

The Influence of Service Marketing Mix on Customer Choice of Repeat Purchase of Restaurant in Kumasi, Ghana

Ofosu Amofah

Lecturer, Ghana Baptist University College, Kumasi- Ghana

Isaac Gyamfi

Lecturer, Valley View University, Kumasi-Ghana

Christine Osei Tutu

Lecturer, University College of Management Studies, Kumasi-Ghana

Abstract

The study focuses on the influence of service marketing mix on customers' choice of registered restaurants in the Kumasi Metropolis-Ghana. Nine service marketing mix attributes have been identified by many scholars but the study focused on 7ps, including product, price, place, process, promotion, people and physical evidence. The study used quantitative research approach and primary data were collected through administration of questionnaire to 293 customers of five registered restaurants in the Kumasi Metropolis. The restaurants were stratified into grade 1, grade 2 and grade 3 restaurants and 1 restaurant was selected from grade 1, 2 restaurants were from grade 2 and 3 each. The data collected were analyzed with the use of Statistical Package for Social Sciences (SPSS) and Chi-square and Pearson's Correlation Coefficient were used to test independency and relationship of service marketing mix and customer choice of repeat purchase. Process ($\chi^2=96.465$; $p<0.01$) had the greatest influence on customer's decision to repeat purchase. All other attributes, except place significantly influence decision to repeat purchase. The study recommended that restaurant operators should limit investment on opening of many branches but they should think of making the existing ones more accessible using signage to direct customers. Restaurants operators should increase their investment on the extended 3p's (process, people and physical evidence), especially process by ensuring speedy delivery of service, home delivery and having opening and closing time consistent with customers' life style.

Keywords: Service marketing mix, customer choice,

1.0 Introduction

Today the restaurant industry in Ghana is booming particularly due to the demographic changes over the years. The industry GDP growth has increase from Gh200.9m in 2011 to 353.7m in 2012 (Ghana Statistical Service, 2012). The increasing rate of corporate women has neutralized the traditional role of most women which is cooking making it inevitable to depend on restaurant for their meals. This has raised the attractiveness of the industry resulting in fierce competition making customers powerful with very low switching cost (Porter, 1980). This has made the traditional marketing mix insufficient to influence customers' choice of restaurant, hence the focus on Service marketing mix (Roy and Khan, 2015).

Marketing as a philosophy in business is probably as old as human civilization (Moore and Reid, 2008; Minowa and Witkowski, 2009). Many years ago, marketing revolutionized the world economy, since then, it has been developing rapidly and now the entire businesses in the world are highly depending on marketing activities and philosophy for their success (Kotler and Armstrong, 2010).

Marketing is the management process responsible for identifying, anticipating and providing customer requirements profitable (CIM, 2009). According to CIM definition marketing ensures mutual satisfaction of the customer and the organization implementing marketing decisions. This shows that with marketing the survival and continuity of a business can be assured in a long term which is the prime focus of every organization. Mahmood and Khan, (2014) postulated that, marketers try to shape customer perception towards their firm to influence the purchasing decisions by implementing various controllable elements of marketing mix i.e. product, price, place, promotion, people, process, physical evidence. Mahmood et al considered the service marketing mix as a tool to shape perception whilst McCarthy (1964) was interested in the traditional marketing mix. It can be observed that McCarthy was looking at it from product marketing perspective whilst Mahmood and Khan were from the service marketing perspective. Previously, many researchers measured the relationship between 7Ps and customer perception (Roy and Kan, 2015) customer perception (Mahmood and Khan, 2014) customer loyalty (Al-Debi and Mustafa 2014), competitive advantage (Al-Muala and Al-Qurnch 2012), customer satisfaction (Sarker et al. 2012) consumer behavior (Kombenjammas and Lertrattananon, 2011), in different service sectors like banking, tourism, hotel service, cooperatives etc. Hence the focus of this study is to investigate the influence of services marketing mix on customer choice of repeat purchase of restaurants.

2.0 Literature Review

2.1 The Concept of Marketing

In the past, marketing was defined within the narrow context of advertising or selling which was very myopic and non integrative enough to fulfill the challenges in the business environment today. The American Marketing Association (AMA) saw marketing in the 1930's as "the performance of business activities that directs the flow of goods and services from producers to consumers" (American Marketing Association, 2008). This definition focused on the traditional perspective of marketing where marketing was basically selling and distribution. This definition saw marketing as 'sales oriented' as the focus was on the sales and not the customer. Hence customers' were persuaded through hard selling approach to buy product or service.

Kotler and Keller (2009) defined marketing as an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relations in ways that offer mutual satisfaction. This definition focused on customers as well as other stakeholders. Kotler et al.(2009) viewed marketing as the activities that ensure creating, communicating and delivering of value to customers as well as being socially responsibly at a profit. This definition explicitly demonstrated concern for social responsibility which is an integral part of marketing which was not highlighted by AMA (2008) definition of marketing. Both definitions by AMA (2008) and Kotler et al (2009) emphasized on customer value which is the expectation of every customer. Hence AMA and Kotler et al holds the same belief that marketing ensures customer value. In essence marketing should be consumer-oriented in order to tailor marketing programmes and activities to the needs and wants of customers. Organizations that are customer-oriented investigate into customers' needs and wants before producing their product or services. From this perspective, the ultimate goal of marketing is therefore to create and retain profitable customers by delighting them. It is worth noting that the goal of retaining profitable customers is particularly challenging in the service industry including restaurant. This is because quality of services provided at restaurants is quit subjective and difficult to meet all customers' preferences with specific product and service. Again many variables play role in determining service quality which may not manifest in the tangible product. In a pure service, firm's customers are co-creator of value (Palmer et al., 2011). This perspective considers how customers influence value creation.

