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An investigation of key success factors for restaurant operations in Saudi Arabia

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Abstract

Purpose: This exploratory, qualitative and descriptive study aims to find out critical success factors in restaurant operations and identify what elements are vital to a restaurant business success and survival. It is also an attempt to gain knowledge and understanding about this sector in Saudi Arabia through reviewing managers' insights in relation to their strategies and perceptions adopted.

Methods: Ten restaurants in Jeddah were approached to collect data through face to face semi-structured in-depth interviews. The purpose of interviews was to explore their experiences and insights into core factors contributing to the practice of their success. Responses from the restaurants' operators were used to analyze critical factors responsible for their success.

Results: Strategy, marketing, menu, and staffing issues were considered in assessing the critical factors contributing to success in restaurant operations. Delivery of consistent quality food and service creates customer relationship and develop loyalty were highlighted by almost all respondents. They also emphasized the significance of customer service and focus on customers' needs to identify their requirements.

Implications: Managers should consider both the tangible and intangible aspects that would make a restaurant business successful; consumer relationship building and loyalty plays a very important role in the success of a restaurant, combined with a clear strategy to contribute to the uniqueness of service provided.

Keywords: restaurant industry, success factors; service management; qualitative research; semi-structured interviews

JEL Classification: D4, G1

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1 INTRODUCTION

Food service industry has been given increasingly more consideration – prompting a noteworthy development of restaurants in both numbers and scale, which has transformed it into a critical component in many urban areas and towns. Throughout the second millennium, the restaurant business, together with the lodging and the travel industry sector, has turned out to be one of the quickest developing sectors and counted more than 33% of the worldwide services industry

(International Labour Organization, 2010). In 2017, the food service sector in Saudi Arabia in 2017 was valued at USD 29.83 billion which is expected to record 5.9% as a Compound Annual Growth Rate (CAGR) through 2018-2023 forecast periods (www.mordorintelligence.com, 2018). There is a frantic surge in the restaurant business in Saudi Arabia with several diversifications of franchised and local independent or chains restaurants launching each year (Khan, 2017) with presence of high competition among them through adoptions of strategies to gain competitive advantage



leading them to be survived and successful (www.mordorintelligence.com, 2018). According to Khan (2017) clients have several options in each segment of restaurants and they are presently searching for better varieties, tastes, values, comfort, quality and overall experience, since any restaurant that is failing to provide any of these issues, will undoubtedly die sooner than later.

There are many synonyms to success as revealed by many selected successful people and ranges from wisdom, well-being, satisfaction, work enjoyment, wonder, liking yourself, liking what you do, liking how you do, and as 1% inspiration and 99% perspiration (Business Insider, 2014; Fotiadis et al., 2019). For restaurant business, success can mean some or all of the previous listed qualitative aspects. In many cases restaurants success depends on several aspects rather than financial performance alone.

As a result, this study was conducted to identify what elements are vital to a restaurant business success and survival. It is also an attempt to gain more knowledge and understanding about this sector in Saudi Arabia through reviewing restaurants managers' insights in relation to their strategies and perceptions adopted in operation. To that context, the researchers decided to carry out the current study to understand these aspects in restaurant industry within Saudi Arabia.

2 LITERATURE REVIEW

2.1 Restaurant Success

Earlier researches addressed the quantitative aspects of restaurant operations (Collie and Sparks, 1999; DiPietro et al., 2007). Ratio analyses were investigated in an exploratory study for predicting restaurant failures (DiPietro, 2017; Olsen et al., 1983). According to Parsa et al. (2005) restaurant density and ownership turnover were identified strongly correlated (Ottenbacher et al., 2006). It was concluded that effective management of family life cycle and quality-of-life issues were more important in the growth and development of a restaurant. They also found that the restaurant industry's failure rate originates from an underestimation of the difficulty of the business environment; a lack of necessary specialized knowledge and staying power; a misunderstanding of a business owner's lifestyle. In a study targeted the complexities of the Michelin restaurant-ranking system in Europe, the factors of for success of restaurant were shown as investment and investment types; sources of funding; pursuit of excellence; and culinary craftsmanship (Johnson et al., 2005; Yilmaz, 2018).

