation (cf. 4.4.1)

• Most respondents earned a gross income of less than R20 000 per annum, or between R20 001 and R140 000 per annum. This could be explained by the large number of students (36%) visiting the Montana Spur Steak Ranch in Potchefstroom. These respondents had an average expenditure of R714.13 on food, alcoholic as well as non-alcoholic beverages and other amenities (cf. 4.4.2)

• The respondents visit the restaurant in an average group of 4.43 people once a month. The majority of respondents visit the restaurant to relax or for a family excursion with the intent to return to the same restaurant. Respondents owed the success of a restaurant to its food and service quality. The loyalty card increased the level of loyalty of most of the respondents (cf. 4.4.3)

• The aspects contributing to restaurant loyalty

With regards to the aspects important for restaurant loyalty, the following can be concluded:

• In the analyses of the aspects contributing to restaurant loyalty, the cleanliness and tidiness of a restaurant (M=4.5; SD=±0.79) played an extremely important role in restaurant loyalty, as well as being able to spend time with friends/family at a restaurant (M=4.4; SD=±0.76), and the quality of the food (M=4.4; SD=±0.78). Thus, restaurant managers should ensure that their restaurant is hygienic, clean and tidy and that the food they serve is fresh and prepared to a certain quality.

• The order accuracy (M=4.3; SD=±0.82), having a good previous experience (M=4.3; SD=±0.83), as well as the accessibility of the restaurant (M=4.3; SD=±0.89), having enough personal space (M=4.3; SD=±0.91) and the service
quality of the restaurant (M=4.3; SD±0.86) is seen as very important to patrons when it comes to loyalty towards a restaurant. Thus, managers should ensure that their staff is well trained to deliver excellent service quality and handling orders correctly, this will influence the experience that patrons have at the restaurant. The restaurant should also be accessible to all patrons and they should have enough space to be comfortable in (cf. 4.4.4.1)

- The key success factors of loyalty to restaurants

In terms of the key success factors contributing to restaurant loyalty

- When a factor analysis was done on the aspects contributing to the loyalty towards a restaurant, five key success factors, total experience, children's facilities and menu, service and staff quality, value and quality of food, and convenience presented themselves (cf. 4.5.1)
- The most important factor to patrons that contributes to their loyalty towards restaurants within this study was the service and staff quality with a mean value of 4.20. Thus, from these results, it can be concluded that patrons expect prompt service from staff members that is up to standard and will meet their needs at the restaurant. Fortunately for managers, this factor can easily be improved by training and efficient staff (cf. 4.5.1)
- The Value and Quality of food was the fourth factor found through the factor analysis. With a mean value of 4.14 the value and quality of food was the second most important factor according to the respondents contributing to their loyalty. This could be because patrons are still affected by the recession and want value for their money when they dine out and do not want to waste money on food that is not quality. Thus, by serving good quality food and offering a value for money product patrons will continue to be loyal towards a restaurant (cf. 4.5.1)
- The Total experience that patrons receive at a restaurant was the first factor found which, according to its mean value of 4.12, resulted in the third most important factor to patrons when it comes to being loyal towards a restaurant (cf. 4.5.1). Thus, it is very important for patrons that the entire experience at the restaurant is a positive one, from feeling at home to having good previous
experiences at the restaurant. Managers should thus ensure that every aspect of the patrons dining experience is pleasant.

- The fifth, and last factor found as a key success factor was the *convenience of the restaurant*. In other words, whether the restaurant’s location is convenient, if the restaurant is assessable, the availability of additional facilities and if the restaurant has a generator. This factor scored a mean value of 4.01 which means the convenience of the restaurant is the fourth most important factor contributing to the loyalty of patrons towards a restaurant (cf. 4.5.1). It can be seen from the results that not only do patrons consider the services and food as important factors, but also the facilities and convenience of the restaurant, thus patrons want to be comfortable and access the restaurant without any difficulty.

- The second factor found was the *children’s facilities and menu* at the restaurant. This factor had the lowest mean value of 3.83 which means that this factor is the least important factor for patrons contributing to their loyalty towards restaurants (cf. 4.5.1). This could be a result of the location that the survey took place as the majority of respondents were students. This factor however did present itself as a key success factor of loyalty which correlates with the fact that the Spur Steak Ranch restaurants pride themselves as a family restaurant.

