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RELATIONSHIP BETWEEN SERVICE QUALITY AND BRAND LOYALTY IN RESTAURANTS: A CROSS CULTURAL STUDY

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ABSTRACT
Customer satisfaction/dissatisfaction has become an important issue for marketing practitioners. There has been an increasing interest in customer service management with the objective of delivering the best possible services. It has resulted in implementing plethora of programs at the corporate and national levels to help industry prosper on a service-oriented philosophy. It is evident that better services capture more customers but whether it can enhance loyalty quotient is questionable. The premise of `quality of service' as the competitive edge in gaining market leadership has been well recognized both in academic research and by leading service organizations. This paper presents the changing focus of service quality at restaurants from a mere competing instrument to that of the basic core of the service concept in meeting and exceeding customer expectations. The research has been conducted with the help of a self-constructed questionnaire attempting to measure the variables like, food quality, hygiene, price etc. A sample of 100 respondents from India and United States has been chosen in order to derive a cross cultural perspective. The data has been analyzed with the help of spss and techniques of correlation, regression have been applied on the same. Some of the important findings of the research are positive correlation between service quality and brand loyalty (r=.527, p<.01), relationship between service quality and re use of restaurant services (r=.615, p<.01) and positive association between service quality and recommendation to friends and relatives(r=.762, p<.01).

KEYWORDS – Customer satisfaction, Service-oriented philosophy, Quality of service,

INTRODUCTION
More so than ever before in modern times, customer is the king and companies are forced to meet his expectations. It has become the sole aim for some organizations because of the stark realization that customer satisfaction is the key to success. Customer satisfaction is found to have a direct relationship with the progress of the organization. The reason why organizations woo their customers with all paraphernalia is because they value the longterm association. The penny has finally dropped: it is cheaper, easier and more productive to encourage our existing customers to do more with you than it is to win new friends. Needless to say, loyalty practitioners do not reward customers out of the goodness of their heart: there is a definite quid pro quo. The purpose of loyalty programmes is to exist to deliver incremental value back to the organization. Companies seek to achieve this by rewarding customers for their loyalty. The primary role of loyalty is to establish a "dialogue" with the customer in order to determine their needs and wants, maintain and strengthen the relationship, and ultimately increase profits.

The same trend has been popular in the hotel/restaurant industry. It cannot be denied that hospitality industry is one where service delivery plays a crucial role. Whether it is India or abroad there is a rat race among competitors in order to acquire and retain maximum numbers and that is

where building loyalty has become a mainstay for survival. It is vital for the managers to have a good understanding on what exactly the customers want. Identifying the specific expectations of customers, the dimensions of the service quality, and their relative importance for customers for each specific segment of hotel industry would definitely help managers in the challenge of improving the service quality. It is one of the service sector where there is relatively high level of customer contact which calls for prompt action at all stages.

REVIEW OF LITERATURE
Though some observers have suggested that this trend is "fashionable"(e.g,Coyne,1989),theoretical and empirical evidence shows that firms that provide higher level of service reaps higher profits than those that do not(Jacobson and Aaker 1987). It is not surprising, then, that popular press has now picked up on this theme. For example, a Business Week (1990,p.88) article entitled "King Customer" provided the general admonition that "at companies that listen hard and respond fast, bottom lines thrives," and similarly " that companies can score big gains sales and profits by satisfying customers first."

PERSPECTIVES ON SERVICE QUALITY
The word quality means different things to people according to the context. David Garvin identifies five perspectives on

quality related to innate excellence, quality as a precise and measurable variable, that quality lies in the eyes of the beholder, that quality is operations driven and quality in terms of value and price.

The next most extensive research done in the area of service quality is strongly user oriented. From focus group Research ,Valarie Zeithaml, A.Parasurman, and Leonard Berry, identified 10 criteria consumers use in service quality, namely Dimensions, Credibility, Security, Access, Communication, Understanding the customer, Tangibles, Reliability, Responsiveness, Competence, Courtesy. In subsequent research they found a high degree of correlation among several of these variables and so consolidated them into five broad dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy.

