

## ASSESSING THE IMPACT OF SERVICE QUALITY AND CRM ON CUSTOMER LOYALTY: A STUDY OF MULTICUISINE RESTAURANTS IN CHENNAI

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**Abstract:** This study looks into how customer satisfaction, service quality, and customer relationship management (CRM) on customer loyalty in a multicuisine restaurant in Chennai. A quantitative research design was employed to gather data from 50 restaurant patrons using a structured questionnaire containing verified Likert-scale items. The analysis, performed with SPSS Statistics 25, to find the relationships between the main constructs of customer loyalty, customer relationship management, customer happiness, and service quality. The relationships between the main constructs of customer loyalty, customer relationship management, customer happiness, and service quality. Research shows a strong positive association among Customer satisfaction and service quality, customer loyalty and customer relationship management, and service quality and customer loyalty. The results show that in the restaurant business, excellent service quality and effective CRM strategies are crucial factors in determining patron satisfaction and loyalty. For restaurant managers looking to increase customer retention and obtain a competitive advantage through targeted improvements in relationship management and service delivery, this investigation provides useful takeaways.

**Keywords:** Service Quality   Multicuisine restaurants   customer retention   loyalty

**Introduction:** In a rapidly evolving restaurant industry, customer expectations have reached new heights, making exceptional service quality and meaningful customer relationships essential for business survival and growth. Nowhere is this more evident than in the vibrant multicuisine dining landscape of Chennai, where competition is fierce and customer loyalty is hard-won. While attracting new patrons remains important, it is the ability to consistently deliver high-quality service, ensure customer satisfaction, and nurture ongoing relationships that ultimately determines a restaurant's long-term success.

This article looks at how customer satisfaction, service quality, and customer relationship management (CRM) all work together to affect patron loyalty in a Chennai multicuisine restaurant. The study employs modern service marketing theories and empirical research to examine how these essential factors influence individual eating experiences and promote sustained patronage and positive word-of-mouth. The study examines important enquiries: What impact does service quality have on loyalty and satisfaction? What role does CRM play in encouraging repeat business? How can eateries use these data to get a competitive edge in a market that is changing?

This study provides actionable insights for restaurateurs aiming to promote customer loyalty by concentrating on direct feedback and utilising rigorous quantitative analysis to improve service delivery and relationship management. It enhances comprehension of the mechanisms that influence client retention and hotel industry business performance.

### **Objectives**

The objectives in this study are

#### **Research Objectives**

1. To investigate how customer satisfaction will be affected by service quality. Specifically, this objective seeks to determine how different aspects of service quality affect patron satisfaction in a Chennai multicuisine restaurant.
2. To analyze the effect of Customer Relationship Management (CRM) on customer loyalty. This goal is to evaluate the ways in which CRM procedures help restaurants develop and maintain client loyalty.
3. To investigate the relationship between service quality and customer loyalty. This purpose focusses on understanding whether enhancements in service quality positively augment consumer loyalty inside the multicuisine restaurant

**Problem Statement.** Around the highly competitive multicuisine restaurant industry of Chennai, sustaining customer loyalty has become increasingly challenging due to rapidly evolving customer expectations, intense market competition, and the proliferation of dining options. While previous Customer satisfaction and service quality are crucial, according to research, determinants of customer retention; nonetheless, numerous restaurants continue to face challenges in continuously providing superior service and cultivating enduring client connections.. Moreover, the effective implementation of Customer Relationship Management (CRM) strategies remains underutilized, often resulting in customer churn and revenue loss. Despite the recognized importance of these factors, there is a lack of comprehensive, context-specific studies examining how customer satisfaction, CRM, and service quality relate to one other and how this influences business in Chennai's multi-cuisine restaurant sector. For restaurant managers looking to improve customer retention, foster brand loyalty, and accomplish long-term company success, closing this gap is crucial.

#### **Questions for Research**

1. How do customer satisfaction and service quality relate to each other in Chennai's multicuisine restaurants?
  2. What is the impact of customer satisfaction on customer loyalty in multicuisine restaurants in Chennai?
  3. How do Customer Relationship Management (CRM) strategies affect patronage in Chennai's multi-cuisine restaurants?
  4. Is there a substantial correlation between service quality and client loyalty in multicuisine restaurants in Chennai?
  5. In what manner do product attributes, customer relationship management, and service quality jointly impact customer loyalty within the multicuisine restaurant industry in Chennai?
- Importance of the study.