Dixit (2004) argued that for being successful and effective on marketing, it is important to identify the customers' needs and then design products or services to meet those needs better than competitors. Management commitment and support to staff development is crucial to equip them to deliver superior customer service, he added.. Dixit argument supports internal marketing concept which has been promoted by Ahmed and Rafiq(2003).

Marketing has also been defined as management process responsible for identifying, anticipating and satisfying customer requirements profitably (CIM, 2009). This definition by CIM shows that marketing is a function for all managers not only marketing managers and officers. It further suggests that it should be seen as an integrative activity not a distinct activity from the other management functions. CIM further stated that "every product we buy, every store we visit, every message we receive, every choice we make in our consumer society has been shaped by marketing". The researcher believes that marketing principles are sources for competitive advantage which is a weapon in a competitive marketplace.

Today despite the intensity of competition, marketing knowledge and skills have not been highly considered by both public and private sectors (CIM 2009). This suggests that gap exist in the knowledge and skills of marketing both private and public organizations which this study seeks to close. CIM believes that businesses that have survived during economic recessions are strongly due to commitment to marketing philosophy.

2.4 The concept of Marketing Mix

The marketing mix is defined as controllable variables that the organization can manipulate to meet customer requirements profitably both in the short and long term (McCarthy,1964). The components of the marketing mix should be altered holistically in meeting changing needs of customers without specific emphasis on one or two element. The marketing mix is therefore a set of levers which an organization can manipulate to achieve set objectives such as profitability, market share, customer satisfaction and survival (Pour et al,2013). The marketing mix is considered one of the key principles of marketing which holds the foundation of every marketing strategy (Ziethaml et al, 2006). Akroush (2011) revealed that the traditional marketing mix theory is a fundamental requirement for creating and sustaining relationships with customers mostly in the marketing of product today.

Borden originally considered 12 elements of the marketing mix namely: product planning; pricing; branding; channels of distribution; personal selling; advertising; promotions; packaging; display; servicing; physical handling; and fact finding and analysis (Goi 2009). Goi,(2009) suggested that marketing variables should be divided into two parts: the offering (product, packaging, brand, price and service) and the methods and tools (distribution channels, personal selling, advertising, sales promotion and publicity). McCarthy (1964)

refined Borden's idea further and defined the marketing mix "as a combination of all of the factors at a marketing manager's command to satisfy the target market" as echoed in (Goi,2009). McCarthy regrouped Borden's 12 elements to four elements or 4Ps, namely product, price, promotion and place at a marketing manager's command to meet the target market's needs currently. He further suggested that amendment of the marketing mix is needed when the target market characteristics changes. He also said that 4P's elements are controllable by the organization but the external environments must also be considered as well as the target market.

Moreover, the traditional marketing mix has been criticized by a number of services marketing scholars from different perspectives (Zeithaml et al,2006;). Since then additional Ps such as People, Process and physical evidence have been introduced by Bitner(1990) as echoed in Goi(2009). The addition of the 3P's has change the composition from 4P's to 7P's popularly known as Service Marketing Mix. The core objective of a marketing mix is to design a blend of actions to influence customer's choice. Kotler et al (2010) argued that the knowledge of marketing mix is fundamental to the planning of business actions and the marketing mix aims at matching supply and demand in the market place. Kotler et al (2010) argument was in support to

Yelkur (2000) established a model that examines the likely effect of the marketing mix elements on the customer's choice of a service. He argued that customers' experience a service through the blend of the marketing mix that also influence their satisfaction. These elements, according to Yelkur, are place, physical evidence, people, and process. Yelkur (2000) further argued that these elements alongside the product, price and distribution elements have a potential to affect customer satisfaction. However, Mahmood and Khan (2014) established that price, promotion, people and physical evidence significantly influence customer perception. The researcher believes that Service Marketing mix is indispensable in the marketing strategy development of service organizations specifically restaurant operators since it enables suitable organization of marketing actions. Hence the components of the Service Marketing Mix have been explored below.

2.4.1 The concept of Product/Service

Product is defined by Kotler and Armstrong (2010) as any tangible or intangible benefit that is offered to a market for attention and acquisition that satisfy a need. They further argued that product is made up of tangible and intangible benefits. The tangible benefits are mostly called product whilst the intangible ones are also called services. Services are "form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything (Kotler et al, 2010). On the other hand goods can be explained as tangible benefits offered for sale by an organization which is easier to measure quality and results in ownership. Product and service are interchangeably use in the service industry (Preko, 2014). Khan and Mahmood (2014) argued that product is characterized by quality, design, features, brand name, product width and length. Service Product has also been defined as the bundle of experience and performance designed to meet customers' requirements higher than competitors (Akroush, 2011). This definition is limited to only service organization therefore lacks generalization which cannot be applicable in the product marketing as compared to Kotler and Armstrong (2010) whose definition is broader in scope. Ferrell and Hartline (2005) stated that the product is the core of the marketing mix strategy. This is because without product there is no need for pricing, promotion and distribution. However, organizations can differentiate themselves from the competition through extended benefits of their services like helpful and polite personnel (Khan and Mahmood, 2014). Products or services are made up of three components which create unigue benefit to the customer. This includes core product, actual product and augmented product which has been depicted in figure 2.4 below (Kotler and Armstrong, 2010)