In a study based on ethnic restaurants (Ha and Jang, 2010), service and food quality were found to have positively significant impacts on customer satisfaction and loyalty. They added that providing quality food is particularly critical for creating customer satisfaction in ethnic restaurants where atmospherics are not satisfactory. Camillo et al. (2008), investigating the success factors for independent restaurateurs, revealed that success cannot be sustained without a number of factors working in harmony. They argued that strategic vision, competitive drive, designing and developing menus, maintaining service levels and food quality and consistency, finding and retaining competent

labor, implementing stringent internal controls, procuring goods, and services, and developing a loyal following are vital to be successful. In summary, numerous factors can have a direct or indirect impact on a restaurant's success.

2.2 Restaurant Business

The restaurant industry represents an important sector in many countries' economy (Mensah & Mensah, 2018; Barnes et al., 2016; Parsa et al., 2005; Olsen and Zhao, 2001). According to the level of service clients receive, the restaurant business consists of four major segments.

- (1) Full service, i.e. usually offering menu selections and the price can vary between moderate and greatly expensive;
- (2) Quick service, i.e. fast-food chains and casual restaurants that offer buffets and take-out service and emphasizes on in-minute preparation and serving time, and relatively inexpensive;
- (3) Eating and drinking place segment that includes caterers and refreshment stand vendor;
- (4) Retail host can be restaurants that located within gas stations and grocery stores like franchises of major brand, such as specialty coffee or fast-food chains (Akers, 2019).

2.3 Operations Strategy

It is important for restaurant business to identify operations strategy and being clear about it (Hyun and Kim, 2011; Spyridou, 2017; DiPietro, 2005; Gyimóthy et al., 2000). It is a set of plans and policies of the organization to meet and achieve its objectives. It is also associated with product life cycle that currently adopted in service industries in which restaurant industry represent a major part in it and consists of main three stages, i.e. entrepreneurial, growth and maturity stages (Brown, 2003; Christou et al., 2010, 2018; Sasser et al., 1978). According to Chase (1978) a clear strategy should involve operation structure; number, size and location of units; split between front office and back room; technology options and its degree of usage. Johnston (1985) listed four main operation strategies for services industries that include strategic location of units; creation of economies of scale; technology development service differentiation development.

2.4 Meal-Related Experience

Relating to meal experience, Campbell-Smith (1989) and Davis et al. (2012) identified it as a series of events associate tangible and intangible issues that clients experience when eating out. To satisfy customers, meal experiences should be tailored to fit and maximize their requirements and expectations (Olsen and Zhao, 2001; Kotschevar and Luciani, 2007; Nella et al., 2010; Chatzigeorgiou et al., 2009, 2016, 2019; Fotiadis, 2018). In order to identify market segments, restaurateurs should identify who are the customers and what are their requirements to ensure that they are doing what the customers want. According to Davis et al. (2012) there are many aspects should be identified to meet customers' requirements such as: type of food and beverage; varieties in menu; service level, price & value relationship; interior décor & design; atmosphere & mood, expectation & their identification of restaurants; location & accessibility; service staff. Above all, it is significant to note that requirements from the same customer may vary from one

meal experience to another, thus restaurateurs should believe in continuous improvement for their restaurant operations to be survived and successful sustainably (Cousins et al., 2010; Kwortnik Jr. and Thompson, 2009).

