

**AN EVALUATION OF CUSTOMERS' PERCEPTION AND  
RESPONSE ON RELATIONSHIP MARKETING OF  
FAST FOOD OUTLETS IN CAVITE**

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## **ABSTRACT**

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Cavite is indeed a province that catches investments and locks on to them. Buildings, business infrastructures, and commercial establishments are continually improving and experiencing modernization. Fast food outlets have mushroomed in different localities and busy areas of Cavite. These developments gave the researcher an idea to explore one of the marketing strategies, particularly, relationship marketing of fast food outlets in the Province of Cavite such as Jollibee, McDonalds, and Chowking.

Relationship marketing is emerging as an actionable framework for developing enduring long-term customer relationship. In the few years since the idea was first formulated, it has gained widespread recognition as a concept with considerable potential.

The above mentioned fast food outlets adapted relationship marketing as a strategy to deliver customer satisfaction and customer value. Several issues and concerns were addressed in the evaluation of customer's perception and responses on relationship marketing. Among the areas studied are relationship customization, offer augmentation, relationship pricing, and personalized service.

Specifically, this study aimed to answer the following questions:

1. What is the demographic profile of the respondents in terms of age, sex, civil status, and educational attainment?
2. What is the level of satisfaction of customers of fast food outlets regarding relationship marketing?
3. What is the perception and response of customers in terms of the following:
  - 3.1 relationship customization
  - 3.2 offer augmentation
  - 3.3 relationship pricing
  - 3.4 personalized service
4. Is there a significant difference in the perception of customers on relationship marketing in terms of relationship customization, offer augmentation, relationship pricing, and personalized service when they are grouped according to their demographic profile?
5. What are the problems encountered by customers on relationship marketing and the recommendations to arrest these problems?

## Findings

Out of 1,066 customers involved in this study, the youngest is 18 years of age and the oldest was 41 and above. 39% are between the age bracket of 18 to 22, 26% were between 23 to 27, 14% were between 28 to 32, and 7% were in 43 and above category

Majority of the customers, 618 or 58% of them were single, 383 or 36% were married, 44 or 4% were separated, and 21 or 2% of them were widowed.

In this study, 714 or 67% were female and 352 or 33% were male.

Out of 1,066 customers, 683 or 64% were college graduates, 58 or 4% were elementary graduates, 245 or 23% finished high school and 100 or 9% had graduate studies.

Customers have rated the relationship marketing in terms of relationship customization such as access of the store to customer information, contact of the store to customers, survey about the customers, suggestion and comments system and handling customer as very satisfactory.

Customers rated the fast food outlets very satisfactory in terms of offer augmentation such as combination of value meals, food combination, playing area for kids, newsletter or any publication, and quality of kiddie meal toys on the basis of their satisfaction. Card membership was rated fair.

Customers rated the fast food outlets very satisfactory in terms of relationship pricing such as price of all products, value or combo meals, birthday

party package, products included in sales promotion and price discounts on the basis of their satisfaction.

Customers have rated the fast food outlets very satisfactory in terms of personalized service such as courteousness of employees, speed of service quality of service, appearance and cleanliness of the store, order taking over-the-counter, order taking for home delivery, speed of home service delivery, sincerity of greetings, attending to customers' requests or needs and relationship with service crew or store managers on the basis of their satisfaction.

Out of 1,066 respondents 7.22% of the respondents find relationship marketing in terms of relationship customization irritating, 12.57% don't pay attention, 7.22% try to eliminate or avoid it, 15.48% try to minimize it, 38.18% value it, and 19.32% are satisfied or delighted.

Out of 1,066 5.16% of the respondents find relationship marketing in terms of offer augmentation finds it irritating, 9.10% don't pay attention, 7.50% try to eliminate or avoid it, 5.26% try to minimize it, 32.18% value it, and 40.18% are satisfied or delighted.

Out of 1,066 respondents 6.28% of the respondents find relationship marketing in terms of relationship pricing find it irritating, 10.79% don't pay attention, 6.94% try to eliminate or avoid it, 15.01% try to minimize it, 35.65% value it, and 25.33% are satisfied or delighted.