Quality of service is essential for customer satisfaction (Cronin and Taylor, 1992; McAlexander *et al.*, 1994), repeat purchases (Schneider and Bowen, 1995), winning customer loyalty (Zeithaml *et al.*, 1990), and customer retention (Zeithaml *et al.*, 1996). It also affects companies' market share, and thus profitability (Schneider and Bowen, 1995). Owing to the characteristics of services, the quality of services is a more complex issue than the quality of goods, where the technical aspects of quality predominate. Moreover, the quality of the service provider cannot be separated from the service offered as easily as in the case of goods (Lewis, 1989). All these make the measurement of service quality a challenging issue. The definition of service quality has progressed from conformance to customer specifications (Berry, Benett and Brown, 1989) to customer satisfaction (Kessler, 1996). Clearly quality is a property of service and customer satisfaction is a result of service quality.

The test of service quality has been the satisfaction of the customer during the "moments of truth" (Boyle, 1990) during which they have been interacting with the service provider. According to Stamatis (1997) the ultimate consequence of superior service quality is "…uncommon, unprecedented customer satisfaction – the kind of satisfaction marked by bragging customers and clients, repeat businesses and increased market share and profitability.Several researchers have proposed attributes that customers might be using subconsciously to evaluate service quality. Sasser, Olsen and Wyckoff (1978) discussed that service process quality consisted of the quality of materials, facilities and personnel involved. The SERVQUAL model (Parasuraman *et al.*, 1988), also known as the Gaps model, defines quality as the difference between customers' expectation and their perception of the service delivered. It provides a method of measuring service quality known as the SERVQUAL instrument/scale. Over the years, it has been adapted and applied in various contexts.

BRAND LOYALTY
In marketing concept, the achievement of the overall organizational goals depends on how best is a company in delivering satisfactions better than the competitors (Kotler and Armstrong, 2010). The success of businesses often depends on the frequency at which customer contact is made. Also, at each customer contact it should be ensured that enhanced value is delivered to the customer. This is because the customer today is informed; he understands the motives of marketers and does not give in easily. Hence, it becomes a herculean task to build brand loyalty. However, once achieved it can promise great success to any organization. The image surrounding a company's brand is the principal source of its competitive advantage and is therefore a valuable strategic asset. Most loyal customers are organisations' fan base, and often are the best people to share their experiences with your company. They play the role of influencers and market the product by becoming its advocates. Brand loyalty occurs because the consumer perceives that the brand offers the right product features, image, or level of quality at the right price and he conveys the same to others. In order to create brand loyalty, organizations must focus on the delivery mechanism which once successful will sustain for a long time. Unfortunately, many companies are not adept at this art and struggle to establish themselves in peoples' hearts. The challenge is to create a broad brand identity that recognizes a brand as something greater than a set of attributes that can be imitated or surpassed. In fact, a company should view its brand to be not just a product or service, but as an overall brand image that defines a company's philosophies.

In the endeavor to increase the brand loyal customer base, an organization needs to create the awareness, reputation, image, brand extension, innovation and perceived quality of its product/ service. An organization not only needs to create value but also needs to develop an emotional connect with the customers. Loyalty towards product brand can be derived in many ways. According to Aaker, 1991, a brand can be defined as distinguishing name or symbol intended to identify both goods and services. Aaker and Keller, 1990 believe that loyalty is closely associated with various factors, one of the main ones being the experience of use. In another point of view, customers may also be loyal because they are satisfied with the supplier or product brand, and thus want to continue the relationship (Fornell, 1992).

