

Product innovation process of Chain Restaurants: a new empirical perspective using statistical paradigms

Abstract

This paper presents a recently concluded research study on new product innovation process (PIP) of chain restaurants in Malaysia. The aim of this study was two-folded: First, this study advanced both the theoretical conceptualization and the empirical validation of PIP model that have never been attempted before in hospitality management research. Second, this study then examined the reflective path coefficients of the structural model along with its predictive accuracy (R square) and predictive relevance (Q square). Partial Least Square (PLS) path modeling, using SmartPLS latest version 3.1.8, was used to estimate the higher-order construct (HOC) of PIP by adopting repeated use of manifest variables. Empirically, the result confirms both the second-order constructs of concept development and implementation path coefficients are found significant at $p < 0.01$. Nonetheless, in this study, one of the stages of PIP (first-order latent variables) called pre-marketing found not significant, suggesting minimal emphasize on pre-marketing activities. The implication of these findings is then discussed along with its contribution to knowledge for academia and practitioners in a field alike, and limitations and future recommendation.