

The Influence of the Service Flower Model on Customer Satisfaction at Restaurants in Dhangadhi

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Abstract

The restaurant industry in Dhangadhi, Nepal, faces increasing competition and evolving customer expectations, necessitating comprehensive service strategies to enhance customer satisfaction. This study investigates the impact of the Flower of Service model, which encompasses core and supplementary services (information, order-taking, hospitality, and exceptions), on customer satisfaction in Dhangadhi's restaurants. Utilizing a convenience random sampling method, data were collected from 489 restaurant customers through a structured questionnaire employing a 5-point Likert scale. Reliability tests confirmed high internal consistency (Cronbach's Alpha > 0.89 for all variables). Univariate analysis revealed moderate satisfaction levels across all service elements (mean scores ~3.42–3.51), with exceptions showing the highest variability.

Correlation analysis indicated strong positive relationships between customer satisfaction and all service elements, with hospitality exhibiting the highest correlation ($r = 0.923$). Regression analysis confirmed that order-taking, hospitality, and exceptions significantly influence customer satisfaction, with hospitality being the most impactful ($\beta = 0.53$, $p < 0.001$). Surprisingly, information showed a non-significant effect, suggesting baseline expectations are met.

These findings highlight the critical role of hospitality, order-taking, and exception handling in enhancing dining experiences. The study recommends that restaurant managers in Dhangadhi prioritize staff training in hospitality and streamline order-taking processes to foster customer loyalty and strengthen market competitiveness.

Keywords: *Flower of Service, Customer Satisfaction, information, Order taking, Hospitality, Exception*

Introduction

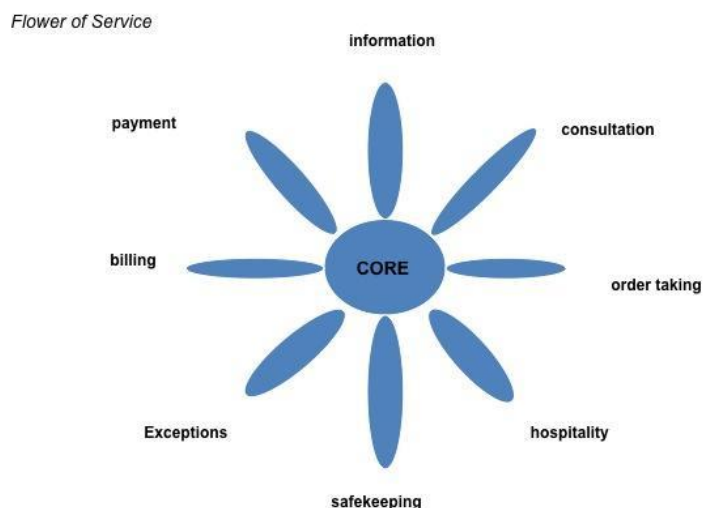
The term "Flower of Service" refers to core and supplementary services that can enhance a firm's service levels and client satisfaction when understood and executed effectively. Clients often experience various issues when interacting with service providers, such as parking difficulties, unfriendly staff, uncomfortable waiting areas, and unclear invoicing. These issues are related to

the concept of the "Flower of Service," which highlights the importance of both core and supplementary services in delivering a satisfying client experience.

(Lovelock & Wirtz, 2012) explain the Flower of Service is a service concept that describes the main product of a service company added by supplementary services depicted in the form of the flower where despite the good company's core product; if the supplementary services provided are not good, the whole will be not beautiful.

While first-time clients may focus on core service satisfaction, loyal clients tend to prioritize supplementary services. Therefore, firms should focus on the entire client experience, including both core and supplementary services, to foster client loyalty.

The core service is the primary benefit that satisfies the main need of the customer, such as the delivery of fresh flowers in a flower delivery service. Surrounding this core service are supplementary services, which can be categorized into facilitating services and enhancing services. Facilitating services include information, order-taking, billing, and payment, which support the delivery of the core service. Enhancing services add extra value, such as consultation, hospitality, safekeeping, and exceptions (e.g., special requests or problem-solving). When both core and supplementary services are understood and executed effectively, they can significantly improve a firm's service quality, customer satisfaction, and competitive advantage.