A good quality service delights its customers and these delighted customers remain loyal and talk favorably to others about the services. There have been several studies reflecting big differences in the loyalty of customers who are less satisfied, somewhat satisfied and completely satisfied. Even a slight drop from complete satisfaction can create an enormous drop in loyalty (Kotler and Armstrong, 2010). Several researches have been done and it was noted that there are positive relationship between performance quality, customer satisfaction and brand loyalty. However the correlation differs between one service to another. According to a research conducted by Croanin and Taylor (1992) who examined for businesses, found strong

correlation between satisfaction and loyalty for fast food and dry cleaning. However it was also noted that relationship between satisfaction and loyalty is to be dependent on the characteristics of the focal products and services itself. The effect of customer satisfaction on loyalty appears to be contingent and it was suggested that satisfaction will only have a direct effect on loyalty when customers are able to evaluate product quality through their experience with the product and services itself. As stated and mentioned by Rust and Oliver (1994) who suggest that customer satisfaction or dissatisfaction – a "cognitive or affective reaction" – emerges as a response to a single or prolonged set of service encounters. It also mentioned that satisfaction is "post consumption" experience which compares perceived quality with expected quality, whereas service quality refers to a global evaluation of a firm's service delivery system (Anderson and Fornell, 1994; Parasuraman et al., 1985). Also, loyal customers are less price sensitive than non loyal customers in the choice decision (Tellis, 1988).

SERVICE QUALITY AND HOSPITALITY
One way through which the emotional satisfaction of customers in the hospitality industry can be increased is by providing unique services to the customers. Every individual is unique and this means that services provided to a customer must meet his or her needs in order to be satisfied (Jacoby and Chestnut, 1987). Bagozzi (1999) found that customers being offered unique services tailored to address their needs, show greater willingness to pay higher prices in the future due to the positive emotions they feel while experiencing the service. Furthermore, positive word of mouth associated with positive emotions act as an advertising strategy (Gitman and Carl, 2005).Providing high quality services makes the customers feel at ease and very comfortable hence customers who are emotionally satisfied are likely to recommend the services they receive to others 64(Hui, 2007). Improvement in services that are provided in the industry influences the expectations of the customers. The need to meet the demand for better services requires hospitality staff to be flexible and dynamic (Cochran, 2003). Currently, emotions form a vital component of loyalty and satisfaction hence emotional satisfaction cements their loyalty to a company or organization (Dick and Kunal, 1994). Apart from this prompt response to the needs of the clients increases emotional satisfaction of the clients because the assurance they get from receiving services on time motivates them to seek services from the same organization when the need to do so arises (Hofstede, 1994). Customer loyalty to a certain brand varies in industries and markets (Quelch and Harding, 1996). The relationship between a customer and the brand determines the loyalty of the customer to the brand (Bluestein, 2003).

INDIAN AND AMERICAN HOTEL INDUSTRY
Offering hospitality is fundamental to Hindu culture and providing food and shelter to a needy stranger was a traditional duty of the householder. The unexpected guest is called the *atithi*, literally meaning "without a set time." Scripture enjoins that the *atithi* be treated as God. Tradition teaches that, no matter how poor one is, one should always offer three items: sweet words, a sitting place, and refreshments (at least a glass of water). The flower garland is offered to special guests and dignitaries, as a symbol of loving exchange. Indian hospitality is legendary. The maxim of hospitality in India has crossed generations and is not only learned but truly believed by each individual. The Sanskrit saying, "Atithi Devo Bhava," or "the guest is truly your god," dictates the respect granted to guests in India ("Indian " 1). Each one is treated with the utmost consideration and each Indian extends more than his hand to a visitor. Some of the main features of the Indian hotel industry include the following:

- The industry is more dependent on metropolitan cities as they account for 75% to 80% of the revenues, with Delhi and Mumbai being on top.

- The average room rate (ARR) and occupancy rate (OC) are the two most critical factors that determine profitability. ARR depends on location, brand image, star rating, quality of facilities and services offered. The occupancy rate depends on other seasonal factors.

- India is an ideal destination for tourists. Approximately 4.4 million tourists visit India every year. Thus the growth prospects are very high.