- Through the Pearson rank correlation conducted on the five factors, it can be concluded that all five factors have significant correlations with each other and thus they are all dependant on one another. Loyalty is thus a more holistic concept even though some factors are more important than others (cf. 4.5.2)

- The comparison between the gender of patrons and the key success factors contributing towards loyalty to restaurants.

When considering the comparison between the gender of patrons and the key success factors contributing towards loyalty to restaurants, it can be concluded that:

- There is a significant difference in the perception towards the service- and staff quality between the two genders (cf. 4.5.3)
The service and staff quality seem to be of more importance to women (M=4.31; SD±0.69) than they are to men (M=4.09; SD±0.69). Thus, staff should be trained to be attentive to the needs of both gender groups, but staff should be even more attentive to the needs of women.

Although this factor differs in importance between men and women, it remains the most important factor when it comes to the loyalty of patrons to a restaurant (cf. 4.5.3)

The comparison between the motivation for visiting the restaurant and the key success factors contributing towards loyalty to restaurants.

These conclusions could be drawn based on the comparison between the motivation for visiting the restaurant and the key success factors contributing towards loyalty to restaurants:

Through this comparison, it has become clear that patrons visiting the restaurant for reasons other than business purposes regard the total experience as more important when considering being loyal to a restaurant (cf. 4.5.3) than those visiting for business (M=3.86; SD±0.77). Thus it could be concluded that patrons visiting for business reasons are more concerned with working in a convenient restaurant than the experience the restaurant offers.

Patrons visiting a restaurant to relax, on the other hand, considered the total experience (M=4.26; SD±0.58), the service and staff quality (M=4.35; SD±0.59); the value and quality of food (M=4.26; SD±0.60) and the convenience (M=4.09; SD±0.75) as key success factors contributing to their loyalty towards a restaurant, while children’s facilities and the menu (M=3.86; SD±0.93) were of no importance to them (cf. 4.5.3). It can be concluded that when patrons want to relax, they want the food as well as service at a high standard and want to be comfortable. They want everything to run smoothly.

When comparing the motivation of family excursion, no factor showed any importance above another, thus it could be assumed that some patrons visit a restaurant purely for spending time with their family of friends and not for the characteristics of the restaurant (cf. 4.5.3)
• Patrons visiting a restaurant for their specials and special facilities consider children’s facilities and menus (M=3.65; SD±0.97) as a less important factor contributing to their loyalty than those that do not (M=3.91; SD±0.97) (cf. 4.5.3). Thus, it can be assumed that patrons that make use of the specials primarily want to save money and are not as concerned with the facilities for children as one would have expected as it is a family restaurant.

• It can thus be seen that patrons with different motives for visiting a restaurant consider different factors as contributing to their loyalty. The restaurant manager should ensure that all of these factors are effective to satisfy a variety of customers with different needs. By doing this, the customers should remain loyal to the restaurant.

• The comparison between the occupations of patrons and the key success factors contributing towards loyalty to restaurants.

Through the comparison between the occupations of patrons and the key success factors contributing towards loyalty to restaurants the following conclusions could be drawn:

• When looking at the occupations of the patrons, it is clear that patrons in a professional career consider the total experience (M=3.90; SD±0.74) as a more important key success factor for their loyalty towards a restaurant than patrons in any other occupation (cf. 4.5.3). It could be assumed that patrons in a professional career are used to professionalism and trained staff and they expect the same experience when dining at a restaurant.

• The comparison of the participants with a secret tribe kids’ club card, and the factors contributing to restaurant loyalty

The following can be concluded through the comparison of the participants with a secret tribe kids’ club card, and the factors contributing to restaurant loyalty:

• According to the results of this comparison, patrons with a secret tribe kids’ club card consider the children facilities and menu (M=4.09; SD±0.79) as
more important that the patrons that do not have the card (M=3.81; SD±0.97) and those it does not apply to (M=3.59; SD±1.09) (cf. 4.5.3.2). Patrons with children are thus the ones with the secret tribe kids’ club card and consider the children’s facilities as convenient as they dine with their children.

- The service and staff quality were considered more important to patrons to which the secret tribe kids’ club card does not apply (M=4.32; SD±0.59) than to those that do not have the card (M=4.30; SD±0.73) or those that do have it (M=4.05; SD±0.85) (cf. 4.5.3.2). This is most likely because, for patrons without children, receiving good service by trained staff is their top concern.