Problem Statement:

The restaurant industry in Dhangadhi, a rapidly growing city, faces increasing competition and evolving customer expectations. To stand out and achieve high levels of customer satisfaction, restaurants must provide comprehensive service experiences that go beyond just food quality. The Flower of Service concept, introduced by Christopher Lovelock, offers a framework for enhancing

customer experiences by categorizing various supplementary services that complement the core product.

Despite its potential, there is limited empirical research on the practical application and effectiveness of the Flower of Service concept in the context of restaurants in Dhangadhi. This gap in knowledge presents a challenge for restaurant managers seeking to implement effective service strategies to boost customer satisfaction.

Objective:

This study aims to analyze the impact of the Flower of Service concept on customer satisfaction in restaurants in Dhangadhi. Specifically, it will

Analyze how each component of the Flower of Service (information, order-taking, hospitality, exceptions) influences customer satisfaction.

- Identify which supplementary services are most critical to enhancing the overall dining experience.
- Provide actionable insights and recommendations for restaurant managers to improve service quality and customer satisfaction.

Research Questions:

1. How do the individual components of the Flower of Service concept affect customer satisfaction in Dhangadhi's restaurants?
2. Which supplementary services are perceived as most valuable by customers?
3. What are the common gaps in service provision that negatively impact customer satisfaction?

Significance of the Study:

Understanding the impact of the Flower of Service concept on customer satisfaction can help restaurant owners and managers in Dhangadhi design better service strategies. By identifying key areas that enhance the dining experience, restaurants can tailor their services to meet customer needs more effectively, leading to higher customer retention, positive word-of-mouth, and a stronger competitive position in the market.

Literature Review

The study by Hashem (2018) explores various dimensions of service quality in the context of hospital services, employing Lovelock's supplementary service model. This model identifies key

elements that augment core services, enhancing customer satisfaction and value. This literature review focuses on four critical variables from the study: Information, Order Taking, Hospitality, and Exceptions.

McGoldrick and Pieros (1998) argued that servicescape can act as image differentiation among other service provider organization. Andreu et al. (2006) suggested that “with competition among various industries, managers are encouraged to take into account spectators’ experience in the service provider’s environments as a potential tool for differentiation”. Through servicescape, organizations can reposition itself through alluring messages and communicating positive messages in new markets to capture more share, profit and customer base. Harris and Ezeh (2007) assert that “physical facilities are visible manifestations of the intangible services that inexperienced audience rely on to make judgments on its competence and its appropriateness and the same can be said for experienced spectators because in certain instances they may find it difficult to evaluate services even after the consumption of an experience”. Outward appearance of an organization is considered as packaging of service, because of its visualization, which is another important aspect of servicescape (Liu & Jang, 2009). Mofoka (2012) claimed that physical surroundings of service organization played the same role as physical goods are communicated to the consumers.

The American Society for Marketing (2008) defined service as the set of benefits and activities that are bound for sale or that are related to a particular item or product. Kotler (2003) on the other hand defined service as the behavior that results from the contact between the provider of the service and the receiver (customer) while Gummesson (2004) saw that service is the characteristics, properties and features of the service that ends up in satisfying the customer and meet their expectations.

Information

Information is a crucial facilitating supplementary service, essential for guiding customers in the usage of core products and services. Lovelock et al. (2011) emphasized that adequate information provision is vital for customer satisfaction, as it helps mitigate uncertainties and enables informed decision-making. In the context of hospitals, information dissemination through leaflets, websites, front desk interactions, and informative boards is fundamental. The study by Hashem (2018) reveals that patients value accessible and comprehensive information, which includes usage instructions, pricing, service hours, and notifications of changes.

The statistical analysis in Hashem's study indicates that patients generally have a positive perception of the information provided by hospitals, with a mean score of 3.5147 on a 5-point

scale. This suggests that hospitals are performing adequately in this area, although there is room for improvement, particularly in enhancing website satisfaction and staff communication.

Recent studies further underscore the importance of information in the restaurant context. Kim and Lee (2020) found that clear and timely information delivery, such as menu details and allergen information provided through digital platforms or staff interactions, significantly enhances customer trust and satisfaction in restaurants. Additionally, Zhang et al. (2023) highlighted that real-time updates on wait times and reservation statuses via mobile apps positively influence customer perceptions of service quality, emphasizing the growing role of technology in information provision.