2.4.2 The concept of Price

Service Price is defined as the practices and policies service organizations follow in determine value for exchange (Akroush,2011). Price is the monetary value place on a product direct and indirect cost in addition to profit (Tan et al, 2009). Pricing can make or unmake a business. Example If a price cannot meet the cost of producing the product, then loss will occur and eventually go out of business if it continues, however, if the price is too high than customers can afford the business is likely to fold up (Tan et al,2009). Kotler(2003) argued that pricing is still more of an art than a science. He believes that there is no rigid approach to pricing; the best approach depends on the objective of pricing and other influential factors. He also argued that prices can be changed anytime there is the need. Restaurant services perishability by their very nature means that restaurant operators must put in much effort to obtain maximum usage or occupancy to maximize revenue.

Peter and Donnelly (2007) found in their study that price is the factor in which customers focus more than other attributes while making purchase decisions in the developing countries like Ghana. Mahmood et al,(2014) found that before a customer repeat purchase from a service provider, the customer will consider past experiences in terms of value for money. This presupposes that past experience influence customer choice which is consistent with Kotler et al (2010) who said that repeat purchase highly depend on past experience. This means that pricing decision is very critical when designing marketing mix for a service organization. Bowie et al, (2004) said that Price is a key measure of quality, especially service industry where there are no tangible cues to

measure quality. If a high quality gourmet restaurant was routinely to offer cheap menus, or continually promoting budget lunch, customers would be confused and suspect that the product quality offered was not genuine. Customer value is measured by the difference between costs incurred (cash, time, effort) and benefits enjoyed (food, beverage, service, entertainment, atmosphere, experience).

Bowie et al, (2004) argued that price is the easiest variable of the marketing mix to change, however, it is the most difficult to implement. This was supported by Kotler et al (2009) who said that price is one of the most adjustable elements and it can be modified easily compared to modification of product features, distribution channels and promotional activities. Bowie et al, (2004) posit that price includes both financial and non financial sacrifices, such as time, energy and effort. He believes that monetary price is not the only composition of price in the service industry. In the restaurant industry customers especially affluent ones are more concern with time they spent before they are served (Bowie et al, (2004). ‘Time is money’ is an appropriate expression for these affluent customers. Issues discussed here include pricing objectives, pricing strategies and factors influencing pricing decisions.

2.4.3 The concept of Place/Distribution

Place is where an organization selects to locate its product or service so that its target consumers can easily get access to it. In the restaurant industry, one would often hear the expression of “location, location, location” which is key to the organization success (Tan et al, 2009). Convenience of location plays very important role on customer choice regarding restaurant services. A distribution channel (or place) has been defined by Kotler and Keller (2009) as the set of organization’s activities involve transfer of goods or services to the final consumer. Kotler and Armstrong (2010) posit that distribution systems are basically series of activities to move products from the provider to the consumer which is in consistent with (Kotler and Keller, 2009). In the restaurant industry there exist food brokers (agent) who find customers or create demand for a product offered by the Restaurant operator (Kotler, Bowen and Makens, 2010). Distribution channel can be categorized into two in the restaurant industry; direct and indirect. With the direct the producer (cook) offers the meal to the customer without any waiter/waitress. However in the case of the indirect distribution there are intermediaries who assist in getting the meal to the customer. They may include waiter/waitress and messenger.

2.4.4 The concept of service promotion/Marketing communications

Service Promotion is the extent to which a service organization uses promotional activities and elements to initiate a dialogue with target market for a measurable response (Bitner, 1992; Amis et al., 1999; Ennew, Banerjee, and Li, 2000) as echoed in (Akroush, 2011). The product or service offered by organizations becomes useless if it is unknown to customers. Customers buy what they know therefore organizations can influence customer’s choice through effective and persuasive communication. The behavior and choice of customers in the restaurant industry can be influenced by effective promotional campaign (Bowie, 2007). Kotler and Armstrong (2010) argued that Promotion is the act of making customers aware of the product or services, and what can be done to help them. Promotion mix consists of the mixture of advertising, personal selling, sales promotion, public relations and direct marketing tools (Mahmood et al,2014). Cannon et al(2008) argued that objectives of promotion/marketing communications are differentiating, reminding, informing, and persuading which is in consistent with Kurt et al(2006) who said that Promotion aims at informing, persuading, and influencing the consumer’s purchase decision

2.4.5 The concept of People

People are the most significant “P” that distinguish product and service marketing (Ergen, 2011). In the case of restaurants people can be classified as customer interface personnel including waitresses and waiters and non customer interface personnel including cooks, supervisors, cashiers and others. Although Ivy and Naude(2004) claim that people are not highly influential element in the context of prospective customers. Disagreement was raised by Hollensen (2010), and Brassington (2006), who argued that services depends on the people who deliver them, as they directly involve in the customer experience of the service. Bowie et al, (2004) also commented that it takes happy employees to make a customer happy. Armando (2005) supported that customer satisfaction largely rest on the quality of service provider encounter. Receiving customer with smiling face, friendliness, politeness, understanding customers' problems, and others have positive effect on customer choice (Mahmood and Khan,2014). Their argument was in support with Jones and Dent (1994) who found that a smiling face has a valuable effect on customer choice. Hence training, motivation, empowerment are essential tools to create and maintain winning employees which can improve customer satisfaction.