In light of Chennai's growing multicuisine restaurant industry, this study is extremely pertinent to academics and professionals working in the hotel and restaurant sector.

The research offers clear, factual insights from customers on how service quality, customer happiness, and customer relationship management (CRM) affect their loyalty to a restaurant.. By capturing real-time feedback from actual diners, the study bridges the gap between theoretical frameworks and practical realities, offering a nuanced understanding of the factors that drive repeat patronage in a highly competitive market.

Moreover, the findings of this study possess considerable importance for restaurant managers and owners. Numerous service-oriented enterprises encounter difficulties in systematically overseeing and enhancing CRM, Service quality and customer satisfaction often lead to customer attrition and a decrease in market share. This research identifies key areas for enhancement, including the optimisation of service delivery, the customisation of client communications, and the application of effective CRM techniques—all crucial for fostering client loyalty and achieving long-term business success.. The study further enriches the current literature by concentrating on the multicuisine restaurant sector in Chennai, a context that has been inadequately examined in prior research. The context-specific insights produced here can guide future research and act as a standard for comparable institutions in different areas.

The study underscores the significance of incorporating customer feedback into strategic decision-making. Restaurant managers have adopted a comprehensive approach to customer experience. The research illustrates the correlation among CRM, customer happiness, and service quality in fostering loyalty within management. This study not only advances academic understanding of customer loyalty drivers in the restaurant industry but also offers practical guidance for practitioners aiming to enhance customer retention, outperform competitors, and thrive in an ever-evolving marketplace.

### **Literature Review**

Kristensen et al. (1992)

Establishing the customer satisfaction is an important factor for long-term company performance, emphasizing the need for businesses to consistently deliver value to retain customers.

Kim, Hertzman, & Hwang (2010)

In the hotel sector, it has been discovered that customer satisfaction precedes service excellence, which in turn influences customer retention. Boonlertvanich (2011)

Demonstrated that customer retention is a direct outcome of high service quality and satisfaction, highlighting the importance of maintaining service standards.

Jessica John (2011)

Analyzed customer loyalty in the telecom sector. It found that loyalty was positively impacted by network quality, customer service, and value-added services, indicating similarities to the restaurant sector.

Anil Bilgihan (2016)

Explored Gen Y loyalty in online shopping and discovered that the most important predictor of e-loyalty is trust, highlighting the importance of trust in customer service interactions.

Samar Rahi (2016)

Investigated the impact of customer perceived value and public relations on loyalty in the banking sector, finding that both had a significant positive influence on loyalty, moderated by brand image.

Norailis Ab. Wahab et al. (2015)

Studied Malaysian Islamic banking and concluded that satisfaction of customers is the strongest factor of loyalty, with service quality and trust also playing important roles.

Azman Ismail et al. (2016)

Customer satisfaction and loyalty in healthcare services were found to be strongly correlated with The elements of service quality include tangibility, reliability, responsiveness, assurance, and empathy. Vithya Leninkumar (2017)

Found a significant positive relationship between customer satisfaction, trust, and loyalty in Sri Lankan commercial banks.

George F et al. (2015)

Used meta-analytic techniques to show that loyalty strategies and operational characteristics significantly impact firm performance across industries.

Cecep Pahrudin et al. (2023) emphasised that in the airline industry, Customer satisfaction serves as a mediator between the impacts of service quality, pricing equality, and corporate image on customer retention. Dixit, Devanshi (2017)

]Analyzed McDonald's global marketing strategies, emphasizing the importance of product, pricing, and localized offerings in building customer loyalty.

Rao Anees Tahir et al. (2020)

Research indicates that CRM techniques, customer orientation, and service quality substantially influence customer retention in fast food establishments

Oliver (1999)

A proposed four-stage loyalty model indicates that satisfaction is a necessary, although insufficient, prerequisite for loyalty, with additional elements such as trust and commitment also contributing significantly.

The SERVQUAL model was developed by Parasuraman, Zeithaml, and Berry in 1988. It recognised five important aspects of service quality that affect customer satisfaction and perceptions..

Customer satisfaction has a mediating role in the relationship between service quality and loyalty in service industries, as per Hennig-Thurau et al. (2002). Suhartanto and Kandampully (2000) shown that customer loyalty in the hotel sector is significantly affected by service quality and customer satisfaction.