- Thus it can be concluded that restaurant managers should ensure that their staff is well trained, professional and attentive, the food served to patrons should be of quality and value for money. The restaurant should also be clean and tidy. All patrons should be able to access the restaurant, dine comfortably and feel at home when visiting the restaurant. It is also important for restaurant managers to accommodate all patrons with different needs as different patrons have different needs and perceive certain factors as more important than others.

5.4. RECOMMENDATIONS

Based on the results from this study, the following recommendations are made with regards to the management as well as the marketing of the Spur Steak Ranch restaurant to ensure an increase in satisfied and loyal patrons.

5.4.1. Management

- The manager should ensure that the staff at the restaurant is well trained and deliver an excellent service quality as the service and staff quality was the factor that had the biggest influence on patrons’ loyalty towards a restaurant and could lead to an increase in loyal patrons and increase the revenue of the restaurant. This could be done by intense and frequent staff training.

- The Montana Spur Steak Ranch restaurant in Potchefstroom should make sure that it offers value for money and that the quality of food is up to standard, as it was found in the literature that one unsatisfied patron could lead to a loss in patrons through word-of-mouth.
• More benefits such as higher rewards points or special bonuses should be awarded to patrons with the loyalty cards as most of the respondents indicated that the loyalty card increased their level of loyalty towards the restaurant.

• More specials and benefits such as children’s menu specials could be implemented for children as participants regarded children’s facilities and the menu as one of the key success factors of restaurant loyalty.

• A variety of specials each week, adding to the usual weekly specials, such as surprise specials monthly could attract more patrons to the restaurant and ensure an increase in revenue for the restaurant as participant recommended a bigger variety in specials. Especially certain specials for students when they show their student card.

• Restaurant managers should ensure that the restaurant is convenient in terms of its location and accessible for all patrons. In other word, patrons with disabilities should also be able to visit the restaurant without effort. Additional facilities such as a generator will also benefit the restaurant as patrons would still like to visit the restaurant during load shedding. The convenience of a restaurant was also found to be the fourth most important factor contributing to patrons’ loyalty.

• As the total experience at the restaurant is seen as the third most important key success factor for restaurant loyalty, managers should pay special attention to the impression the restaurant leaves on a patron. Aspects such as making the patron feel at home and important and delivering on promises contributes to the experience that they have at the restaurant. Luckily these aspects can be managed and improved.

5.4.2. Marketing

• All patrons should be made aware that the restaurant has a loyalty programme through media channels such as television advertisements as some of the patrons that did not qualify for the survey were not aware of the loyalty programme. This specific Spur restaurant could do promotions at the North-West University in Potchefstroom regarding their loyalty programmes.

• The benefits associated with the loyalty card should be made clear to all patrons to the restaurant. Thus, the waiter should ask the patron whether
they have or would like to be part of the loyalty programme and tell them about the benefits associated with the loyalty programme.

- The marketing for each location should be unique to its target population with regards to language and lifestyle as the participants of this study were mostly students from the North-West University in Potchefstroom. Thus, using the specials as a marketing angle might be more affective in Potchefstroom than focusing on the children's facilities as the majority of patrons to the restaurant are students with a low income.

- A restaurant should advertise the total experience that a patron could expect to have at the restaurant such as the atmosphere and the generous food portions together with patrons spending time with friends and family to convince potential patrons to visit the restaurant.

- A restaurant should deliver on the promises that they make in their advertisements.

5.5. SUGGESTIONS FOR FURTHER RESEARCH

- This study could be done on all the restaurants in the particular franchise and determine how the key success factors differ between the different locations of the restaurants.

- Determining the relationship between the loyalty and income of customers. By doing this research, it could be determined whether the amount of income patrons receive has any influence on their level of loyalty.

- Determining the best form of loyalty or rewards programme. With this research, managers would be able to adapt their loyalty programmes to gain more loyal patrons and increase their revenue.

- A supply-side analysis can be conducted to identify aspects that the management at a restaurant feel is important in terms of loyalty.

5.6. LIMITATIONS TO THE STUDY

- Within this study, limitations were faced such as finding a tourism organisation that was willing to let the survey be conducted at their premises and use their organisation in the case study.

- Very few of the patrons at the restaurant qualified to take part in the survey as they were not part of the loyalty programme or were unaware of it.
A large percentage of the respondents in this study were students who do not earn their own income. It would have been more ideal to have a wider range in respondents from different ages and classes, especially families to this restaurant.