2.4.6 The concept of Process

Surprisingly, process has been introduced in a relatively short and quick fashion in various literatures despite of its highly significant influence on purchase behavior in the service industry (Akroush, 2011; Preko et al, 2014). It is also highly important in the study of customer choice. Akroush (2011) examined service process as a series of interrelated pattern for a successful service delivery at a maximum convenient. All these explanations focus on service delivery approach that maximizes customer experience. Mahmood et al (2014) argued that service plan and training are needed to guarantee consistency and quality of service. The significance of process in

restaurant marketing strategy depends on value chain concept (Preko et al, 2014). Value chain basically stresses on all the interdependent activities involve in the creation of value to customers. Today technology has significantly shape service delivery (Mahmood et al,2014). They further argued that advance technology has resulted in reduced costs, value creation and differentiated services for customers. Processes may be of little concern to customers of manufactured products (Akroush, 2011); however, they are of great concern to services. Brassington, (2006), argued that control measures like Total Quality Management (TQM) are needed to improve service quality and consistency.

2.4.7 The concept of Physical Evidence

Akroush(2011) posits that physical evidence constitute all tangible elements that provides friendly atmosphere in the service environment. This is mostly overlooked by most service organizations, he added. There is greater uncertainty in the purchase of a service because of the intangibility but the uncertainty can be reduced when there are tangible elements to tangibilize the intangibility (Kotler, 2003). Physical evidence mix include upkeep of premises and interior decor, neat walls and ceilings, clean floor space and signage, temperature, personal artifacts to enhance customer experience. Mahmood and Khan, (2014) argued that physical environment helps to distinguish a service provider from competitors hence influence customer choice. It involves all tangible cues that support the delivery of the service. Basically, it refers to the physical environment where the service experience takes place.

2.5 The concept of Customer Choice

In order to understand why customers choose one restaurant over others, Marketers must first of all have the knowledge of significant factors influencing consumer choice (Muniady, Al- Mamu; Permarupan. & Zainol 2014).). Solomon, Marshal and Stuart, (2008,) posit that customer choice involves critical evaluation of alternatives based on reasonable criteria to aid in a better selection that maximize satisfaction. Customer choice is psychological behavior that involves the process individuals follow to buy, what they choose to buy, where they prefer to buy it, why, and when they buy it (Muniady et al, 2014).

The concept of choice that is call consumer buyer behavior by Kotler and Fox (1995) studies how customers select, buy, use and dispose of product to meet their expectations and what factors affect this behavior(Kotler and Armstrong, 2008). However there is some literature concerning consumer buyer behavior in hospitality, among the models of consumer buyer behavior that are used in the context of customer choice are Cabrera and Nasa (2000) and Vrontis et al(2007). There are also studies that have preferred not to use the term consumer behavior but rather customer choice Ball et al(2000) and White(2007)

Indeed, the intensive competition in the restaurant industry coupled with similar services offered by restaurants has made it critically important for restaurants operators to identify significant marketing mix elements that influence customer choice. The buyer's black box contains the buyer characteristics and the decision process, which, in turn, determine the buyer's response to marketing variables (Belch and Belch, 2007).

Before a customer chooses a restaurant to buy from, he or she may go through several stages in order to fulfill his/her needs. Initially the customer recognized the need to buy, which is triggered by internal and external stimuli, for example the aroma of a soup can trigger the need to buy which is external whilst hunger being internal stimuli can trigger a need to buy. After that the customer then searches for information on the products and services that can solve that need. Belch and Belch (2007) argue that customers undertake both an internal and external search. These sources of information include personal sources, commercial sources, public sources and personal experience. The relevant internal psychological process that is associated with an information search is perception. Perception involves the mechanism where people collect, organizes, assesses and interprets information to create a meaningful picture of an object (Kotler et al, 2010). After that the customer compares brands and products that are in the consideration set. The criteria may include price, location, quality, staff, perceived risk and many more. Marketing effort of an organization can increase the likelihood that a particular restaurant is part of the customer's consideration set. Consumers then choose from the alternatives that can fulfill their functional and emotional needs. Customer finally undertakes post-purchase evaluation which influences their decision to repeat purchase or not.

It is however, important for marketing managers to understand what benefits consumers are seeking and, therefore, significant criteria of their choice (Kotler et al, 2010). Maringe(2006) argues that the best way to gain market knowledge is to have a clear understanding of the choice and decision making process of potential customers.

3.0 Methodology

3.1 Data collection source

Data were collected from two sources: primary and secondary. This research was begun with searching for the secondary data from different books, journals, websites and e-books. Electronic journals and articles were obtained from Google Scholar, Emerald and other websites. Secondary data were used as literatures to develop

the basis for the study. To collect data from Primary sources a survey with a structured questionnaire was conducted among the 293 customers of the selected restaurants in Kumasi metropolis of Ghana. To collect information, respondents were approached at the premises of the restaurants.