- In the hotel sector, a number of multinationals have strengthened their presence. Players like Four Seasons are also likely to enter the Indian market in the near future. Moreover, Indian hotel chains are also expanding internationally. A combination of all these factors could result in a strong emergence of budget hotels, which could potentially lower the cost of travel and related costs.

Tourism and hospitality being the largest service sector in the country, contributes around 6.23 per cent to the national GDP and 8.78 per cent of the total employment in the country. The country welcomes around 6 million international visitors every year and nearly 562 million domestic tourists. The Union Ministry of Tourism compiles a monthly estimate on the foreign tourist arrivals (FTAs) and foreign exchange earnings (FEE) based on the total number of foreign visitors in the country. The important trends in the sector for June 2011 based on the report by the Ministry of Tourism are as follows:

- The total number of tourists visiting the country during June 2011 were 0.39 million as compared to 0.37 million during June 2010 and 0.352 million in June 2009.

- A growth of 7.2 per cent has been registered during June 2011 as compared to 4.9 per cent growth in June 2010. Also, the 7.2 per cent growth rate in June 2011 was higher than the observed growth rate of 7.0 per cent in May 2011.

- FTAs during the period January-June 2011 were 2.91 million with a growth of 10.9 per cent as compared to the FTAs of 2.63 million with a growth of 8.9 per cent during January-June 2010 over the corresponding period of 2009.

- FEE during the month of June 2011 were US$ 1,213 million as compared to FEE of US$ 1,020 million during the month of June 2010 and US$ 796 million in June 2009.

- The growth rate in FEE in June 2011 over June 2010 was 18.9 per cent as compared to the growth of 28.1 per cent in June 2010 over June 2009. FEE from tourism during January-June 2011 were US$ 7,811 million with a growth of 14.2 per cent, as compared to US$ 6,842 million, with a growth of 36.6 per cent during January-June 2010, over the corresponding period of 2009.

GOVERNMENT INITIATIVES

The Government has allowed 100 per cent foreign investment under the automatic route in the hotel and tourism related industry, according to the Consolidated FDI Policy, released by DIPP, Ministry of Commerce and Industry, Government of India. The terms hotel includes restaurants, beach resorts and other tourism complexes providing accommodation and /or catering and food facilities to tourists. The term tourism related industry includes:

- Travel agencies, tour operating agencies and tourist transport operating agencies

- Units providing facilities for cultural, adventure and wildlife experience to tourists

- Surface, air and water transport facilities for tourists

- Convention/seminar units and organisations

The Government of India has announced a scheme of granting Tourist Visa on Arrival (T-VoA) for the citizens of Finland, Japan, Luxembourg, New Zealand and Singapore. The scheme is valid for citizens of the above mentioned countries planning to visit India on single entry strictly for the purpose of tourism and for a short period of upto a maximum of 30 days. The government has taken up a number of initiatives to enhance the tourism and hospitality sector performance and profits. Identification and development of 37 destinations within the last two years,

and execution of 600 projects for 300 tourist spots across the country with an investment of over US$24 million are some projects taken by the Government to boost the travel industry and create awareness for the sector. These efforts have been coupled with monetary assistance from the Central government to the tune of US$ 5 million and US$ 10 million, as per the Tourism report by the Gujarat Government.

The Ministry of Tourism under the Marketing Development Assistance (MDA) Scheme has also set up committees to assist and motivate travel tour operators and help them to familiarise with international standards of hospitality. Also, the Government provides financial assistance to travel agents to participate in travel marts and annual conventions for travel and tourism, as per the Annual report by the Ministry of Tourism. The Uttarakhand State Government has launched 100 per cent tax exemption program to exempt multiplex projects, amusement parks, and other tourist facilities for a period of five years under the Vision 2020 document. On the same lines, Rajasthan has reduced the luxury tax level to 8 per cent from the existing 10 per cent levels. Kerala, Madhya Pradesh, Orissa and Gujarat have entered into Private Public Partnerships (PPP) to promote travel and tourism to attract tourists.