This study only took place in Potchefstroom which limits the variety in respondents and due to the fact that Potchefstroom is a student town, a large percentage of respondents were students who do not earn their own income.
LIST OF REFERENCES


Anon. 2009. Its official. SA hits first recession in 17 years.

www.monroecollege.edu/.../9781111532406_lores_p01_ch03.pdf Date of access: 12 March 2014.


Hossain, B. 2013. Tourism destination marketing: Case study - Kuakata sea beach, Bangladesh.


Kotler, P. 2003. Marketing insights from A to Z: 80 concepts every manager needs to know. USA: John Wiley & Sons, Inc.


http://www.slideshare.net/guestcc1ebaf/research-design-and-methodology Date of Access: 02 November 2015.


Types of Research Designs.
https://www.nyu.edu/classes/bkg/methods/005847ch1.pdf Date of access: 03 November 2015.


Date of Access: 21 September 2015


Tourism Western Australia. 2006. QuickStart guide to a tourism business: Tourism marketing guide. WA, Perth: Tourism Western Australia.


Australia: The Australian centre for retail studies.


To whom it may concern

Language Editing – Masters dissertation – N. Jacobs

I have reviewed the dissertation entitled “Determining the key success factors that influence the brand loyalty of restaurant patrons” in terms of spelling, language, and grammar and have made recommendations to the author concerning the changes necessary.

R. Taylor
CEO
APPENDIX B
Survey

<table>
<thead>
<tr>
<th>SPUR BESOEKERS- en LOJALITEITSPROFIEL 2015 / SPUR VISITOR- and LOYALTY PROFILE 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dankie dat u aan hierdie opname deelneem wat deel vorm van 'n Magister studie. Die doel van</td>
</tr>
<tr>
<td>hierdie studie is om die faktore te bepaal wat u lojaliteit aan Spur restaurantbeïnvloed. Hier-</td>
</tr>
<tr>
<td>die studie is anoniem en u deelname is vertroulik. Hierdie vraeë bestaan uit twee afdelings wat u</td>
</tr>
<tr>
<td>asseblief volledig moet voltooi. Baie dankie vir u deelname.</td>
</tr>
</tbody>
</table>

Dear customer,

Thank you for taking part in this survey that forms part of a Magister dissertation. The purpose of this |
survey is to determine the factors that contributes to your loyalty towards the Spur restaurant group. |
This survey is anonymous and your participation is confidential. The survey consists of two sections |
that we request you to completed in detail. Thank you for your participation.

AFDELING A / SECTION A

1. Tot watter mate dra die volgende aspekte by tot u lojaliteit teenoor die Spur restaurant?/ To what |
   extent does the following aspects contribute to your loyalty towards the Spur restaurant? |
   Tot 'n baie groot mate / To a very great extent |
   Tot 'n groot mate / To a great extent |
   Tot 'n mate / To some extent |
   Tot 'n klein mate / To a little extent |
   Tot 'n baie klein mate / To a very little extent