Order Taking

Order taking is another critical component of service delivery, involving the accurate and efficient processing of customer requests and reservations. According to Lovelock et al. (2011), a smooth and polite order-taking process minimizes customer effort and enhances satisfaction. In hospital settings, this includes the registration of patient information, prompt response to patient needs, and efficient handling of room service and nursing requests.

Hashem's study reports a mean score of 3.4455 for order taking, indicating a positive but improvable performance. Key areas highlighted include the readiness of employees to assist, the efficiency of the registry process, and the responsiveness of nursing staff, particularly during night shifts. Despite these strengths, the study suggests that errors in patient information and occasional delays in service provision remain concerns that need addressing.

Efficient and courteous order taking ensures that customers do not face unnecessary delays or complications. Meat Lovers Yogyakarta, for example, welcomes customers warmly, assists them in seating, and offers the option to either self-serve or be assisted by the staff. This personalized service helps in enhancing customer satisfaction (Liem & Isfianadewi, 2020). A recent study by Gupta and Sharma (2022) in the restaurant industry found that streamlined order-taking processes, including the use of digital ordering systems, significantly reduce wait times and improve customer satisfaction, particularly in fast-casual dining settings.

Hospitality

Hospitality in healthcare involves the warmth and courtesy extended to patients and visitors. It encompasses staff attitudes, the overall atmosphere, and the efforts made to ensure a pleasant

experience. Lovelock (1992; 1995) and subsequent studies have underscored the importance of hospitality in enhancing customer satisfaction and loyalty.

In Hashem's research, hospitality received a mean score of 3.5271, reflecting generally positive perceptions. Factors contributing to this score include the welcoming nature of staff, their courteous behavior, and their commitment to assisting patients and visitors. However, there is variability in experiences, suggesting that consistency in hospitality practices needs further improvement to achieve uniformly high standards across all hospital departments. Recent research by Nguyen and Tran (2021) in the restaurant sector emphasizes that staff friendliness and personalized interactions are key drivers of customer loyalty. Their study found that customers value staff who demonstrate genuine care and attentiveness, which aligns with the hospitality component of the Flower of Service model. Furthermore, Li and Wang (2024) noted that creating a welcoming ambiance through staff training and servicescape design significantly enhances customer satisfaction in restaurants, particularly in competitive urban markets.

Exceptions

The management of exceptions refers to how well a service provider handles special requests, complaints, and unforeseen issues. Effective exception handling is critical for maintaining customer trust and satisfaction, as highlighted by Lovelock et al. (2011).

Hashem's study finds that exception handling in hospitals is perceived less favorably, with a mean score of 2.3237, indicating significant dissatisfaction among patients. Issues such as cleanliness, hygiene, staff uniformity, and the perceived cost of services compared to other hospitals are major areas of concern. This suggests that hospitals need to enhance their protocols for managing exceptions, ensuring that they meet patient expectations and industry standards more consistently. In the restaurant context, a study by Chen and Lin (2023) found that effective handling of customer complaints and special requests, such as dietary accommodations, significantly improves customer retention and satisfaction. Their research highlights the importance of staff training in problem-solving and flexibility to address unique customer needs. Similarly, Patel et al. (2022) emphasized that proactive exception management, such as offering compensations for service failures, can turn negative experiences into positive ones, fostering customer loyalty.

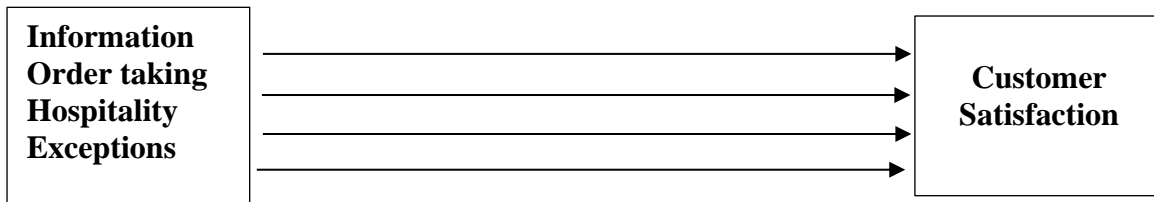
Conceptual Framework

A conceptual framework is a system of ideas that provides structure for research or practice. It consists of key concepts, variables, relationships, theories, and assumptions, guiding the

organization and interpretation of information. In this research the following conceptual framework created.