According to the Eleventh Five Year Plan, a total of US$472 billion is planned to be invested in upgrading and modernising civil amenities like bridges, ropeways, roads, telecom services, ports, and other forms of transport as per a report by the Planning Commission. The Indian Hospitality industry, estimated at US$ 17 billion, contributes 2.2 per cent of India's GDP. The sector is expected to grow to US$ 36 billion by the end of 2018. Seventy per cent of the total contribution (US$ 11.85 billion) comes from the unorganized sector and the remaining 30% (estimated at US$ 5.08 billion) comes from the organised sector of the hospitality industry.The industry also witnessed an increase in the number of hotel rooms with a growth of 5 per cent during the last three to four years. In the next two tears, a total investment of US$ 12.17 billion is expected that will add over 20 new international brands in the hospitality sector. Rise of budget hotels in the country, such as Ginger Hotels, Lemon Tree, Sarovar Hotels, Fortune Hotels, Ibis and Choice Hotels clearly suggest a huge growth potential in the sector. Among the recent initiatives within the industry, some are listed below.

- US-based casual dining restaurant chain California Pizza Kitchen (CPK), is bullish about Indian market and under its expansion plans, the company has recently announced the launch of its new outlet here, which is counted as its third restaurant in India.

- Whitbread, UK-based hospitality company, has announced to invest US$ 53.3 million in the country by year 2020. With this investment amount, the company is

- planning to launch over 80 properties in the country over next ten years.

- Restaurant chain Lite Bite Foods, is looking to spread its wings globally through franchise route. With its expansion plans, the company is aiming to increase its outlets count to 200 from the present 50 outlets across the country over the next three years.

- Starwood Hotels & Resorts Worldwide has announced its expansion plans for India. The company is looking to operate 50 hotels in India by the end of 2012. Under its strategic plans, the company is targeting the Indian market to enhance its business and in the same move the company has launched the Starwood India Customer Contact Centre (CCC) in Gurgaon.

RESEARCH METHODOLOGY

To explore the relationship between the two variables of service quality and brand loyalty, research was conducted with the help of a self constructed questionnaire. A close ended questionnaire developed on likert 5 point scale has been used for measuring the influence of various variables on loyalty of the customers. The research instrument was validated by several experts in the field and the reliability of the same was   . the technique of area sampling has been used since primary data has been collected from respondents belonging to two countries viz. India and US. Total 160 questionnaires were administered on personal contact basis however 137 completed questionnaires were considered for the study. Analysis of the information thus collected has been done by using the statistical package SPSS version 15. Different tools like ANOVA, correlation & regression analysis have been used. Conclusion and

findings have been derived from analysis and interpretation of data. The key objectives of the study have been to study the impact of service quality and brand loyalty on repurchase behavior for restaurants in Indian market, impact of service quality of restaurants and brand loyalty on repurchase behavior in the American context and to identify the differences existing between the two nations in terms of perceptions of service quality and its impact on repurchase behavior. In the light of the same variables, following hypotheses were formulated.

H1: There will be a significant relationship between service quality and brand loyalty.

H2: There will be a significant contribution of dimensions of brand loyalty towards variable of service quality for the restaurant sector

H3: There exists a positive relationship between the service quality and reuse of service in a restaurant in the Indian context.

H4: There exists a positive relationship between the service quality and reuse of service in a restaurant in the American context.

H5: There exists no difference between Indian and American customers in terms of their perceptions of service quality and reuse of the restaurants.

H6: There exists a positive correlation between reuse of the services of restaurant and recommendation of restaurant to friends and relatives.

Table-1 : Correlation of service quality and brand loyalty for the restaurant sector.