It was demonstrated by Reichheld & Sasser (1990) that raising customer retention rates through better service quality can greatly increase profitability. Gounaris & Stathakopoulos (2004)

Found that effective CRM practices lead to higher customer loyalty through improved relationship quality and trust.

Choi & Chu (2001)

Studied hotel guests and found that service quality attributes such as staff performance, room quality, and value for money are crucial for customer satisfaction and repeat patronage.

The examined literature consistently indicates that service quality, customer happiness, and CRM are interconnected elements that substantially affect customer loyalty across diverse service sectors, including hospitality, banking, airlines, and retail. These findings substantiate the need for investigating these linkages within the framework of multicuisine restaurants in Chennai, offering a solid theoretical basis for the current study.

**Hypothesis**  
There are four hypotheses that are defined by the relations between variables identified in the framework.

### **Hypotheses**

H1: Customer satisfaction among patrons and the restaurant's level of service quality are positively correlated.

H2: The customer relationship management (CRM) offered by restaurants and the quality of their services are positively correlated.

H3: Customer loyalty among restaurant patrons and customer satisfaction among patrons are significantly correlated.

H4: Customer loyalty among patrons, CRM, and the restaurant's service items are positively correlated.

### **Section on Research Methodology: Research Design**

This study experimentally investigates the connections between customer happiness, customer loyalty, customer relationship management (CRM), and service quality at a multicuisine restaurant in Chennai using a quantitative research technique. The quantitative approach makes it easier to measure the relevant variables objectively and evaluate them statistically.

**Method of Data Collection.** A structured questionnaire was distributed to patrons of the multicuisine restaurant in order to collect primary data. The questionnaire was constructed on known scales from prior research, so ensuring content validity and reliability.

#### **Instrumentation**

A fundamental research construct was the focus of each of the survey's four primary components: Customer satisfaction (CS), customer loyalty (CL), customer relationship management (CRM), and service quality (SQ). Respondents were asked to use a five-point Likert scale (1 being strongly disagree and 5 being strongly agree) to indicate how much they agreed with a series of statements regarding their dining experience in each section.

#### **Reliability:**

All measurement scales used in the questionnaire demonstrated high reliability, with Cronbach's alpha values exceeding 0.7 for each construct.

#### **Sampling**

**Sampling Technique:** Convenience sampling was employed, targeting customers who dined at the multicuisine restaurant during the data collection period.

**Sample Size:** Fifty valid responses in all were gathered and analysed.

#### **Analysis of Data**

SPSS Statistics 25 was used for the analysis of the collected data. The following statistical techniques were applied: Descriptive Statistics: To encapsulate demographic attributes and overall response trends.

The purpose of correlation analysis is to look at the connections between customer loyalty, customer relationship management, customer satisfaction, and service quality.

Reliability Analysis: To verify the internal consistency of the measurement scales.

#### Moral Aspects to Take into Account

It was optional to participate in the study. Participants were assured that their answers would remain anonymous and confidential. No personal information was collected, and the information was used only for academic purposes.

**Summary**  
This methodology offers a strong foundation for evaluating how customer loyalty, CRM, customer satisfaction, and service quality interact in the restaurant industry. The study's results are credible and broadly applicable in the setting of Chennai's multicuisine restaurants thanks to the use of validated scales, trustworthy data gathering, and suitable statistical analysis.

#### Data Collection and Approach

Fifty replies from patrons of a Chennai multicuisine restaurant were collected using a standardised questionnaire. The survey evaluated four key constructs—customer satisfaction, customer loyalty, customer relationship management (CRM), and service quality—utilising a Likert scale with five points. The reliability of the scales was confirmed by the fact that all Cronbach's alpha values were over 0.7, indicating strong internal consistency.

**Analysis of Correlation**  
To investigate the connections between the important variables, the data were examined using SPSS Statistics 25. The following is a summary of the key findings:

##### 1. Quality of service and client satisfaction

**Finding:** Customer satisfaction and service quality are significantly positively correlated.

**Interpretation:** Customers are more inclined to express satisfaction with their meal when they perceive superior treatment.

##### 2. Service Quality and CRM

**Finding:** CRM and service quality have a strong positive correlation.

**Interpretation:** Good customer relationship management techniques are supported and strengthened by high service quality.