2.5 Menu

Menus represent the key marketing and merchandising tool for restaurant operations (Morrison, 1996), which involve a wide range of detailed information to customers through the words used, colors, layout & design, quality of material used, and styles (McVety et al., 2009). The menu associated with other physical attributes; develop a level of expectation from customers that should be met by the meal experience. Development menus involves aspects such as menu content, menu design (such as theme, typography, colors, graphics, shape, and materials, layout of the menu, size and form), and menu pricing (Antun and Gustafson, 2005; Kincaid and Corsun, 2003). Menu contents represent the most important attribute. To arrange menu contents, restaurateurs should consider popularity of menu items and customers favorability across items. Therefore, it is significant for restaurants staff to be well educated and trained with menu knowledge in order to provide perfect advice for customers as a competitive advantage (Davis et al., 2012; Kwong, 2005).

2.6 Marketing

A distinct attribute of services businesses is that the service product is consumed at the place of production. Thus the production place of service is part of the marketing mix (Armistead, 1985). Accordingly, marketing represents a supporting part of the production process (Grove et al., 2000; Pinar et al., 2019). The marketing mix of restaurants that originated from service marketing, involve the 7 Ps, i.e. Product, Price, Promotion, Place, Process, Physical Evidence, and Participants (Davis et al., 2012). While most of these aspects are in the production process, the price and promotion are the two aspects that can be done before the "production-consumption point" in order to attract clients to the restaurants, in which the promotion is very critical (Akroush et al., 2013; Kwortnik Jr. and Thompson, 2009). Common promotion methods include advertising, public relations, merchandising, sales promotion and personal selling (Davis et al., 2012; Zaltman, Olson and Forr, 2015). Digital and social marketing is a current trend, so online reviews and social media have become popular (Groupon Works, 2013; Fotiadis and Stylos, 2017).

2.7 Staffing

According to Smith (1995) and Cheng and Brown (1998) the success and survival of restaurant industry is much more reliant on the quality of its staff and how effectively they are managed to achieve its goals. Therefore, it is critical for restaurant industry to develop an efficient human resources strategy to select, recruit and retain competent staff (Davis et al., 2012; Kelliher and Perrett, 2001; Fotiadis et al., 2019). However, restaurateurs still do not pay a recognized attention for hiring the right people (Ottenbacher, 2007; Ployhart and Moliterno, 2011). This in turn leads to job dissatisfaction, poor job performance, and increased staff turnover (Baum, 2007; Chapman and Lovell, 2006; Sigala & Christou, 2002; Triantafylou et al., 2011).

Based on the above discussions and considering the lack of information identifying restaurant success through reviewing restaurant managers' insights contributing to their successful practices, this qualitative study was designed to explore the critical success factors to restaurant industry in Saudi Arabia.

3 METHODOLOGY

Strauss and Corbin (1998:10, 11) defined qualitative research as "any type of research that produces findings not arrived at by statistical procedures or other means of quantification". It involves studies linked to: persons' lives; lived experiences; behaviors; emotions; feelings; organizational functioning; social movements; cultural phenomena; interactions between nations (Strauss and Corbin, 1998). It leads to answer what (i.e. what's happening in a particular settings; what's going here) or how (i.e. how realities of everyday life are accomplished) questions (Bouma, 2000; Seale, 2000), to provide in-depth information about something through interviewing and observing people to seek descriptions, interpretations, and explanations of something of the social world (Sheppard, 2004). According to Coolican (1999) in the semi-structured interviews, researchers should follow a list of specified topics and key questions to be covered and asked during the interview. Nevertheless, there is flexibility in terms of the ordering of questions that leads to extracting more information from participants relating to issues specified by interviewer (Robson, 1997; Denscombe, 2003). Recording of data followed by verbatim transcription represents a crucial concern to most of social studies researchers (Lapadat and Lindsay, 1999; Davies, 2007). Furthermore, it helped to ensure the accurate preservation and analysis of data (Creswell and Clark, 2007) and was a learning tool for the researcher/interviewer (Davies, 2007). As this study was exploratory inherently, a qualitative multiple-case study method and descriptive semi-structured interviews were used to allow for comparative assessment for a total of ten restaurants' senior managers in Jeddah. Interviews were conducted between October and November 2018 using a convenience sampling method. The interviews ranged between 30 and 45 minutes. Then verbatim transcribed and translated to English version. To identify the most critical success factors for restaurant managers, an open-ended survey was administered to review their insights and concerns. Responding to an open-ended survey format, managers were asked to think about four critical aspects contributing to their success in restaurant industry, i.e. strategy, marketing, menu, and staffing. Each aspect includes some questions.