Out of 1,066 respondents 6.75% find relationship marketing in terms of personalized service finds it irritating, 9.47% don't pay attention, 6.19% try to

eliminate or avoid it, 11.73% try to minimize it, 29.27% value it, and 36.58% are satisfied or delighted.

There is no significant difference in customer perception as to relationship marketing in terms of relationship customization when they are grouped according to age, sex or gender, and educational attainment. However, there is a significant difference when they are grouped according to civil status.

There is no significant difference in customer perception as to relationship marketing in terms of offer augmentation when they are grouped according to age and sex or gender. However, there is a significant difference when they are grouped according to civil status and educational attainment.

There is no significant difference in customer perception as to relationship marketing in terms of relationship pricing when they are grouped according to age, sex or gender, and educational attainment. However, there is a significant difference when they are grouped according to civil status.

There is no significant difference in customer perception as to relationship marketing in terms of personalized service when they are grouped according to sex or gender, and educational attainment. However, there is a significant difference when they are grouped according to age and civil status.

Among the services of fast food outlets being offered, it was only card membership that was rated fair. A certain percentage of the customers find relationship marketing irritating, they don't pay attention, they try to eliminate or avoid it, and try to minimize it.



## Conclusions

Majority of the customers are very young, the youngest is 18 years of age and the oldest was 43 and above. 39% are between the age bracket of 18 to 22, 26% were between 23 to 27, 14 % were between 28 to 32, and 7% were in 43 and above category. Therefore, the market of fast food outlets in Cavite have different segments in terms of demographic variable. They are catering not only to young children but also to teenagers, young adults, adults, and older age.

Majority of the customers, 618 or 58% of them were single, 383 or 36% were married, 44 or 4% were separated, and 21 or 2% of them were widowed.

The female outnumbered the male in this study, 714 or 67% were female and 352 or 33% were male.

Majority of the customers are educated, 683 or 64% were college graduates, 38 or 4% were elementary graduates, 245 or 23% finished high school and 100 or 9% had graduate studies.

Customers are satisfied as to relationship marketing in terms of relationship customization such as access of the store to customer information, contact of the store to customers, survey about the customers, suggestion and comments system and handling complains.

Customers are satisfied as to relationship marketing in terms of offer augmentation such as combination of value meals, food combination, playing area for kids, newsletter or any publication, and quality of kiddie meal toys on

the basis of their satisfaction. The level of customer's satisfaction is average when it comes to card membership.

Customers are satisfied as to relationship marketing in terms of relationship pricing such as price of all products, value or combo meals, birthday party package, products that are included in sales promotion and price discounts.

Customers are satisfied as to relationship marketing in terms of personalized service such as courteousness of employees, speed of service quality of service, appearance and cleanliness of the store, order taking over-the-counter, order taking for home delivery, speed of home service delivery, sincerity of greetings, attending to customers' requests or needs and relationship with service crew or store managers.

Some of the customers are dissatisfied regarding relationship marketing in terms of relationship customization because their perception and response is that they find it irritating, they don't pay attention, they try to eliminate or avoid it, and try to minimize it but majority value it and are satisfied or delighted.

Some of the customers are dissatisfied regarding relationship marketing in terms of offer augmentation because their perception and response is that they find it irritating, they don't pay attention, they try to eliminate or avoid it, and try to minimize it, however, majority value it and are satisfied or delighted.

Some of the customers are dissatisfied regarding relationship marketing in terms of relationship pricing because their perception and response is that they



find it irritating, they don't pay attention, they try to eliminate or avoid it, and try to minimize, however, majority value it and are satisfied or delighted.

Some of the customers are dissatisfied as to relationship marketing in terms of personalized service because they find it irritating, they don't pay attention, they try to eliminate or avoid it, and try to minimize it, however, majority value it and are satisfied or delighted.

Customers have the same perception as to relationship marketing in terms of relationship customization when they are grouped according to age, sex or gender, and educational attainment. However, they have different perception when they are grouped according to civil status.

Customers have the same perception as to relationship marketing in terms of offer augmentation when they are grouped according to age and sex or gender. However, they have different perception when they are grouped according to civil status and educational attainment.