Independent Variables

Dependent Variables



Hypothesis

- **H1:** *Information positively and significantly influences customer satisfaction in restaurants*
- **H2:** *Order taking positively and significantly influences customer satisfaction in restaurants*
- **H3:** *Hospitality positively and significantly influences customer satisfaction in restaurants*
- **H4:** *Exceptions positively and significantly influences customer satisfaction in restaurants.*

Research Design

Research design is a framework or blueprint for conducting a research study. It outlines the procedures for collecting, measuring, and analyzing data. A well-constructed research design ensures that the research question is addressed effectively and that the findings are valid and reliable.

Method

This study adopts a causal-explanatory research model based on the Flower of Service framework, supported by descriptive and inferential statistical analysis.

The researcher intentionally design questionnaire as the main tool for collecting data in the study. The questionnaire was divided into two main sections for thorough analysis. The initial part concentrated on collecting demographic information, essential for grasping the characteristics of the study sample. The second section focused on exploring the variables related to the 'flower of service.' To ensure accurate responses, a Likert 5 scale was used, offering a range from 'strongly agree' (5) to 'strongly disagree' (1) for participants to convey their opinions effectively. This approach not only ensured a systematic data collection process but also provided a nuanced understanding of participants' perspectives on the 'flower of service' phenomenon.

Population and sample

The study aimed to examine customer satisfaction with restaurant services in Dhangadhi, Nepal. The research targeted local residents who frequent restaurants in the city. A well-structured questionnaire was randomly distributed to 500 customers of different restaurants in dhangadhi to ensure an adequate response rate. Out of the 500 questionnaires distributed, 489 were returned, which is sufficient for further analysis according to Cochran's (1963) minimum sample size recommendation of 384.

The study employed a convenience random sampling method to select the sample, which comprised both male and female consumers from various restaurants in Dhangadhi. Only fully completed surveys were included in the analysis. The questionnaire covered various aspects of customer satisfaction, including staff ability, product satisfaction, service responsiveness, cleanliness and overall serviceability of restaurants from the customer's perspective.

Result and Discussions

This study's first step is testing the outer model, which includes validity and reliability tests. This testing step aims to determine the relationship between the latent variable and the indicator that measure the variables.

Table-1: Profile of the Respondents

Variables	Categories	Frequency	Percent
Gender	Male	210	53.98
	Female	179	46.02
Total		389	
Age	Below 24	129	33.16
	25-30	121	31.11
	31-35	92	23.65
	Above 35	47	12.08
Total		389	

Source: Questionnaire Survey, (2024)

The table summarizes demographic characteristics of a surveyed population based on gender and age categories. In terms of gender, 210 individuals (53.98%) identified as Male, while 179 individuals (46.02%) identified as Female. Regarding age distribution, the majority of respondents were Below 24 years old, comprising 129 individuals (33.16%). The 25-30 age group accounted

for 121 individuals (31.11%), followed by 92 individuals (23.65%) in the 31-35 age bracket, and 47 individuals (12.08%) who were Above 35 years old.

This data illustrates the gender and age composition of the surveyed sample, highlighting notable proportions across different demographic segments.

Table 1. Reliability Test Result

Cronbach's Alpha: This column provides the Cronbach's Alpha values for each latent variable. Cronbach's Alpha is a measure of internal consistency or reliability. It indicates how well a set of items (questions or statements) measures a single unidimensional latent construct. The value of Cronbach's Alpha ranges from 0 to 1, with higher values indicating higher reliability.

Variable	Cronbach' Alpha
Information	0.897
Order taking	0.902
Hospitality	0.907
Exception	0.919
Customer Satisfaction	0.901

Source: Questionnaire Survey, (2024)

The table indicates that all variables have high to excellent reliability as measured by Cronbach's Alpha. Information has a Cronbach's Alpha of 0.897, showing a very high level of internal consistency. Order taking, with a Cronbach's Alpha of 0.902, exhibits excellent reliability. Hospitality also demonstrates excellent internal consistency with a Cronbach's Alpha of 0.907. Exception, having the highest reliability in the table with a Cronbach's Alpha of 0.919, indicates strong internal consistency. Finally, