

Assessing the determinants of customer happiness and customer loyalty in fast-food restaurant

ABSTRACT

The foods industry, particularly the fast-food sector, is rapidly expanding. Not to mention, the restauranters from the fast-food industry are competing with one another. In addition, the fast-food restauranters are also competing with local eateries. This research aimed to understand better how consumer services' quality and price fairness affect customer satisfaction; and how satisfied customers contribute to happiness and loyalty based on the reformation of attitude theory. Data were acquired through an online self-administered survey from 310 Malaysian customers who had experience consuming fast-food. The PLS-SEM analysis revealed that food quality, physical environment, and price fairness affected customer satisfaction. Interestingly, employees' services quality does not affect customer satisfaction. Consequently, customer satisfaction affects customer loyalty and happiness. In addition, happiness also affects customers' loyalty. Based on these findings, this study suggests some management implications and further research.