

**AN EVALUATION ON THE IMAGE OF FAST FOOD
RESTAURANTS USING COMPROMISED-
ANALYTICAL HIERARCHY PROCESS:
A CASE OF LABUAN,
MALAYSIA**

YEAP SIEW LIN

**LABUAN FACULTY OF INTERNATIONAL FINANCE
UNIVERSITI MALAYSIA SABAH
2020**

**AN EVALUATION ON THE IMAGE OF FAST FOOD
RESTAURANTS USING COMPROMISED-
ANALYTICAL HIERARCHY PROCESS:
A CASE OF LABUAN,
MALAYSIA**

YEAP SIEW LIN

**THESIS SUBMITTED IN FULFILLMENT FOR THE
DEGREE OF MASTER OF BUSINESS**

**LABUAN FACULTY OF INTERNATIONAL FINANCE
UNIVERSITI MALAYSIA SABAH
2020**

UNIVERSITI MALAYSIA SABAH

BORANG PENGESAHAN STATUS TESIS

JUDUL : **PENILAIAN IMEJ RESTORAN MAKANAN SEGERA DENGAN MENGGUNAKAN TEKNIK PROSES HIRARKI ANALITIK YANG BERKOMPROMI: SATU KAJIAN DI LABUAN, MALAYSIA**

IJAZAH : **SARJANA PERNIAGAAN**

BIDANG : **PEMASARAN ANTARABANGSA**

Saya **YEAP SIEW LIN**, Sesi **2015-2020**, mengaku membenarkan tesis Sarjana ini disimpan di Perpustakaan Universiti Malaysia Sabah dengan syarat-syarat kegunaan seperti berikut:-

1. Tesis ini adalah hak milik Universiti Malaysia Sabah
2. Perpustakaan Universiti Malaysia Sabah dibenarkan membuat salinan untuk tujuan pengajian sahaja.
3. Perpustakaan dibenarkan membuat salinan tesis ini sebagai bahan pertukaran antara institusi pengajian tinggi.
4. Sila tandakan (/):

SULIT

(Mengandungi maklumat yang berdarjah keselamatan atau kepentingan Malaysia seperti yang termaktub di dalam AKTA RAHSIA 1972)

TERHAD


(Mengandungi maklumat TERHAD yang telah ditentukan oleh organisasi/badan di mana penyelidikan dijalankan)

TIDAK TERHAD



YEAP SIEW LIN
MG1511019T

Disahkan Oleh,

 ANITA BINTI ARSAD
PUSTAKAWAN KANAN
UNIVERSITI MALAYSIA SABAH

(Tandatangan Pustakawan)

Tarikh : 10 October 2020



(Dr. Anath Rau Krishan)
Penyelia

DECLARATION

I, at this moment, declare that the material in this thesis is my own except for quotations, equations, summaries, and references, which have been properly acknowledged.

21 February 2020



YEAP SIEW LIN

MG1511019T

CERTIFICATION

NAME : YEAP SIEW LIN
MATRIX NO : MG15110T
TITLE : AN EVALUATION ON THE IMAGE OF FAST FOOD
RESTAURANTS USING COMPROMISED-ANALYTICAL
HIERARCHY PROCESS: A CASE OF LABUAN, MALAYSIA
DEGREE : MASTER OF BUSINESS
FIELD : INTERNATIONAL MARKETING
VIVA DATE : 21 FEBRUARY 2020

CERTIFIED BY;

SIGNATURE

1. **MAIN SUPERVISOR**

DR. ANATH RAU KRISHAN



2. **CO-SUPERVISOR**

ASSOC. PROF. DR. MOHD. RIZAL BIN ABDUL HAMID



ASSOC. PROF. DR. MOHAMAD RIZAL ABD HAMID
DEAN
Labuan Faculty of International Finance
University Malaysia Sabah

06/10/2020

ACKNOWLEDGEMENT

First of all, I would like to thank God for bringing me here, to Labuan and eventually led me to pursue my Master in Business by providing me the strength to smoothly go through all the challenges I came across in completing my studies.