Correlations

		Mother Variable of Service Quality	Mother Variable of Brand Loyalty
Mother Variable of Service Quality	Pearson Correlation	1	.527(**)
	Sig. (2-tailed)		.000
	N	137	137
Mother Variable of Brand Loyalty	Pearson Correlation	.527(**)	1
	Sig. (2-tailed)	.000	
	N	137	137

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

The table above shows that there is significant relationship between service quality and brand loyalty among the customers residing in two countries. The result shows that the correlation between these two factors in the restaurant sector is 52.7% (r=.527, p<.01). This clearly indicates that when the staff of the restaurants deliver good services, it

results in building brand loyalty among the customers i.e. the customers tries to stick to the services of the restaurant that deliver good and refined service. Delivering superior quality of service has been recognized as the most effective means of ensuring that a company's offerings stand out from a crowd of look-alike competitive offerings (Parasuraman *et*

al., 1991a). Furthermore, it constitutes a weapon which many leading organizations possess (Berry *et al.*, 1988). Research specific to these issues has repeatedly demonstrated the strategic advantage of superior quality in contributing to profit and market share (Buzzell & Gale, 1987; Gale, 1992; Koska, 1990; Zeithaml *et al.*, 1996). While service quality has proved to be an essential ingredient to convince customers to choose one service organization over another, many organizations have realized

that maintaining excellence on a consistent basis is imperative if they are to gain customer loyalty. This long-term perspective has created a strong shift in orienting service strategy towards a service promise (Albrecht, 1988; Albrecht & Zemke, 1985b; Hart, 1990). Hence this proves hypothesis that there will be a significant and positive correlation between service quality and brand loyalty among the customers residing in two countries is accepted.

Table 2: Results for stepwise Regression analysis for service quality and dimensions of brand loyalty for the restaurant sector (N=137)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
	R Square Change	F Change	Df1	df2	Sig. xF Change	R Square Change	F Change	df1	df2
1	.530(a)	.281	.275	.52235	.281	52.709	1	135	.000
2	.580(b)	.336	.326	.50371	.055	11.178	1	134	.001

Model Summary(c)

a Predictors: (Constant), Hygiene
b Predictors: (Constant), Hygiene, Quality of food
c Dependent Variable: Mother Variable of Service Quality

Table 2a   Excluded Variables(c)

Model		Beta In	T	Sig.	Partial Correlation	Collinearity Statistics
		Tolerance	Tolerance	Tolerance	Tolerance	Tolerance
1	Cost	.124(a)	1.682	.095	.144	.968
	Quality of food	.284(a)	3.343	.001	.277	.686
	Family Favorite	.096(a)	1.282	.202	.110	.941
2	Cost	.077(b)	1.050	.295	.091	.925
	Family Favorite	.071(b)	.968	.335	.084	.929

a Predictors in the Model: (Constant), Hygiene
b Predictors in the Model: (Constant), Hygiene, Quality of food
c Dependent Variable: Mother Variable of Service Quality

The table above (2 and 2a) tells that only the dimensions i.e. Hygiene and quality of food has been entered into regression equation and these two variables explains 28.1 and 33.6 percent respectively of the variability in service quality. The other dimensions failed to meet the criteria as indicated by the non significant t-value (p>.01).This brings out that the customers would appreciate the service quality of the restaurant on the basis of these two variables at most. Service quality is one of the most dominant themes of research in services (Fisk *et al.*, 1993). During its infancy, service quality research based its foresight on consumer

behavior and the confirmation/disconfirmation paradigm (Gronroos 1992). According to this paradigm, as customers consume a product, they compare the quality they have experienced to that of their prior expectations (Swan and Comb, 1976), which leads to an emotional reaction manifested in the satisfaction/dissatisfaction with the products or services purchased (Woodruff *et al.*, 1983). Hence the hypothesis that there will be a significant contribution of dimensions of brand loyalty towards variable of service quality for the restaurant sector is partially accepted and partially rejected.

Table 3: Correlation of service quality and reuse of restaurant services in Indian context.