3.2 Population and sampling method

The study population was customers of five registered restaurants in the Kumasi metropolis. The average number of customers that visit the five registered restaurant each day was estimated to be 1092. The study employed stratified sampling method, convenient sampling method and purposive sampling method. The registered restaurants were stratified into grade, in accordance with classification of restaurants by Ghana Tourist Authority, Ashanti region. The restaurants were stratified into grade 1 restaurants, grade 2 restaurants and grade 3 restaurants. The study conveniently selected five registered restaurants in the Kumasi Metropolis. The selected registered restaurants were Jofel Catering Services Ltd. (Grade 1), McKeown Catering Services (Grade 2), Samba Restaurant (Grade 2), Estilie Catering Services (Grade 3) and It's My Kitchen Restaurant (Grade 3). Stratified sampling is most representative of a population and this increased efficiency and reliability of analysis (Collis and Hussey, 2009). With the use of stratified sampling technique, respondents from each grade of restaurant were considered.

3.3 Sample size

In finding the sample size of respondents, a mathematical approach was adapted from Gomez and Jones, 2010. In all 293 customers were selected from all the five selected restaurants and this is shown below:

$$n = N / (1 + Ne^2) \text{ [Gomez and Jones, 2010]}$$

n = sample size for customers.

N = population for respondents

e = Level of precision (5% margin of error).

$$\text{Sample size} = 1092 / (1 + 1092 * 0.05^2) = 293$$

3.4 Research instrument

The study used questionnaire to collect the necessary data from the study areas. Questionnaire is a form prepared and distributed to secure responses to certain questions (Creswell, 2013). Kumar (2005) defined questionnaire as a "written list of questions, the answers to which are recorded by respondents. In questionnaires, respondents read the questions, interpret what is expected and then write down the answers". The study used questionnaire because it is less costly in terms of time and money, it is convenient and easy to analyze (Gray, 2009).

3.5 Data Analysis and Interpretation

Data obtained were edited, and presented for easy understanding. Editing was done with the aim of detecting and eliminating errors to ensure clean and reliable data. Data was then presented in the forms of tables to facilitate the analysis. Deductions were made based on inferences drawn from the field data gathered. Chi-square (χ^2) tests were performed to know the independence of the customers' choice and service marketing mix elements. Moreover Pearson correlation coefficient was used to show correlation of service marketing mix element(s) on customers' choice of restaurant.

4.0 Analysis and Discussion

4.1 Influence of Service Marketing Mix on Decision to Repeat Purchase

Pearson's correlation coefficient and chi-square tests were used to analyze the influence of the service marketing mix on customer decision to repeat purchase and the results were given in Table 1 and Table 2 respectively. The relationship between the composite Service marketing mix and repeat purchase of restaurant has been shown in Table 3.

Table 1: Pearson's Correlation Coefficient of Service Marketing Mix elements and Repeat Purchase

	Product	Price	Place	Promotion	People	Process	Physical evidence.	Repeat purchase
Product	1.000	0.220*	0.138*	0.130*	0.187*	0.197*	0.157*	0.144*
Price		1.00	0.085	0.389*	-0.146*	0.208	0.222	0.178*
Place			1.00	0.017	0.035	-0.071	-0.007	-0.136
Promotion				1.00	0.078	0.298*	0.363*	0.286*
People					1.00	0.514*	0.174*	0.513*
Process						1.00	.417*	0.601*
Physical evidence							1.00	0.509*
Repeat purchase								1.00

Source: Field Data (2015), *Correlation is significant at 0.05 level

From Table 1, several service marketing mix variables evidenced significant and strong correlation with customers' decision to repeat purchase. Process ($r=0.601^*$), people ($r=0.513^*$) and physical evidence ($r=0.509^*$) had strong significant correlation with customers' decision to repeat purchase. However, product, price and promotion had significant but weak correlation with customers' decision to repeat purchase. Place was not significantly correlated with customers' decision to repeat purchase. This means that as restaurants improve process, people and physical environment, repeat purchases will significantly increase.

To find out whether customers' decision to repeat purchase depends on product, price, place, promotion, people, process and physical evidence, a chi-square test for independence was conducted as shown in Table 2.

Table 2: Chi-square Test of Service Marketing Mix and Repeat purchase

Marketing mix element	Categories	Chi-square	P-value
Product		9.673	0.046
	The meal served by the restaurant is tasty	6.921	0.140
	The restaurant offers variety of foods	16.006	0.003
	The restaurant had good packaging of food	6.429	0.169
	The restaurant has good brand name and image	32.401	0.000
Prices		8.233	0.021
	The restaurant offers value for money in terms of quality	10.695	0.030
	The restaurant offers value for money in terms of quantity	5.814	0.121
	The restaurant offers discount	12.548	0.014
Place		4.268	0.234
	It is easy and convenient to reach the restaurant	17.598	0.001
	The restaurant has many branches	7.915	0.095
Promotion		29.564	0.000
	The restaurant offers redeem voucher	2.589	0.459
	The restaurant reward repeat purchases	32.214	0.000
People		31.569	0.000
	The restaurant has courteous and polite staff	18.305	0.000
	The restaurant has neatly dressed staff	16.524	0.000
	The restaurant has smart staff	23.527	0.000
Process		96.465	0.000
	The restaurant offers speed deliver of service	49.247	0.000
	The restaurant offers home delivery	42.689	0.000
	The restaurant opens and closes at convenient time	51.917	0.000
Physical evidence		55.158	0.000
	The restaurant has well decorated environment	40.336	0.000
	The restaurant has spacious parking space	48.668	0.000
	The restaurant has open air zone for smokers	10.332	0.035