Secondly, I want to convey my sincere thanks to my both supervisors, Dr. Anath Rau Krishan and Associate Prof. Dr. Mohamad Rizal Bin Abdul Hamid. They have always helped me in improving the quality of my thesis by offering constructive suggestions based on their expertise.

Thirdly, I would also like to express my gratitude to the respondents and experts who have participated in my survey and provided their valuable responses, needed for this research.

Finally, I wish to thank my family members who have morally and financially supported me till the end of my studies.

Yeap Siew Lin

21 February 2020

ABSTRACT

Restaurant image can be defined as an immediate perception that arises in the mind of the customers when the name of the restaurant is mentioned. It is reported as an important construct that influences the customer purchase decision and loyalty. Therefore, evaluating and improving restaurant image should be seen as a continuous process. Otherwise, in a long-run, the restaurants, including the fast-food restaurants (FFRs), may lose their potential customers to the competitors. Unfortunately, the set of attributes proposed to evaluate the image of an FFR in every past study appears to be incomplete with the absence of a few crucial attributes. Besides, there is no study which has used the additional 3Ps (people, process, and physical evidence) marketing mix attributes to specifically understand the effect of these attributes on FFR image. In addition, the researchers are yet to propose a multi-attribute decision making (MADM)-based procedure to evaluate the image of FFRs; a procedure which can simultaneously (1) reveal the relative weights of restaurant image attributes and (2) rank the involved FFRs according to their overall image scores. Indeed, the information on the attribute weights helps to identify the proper strategies for improvement, whereas the ranking helps to identify the principal competitors in the marketplace. This research therefore aimed at introducing a MADM procedure to evaluate the image of four FFRs in Labuan, Malaysia namely McDonald's, MarryBrown, PizzaHut, and Kentucky Fried Chicken based on a comprehensive set of attributes. FFRs in Labuan were chosen for this research as it was discovered that there is still some room for improvement that can be considered by these FFRs to polish their image from the public's perspective. In this research, firstly, an initial list of FFR image attributes was elicited from previous literature. This initial list was then further validated through a two-round Delphi survey involving a panel of ten experts. A questionnaire was then designed based on the finalized attributes, and the data collected from a sample of 251 respondents using the designed questionnaire were then processed using the compromised-analytical hierarchy process (C-AHP) technique. C-AHP was selected over the traditional AHP as it ensured the data for analysis were free from the issue of inconsistency. The C-AHP results suggest that the four FFRs should assign better attention on the following six most influential attributes if they wish to meaningfully improve their overall image from the public's perspective: Hospitality, employees' problem-solving skill, employees' knowledge, food taste, physical cleanliness, and service response time. The FFR which tops the ranking was found to hold the highest performance scores with respect to these six attributes. Also, interestingly, the research reports employees' appearance and restaurant exterior as two least important image attributes. From the literature perspective, this research has contributed a proper FFR image evaluation procedure, which not only able to uncover the weights of image attributes but also ranks the FFRs involved in the investigation by computing their aggregated image scores. Meanwhile, from a practical perspective, the research has suggested some feasible strategies to improve the overall image of the involved FFRs.

Keywords: Restaurant image, Fast-food restaurant, Multi-attribute decision making, Compromised-analytical hierarchy process

ABSTRAK

PENILAIAN IMEJ RESTORAN MAKANAN SEGERA DENGAN MENGUNAKAN TEKNIK PROSES HIRARKI ANALITIK YANG BERKOMPROMI: SATU KAJIAN DI LABUAN, MALAYSIA

Imej restoran boleh didefinisikan sebagai perspektif segera yang timbul dalam fikiran pelanggan apabila nama sesebuah restoran disebutkan. Ia dilaporkan sebagai konstruk penting yang mempengaruhi keputusan pembelian dan kesetiaan pelanggan. Oleh itu, menilai dan meningkatkan imej restoran harus dilihat sebagai satu proses yang berterusan. Jika tidak, dalam jangka masa panjang, mana-mana restoran termasuk restoran makanan segera (RMS) mungkin akan kehilangan bakal pelanggan mereka kepada pihak pesaing. Malangnya, senarai atribut yang dicadangkan untuk menilai imej restoran makanan segera dalam setiap kajian terdahulu adalah tidak lengkap dengan ketiadaan beberapa atribut penting. Selain itu, tidak ada kajian yang menggunakan atribut campuran pemasaran 3Ps (orang, proses, dan bukti fizikal) untuk memahami secara khusus pengaruh atribut ini pada imej RMS. Di samping itu, para penyelidik masih belum lagi mencadangkan sebuah prosedur yang berlandaskan konsep pembuatan keputusan pelbagai atribut (PKPA) untuk menilai imej RMS; prosedur yang secara serentak mampu untuk (1) mengukur pemberat relatif atribut imej restoran dan (2) menentukan kedudukan restoran yang terlibat mengikut skor keseluruhan imej mereka. Sudah semestinya maklumat mengenai pemberat atribut dapat membantu untuk mengenalpasti strategi yang tepat untuk tujuan penambahbaikan, manakala maklumat berkenaan kedudukan restoran membantu untuk mengenalpasti pesaing utama di pasaran. Oleh yang demikian, kajian ini dijalankan dengan tujuan memperkenalkan sebuah prosedur PKPA bagi menilai imej empat buah RMS di Labuan, Malaysia iaitu McDonald's, MarryBrown, PizzaHut, dan Kentucky Fried Chicken, berdasarkan set atribut yang komprehensif. RMS di Labuan dipilih untuk kajian ini kerana didapati masih ada ruang untuk penambahbaikan yang boleh dipertimbangkan oleh RMS ini untuk meningkatkan imej mereka dari perspektif orang ramai. Dalam kajian ini, pertama sekali, satu senarai tentatif atribut bagi menilai imej RMS yang awal diperolehi dari literatur sebelumnya. Senarai tentatif ini kemudiannya disahkan lagi melalui teknik Delphi dua pusingan yang melibatkan sepuluh pakar. Satu borang soal selidik seterusnya direka berdasarkan atribut yang telah dimuktamadkan, dan data yang dikumpulkan daripada sampel yang terdiri daripada 251 responden menggunakan borang soal selidik tersebut kemudiannya diproses menggunakan teknik proses hierarki analitik yang dikompromi (PHA-D). PHA-D dipilih daripada AHP tradisional bagi memastikan data digunakan untuk analisis bebas daripada isu ketidakkonsistenan. Keputusan PHA-D mencadangkan bahawa keempat-empat restoran yang terlibat dalam kajian ini perlu memberi keutamaan terhadap enam atribut berikut sekiranya ingin meningkatkan imej mereka dari perspektif pelanggan: Hospitaliti, kemahiran penyelesaian masalah oleh perkerja restoran, pengetahuan

pekerja, rasa makanan, kebersihan fizikal, dan masa tindak balas perkhidmatan. Malahan, RMS yang berada di kedudukan teratas didapati mempunyai skor prestasi tertinggi bagi keenam-enam atribut ini. Juga, menariknya, kajian ini mendapati bahawa penampilan pekerja dan luaran restoran sebagai dua atribut yang paling kurang kepentingannya dari konteks imej restoran. Dari perspektif literatur, kajian ini telah menyumbangkan sebuah prosedur penilaian imej RMS yang bukan sahaja mampu mengenalpasti pemberat atribut imej, tetapi juga menentukan prestasi RMS yang terlibat dalam kajian dengan mengira skor agregat imej mereka. Manakala, dari perspektif pengaplikasian, beberapa strategi yang boleh dilaksanakan telah dicadangkan untuk menambahbaik imej RMS yang terlibat dalam kajian ini.

Kata Kunci: Imej restoran, Restoran makanan segera, Proses hierarki analitik yang dikompromikan, Pembuatan keputusan pelbagai atribut

TABLE OF CONTENTS

	Page
TITLE	i
DECLARATION	ii
CERTIFICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
<i>ABSTRAK</i>	vii
TABLE OF CONTENTS	ix
LIST OF TABLES	xii
LIST OF FIGURES	xiv
LIST OF ABBREVIATIONS	xvi
LIST OF APPENDICES	xvii
CHAPTER 1: INTRODUCTION	1
1.1 Background of the Study	1
1.2 Problem Statement	6
1.3 Research Questions	11
1.4 Research Objectives	11
1.5 Significance of the Study	12
1.6 Scope of the Study	13
1.7 Terms of Reference	15
1.8 Thesis Organization	16
CHAPTER 2: REVIEW ON THE IMAGE OF FAST-FOOD RESTAURANTS	17
2.1 Introduction	17
2.2 Fast-Food Restaurant (FFR)	17
2.3 Restaurant Image	18
2.4 FFR Image based on Marketing Mix Service Attributes	22
2.4.1 People	24

2.4.2	Process	26
2.4.3	Physical Evidence	29
2.5	Possible Methods to Evaluate Image of FFR	33
2.6	Summary of Chapter Two	34
CHAPTER 3: AHP AND ITS APPLICATION IN RESTAURANT SETTING		36
3.1	Introduction	36
3.2	Evaluating the Image of FFRs as a MADM Problem	36
3.3	Basic Steps in Conventional AHP	37
3.3.1	Modeling the Decision Problem	37
3.3.2	Making Pairwise Comparisons	38
3.3.3	Computing the Weights of Decision Elements	39
3.3.4	Finding the Aggregated Score of Each Alternative	40
3.3.5	A numerical Example	40
3.4	Group AHP	44
3.5	Merits of AHP	44
3.6	Compromised-AHP	46
3.7	Application of AHP in Restaurant Setting	47
3.8	Summary of Chapter 3	49
CHAPTER 4: METHODOLOGY		50
4.1	Introduction	50
4.2	Phase 1: Literature Review	51
4.3	Phase 2: Determining the FFR Image Evaluation Attributes Using DELPHI Method	51
4.4	Phase 3: Data Collection from Customers	54
4.4.1	Target Population	54
4.4.2	Sampling Approach and Caution Measure	54
4.4.3	The Instrument for Data Collection and Pre-Testing	55
4.4.4	Mode of Data Collection	56
4.4.5	Sample Size	56
4.5	Phase 4: Applying C-AHP	56
CHAPTER 5: RESULTS AND DISCUSSION		62
5.1	Introduction	62
5.2	Delphi Results	62
5.3	Demographic Structure of the Sample	64
5.4	C-AHP Results	65
5.4.1	Weights of Main and Sub Attributes	65
5.4.2	Performance Scores of FFRs with respect to Sub Attributes	69
5.4.3	Overall Image Scores and Ranking of FFRs	81
5.5	Summary of Chapter 5	82

CHAPTER 6: CONCLUSION	84
6.1 Introduction	84
6.2 Achievement on Research Objectives	84
6.2.1 Specific Objective 1: To Identify the Attributes that Influence the Image of an FFR Based on 3P's Model Perspective	84
6.2.2 Specific Objective 2: To Systematically Measure the Relative Importance of FFR Image Attributes Achievement on Research Objectives	85
6.2.3 Specific Objective 3: To Rank the FFRs under Investigation Based on their Computed Overall Image Scores	85
6.2.4 Specific Objective 4: To Formulate the Best Possible Courses of Action to Improve their Overall Image from the Customers' Perspective	85
6.3 Contributions of the Study	86
6.3.1 Contributions from Literature Viewpoint	86
6.3.2 Contributions from Practical Viewpoint	87
6.3.3 Limitations and Recommendations	88
REFERENCES	89
APPENDICES	108

LIST OF TABLES

	Page
Table 1.1: FFRs that Operating in Labuan	3
Table 2.1: Summary of Past Research	21
Table 2.2: Description on People Sub-Attributes	32
Table 2.3: Description on Process Sub-Attributes	32
Table 2.4: Description on Physical Evidence Sub-Attributes	33
Table 3.1: Saaty's AHP Scale	38
Table 3.2: Pairwise Comparison Matrix of the Sites with respect to Income Range (c_1)	41
Table 3.3: Pairwise Comparison Matrix of the Sites with respect to Infrastructure (c_2)	42
Table 3.4: Pairwise Comparison Matrix of the Sites with respect to Transportation (c_3)	42
Table 3.5: Pairwise Comparison Matrix of Attributes with respect to Decision Goal	42
Table 3.6: Normalised Matrix of the Sites with respect to Income Range (c_1)	42
Table 3.7: Normalised Matrix of the Sites with respect to Infrastructure (c_2)	42
Table 3.8: Normalised Matrix of the Sites with respect to Transportation (c_3)	43
Table 3.9: Normalised Matrix of Attributes Leading Decision Goal	43
Table 3.10: Performance Score of Each Site with respect to Income Range	43
Table 3.11: Performance Score of Each Site with respect to Infrastructure	43
Table 3.12: Performance Score of Each Site with respect to Transportation	43
Table 3.13: Weights of Attributes with respect to Decision Goal	43
Table 3.14: Final Result for the Site Selection Problem	44

Table 3.15:	Application of AHP in Restaurant Related Problems	48
Table 4.1:	Conversion of Preference Ratings into a Pairwise Matrix	57
Table 5.1:	The Final List of FFR Image Attributes	63
Table 5.2:	The Weights of Main and Sub-Attributes	68
Table 5.3:	The Performance Matrix of the FFRs	81
Table 5.4:	Possible Strategies for Improvement	83

LIST OF FIGURES

	Page
Figure 1.1: The Frequency of Malaysians Consuming Food at FFRs in any Given Week (from 2016 to 2018)	2
Figure 1.2: Compilation of Reviews on Labuan FFRs from the Customers	9
Figure 1.3: A Section of News Coverage on an Unhygienic FFR in Labuan	10
Figure 1.4: Motivation of the Research	10
Figure 2.1: 7P's of Service Marketing Mix	23
Figure 2.2: Proposed Multi-Attribute Hierarchy Model to Measure FRR Image	35
Figure 3.1: Hierarchical Decision Model for Site Selection Problem	41
Figure 4.1: Research Methodology	50
Figure 4.2: The Proposed C-AHP Based Procedure to Evaluate the Image of FFRs	59
Figure 4.3: FFR Image Evaluation Model in Expert Choice	60
Figure 4.4: Recording Pairwise Values in Expert Choice	61
Figure 4.5: AHP Results in Expert Choice (An Example based on a Respondent)	61
Figure 5.1: The Final Model used for Evaluating the Image of FFRs	64
Figure 5.2: Performance Scores of FFRs on Hospitality	69
Figure 5.3: Performance Scores of FFRs on Employees' Knowledge	70
Figure 5.4: Performance Scores of FFRs on Employees' Problem-Solving Skill	71
Figure 5.5: Performance Scores of FFRs on Food Taste	72
Figure 5.6: Performance Scores of FFRs on Healthy Food	72
Figure 5.7: Performance Scores of FFRs on Service Response Time	73
Figure 5.8: Performance Scores of FFRs on Sales Promotion	74

Figure 5.9:	Performance Scores of FFRs on Value for Money	75
Figure 5.10:	Performance Scores of FFRs on Value of Food	75
Figure 5.11:	Performance Scores of FFRs on Operation Time	76
Figure 5.12:	Performance Scores of FFRs on Menu Design	77
Figure 5.13:	Performance Scores of FFRs on Employees' Appearance	77
Figure 5.14:	Performance Scores of FFRs on Physical Cleanliness	78
Figure 5.15:	Performance Scores of FFRs on Parking	79
Figure 5.16:	Performance Scores of FFRs on Internal Ambiance	79
Figure 5.17:	Performance Scores of FFRs on Overall Safety	80
Figure 5.18:	Performance Scores of FFRs on Exterior	81
Figure 5.19:	Overall Image Score of each FFR	82