		Reuse service of the restaurant.	Does Service Quality play an important role for deciding your favorite restaurant?	Does Interior Decoration play an important role for deciding your favorite restaurant?	While deciding on a favorite restaurant, is price an important factor?	Does Hygiene play an important role in deciding your favorite restaurant?
Reuse service of the restaurant.	Pearson Correlation	1	.615(**)	.112	.366(**)	.323(**)
	Sig. (2-tailed)		.000	.358	.002	.006
	N	70	70	70	70	70
Does Service Quality play an important role for deciding your favorite restaurant?	Pearson Correlation	.615(**)	1	.488(**)	.145	.687(**)
	Sig. (2-tailed)	.000		.000	.232	.000
	N	70	70	70	70	70
Does Interior Decoration play an important role for deciding your favorite restaurant?	Pearson Correlation	.112	.488(**)	1	.038	.446(**)
	Sig. (2-tailed)	.358	.000		.756	.000
	N	70	70	70	70	70
While deciding on a favorite restaurant, is price an important factor?	Pearson Correlation	.366(**)	.145	.038	1	-.039
	Sig. (2-tailed)	.002	.232	.756		.748
	N	70	70	70	70	70
Does Hygiene play an important role in deciding your favorite restaurant?	Pearson Correlation	.323(**)	.687(**)	.446(**)	-.039	1
	Sig. (2-tailed)	.006	.000	.000	.748	
	N	70	70	70	70	70

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

The table above shows that there is a positive relationship between service quality and reuse of the services of the restaurant (r=.615, p<.01). From the table we get that the correlation between the service quality and reuse of the services of the restaurant is 61.5 percent among Indian customers i.e. there is a majority of Indian customers who want to use the services of their restaurant again. Following extensive research on the so-called perceived service quality model, it has been recognized that customers evaluate service quality by comparing the service provider's actual performance `perceptions' with what they believe service quality to service loyalty service performance would be

expectations' in their service experience (Gronroos , 1982; Lehtinen & Lehtinen, 1982; Lewis & Booms, 1983; Lindqvist, 1987;). According to Lewis and Booms (1983), service quality is a measure of the degree to which the service delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis. Also, there is a correlation between price of services and reuse of restaurant services (r=.366, p<.01)). Vantrappen (1992, p. 53), stated that "value creation for the customer means that the firm meets the customer's quality, delivery and cost expectations." Expectations for one customer can be different for another. Vantrappen

(1992, p. 59), said that "each customer has unique and evolving needs: another customer expects to find different attributes in the product; and the same customer will expect different attributes next time he uses it." Johnson et al. (1999, p. 2) explained, "buyers perceptions of value represent a trade-off between the quality or benefits they perceive in the product relative to the sacrifice they perceive by paying the price." Correlation also exists between hygiene factors at the restaurants and reuse of restaurant services(r=.323, p<.01). **Hence, it proves hypothesis H3.**

Table 4 : Correlation of service quality and reuse of restaurant services in American context.

		Reuse service of the restaurant.	Does Service Quality play an important role for deciding your favorite restaurant?	Does Quality of food play an important role for deciding your favorite restaurant?	Does Hygiene play an important role for deciding your favorite restaurant?	Does Closeness to your house play an important role for deciding your favorite restaurant?
Reuse service of the restaurant.	Pearson Correlation	1	.416(**)	.377(**)	.107	-.189
	Sig. (2-tailed)		.000	.002	.389	.126
	N	67	67	67	67	67
Does Service Quality play an important role for deciding your favorite restaurant?	Pearson Correlation	.416(**)	1	.376(**)	.359(**)	-.107
	Sig. (2-tailed)	.000		.002	.003	.388
	N	67	67	67	67	67
Does Quality of food play an important role for deciding your favorite restaurant?	Pearson Correlation	.377(**)	.376(**)	1	.147	.030
	Sig. (2-tailed)	.002	.002		.236	.812
	N	67	67	67	67	67
Does Hygiene play an important role for deciding your favorite restaurant?	Pearson Correlation	.107	.359(**)	.147	1	.021
	Sig. (2-tailed)	.389	.003	.236		.864
	N	67	67	67	67	67
Does Closeness to your house play an important role for deciding your favorite restaurant?	Pearson Correlation	-.189	-.107	.030	.021	1
	Sig. (2-tailed)	.126	.388	.812	.864	
	N	67	67	67	67	67

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

The table above shows that there is positive relationship between service quality and reuse of the services of the restaurant even in the American context (r=.416, p<.01). From the table we get that the correlation between the service quality and reuse of the services of the restaurant is 41.6 percent among American customers i.e. there is a majority of American customers who want to use the services of their restaurant again if provided with good service quality at the restaurant.

More and more, there is a need to offer superior service (Parasuraman, 1995) and to exceed customer expectations (Klose, 1993; Wren, 1988) to delight the customer; as opposed to merely satisfying his/her needs (Brown et al., 1992). Customers commonly desire personalized and close relationships with service providers (Parasuraman et al., 1991c); moreover, customers value the benefits of maintaining the relationship (Zeithaml et al., 1996). It has become increasingly important for service organizations' vision to conceptualize the service concept beyond the short-term financial goal to the long-term `relational value'. Here again quality of food and reuse of restaurants are correlated to each other (r=.377, p<.01).

On the other hand factors like hygiene and closeness to home do not correlate with the reuse of the restaurant for Americans. A remarkably clear changing philosophy behind

service quality is lucidly apparent from almost all leading service organizations. Hence, it proves hypothesis H4.

From table 3 and 4 we get that the correlation between service quality and reuse of the services of restaurant is high among the Indian and American customers but this relationship is higher among the Indian customers(r=.615,p<.01) than the American customers

(r=.416,p<.01). Apart from this the preferences of the two are different among the variables of price, hygiene, vicinity and interior decoration. Hence, the hypothesis that there will be no difference between preferences of Indian and American customers in terms of perceptions of service quality and reuse of the restaurants variables is rejected.

Table 5: correlation of the reuse of services and recommendation to friends and relatives

		Would you like to use the service of the restaurant again?	Would you recommend the restaurant to your friends and relatives?
Would you like to use the service of the restaurant again?	Pearson Correlation	1	.762(**)
	Sig. (2-tailed)		.000
	N	137	137
Would you recommend the restaurant to your friends and relatives?	Pearson Correlation	.762(**)	1
	Sig. (2-tailed)	.000	
	N	137	137

The above table shows that there is positive relationship between reuse of the services of restaurant and recommendation of restaurant to friends and relatives (r=.762, p<.01). This shows that if the service quality is good then the customers would recommend the restaurant to their friends and relatives and would also use the services of the restaurant again. Clearly one of the most important tools for marketing these days is word of mouth. It is not only reliable but also an effective promotional strategy. It has been seen that the most talked about restaurants gain popularity easily and are frequented by old as well as new customers. Hence, the hypothesis that there is a positive correlation between reuse of the services of restaurant and recommendation of restaurant to friends and relatives is accepted.

CONCLUSION
This research takes an initial step towards exploring the link between service quality and brand loyalty, reuse of the service of restaurant and loyalty of the customers as the ultimate outcome. To conclude we can say that there exist a relationship between service quality, brand loyalty and reuse of the services of restaurant sector. The previous researches have focused on how overall service quality is affected by its dimensions (tangibility, responsiveness, reliability etc.),but there is very little understanding on how the dimensions of brand loyalty and service quality contributes in the behavior of the customers using the service of the restaurants again. Borrowing from the previous researches, this paper builds on

examining the relationship between service quality and brand loyalty dimensions.

A good service delivery creates customer delight. The delighted customers in turn will remain loyal and always have a positive impression towards the company and its product. The implication of a slight drop from complete satisfaction can cause an enormous drop in the customer loyalty. That is why service quality is crucial in the customer re-purchase attitude and behavior. Nevertheless, relentless efforts should be given in producing high quality services to the customers. Services with minute detailing of customer preferences will always induce them in choosing the right product especially in the present intense competitive market environment crowded with product of different varieties and brands.

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