The questions of the semi-structured interview consisted of four parts. The first part included a list of four questions focusing the strategy being adopted to contribute to their success. The second part included a list of eight questions about the marketing aspects contributed to success. The third part documented the respondents' insights relating to menu aspects contributed to their survival and success through asking four questions. The fourth part involved two questions emphasized staffing issues in relation to contribution to success. Below is the list of 18 open-ended questions included in the interview.

Strategy Questions:

- How do you see other restaurants compared to yours?
- What makes you different from your competitors?
- Why customers should choose you instead of them?
- What is your overall restaurant strategy?
- Marketing Questions:
- What kind of customer demographic do you target? Or how is your customer portfolio like?
- How would you describe the attributes of your target customer profiles?
- How would you describe your customer preferences related to their food?
- What do you think your customers value most about their experience in your restaurant?
- How do customers know about you?
- What are the main marketing activities do you do?
- How have you tried to reach customers?
- How long does it take you to gain your reputation as today?
- Menu Questions:
- What kind of meal experience do you aim to create for customers?
- What is unique about your menu?
- What is your strategy to measure customer satisfaction? Who is in charge of this?
- How frequently do you update your menu (items and prices)?
- Staffing Questions:
- What are the challenges you face in managing your staff? How do you solve them?
- How do you monitor their performance? How do you know that they are doing a good work?

These questions earlier mentioned, were used to determine what was on managers' insights without directing them to a particular answer or forcing them to select from a list of specific aspects. Accordingly, managers were given a space to think and elaborate on their insights. As the approach intended on qualitative study, we intended to extract categories of issues that are pressing to managers. Data was analyzed through using content analysis technique with constant comparison analysis to compare between similarities and differences across all respondents' comments to identify themes emerged and ensure generalization.

4 RESULTS AND DISCUSSION

Based on the literature review, restaurant successes rely on a number of factors and financial profits may not be the only aspect for the operation to be successful. With major consideration of this paradox, this exploratory study was designed to focus on other aspects by which restaurants can be measured for their success. Effort was made to explore factors other than financial performance by interviewing owners/managers of selected restaurants and qualitatively analyzing the reasons for their survival and success. To start with, it was ascertained that all the restaurants were currently in business.

4.1 Demographics Breakdown

The majority of respondents were male (90%). Six respondents out of ten were Saudi, where three were Egyptian and one of them was Jordanian. Their ages ranges between 24 to 54 years. Their years of industry experience ranged from three to 35 years. The years of working in the approached restaurant were ranged between one to 35 years. In terms of the number of staff working in their restaurants, it was found to be ranged between six and 49 employees. Relating to their education level, one of them had master degree; six had bachelor degree; three had secondary school degree. Out of the six bachelor degree, there was only one had a bachelor degree relevant to hospitality education. Relating to the type of their restaurant, seven of them were chain restaurants, while three were found independently. Six restaurants were identified as local and four were found to be internationally. Three were fine dining restaurants, three were found to be under casual dining category and four were grouped into fast food operations.

4.2 Strategy

Questions in this section were asked to obtain information with regard to strategy adopted in the selected restaurants and competition issues. When asking respondents how to see other restaurants compared to them, all respondents agreed that the competition is so tough and strong, but they see themselves to successful within the age of hard completion, you need to be different and unique in all aspects of your restaurants which include food taste, food quality, way of service, etc. and they need to work hard to be unique, as quoted below the response was as the following:

.....*Competitors in the market are many and all compete with us, but each restaurant has its own concept and we are really different..... (R2)*

Many strong competitors.....because of the number of restaurants around us. But as an Egyptian restaurant, we are unique in the taste of food, the quality, the way of service and also we have our Egyptian chefs and waiters.(R5)

.....*Many competitors, if you do not have competitors, you will not be succeeded...as long you consider success factors you will be able to reach your aim.....(R9)*

In relation to asking respondents what make them different from others, they emphasized the uniqueness in business to be survived and successful. Aspects of differentiations include: consistency in food and service quality; confidence; qualified suppliers; ambiance; brand name; innovation; updating with the industry as quoted below:

.....*90% of those in the market are imitators and 10% of those who are in the market are innovators and I, God willing, one of the innovators to enter the market with things different from the ones founded.....(R1)*

.....*The quality of the food and the suppliers we deal with are from outside the kingdom. This is what makes us unique.....(R2)*

.....*Our name, ambiance, food quality and taste, quality of service, so we are unique.....(R5)*

.....*Taste, quality, confidence....the most important thing is confidence; you could put 100 lines under it.....(R8)*

In terms of identifying why customers chose them instead of others respondents indicated and emphasizes uniqueness of having aspects such as quality of food and service; reasonable

prices; innovation; cleanliness; building customer relationship; continuous improvement; longevity; qualified employees; ambiance; comfort as quoted below:

.....*Quality and prices are possible. Prices first, then quality.....(R1)*

.....*The quality of the food is very high and the cleanliness of the restaurant itself as well.....(R2)*

.....*Consistency in the quality of food and service.....(R5)*

.....*Cleanliness of restaurant and food,and the service provided by our employees and managers.....(R7)*

.....*Our concept is new. We attain our customers through continuous improvement and hosting our customers well.....(R9)*

Relating to identifying their overall strategy, respondents stressed focusing on customers' requirements; consistency; continuous improvement; attaining regular customers; customer satisfaction; employee satisfaction as quoted below:

.....*Our strategy is to focus on customer satisfaction through providing quality food in a clean place with quality service.....(R2)*

.....*Our strategy is to deliver the Egyptian food taste among customers and to attain our regular customers.....(R5)*

.....*To maintain our brand name and to attain our qualified employees without them we cannot maintain good production.....(R6)*

All restaurants set a very obvious strategy to differentiate themselves from others. Even though the level of focus and investment on strategy by each restaurant is different, they intentionally set out clear strategies and actively keen to pursue them. Furthermore, they keep on being concerned to what the other competitors are doing differently or what is trendy and new in the restaurant market.

4.3 Marketing

In relation to asking respondents to identify the demographic for their targeted customers, all of them answered that they are targeting all categories. This means that their products and services are varies to attract all categories of customers which leads to sustainable success and survival as quoted below:

.....*Of course we try to attract all market categories of the whole community.(R6)*

.....*We stress on working hard to attract all market categories of the whole community.....(R9)*

In order to identify the attributes of targeted customers, respondents stressed that they targeted all categories as commented below:

.....*Young, families, Saudi, non-Saudi.....all categories of customers.....(R5)*

.....*70% elder people and the rest are youth.....(R6)*

.....*Of course we try to attract all market categories of the whole community since we provide reasonable prices fitting all categories.....(R7)*

To investigate customer preferences relating to the food, respondents that there are some items are popular for customer preferences as quoted below:

.....*We are keen that all our meals are targeted from our customers, but there are 5 dishes are more popular with high sales.....(R4)*

To identify what customers most value about their experience, most of respondents stressed the quality of products and service; cleanliness; innovations as in the quote below:

.....*Quality of food, service, cleanliness, hospitality and the way of grilling our steak at front of customers on black rock.....(R3)*

In relating to identifying how customers know about the selected restaurants, respondents were varies but most of them stressed on word of mouth linked with quality of products and services provided, also they emphasized the importance of social media comments about the restaurants, since they take it seriously. Furthermore, some of them relied on longevity as way of knowing the restaurant as quoted below:

.....*Word of mouth, I did not do any advertising campaign, but all of customers are now the people who coming regularly and through them the people heard about us.....(R1)*

.....*Of course we have a long period in Saudi Arabia almost 32 years, the first steak restaurant in Saudi Arabia, we are very reputable.(R3)*

.....*Through the quality of our food offered, since the customers compare it with what they found in other competitors, but we are short for advertising but we rely on the quality of the food offered to customers as a marketing tool for us.(R4)*

.....*We have been here in KSA 25 years ago, and customers know us through YouTube or marketing campaigns(R7)*

Relating to identifying their marketing activities, respondents indicated that most of their marketing activities relied on word of mouth which focuses on the quality of food and service provided. Also they focused on social media as illustrated in the comments below:

.....*We tried to market through social media.....(R2)*

.....*We are short for advertising but we rely on the quality of the food offered to customers as a marketing tool for us.(R4)*

.....*Varies and include social media, word of mouth, i.e. when customers enters our restaurant they will find quality food, quality service, good price.....beside we conduct radio advertisements.(R5)*

.....*Reliance on good reputation only, but we started social media.(R6)*

When asking respondents how they each their customers, their responses varied but emphasized the importance of promotions offered to them and the importance of focus on customer satisfaction as way to reach customers as commented below:

.....*Through offers and promotions that can be offered to them. This gives you the power to attract them through getting beneficial from promotions.(R2)*

.....*Cleanliness of the restaurant which involves both employees and food hygiene that attract customers..... Also the quality of the service.....(R3)*

.....*The most important thing is to maintain customer satisfaction.....you need to focus that the customer leave the restaurant satisfied. This will lead them to come regularly and make w goo word of mouth for us.(R5)*

Almost respondents indicated the importance of marketing aspects to be successful and survived within the age of hard competition they face right now. Word of mouth and social media became now the frequent types of media used as marketing tools, but they concentrated on working hard to

provide a consistent quality food and service to ensure customer satisfaction and regularity of the customers as well to repeat businesses.

4.4 Menu

In terms of identifying the kind of meal experience aiming to be created for customers, respondents indicated varied answers but emphasized the importance of: providing consistent quality food and service; innovation; varieties in menu items; focusing on customer satisfaction; food safety; hospitality; comfort; enjoyment as quoted below:

The experience of new varieties not found in the market and a new trend actually never exist in the market neither the Saudi nor outside Saudi.(R1)

Food safety, almost all customers should ensure that the food offered to them are free from contamination or poisons, so we focus that our restaurant is clean, the food we have is safe and not affecting our customers' health.(R3)

From the time the customers enter till they leave, we ensure that they are satisfied and enjoy the whole experience which include the quality of food and service, the atmosphere, and the prices in order to repeat business.(R5)

Confidence of the product delivered to the customers and ensuring its quality.(R8)

To investigate the uniqueness of their menus, respondents stressed the freshness of their produce with an emphasis on adherence to the standard; innovations; consistent quality food and service as quoted below:

Our menu items may be the same like competitors but we are different in the taste and the way of service and deal with customers which lead to buildCustomer relationship to repeat business.....(R6)

.....The taste of fresh produce according to the standard.....(R7)

.....Our new concept, atmosphere, and the quality of our raw materials.....(R9)

In terms of measuring customer satisfaction, all respondents indicated the importance of gaining feedback from customers relating the quality of the food and service provided through personal evaluations; guest comment cards; social media comments. They take their feedback seriously as way of continuous improvement as quoted below:

So far, I ask every customer that exists in the restaurant and ask him about his complete evaluation in terms of service, quality, taste and everything.(R1)

Each customer says his feedback in terms of prices of the product and all performance, even if any problem arises the customer can communicate through the invoice number by phone and we contact him along within five minutes then we do our best to solve it directly.(R8)

With regard to the frequency of updating their menus, respondents revealed that they review and update their menus every six months or annually depending of customers' feedback and standards of the corporation as commented below:

.....Every 6 months or annually at maximum.....(R5)

.....No changes but we follow our corporation standardized menu.....(R7)

Almost all respondents agreed that the menu represent a critical aspect of restaurant success and survival since it will be used as a marketing tool for restaurant operation.