<p>| 1. Opgeleide personeel/ Trained staff | 1 2 3 4 5 |
| 2. Professionele personeel/ Professional staff | 1 2 3 4 5 |
| 3. Vriendelike personeel/ Friendly staff | 1 2 3 4 5 |
| 4. Akkurate hantering van bestellings/ Accurate handling of orders | 1 2 3 4 5 |
| 5. Vinnige hantering van verskeie navrae/ Timely handling of |
| requests/inquiries | 1 2 3 4 5 |
| 6. Kwaliteit diens/ Service quality | 1 2 3 4 5 |
| 7. Die beskikbaarheid van toesig vir kinders/ The availability of supervision for |
| children | 1 2 3 4 5 |
| 8. Die restaurant bied 'n goeie produk vir die prys wat ek betaal/ The restaurant |
| offers a good product for the price I pay | 1 2 3 4 5 |
| 9. Goede waarde vir geld/ Good value for money | 1 2 3 4 5 |
| 10. Goeie speciale aanbiedings/ Good specials | 1 2 3 4 5 |
| 11. Die hoeveelheid voedsel/ The food quantity | 1 2 3 4 5 |
| 12. Die verskeidenheid voedsel op die spyskaart/ The variety of food on the |
| menu | 1 2 3 4 5 |
| 13. Die kwaliteit van die voedsel/ The quality of the food | 1 2 3 4 5 |
| 14. Die restaurant maak voorstelling vir voedsel voorkeure bv. Halal, Vegetarisch |
| / The restaurant caters for food preferences eg. Halal, Vegetarian | 1 2 3 4 5 |
| 15. Die verskeidenheid drank (alcoholies en nie-alcoholies)/ The variety of |
| beverages (alcoholic and non-alcoholic) on the menu | 1 2 3 4 5 |
| 16. Die speciale spyskaart vir kinders/ The special menu for children | 1 2 3 4 5 |
| 17. Die voordelige vir lede van die 'Secret tribe kids club'/ The benefits for |
| members of the 'Secret tribe kids club' | 1 2 3 4 5 |
| 18. Daar is speelplek vir my kinders/ There is a playground for my children | 1 2 3 4 5 |
| 19. Daar is kindervriendelike faciliteite/ There are child-friendly facilities | 1 2 3 4 5 |
| 20. Die restaurant is skoon en netjes/ The restaurant is clean and tidy | 1 2 3 4 5 |
| 21. Daar is genoeg persoonlike spasie/ There is enough personal space | 1 2 3 4 5 |</p>
<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>22. Beskikbaarheid van addisionele fasiliiteite bv. Tv, Wi-Fi, krappunt</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>23. Die restaurant het 'n krappunt / The restaurant has a generator</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>24. Die restaurant is geferik geleë / The restaurant's location is</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>convenient</td>
<td></td>
</tr>
<tr>
<td>25. Die restaurant is toeganklik / The restaurant is accessible</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>26. Die lekker atmosfeer van die restaurant / The nice ambiance of</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>the restaurant</td>
<td></td>
</tr>
<tr>
<td>27. Goeie vorige ervaringe / Good previous experiences</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>28. Kan hier tyd saam met vriende/familie spendeer / Can spend time</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>here with friends/family</td>
<td></td>
</tr>
<tr>
<td>29. Die feit dat my familie/vriende lojale klante is / The fact that</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>my family/friends are loyal customers</td>
<td></td>
</tr>
<tr>
<td>30. Ek voel tuis wanneer ek die restaurant besoek / I feel at home</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>when dining at the restaurant</td>
<td></td>
</tr>
<tr>
<td>31. Ek het goeie herinneringe van die restaurant / I have fond</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>memories of the restaurant</td>
<td></td>
</tr>
<tr>
<td>32. Ek en my geselskap voel spesiaal wanneer ek die restaurant</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>besoek / Me and my company feel important when visiting the</td>
<td></td>
</tr>
<tr>
<td>restaurant</td>
<td></td>
</tr>
<tr>
<td>33. Ek voel aanvaar deur my vriende/familie as ek die restaurant</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>besoek / I feel accepted by my friends / family when I visit the</td>
<td></td>
</tr>
<tr>
<td>restaurant</td>
<td></td>
</tr>
<tr>
<td>34. Ek kry voordele deur deel te wees van die lojaliteitsprogram / I</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>receive benefits by being part of the loyalty programme</td>
<td></td>
</tr>
<tr>
<td>35. Die reputasie van die restaurant / The reputation of the</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>restaurant</td>
<td></td>
</tr>
<tr>
<td>36. Die restaurant bied wet hulpe belowe in hulpe bemarking / The</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>restaurant offers what they promise in their advertisements</td>
<td></td>
</tr>
<tr>
<td>37. Ek geniet dit om die restaurant te besoek / I enjoy dining at</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>the restaurant</td>
<td></td>
</tr>
</tbody>
</table>

**AFDELING B / SECTION B**

1. Geslag / Gender? Manlik/ Male 1, Vroulik/ Female 2

2. Watter jaar is u gebore? / in what year were you born? [ ]

3. Huistaal? / Home language?
   - Afrikaans 1
   - Engels / English 2
   - Ander (Spesifiseer) / Other (Specify): 3

4. In watter dorp is u permanent woonagtig? / In which city do you permanently reside? [ ]

5. Beroep / Occupation?
   - Professioneel / Professional 1
   - Bestuur / Management 2
   - Self-werkgewend / Self-employed 3
   - Tegnieke personeel / Technical personnel 4
   - Verkoopspersoneel / Sales 5
   - Boer / Farmer 6
   - Mynwees / Mining 7
   - Administratief / Administrative 8
   - Staatsdienswerkner / Civil service 9
   - Opvoedkundige / Educator 10
   - Huisvrou / Housewife 11
   - Pensionaris / Pensioner 12
   - Student 13
   - Werkloos / Unemployed 14
   - Ander (Spesifiseer) / Other (Specify): 15

6. Insluitend u seulse, hoeveel persone is gewoonlik in u geselskap wanneer u die restaurant besoek? / Including yourself, how many people are normally in your group when dining at the restaurant? [ ]
7. What is your gross annual income?