LIST OF ABBREVIATIONS

3P's	–	People, Process, and Physical Evidence
4P's	–	Place, Product, Promotion, and Price
7P's	–	Place, Product, Promotion, Price, People, Process, and Physical Evidence
AIJ	–	Aggregation of Individual Judgments
AIW	–	Aggregation of Individual Weights
AHP	–	Analytic Hierarchy Process
C-AHP	–	Compromised-Analytic Hierarchy Process
FFR	–	Fast-food Restaurant
KFC	–	Kentucky Fried Chicken
MADM	–	Multi-Attributes Decision Making
MB	–	Marrybrown
McD	–	McDonald's
PH	–	Pizza Hut

LIST OF APPENDICES

	Page
Appendix A: English Version of Delphi Questionnaire (First Round)	108
Appendix B: Malay Version of Delphi Questionnaire (First Round)	111
Appendix C: English Version of Delphi Questionnaire (Second Round)	114
Appendix D: Malay Version of Delphi Questionnaire (Second Round)	117
Appendix E: English Version of Analytic Hierarchy Process Questionnaire	120
Appendix F: Malay Version of Analytic Hierarchy Process Questionnaire	129

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

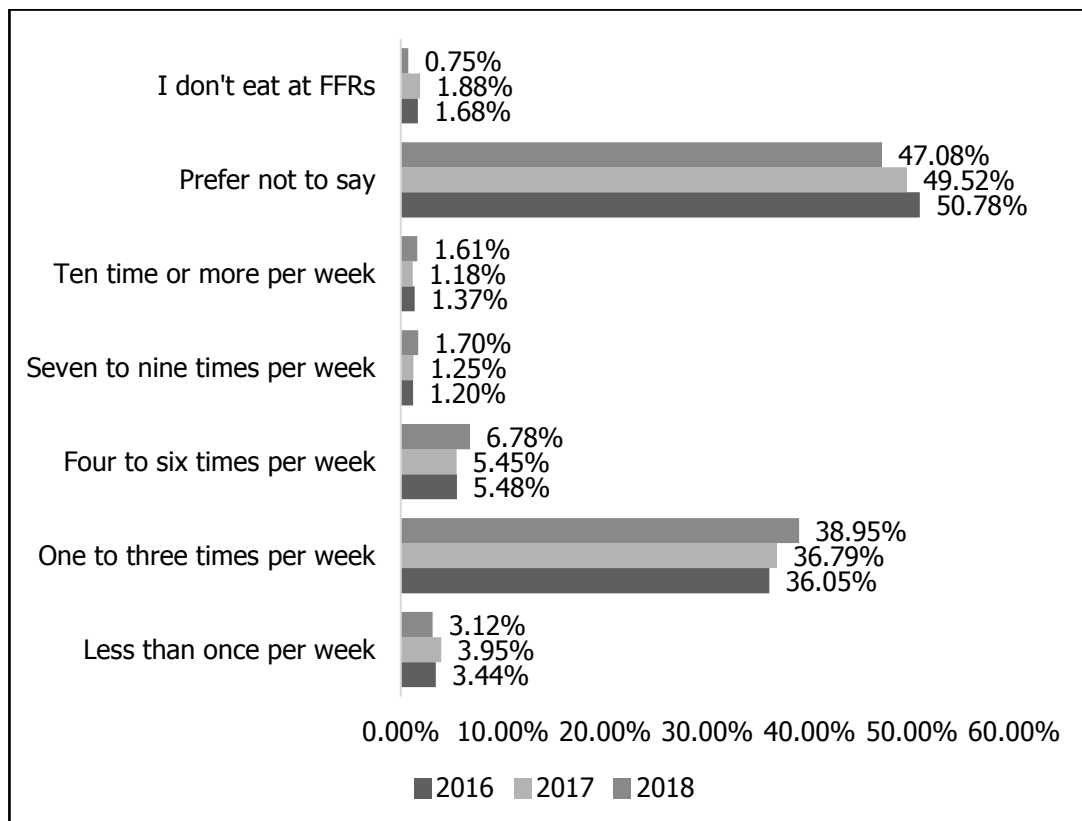
In today's highly materialistic lifestyle, a significant change can be even observed in the food consumption practices among urban Malaysians (Habib, Dardak, & Zakaria, 2011). Due to the hectic lifestyle routine, most of the people no longer have sufficient time to cook and eat at home; instead, they tend to dine at the nearby fast-food restaurants (FFRs) (Kuan, Nezakati, & Asgari, 2011; Shaharudin, Mansor, & Elias, 2011; Xiao, Yang, & Iqbal, 2018).