Therefore restaurateurs should pay attention for their menus and they should focus on delivering consistent quality food and service coincided with the standard with emphasis on provision of fresh produce and varieties of menu items. Reviewing menu items on regular basis appears to be as a key issue to ensure matching the new trends in restaurant industry. Any change should be documented and reported to all staff to ensure a consistent level of food quality.

4.5 Staffing

Regarding challenges faced with staffing issues, respondents listed some of the challenges they found such as: shortage of Saudi qualified staff; shortage of qualifications; shortage of well-trained personnel; shortage of well-relevant educated personnel; most of employees working in restaurant industry were not speaking Arabic or English as what quoted below:

As for the restaurant industry, young Saudis, most of them are not trained well and there is no places to qualify them for the industry, most of them have their own experiences without relevant education with restaurant work.(R1)

Of course, the challenges are many, e.g., you deal with different nationalities with different languages and religions, and some of them not speaking Arabic or English and not educated which might make a big challenge.(R2)

.....Lack of staff educated and qualified in restaurant industry.....(R4)

In relation to monitoring employee performance, respondents indicated that they pay more attention to monitor their employees' performance as commented below:

Of course, employees' performance is evaluated depending on the customers' feedback and also through the amount of sales they achieve.(R2)

Our employees, performance monitored and evaluated through training and tested weekly relating to our standard also through the amount of sales they achieve.(R3)

Regular monthly performance evaluation for all employees and managers.(R5)

According to respondents, human resources represent one of the critical factors leading to restaurant success and survival. All respondent agreed that the most challenging issue in staffing is to find competent personnel with effective training. This supports what have been revealed by Smith (1995); Cheng and Brown (1998) that the success and survival of the restaurant industry is much more dependent on the quality of its personnel and how effectively they are managed to achieve its goals. Additionally, Oakland (2003) emphasized the importance of selecting and recruiting people who are qualified in specific aspects, e.g. education; experience; skills to match and achieve business requirements. However, hiring qualified personnel in restaurant industry appears to be a challenging leads to reliance on unqualified people that affects the quality of product/service offered (Poulston, 2008). Therefore we should take this issue seriously and pay attention relevant education and training with restaurant industry to ensure success and survival.

5 CONCLUSIONS AND RECOMMENDATIONS

This exploratory, descriptive and qualitative study focuses on analyzing factors as to why restaurants succeed. Strategy, marketing, menu and staffing aspects of restaurants were examined to see what factors contribute to their being in the business successful.

Based on the responses of all ten selected restaurant managers, it has been obvious that delivery of consistent quality food and service creates customer relationship and develop loyalty were highlighted by almost all respondents. They also emphasized the significance of customer service and focus on customers to identify their requirements. A clear strategy should be clear and in place were highlighted as a very important factor for success associated with menu and menu consistency. Another factor that comes from reviewing the restaurants managers insights is marketing aspects, which considered word of mouth and social media as main pillars for restaurant reputation. Furthermore, staffing issues were found to be a big dilemma in restaurant industry due to shortage in competent personnel who are well trained and relevant educated with the industry.

According to the literature review and the findings of this study, the following recommendations are proposed:

- There are several factors that contribute to the success of a restaurant operation such as strategy, marketing, menu, and staffing;
- Managers should consider both the tangible and intangible aspects that would make a restaurant business successful;
- A clear strategy should be available and in place to contribute to the uniqueness of service provided;
- Consumer relationship building and loyalty plays a very important role in the success of a restaurant;
- Menus and marketing aspects can be used to contribute for customer satisfaction;
- Competent personnel contribute to the success and survival of the restaurant operation.

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