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; R 20 000</td>
<td>1</td>
</tr>
<tr>
<td>R 20 001 - R 140 000</td>
<td>2</td>
</tr>
<tr>
<td>R 140 001 - R 221 000</td>
<td>3</td>
</tr>
<tr>
<td>R 221 001 - R 305 000</td>
<td>4</td>
</tr>
<tr>
<td>R 305 001 - R 431 000</td>
<td>5</td>
</tr>
<tr>
<td>R 431 001 - R 552 000</td>
<td>6</td>
</tr>
<tr>
<td>R 552 001 &gt;</td>
<td>?</td>
</tr>
</tbody>
</table>

8. Naastenby hoeveel bestee u gedurende u restaurant besoek op die volgende items?

On average, how much do you spend on the following items during your restaurant visit?

<table>
<thead>
<tr>
<th>Alkhoholie verversings / Alcoholic beverages</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nie-alkhoholie verversings / Non-alcoholic beverages</td>
<td>R</td>
</tr>
<tr>
<td>Voedsel / Food</td>
<td>R</td>
</tr>
<tr>
<td>Ander (Spesifieker / Other) Specify:</td>
<td>R</td>
</tr>
</tbody>
</table>

9. Watter ander restaurant groep sou u sê die restaurant se grootste kompetisie?

What other restaurant would you say is this restaurant's biggest competition?

10. Wat sou u sê dra by tot die restaurant se sukses?

What would you say contributes to the restaurant's success?

11. Hoe kom besoek u die restaurant?

Why do you visit this restaurant?

<table>
<thead>
<tr>
<th>Besighheid / Business</th>
<th>Ja/Yes</th>
<th>Ne/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontspanning /Relaxation</td>
<td>Ja/Yes</td>
<td>Ne/No</td>
</tr>
<tr>
<td>Familie uitstapie / Family excursion</td>
<td>Ja/Yes</td>
<td>Ne/No</td>
</tr>
<tr>
<td>Speelse aanbiedinge / Specials</td>
<td>Ja/Yes</td>
<td>Ne/No</td>
</tr>
<tr>
<td>Ander (Spesifieker / Other) Specify:</td>
<td>Ja/Yes</td>
<td>Ne/No</td>
</tr>
</tbody>
</table>

12. Hoe gereeld besoek u die restaurant?

How often do you visit the restaurant?

<table>
<thead>
<tr>
<th>Weeklike / Weekly</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Een keer per maand / Once a month</td>
<td>2</td>
</tr>
<tr>
<td>Een keer elke 2 - 3 maande / Once every 2 - 3 months</td>
<td>3</td>
</tr>
<tr>
<td>Ander / Other (Specify)</td>
<td>4</td>
</tr>
</tbody>
</table>

13. Sê u die restaurant weer besoek? / Would you visit the restaurant again?

Ja, beslis / Yes, definitely | 1 |
Nee, beslis nie / No, definitely not | 2 |
Miskien / Perhaps | 3 |

14. Is u 'n lid van die 'Spur Family Card' lojaliteitsprogram? / Are you a member of the 'Spur Family Card' loyalty programme?

Ja / Yes | 1 |
Nee / No | 2 |

15. Is u kinders 'n lid van die 'Secret Tribe kids club' lojaliteits-program? / Are your children members of the 'Secret tribe kids club' loyalty programme?

Ja / Yes | 1 |
Nee / No | 2 |

16a. As gevolg van die lojaliteitsprogramme besoek ek meer gereeld die restaurant. / Because of the loyalty programmes, I tend to visit the restaurant more frequently.

Ja / Yes | 1 |
Nee / No | 2 |

16b. Indien nee, hoekom nie? / If no, why not?

Ja / Yes | 1 |
Nee / No | 2 |

17. Wat kan Spur doen om lojaliteit aan hulle restaurantte te verhoog? / What can Spur do to increase loyalty to the restaurant?

Dankie vir u samewerking! / Thank you for your co-operation!

Vir enige vrae kontak Nadia Jacobs by 083 962 1705 / For any queries contact Nadia Jacobs at 083 962 1705

- 156 -