##### 3. Customer Satisfaction and Customer Loyalty

**Finding:** Customer loyalty and customer satisfaction were found to be strongly positively correlated.

**Interpretation:** Happy customers are more inclined to stick around, suggest the restaurant to others, and return.

##### 4. CRM, Product, and Customer Loyalty

- **Finding:** There is a significant positive relationship between CRM, product quality, and customer loyalty.

**Interpretation:** Building and maintaining customer loyalty is facilitated by high-quality products, efficient loyalty programs, and personalised customer interactions.

- Customer happiness, CRM, customer loyalty, and service quality are all important constructs that have good relationships with one another.
- A key factor that supports CRM initiatives and raises customer satisfaction is service quality.
- Customer satisfaction acts as a key mediator, translating positive service experiences into loyalty.

- CRM practices and product quality further reinforce loyalty, suggesting that a holistic approach is essential for customer retention.

### 1. Correlations between Service Quality and customer satisfaction.

		SQT	SQR	SQRe	SQE	SQA	CS	
Kendall's tau_b	SQ tt	Correlation Coefficient	1	.706**	.635**	.668* <sub>*</sub>	.616**	.652**
		2 tailed significant	0	0	0	0	0	0
		No	50	50	50	50	50	50
	SQ-Rr	Correlation Coefficient	.705**	1	.682**	.567* <sub>*</sub>	.726**	.653**
		2 tailed significant	0	0	0	0	0	0
		No	50	50	50	50	50	50
	SQ Res	Correlation Coefficient	.636**	.672**	1	.579* <sub>*</sub>	.695**	.676**
		2 tailed significant	0	0	.	0	0	0
		No	50	50	50	50	50	50
	Service quality R	Correlation Coefficient	.647**	.595**	.575**	1	.623**	.564**
		2 tailed significant	0	0	0	.	0	0
		No	50	50	50	50	50	50
	Service quality Assurance	Correlation Coefficient	.624**	.706**	.675**	.623* <sub>*</sub>	1	.652**
		2 tailed significant	0	0	0	0	.	0
		No	50	50	50	50	50	50
	Customer satisfaction total	Correlation Coefficient	.661**	.623**	.676**	.564* <sub>*</sub>	.612**	1



Spearman's rho		2-tailed significant	0	0	0	0	0	.
		No	50	50	50	50	50	50
	SQT	Correlation Coefficient	1	.822**	.766**	.769*	.758**	.792**
		2-tailed significant	.	0	0	0	0	0
		N	50	50	50	50	50	50
	SQR	Correlation Coefficient	.822**	1	.803**	.726*	.812**	.748**
		2-tailed significant	0	.	0	0	0	0
		N	50	50	50	50	50	50
	SQRe	Correlation Coefficient	.766**	.803**	1	.691*	.815**	.817**
		2-tailed significant	0	0	.	0	0	0
		N	50	50	50	50	50	50
	SQE	Correlation Coefficient	.769**	.726**	.691**	1	.745**	.683**
		2-tailed significant	<0.001	<0.001	<0.001	.	<0.001	<0.001
		N0	50	50	50	50	50	50
	SQA	Correlation Coefficient	.758**	.812**	.815**	.745*	1	.725**
		2-tailed significant	0	0	0	0	.	0
		N	50	50	50	50	50	50
	CS	Correlation Coefficient	.792**	.748**	.817**	.683*	.725**	1
		2-tailed significant	0	0	0	0	0	.
		N	50	50	50	50	50	50

\*\*. Correlation is significant at the 0.01 level (2-tailed).