Source: Field Data (2015). Chi-square test is significant at 5%

From Table 4.2, product ($\chi^2=9.673$; $p=0.046$), price ($\chi^2=8.233$; $p=0.021$), process ($\chi^2=96.465$; $p<0.01$), promotion ($\chi^2=29.564$; $p<0.01$), people ($\chi^2=31.569$; $p<0.01$), and physical evidence ($\chi^2=55.158$; $p<0.01$) significantly influenced the customers' decision to repeat purchase. However, process had greatest influence on decision to repeat purchase and this was followed by physical evidence, people and promotion. Mahmood and

Khan (2014) established that price, promotion, people and physical evidence significantly influence customer perception, indicating important contribution of these four attributes to customers' decision to repeat purchase. They further established among other attribute that place does not significantly influence customer's decision to purchase.

The customers decision to repeat purchase significantly depends on variety of food served ($\chi^2=16.006$; $p=.003$) and brand name ($\chi^2 =32.401$; $p<0.01$), all under product component of marketing mix. Under price, value for money in terms of quality food ($\chi^2 =10.695$; $p=.0030$) and discount ($\chi^2 =12.548$; $p=.0014$) significantly influenced customers' decision to repeat purchase whilst other were not statistically significant. Convenience of reaching restaurant ($\chi^2 =17.598$; $p=0.001$) significantly influenced decision to repeat purchase. Under promotion, reward for repeat purchases ($\chi^2 =32.214$; $p<0.01$) significantly influenced decision to repeat purchase but many branches did not.

All selected items under people; courteous and politeness staff ($p<0.01$), smartness of staff ($p<0.01$) and dressing/ appearance of staff ($p<0.01$) significantly influenced customers decision to repeat purchase in the restaurants. Speedy delivery of service ($p<0.01$), home delivery ($p<0.01$) and open and closing time ($p<0.01$), all under process significantly influenced customers decision to continue purchase from a restaurant. Under physical environment, decorated environment ($p<0.01$), spacious parking space ($p<0.01$) and open air zone for smokers ($p=0.035$) were statistically significant.

The finding of this study contradicts the outcome of a study by Peter and Donnelly (2007) that price is the factor in which customers focus more than other attributes while making purchase decisions in the developing countries like Ghana. Mahmood et al.(2014) found that before a customer repeat purchase from a service provider, the customer will consider past experience in terms of value for their money. Customers however focus more on process at restaurant than any other attributes while making decision to repeat purchase. Akroush (2011) and Preko et al (2014) have noted that process is highly significant attribute in the customers' decision to repeat purchase in the service industry.

The study further analyzed the influence of the composite marketing mix and customer choice of repeat purchase and the finding is given in Table 3.

Table 3: Pearson's Correlation Coefficient of Service Marketing Mix and Repeat purchase.

	Service marketing mix	Repeat purchase
Service marketing mix	1.00	0.613*
Repeat purchase		1.00

Source: Field Data (2015). *Correlation is significant at 0.05 level

The service marketing mix and repeat purchase are strongly positively related with Pearson Correlation Coefficient of 0.613. This implies that improvement in service marketing mix would significantly improve repeat purchase of registered restaurants in the Kumasi Metropolis which is in consistent with Yulker(2000) argument that service marketing mix influence customer decision to repeat purchase.

5.0 Findings, Conclusion and Recommendations

5.1 Summary of Findings

The study found that process ($\chi^2=96.465$; $p<0.01$) had the greatest influence on customer's decision to repeat purchase. All other attributes significantly influence decision to repeat purchase except place.

5.2 Conclusion

Marketing mix used by a one organization will differ from the other according to its resources, market conditions and changing needs of clients. The significance of each element in the marketing mix will vary at any one point in time. Decisions cannot be made on one element of the marketing mix without considering its impact on other elements (Low and Kok, 1997). As McCarthy (1964) pointed out that "the number of possible strategies of the marketing mix is infinite focuses on the influence of each services marketing mix on customer choice of registered restaurants in the Kumasi metropolis. From the analysis it was found that six (product, price, promotion, process, people, and physical evidence) out of seven elements of services marketing mixes have statistically significant relationship with customer choice of repeat purchase. That means these elements have positive influence on the customers of the five selected restaurants in the Kumasi metropolis. There was no significant relationship between place and customer decision to repeat purchase. The study indicated that process is the most significant influence on customer decision to repeat purchase from a restaurant. Therefore Place may not be a major concern when choosing restaurant but accessible locations should be given priority by restaurant operators. Speedy delivery of services should be ensured to guarantee repeat purchase. With the help of this study the marketing department of restaurants in the metropolis would be able to understand the influence of service marketing mix on customer choice of restaurants. The findings of the study would help restaurant operators to focus on the marketing mix variables needed to be improved to have a significant positive impact on customers' choice towards restaurants in the metropolis.

5.3 Recommendations

5.3.1 Limit investment on place

Restaurant operators should limit investment on opening of many branches as a strategy to be closed to customers since customers decision to repeat purchase is not significantly related to the closeness of the restaurants. However the restaurants operators should think of making the existing ones more accessible using signage to direct customers.

5.3.2 Improve processes, people and physical evidence

Restaurants operators should increase their investment on the extended 3p's (process, people and physical evidence) as they significantly positively influence customer decision to repeat purchase. The restaurant operators should specifically focus more on speedy delivery of service, home delivery and having opening and closing time consistent with customers' life style. Periodic training and work shop should be conducted for workers of restaurants to equip them to deliver superior customer services. Moreover attention should be given to product, price and promotion as they significantly influence customer choice of repeat purchase.

5.3.3 Recommendation for further study

Moreover, a countrywide survey among customers can be helpful to get deeper insights of the service marketing mix variables influence of customer choice which would help restaurants to survive and perform better in this fierce competitive industry. At the same time, this model could be used to investigate the influence of the service marketing mix on customer choice of repeat purchase of restaurant in the Accra metropolis of Ghana.

REFERENCES

- Ahmed, P.K. and Rafiq, M. (2003) Internal Marketing Issues and Challenges, *European Journal of Marketing*, 37(9), pp.1177-1186
- Akroush M.N. (2011) The 7Ps Classification of the Services Marketing Mix Revisited: An Empirical Assessment of their Generalizability, Applicability and Effect on Performance-Evidence from Jordan's Services Organizations, *Jordan Journal of Business Administration*, 7(1) pp. 116-125.
- American Marketing Association (2008) Resource library. Retrieved June 10, 2015 from <http://www.marketingpower.com/-layouts/Dictionary.aspx?Dletter=m>
- Armando, V. (2005) Delivering Quality Service: All for one? *Journal of Quality Assurance in Hospitality and Tourism*, 6(1/2), 25-42.
- Al-Debi, H. A. and Mustafa, A. (2014) The Impact of Services Marketing Mix 7P's in Competitive Advantage to Five Stars Hotel - Case Study Amman, *Jordan. Proceeding of the Clute Institute International Academic Conference*, Orlando 2014.
- Al-Muala, A. and Al-Qurnch, M. (2012) Assessing the Relationship between Marketing Mix and Loyalty through Tourists Satisfaction in Jordan Curative Tourism, *American Academic & Scholarly Research Journal*, 4(2).
- Ball, S., Maguire, S. and Macrae, S. (2000) Choice, Pathways and Transitions Post-16: New Youth, New Economies in the Global City, Routledge, London
- Belch, G.E. and Belch, M.A. (2007) *Advertising and Promotion: An Integrated Marketing Communication Perspective*, 7th edition. New York: McGraw Hill/Irwin, USA.
- Bowie D.; Buttle F. (2004) *Hospitality Marketing: An Introduction*, 1st edition, Elsevier Butterworth-Heinemann, UK.
- Brassington, F. (2006) *Principles of Marketing*, 4th edition. FT Prentice Hall, USA.
- Cannon, J. P.; Perreault, W. D.; Jr. and McCarthy, E. J. (2008) *Basic Marketing: A Global Managerial Approach*, 16th edition, New York: McGraw-Hill.
- Chartered Institute of Marketing (2009) Marketing and the 7Ps: A brief summary of marketing and how it works, <http://www.cim.co.uk/files/7ps.pdf> (Retrieved 20th May, 2015).
- Collis, J. and Hussey, R. (2009) *Business Research: A practical Guide for Undergraduate and Postgraduate Students*, 3rd edition, Palgrave Macmillan, NY, USA.
- Creswell, J.W. (2013) *Educational Research*, 4th edition, Pearson Education Ltd. USA.
- Cabrera, A. and Nasa, S. (2000) Understanding the college-choice process, *New Directions for Institutional Research*, 2000(107), 5-22.
- Cresswell, J.W. and Plano Clark V.C. (2007) *Designing and Conducting Mixed Methods Research*, Sage, Thousand Oaks, California-USA.
- Dixit, V.C. (2004). Marketing Bank Products, *IBA Bulletin*, April 14, pp.15.
- Ergen, E. (2011), Critically Evaluating the Marketing Mix of an academic programme: <https://www.ergen.gr/files/TheMarketingMixInAnAcademicInstitutePdf> (Retrieved 5th May, 2015)
- Ghana Statistical Service (2012) 2010 Population and Housing Census, Accra, Ghana: <http://www.statsghana.gov.gh> (Retrieved December 20, 2015)
- Ghana Statistical Service (2012), Quarterly Gross Domestic Product: <http://www.statsghana.gov.gh> (Retrieved

- December 20, 2015)
- Ghana Tourist Authority-Ashanti region (2015), Annual industry report
- Goi, L.G. (2009) A Review of Marketing Mix: 4Ps or More? *International Journal of Marketing Studies*,1(1) pp.2-5.
- Gomez, B. and Jones, J. P. (2010) *Research Methods in Geography: A Critical Introduction*, 1st edition, John Wiley and Sons, Oxford-UK.
- Gray, R and Johnson, R. (2010), *A history of philosophical and theoretical issues for mixed methods research*, in Sage Handbook of Mixed Methods in Social and Behavioural Research, California.
- Hollensen, S. (2010) *Marketing Management: A Relationship Approach*, 2nd edition, Harlow: Pearson Education, England.
- Ivy, J. and Naude, P. (2004) Succeeding in the MBA marketplace: identifying the underlying factors, *Journal of Higher Education Policy & Management*, 26(3), 401-417.
- Jones, P. and Dent, M. (1994), Improving Service: Managing response time in hospitality operations. *International Journal of Operations & Production Management*, 14(5), 52-59.
- Kotler, P. and Armstrong, G. (2010) *Principles of Marketing*, (13th Ed.), Pearson Prentice Hall, USA
- Kotler P. (2003) *Marketing management*, 11th edition, Prentice Hall International, New Jersey. USA.
- Kotler, P. and Keller. K. L. (2009) *Marketing Management*, 13th edition, Harlow; Pearson Education Ltd, England.
- Kotler, P.; Bowen, J. T.; Makens J.C.(2010) *Marketing for Hospitality and Tourism*, 4th edition, Pearson Prentice Hall, USA.
- Kotler, P. and Fox, K.(1995) *Strategic Marketing for Educational Institutions*, 2nd edition, Prentice Hall, USA.
- Kumar, R. (2005) *Research Methodology: A Step-by-Step Guide for beginners*, 2nd edition, Sage: London.
- Kombenjamas, W. and Lertrattananon, N. (2011). Services Marketing Mix of Foreign Coffee Franchiser in Bangkok, *International Marketing*, <http://www.divaportal.org/smash/get/diva2> (Retrieved June10, 2015)
- Kurtz, D. L. and Boone, L. E. (2006) *Principles of Marketing*, 12th edition, Thomson South-Western, USA.
- Low, S.P. and Kok, H.M.(1997) Formulating a strategic Marketing Mix for Quantity Surveyors, *Marketing Intelligence and Planning*, 15(6), pp.273-280.
- Muniady, R., AP-Mamun, A., Permarupan, P.Y. and Zainol, N.R.B. (2014) Factors Influencing Consumer Behaviour: A study among University Students in Malaysia, *Canadian Centre of Science and Education*, 9(9), pp.19-21.
- McCarthy, E. (1964). *Basic Marketing: A Managerial Approach*, 1st edition, Irwin Inc., Homewood, Illinois.
- Mahmood R. and Khan S.M.(2014) Impact of Service Marketing Mixes on Customer perception: A study on Eastern Bank Limited, Bangladesh, *European Journal of Business and Management*,6(34) pp164-167.
- Moore, K. and Reid, S. (2008) ‘The birth of brand: 4000 years of branding’, *Journal of Business History*, 50(4): 419–32.
- Minowa, Y. and Witkowski, T. (2009) ‘State promotion of consumerism in Safavid Iran: Shah Abbas I and Royal Silk Textiles’, *Journal of Historical Research in Marketing*, 1(2): 295–317.
- Palmer, A. (2011) *Principles of Services Marketing*, 6th edition, McGraw-Hill Education, UK.
- Pour B.S., Nazari K. and Emani M. (2013) The Effect of Marketing Mix in attracting Customers: Case study of Sederat Bank in Kermanshah Province, *African Journal of Business Management*, 7(34), pp.3272-3276
- Preko, A. and Gameti D.(2014) Evaluation of the Contribution of Marketing to the Development of the Banking sector in Ghana, *European Journal of Business and Management*,6(34) pp.370-374.
- Peter, P. J. and Donnelly, J. H. (2007) *Marketing Management: Knowledge and Skills*, 8th edition, McGraw-Hill, New York, USA.
- Porter, M. E. (1980), “*Competitive strategy: Techniques for analyzing industries and competitors*”, The Free Press. New York, USA.
- Roy, M. and Khan, S.M.(2015) The Impacts of Service Marketing Mixes on Customer Perception Regarding Modern Banking (A study on Trust Bank Ltd., Khulna Branch, *European Journal of Business and Management*, 7(1), pp.214-216.
- Vrontis, D., Thrassou, A. and Melanthiou, Y. (2007) Contemporary Higher Education Student-Choice model for developed countries, *Journal of Business Research*, 60(9), 979-989.
- White, P. (2007), *Education and Career Choice: A New Model of Decision Making*, Hampshire: Palgrave McMillan
- Sarker, M. A. H., Aimin, W. and Begum, S. (2012) Investigating the Impact of Marketing Mix Elements on Tourists’ Satisfaction: An Empirical Study on East Lake. *European Journal of Business and Management*, 4(7)
- Solomon, M.; Marshall, G. & Stuart E. (2008) *Marketing: Real People, Real Choice*. 5th edition, Pearson Education Inc. Pearson Prentice Hall, USA.
- Tan A.; Ching-Yick Tse E. and Wong C.L. (2009) *Hospitality Marketing*, 1st edition, University of Hong Kong,

- China.
- Yelkur, R. (2000) Customer Satisfaction and the Services Marketing Mix, *Journal of Professional Services Marketing*, 21(1), pp. 105-115.
- Zeithaml, V., Bitner, M. and Gremler, D. (2006) *Services Marketing: Integrating Customer Focus Across the Firm*, 4th edition, McGraw-Hill, USA.