Rashid, Abdullah, Yusuf, and Shaari (2016) claimed that rising personal income and urbanization of Malaysian population had increased the preference towards western and processed foods, thus has encouraged the customers to choose the available fast food product in the market. It is also interesting to found that the increasing of dual-earner couples in Malaysian families has also caused Malaysians to opt for fast-food items, because such couples may have constrained time to prepare meals and dine at home (Quoquab, Sadom, & Mohammad, 2019).

Malaysians increased desire to dine at fast-food restaurants is furthered reflected by a report published by ACNielsen Online Consumer Survey in 2004 (as cited in Naveed and Ali, 2016). The report has identified Malaysia as the second-highest country in the context of fast-food consumption, after Hong Kong. The report was made based on ten countries such as the Philippines, Singapore, Thailand, and India. The report also claimed that the significant change in people's eating preference is also contributed by the increasing number of young people who dislike

the traditional way of cooking and have better acceptance to the concept of fast food.

In a similar vein, Figure 1.1 (Statista Research Department, 2018) presents the results of a survey conducted to analyse the frequency of Malaysian eating at FFRs in any given week. The statistics were resulted based on the sample data collected from 24,912 Malaysian adults. It clearly shows that the frequency of Malaysians eating at FFRs, or in other words, their preference over fast-food is gradually increasing across time. For instance, the percentage of those who are eating one to three times in week has increased from 36.05% in 2016 to 38.95% in 2018. In fact, the rate of those who do not consume food at FFRs has reduced from 1.68% in 2016 to 0.75% in 2018.



Note: "Prefer not to say" means that the respondents wished not to reveal their actual fast-food consumption habit or frequency. However, they remained as the respondents for the rest of the questions asked in the survey.

Figure 1.1: The Frequency of Malaysians Consuming Food at FFRs in any Given Week (from 2016 to 2018)

Source : Statista Research Department (2018)

It is undeniable that the increasing demand and preferences of urban Malaysians for fast foods have led to the mushrooming of new FFRs across the nation, particularly in developing areas. This growth has stiffened the competition among the restaurants. As a result, many of these FFRs are employing all the possible ways or plans to attract and retain their customers (Ling, Mun, & Ling, 2011). In fact, a similar scenario is seen in Labuan, Malaysia.

Labuan, an island which is gazetted as one of the federal territories of Malaysia, had its first well-established brand of FFR back in 1994 when Kentucky Fried Chicken (KFC) holdings decided to open their new branch in the island. It has been operating successfully in Labuan without any strong competitor for almost two years. However, currently, there exist another three well-known FFR brands, namely Marrybrown (MB), Pizza Hut (PH), and McDonald's (MD), running their businesses on the island. Table 1.1 presents further details about the four FFRs operating in Labuan.

Table 1.1: FFRs that Operating in Labuan

FFRs	Branches	Location	Year of establishment	Menu	Opening Hour
MB	One	Wisma VJS 181, Ground Floor, Jln Tun Mustapha, 87020 W.P Labuan.	2013	Halal, Malaysian, Western, Burgers	10:00 AM to 10:00 PM
PH	One	C004 & D003, GF, Jln Merdeka, Financial Park 87000 W.P Labuan.	1996	Halal, Pizza, Western	10:00 AM to 10:00 PM
McD	One	Lot No. L1L04 - L1L06, Labuan Airport, Arrival Hall 1, Terminal Building, 87000 W.P Labuan.	2008	American, Desserts, Fruits & Drinks, Halal, Snacks, Western, Burger	24 Hours
KFC	Three	1.Lot C19, Jln Kemajuan, 87000 W.P Labuan. 2.Lot 56, Jln Merdeka, 87000 Labuan. 3. Lot C003 & D002, GF, Jln Merdeka, Financial Park 87000 W.P Labuan.	1994	Western, Chicken, Halal	1. 10:00 AM to 10:00 PM 2. 10:00 AM to 10:00 PM 3. 24 Hours