## 2. Correlations between Service Quality and CRM.



			SQT	SQR	SQRe	SQE	SQA	CRM
Kendall's Taub	SQT	Correlation Coefficient	1	.707**	.636**	.649*	.624**	.516**
		2-tailed significant	.	<.000	<.000	<.000	<.000	<.000
		N0	50	50	50	50	50	50
	SQR	Correlation Coefficient	.707**	<1.000	.672**	.597*	.706**	.439**
		2-tailed significant	0	.	0	<.000	<.000	0
		N0	50	50	50	50	50	50
	SQRe	Correlation Coefficient	.636**	.672**	<1.000	.579*	.695**	.461**
		2-tailed significant	0	0	.	<.000	<.000	<.000
		N0	50	50	50	50	50	50
	SQE	Correlation Coefficient	.649**	.597**	.579**	1	.623**	.573**
		2-tailed significant	<.001	<.001	<.001	.	<.001	<.001
		N	50	50	50	50	50	50
	SQA	Correlation Coefficient	.624**	.706**	.695**	.623*	1	.448**
		2-tailed significant	0	0	0	0	.	0
		N	50	50	50	50	50	50
	CRM	Correlation Coefficient	.516**	.439**	.461**	.573*	.448**	1
		2-tailed significant	0	0	0	0	0	.
		N	50	50	50	50	50	50
Spearman'sRC C	SQT	Correlation Coefficient	<1.000	.822**	.766**	.769*	.758**	.655**
		2-tailed significant	.	<.000	<.000	<.000	<.000	<.000

	SQR	N	50	50	50	50	50	50
		Correlation Coefficient	.822**	1	.803**	.726*	.812**	.583**
		2 tailed significant	0	.	0	0	0	0
	SQRe	N	50	50	50	50	50	50
		Correlation Coefficient	.766**	.803**	1	.691*	.815**	.593**
		2 tailed significant	0	0	.	<.000	<.000	<.000
	SQE	N	50	50	50	50	50	50
		Correlation Coefficient	.769**	.726**	.691**	1	.745**	.721**
		Two-tailed Significance	<.000	<.000	<.000	.	<.000	<.000
	SQA	N	50	50	50	50	50	50
		Correlation Coefficient	.758**	.812**	.815**	.745*	1	.585**
		2 tailed significant	0	0	0	0	.	0
	CRM	N	50	50	50	50	50	50
		Correlation Coefficient	.655**	.583**	.593**	.721*	.585**	1
		2 tailed significant	0	0	0	0	0	.

•

### 3. Correlations between Customer

#### Satisfaction and Customer Loyalty.

		CS	CL
Customer satisfaction1	Pearson Correlation	1	.787**

	Significant (two-tailed)		<.000
	N0	50	50
Customer loyalty	Significant (two-tailed)	.787**	1
	Significant (2-tailed)	<.000	
	N0	50	50

#### 4. Correlations between CS and CL

		CS	CL
Kendall's tt	CSO	Correlation Coefficient	1
		Significant (two-tailed)	.669**
		N	<.000
	CLO	Correlation Coefficient	50
		Significant (two-tailed)	50
		N	
Spearman's rank correlation coefficient	CSO	Correlation Coefficient	.669**
		Significant (two-tailed)	1
		N	
	CL	Correlation Coefficient	<.000
		Significant (2-tailed)	.
		N	

Correlation is significant at the 0.01 level (two-tailed).

A Factor Analysis of KMO and the  
Bartlett Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.244
Bartlett's Test of Sphericity	Approx. Chi-Square	2515.875
	df	946
	Sig.	0

### Communalities

	Initial	Extraction
CRM (Customer Relationship Management).		
CRMQ1	1	0.756
CRMQ2	1	0.86
CRMQ3	1	0.902
CRMQ4	1	0.742
CRMQ5	1	0.769
CRMQ6	1	0.861
.CRMQ7	1	0.789
CRMQ8	1	0.864
.CRMQ9	1	0.802
.CRMQ10	1	0.851
.CRMQ11	1	0.772
.CRMQ12	1	0.805
Customer Satisfaction:		
CSQ1	1	0.809
CSQ2	1	0.779
CSQ3	1	0.731
CSQ4	1	0.768
Customer Loyalty:		
CLQ1	1	0.905
CLQ2.	1	0.849
CLQ3	1	0.851
CLQ4	1	0.747
CLQ5	1	0.798
CLQ6	1	0.844

Service Quality: Dimensions of Service Quality Tangibility	1	0.8
TG1	1	0.907
TG2	1	0.831
TG3	1	0.811
Reliability (the capacity to deliver the anticipated service with accuracy and dependability) is a key component of service quality.RL1	1	0.82
RL2	1	0.869
RL3	1	0.868
RL4	1	0.898
RL5	1	0.824
Service Quality: Dimensions of Service Quality Willingness to assist clients and offer timely service is known as responsiveness.RS1	1	0.794
RS2	1	0.782
RS3	1	0.819
RS4	1	0.858
Service Quality: Dimensions of Service Quality Assurance (willingness to assist clients and deliver timely service)) AS1	1	0.698
AS2	1	0.874
AS3	1	0.688
AS4	1	0.734
Service Quality: Empathy (clients receive considerate, tailored attention)EM1	1	0.756
EM2	1	0.78
EM3	1	0.784
EM4	1	0.792
EM05	<1.000	0.821

Extraction Method: Principal Component Analysis.