Customer have the same perception as to relationship marketing in terms of relationship pricing when they are grouped according to age, sex or gender, and educational attainment. However, they have different perception when they are grouped according to civil status.

Customers have the same perception as to relationship marketing in terms of personalized service when they are grouped according to sex or gender, and educational attainment. However, they have different perception when they are grouped according to age and civil status.

The problems encountered by customers as to relationship marketing in terms of relationship customization, offer augmentation, relationship pricing, and personalized service are the causes of their dissatisfaction, specifically, they find it irritating, they don't pay attention, they try to eliminate or avoid it, and try to minimize it.

### **Recommendations**

Fast food outlets should conduct a marketing research to find out what makes some customers dissatisfied as to relationship marketing in terms of relationship customization, offer augmentation, relationship pricing, and personalized service.

Fast food outlets should invest more in relationship marketing program not only to attract new customers but also to keep and continuously satisfy the existing customers.

A periodic evaluation should be conducted to monitor if the objectives of relationship marketing strategy are being met.

Fast food outlets in order to determine, evaluate, and analyze the effectiveness of relationship marketing strategy should conduct a regular marketing research.

Services should be augmented. Fast food outlets should have an "extra" service that sets them apart from their competitors. "Extra" service that customers will get delighted so they will experience the difference.

As evaluated and rated by customers as very satisfactory, Fast food outlets should continuously improve relationship marketing program to attain excellence with regard to this.

Information technology can be integrated in relationship marketing program like customer care via internet. For instance, customer can send their inquiries, complains or suggestions or any other concerns via e-mail. This can elicit more sincere feedback.

For store managers, be perfectionist so that service crews will realize that completing an assigned task is not enough but doing the very best they could possibly do.

Develop a Loyalty Program. This means giving customers a special recognition. One way is to establish a special club for kids, teenagers, adults, and the elderly and giving them specific benefits and privileges.

Fast food outlets should continuously develop their frontliners such as store managers, store supervisors and service crews in extending their personalized service to customers in order for them to maintain or enhance intimacy or goodwill.

Lastly, this marketing strategy can be adopted by any service company from different industries.

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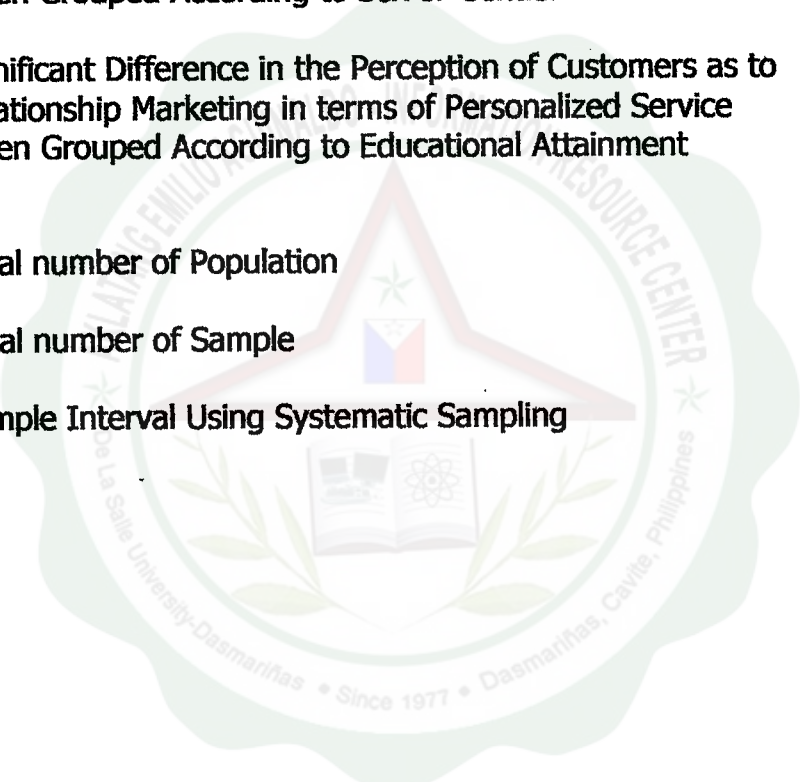
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