Sources: Hamzah (2019); Mahal (2008); Rokiah (2019)

With the number of the population which is less than 100,000 people available in the island (Department of Statistics, 2019), is it a challenging undertaking for the management of each FFR in Labuan to compete in the marketplace, and to magnetize the maximum possible number of potential customers to their restaurants. There are many marketing concepts or ideas that could be utilized by these FFRs to attract more customers (Han, Back, & Barrett, 2009). However, this study merely interested in exploring how the FFRs in Labuan can come up with their competitive advantage by systematically evaluating and improving their corporate image (i.e., restaurant image).

It has reported in many studies that corporate image plays a notable role in determining the survival of a firm in a challenging business environment (Gray & Balmer, 1998; Saeidi, Sofian, Saeidi, Saeidi, & Saaeidi, 2015), which usually gets more robust across the time. The definition of the corporate image varies from one study to another. For example, LeBlanc and Nguyen (1996) defined a corporate image as the result of an aggregate process by which customers compare and contrast various attributes of companies. Meanwhile, Keller (1993) referred that corporate image as the perception of the firm that held in the mind of customers. Andreassen and Lindestad (1998) and Rekom (1997) further interpreted the corporate image as the people's impressions, ideas, feelings, and beliefs about a firm, which is usually formed after customers' experiences and communication. Overall, a corporate image can be defined as the public's perception that arises by mentioning the firm's name.

Although scholars or experts in the field have their ways of defining corporate image, majority of them do agree that a firm's image does affect the customer's decision whether or not to purchase and consume services or products offered by the specific firm (i.e. behavioural intention) (Han & Ryu, 2006; Kim & Baek, 2015; Osman, 1993; O'Leary & Deegan, 2005; Otengei, Changha, Kasekende, & Ntayi, 2014; Wakefield & Blodgett, 1996). Han and Jeong (2013) and Lin and Lu (2010) claimed that an impressive corporate image might increase the trust and loyalty in repurchasing the products and services offered by a firm.

Apart from promoting repurchasing, corporate image is also proven to have an association with customer satisfaction. Customer satisfaction has no direct influence on the corporate image, but rather an indirect impact from the corporate image or an intermediate between firm image and loyalty (Lai, Griffi, & Babin, 2009). Kandampully and Suhartanto (2000), and Patterson and Spreng (1997) reported that the corporate image could point out the firm's quality, which has a significant impact in changing customers' perception on value and satisfaction.

It appears that the term corporate image could vary according to the context of research; scholars have adjusted the term to match with the background of their research. For example, LeBlanc and Nguyen (1996) used the term hotel image to address the corporate image of a hotel. Meanwhile, in a study that involves airline industries, the corporate image of an airline was also called as an airline image (Yang, Hsieh, Li & Yang, 2012). On the other hand, Martenson (2007) used the term store image to indicate the corporate image of a store. Similarly, since the background of this study relates to the restaurant industry, then the term corporate image is replaced with restaurant image as there are quite many studies relating to restaurant industry which have used these two terms interchangeably (Ryu, Han & Kim, 2008; Ryu, Lee & Kim, 2012; Yelkur, 2000; Otengei et al., 2014).

In the context of a restaurant setting, according to Ryu et al. (2008), every restaurant owner should attempt to form a unique image that distinguishes them from their competitors. A positive restaurant image, which in a way indicates the quality of dining service for customers, is proven to have a strong association with increasing of repetitive or loyal customers. They may then voluntarily involved in positive word-of-mouth marketing. Primarily, Otengei et al. (2014) regarded restaurant image as one of the principal interpreters of loyalty towards a restaurant.

It is important to note that there are few past studies which have used the marketing mix attributes to evaluate the image of a brand or an organization. The marketing mix is basically a mixture of attributes that can be considered by a business organization to develop the appropriate strategies to achieve its marketing goals in the target market. The traditional marketing mix concept concentrates on four attributes, namely the product, price, place, and promotion, i.e. 4Ps. However,