### Total Variance of the Explained

Component	Initial Eigenvalues			Extraction of Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total of	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	17.788	40.428	40.428	17.788	40.428	40.428	6.445	14.648	14.647
2	3.436	7.809	48.237	3.436	7.809	48.237	5.222	11.869	26.514
3	2.876	6.535	54.773	2.876	6.535	54.773	4.466	10.136	36.654
4	2.643	6.008	60.781	2.643	6.008	60.781	4.406	10.014	46.664
5	2.415	5.488	66.269	2.415	5.488	66.269	4.313	9.802	56.464
6	1.95	4.433	70.702	1.95	4.433	70.702	3.903	8.871	65.345
7	1.762	4.005	74.706	1.762	4.005	74.706	2.794	6.351	71.695
8	1.502	3.414	78.12	1.502	3.414	78.12	2.135	4.852	76.546
9	1.327	3.016	81.136	1.327	3.016	81.136	2.021	4.593	81.133
10	0.985	2.239	83.375						
11	0.851	1.933	85.308						
12	0.802	1.822	87.13						
13	0.689	1.566	88.696						
14	0.688	1.563	90.259						
15	0.52	1.182	91.441						
16	0.494	1.122	92.563						
17	0.48	1.092	93.654						
18	0.34	0.773	94.428						
19	0.338	0.768	95.196						
20	0.285	0.647	95.843						
21	0.269	0.611	96.453						
22	0.213	0.484	96.937						

23	0.18 6	0.424	97.361						
24	0.17 1	0.39	97.75						
25	0.16	0.364	98.114						
26	0.14 1	0.321	98.435						
27	0.12 3	0.281	98.716						
28	0.12	0.273	98.988						
29	0.09 7	0.221	99.209						
30	0.06 8	0.156	99.365						
31	0.06 6	0.15	99.515						
32	0.05 2	0.118	99.633						
33	0.04 6	0.104	99.736						
34	0.03 2	0.072	99.808						
35	0.02 2	0.05	99.858						
36	0.01 8	0.041	99.899						
37	0.01 4	0.033	99.932						
38	0.01 4	0.032	99.964						
39	0.00 7	0.016	99.98						
40	0.00 6	0.013	99.993						
41	0.00 2	0.004	99.997						
42	0.00 1	0.002	99.999						
43	0	0.001	100						
44	1.46 E-05	3.31E- 05	100						

Extraction Method      component analysis of principle

### Component Matrix of the data

Component



	1	2	3	4	5	6	7	8	9
CRMQ1								.483	
.CRMQ2	.558		-.491				.433		
.CRMQ3							.767		
CRMQ4						.475	.490		
.CRMQ5.		.661					.410		
.CRMQ6	.696								
CRMQ7	.704								
CRMQ8	.663		-.423						
CRMQ9.	.452				.521				
.CRMQ10	.625		-.426						
CRMQ11	.759								
.CRMQ12	.451		-.676						
Customer Satisfaction: CSQ1	.760								
CSQ2.	.754								
.CSQ3	.590								
CSQ4	.659	-.418							
Customer Loyalty: CLQ1	.722								
.CLQ2	.730	-.493							
CLQ3	.615			.508					
CLQ4	.668								
CLQ5	.507			.597					
CLQ6.	.784								
Service TANGIBILITY STG1	.832								
STG2	.537					.486			
STG3	.744								
STG4	.708					.435			
Service Quality: Reliability SRL1	.806								
.SRL2	.529		.579						
SRL3	.750	-.426							
SRL4	.683	.432							
SRL5	.500								

Service Quality:SERVQUAL dimensions Responsiveness RS1	.665							.441	
RS2	.489				-				
					.569				
RS3	.662	-.422							
.RS4	.735			-.413					
Service Quality:SERVQUAL dimensions Assurance AS1	.633								
AS2	.786			-.423					
AS3	.401		.544						
.Responsiveness to customers' requests RS1	.681								
Service Quality: Empathy (clients receive considerate, tailored attention) .EMP1	.670				.475				
EMP2	.745								
.EMP3	.498	.653							
EMP4	.681								
EMP5	.642								

Analysis of Principal Components is the extraction method.

a. Extracted nine components.

### Rotated Component Matrix<sup>a</sup>

	Component								
	1	2	3	4	5	6	7	8	9
CRM (Customer Relationship Management) CRMQ1								.767	
CRMQ2				.525					.588
CRMQ3									.903
CRMQ4								-.735	
.CRMQ5		.539				-.409			.416
CRMQ6				.668					

CRMQ7		.70 0						
CRMQ8				.811				
CRMQ9						.690		
CRMQ10.			.437	.460		.476		
.CRMQ11		.56 0			.456			
CRMQ12				.765				
Customer Satisfaction: CSQ1				.525	.500			
CSQ2	.435					.550		
CSQ3		.47 7			.660			
.CSQ4						.694		
Customer Loyalty: CLQ1	.427				.782			
CLQ2	.685							
CLQ3					.819			
CLQ4	.458	.45 1	.450					
CLQ5					.805			
CLQ6	.560	.50 0						
Service Quality:SERVQUAL dimensions Tangibility TG1	.542							
TG2							.870	
TG3	.558		.624					
TG4		.50 8					.446	
Service Quality: Reliability RL1	.493		.627					
RL2							.704	
RL3.	.705					.472		
RL4		.69 3					.455	
RL5	.843							

Service Quality:SERVQUAL dimensions Responsiveness RS1	.484					.625			
RS2		.617							
RS3						.676			
RS4	.678	.470							
Service Quality:SERVQUAL dimensions Assurance AS1			.526		.503				
AS2	.667	.440							
AS3			.609						
.RS1	.698								
Service Quality: Empathy EMP1			.625						
EMP2	.488			.503					
.EMP3		.787							
.EMP4			.644						
EMP5	.462	.488		.444					

Analysis of Principal Components is the extraction method.

Rotation Technique: Kaiser Normalisation using Varimax.

a. Rotation was converged Total 22 iterations.

**Table of Component Transformation Matrix**

Compnent	1	2	3	4	5	6	7
1	0.507	0.413	0.395	0.356	0.351	0.322	0
2	-0.369	0.652	0.194	-0.079	-0.009	-0.557	0
3	0.151	-0.109	0.192	-0.73	0.228	0.014	0
4	-0.57	-0.112	-0.216	0.188	0.711	0.173	0
5	-0.311	-0.337	0.529	-0.046	-0.263	0.252	0
6	-0.203	0.046	0.005	0.394	-0.445	0.109	0
7	0.168	-0.119	-0.053	0	0.049	-0.399	0
8	0.03	0.367	-0.597	-0.262	-0.219	0.418	0
9	-0.304	0.339	0.289	-0.269	-0.049	0.383	-

**Analysis of Principal Components is the extraction method.**

**Rotation Technique: Kaiser Normalisation using Varimax Interpretation.**

The analysis of data collected from 50 customers at a multicuisine restaurant in Chennai revealed regarding the dynamics of CRM, customer loyalty, customer satisfaction, and service excellence.

There exists a positive correlation between customer contentment and service quality, indicating inclined to report satisfaction. with their overall eating experience when they see the restaurant characterised by promptness, staff friendliness, cleanliness, or attentiveness.. This supports marketing that superior service is a foundational driver of satisfaction.

Second, the results indicate a robust correlation between CRM and service excellence. This implies management is closely linked to the consistent delivery of high service standards. Personalized and efficient handling of customer queries or feedback are all aspects of CRM that are enhanced. In turn, this fosters a sense of trust and value among customers, thereby acting as brand advocacy. The mediating role of satisfaction in transforming positive service experiences into long-term loyalty that customers feel with the restaurant. reinforcing their loyalty.

Overall, the results validate the study's hypotheses and demonstrate the strong relationship between service quality, all of which contribute to the growth of patronage in the multicuisine restaurant. Investments in staff training, feedback mechanisms, CRM technology, and consistent product improvements-they are strategic imperatives for building a loyal customer base and sustaining market like Chennai.

The importance of meeting or exceeding consumer expectations is underscored by the robust relationship between customer happiness and loyalty. Satisfied customers are more likely to recommend a restaurant to others and return, so becoming brand ambassadors. This link highlights how contentment serves as a mediator in transforming gratifying consumer encounters into lasting loyalty.

Fourth, the analysis confirms that CRM practices and product quality both contribute directly to customer loyalty. Personalized offers, loyalty programs, and attentive follow-up can strengthen the emotional connection customers feel with the restaurant. At the same time, consistent product quality-across the diverse cuisines offered-ensures that customers' expectations are reliably met, further reinforcing their loyalty.

Overall, the results validate the study's hypotheses and demonstrate the strong relationship between CRM, customer happiness, and service quality, all of which contribute to the growth of patronage in the multicuisine restaurant sector. This means that for managers, funding employee training, feedback systems, CRM software, and reliable product delivery are not only operational enhancements but also strategic necessities for establishing a devoted clientele and maintaining a competitive edge in a crowded market like Chennai.

## **MANAGERIAL IMPLICATIONS.**

### **Managerial Implications**

The findings of this study highlight that service quality, customer satisfaction, and CRM are all critical drivers of customer loyalty in the multicuisine restaurant sector. For restaurant managers and owners, these insights translate into several practical strategies to enhance business performance and sustain competitive advantage:

1. Invest in Staff Training and DevelopmentContinuous training in customer service, communication, and product knowledge ensures staff consistently deliver high-quality service, directly impacting customer satisfaction and loyalty.

Empower employees to make on-the-spot decisions that enhance the dining experience, fostering a sense of ownership and accountability.

2. Establish Robust Feedback Mechanisms

Implement regular customer feedback systems (such as comment cards, digital surveys, or follow-up messages) to identify service gaps and areas for improvement. Actively respond to feedback to show customers their opinions are valued, which can strengthen relationships and trust.

3. Enhance CRM Practices

Utilize CRM systems to collect, analyze, and act on customer data, enabling personalized marketing, special offers, and tailored loyalty programs. Build long-term relationships by recognizing repeat customers, celebrating milestones (like birthdays), and offering exclusive deals.

4. Standardize Operational Excellence

5. Develop and enforce Standard Operating Procedures (SOPs) for all service touchpoints to ensure consistency and efficiency. Integrate technology (such as POS systems, online reservation platforms, and digital ordering) to streamline operations and reduce errors.

#### 5. Maintain Consistency Across Multicuisine Offerings

Ensure that quality and service standards are upheld across all cuisines, so that every guest-regardless of their culinary preference-receives a consistently excellent experience. Train staff on the nuances of each cuisine to improve their ability to assist and delight customers.

#### 6. Strengthen Brand Image and Online Presence

Maintain a strong, consistent brand image across all channels, including in-restaurant, online, and social media. Proactively manage online reviews and social media engagement to build a positive reputation and attract new customers.

7. Implement Differentiation and Loyalty Strategies- Offer unique, memorable experiences (such as chef's specials, themed nights, or interactive dining) to stand out in a crowded market. Launch loyalty programs and exclusive events for regular customers to incentivize repeat visits and referrals.

8. Monitor and Benchmark Performance- Regularly compare service quality and satisfaction levels in customers with industry benchmarks and competitors to identify improvement opportunities. Use data-driven insights to refine strategies and stay ahead in the competitive landscape.

### **Conclusion.**

The purpose of this study was to look into how customer satisfaction, service quality, and customer relationship management (CRM) affected patronage in a Chennai multicuisine restaurant. Customer loyalty is significantly impacted by service quality, customer satisfaction, and CRM, according to a quantitative analysis of customer feedback. The results confirm that a key factor is service quality: when consumers recognise elevated service standards, their satisfaction rises, leading to increased likelihood of return and recommendations for the restaurant. Consumer satisfaction serves as a vital intermediary in converting favourable service experiences into loyalty, while efficient CRM techniques enhance the emotional bond between the consumer and the restaurant, promoting repeat patronage and favourable referrals. These insights underscore the necessity for managers to invest in employee training, build effective feedback systems, and adopt CRM systems to personalise interactions and uphold superior service standards. Uniformity in quality across all cuisines and a robust web presence are essential for cultivating and maintaining client loyalty in a competitive landscape.



This research emphasises that a comprehensive strategy—integrating superior service quality, client-centric relationship management, and persistent focus on customer satisfaction—is crucial for cultivating loyalty and attaining sustained success in the restaurant sector.

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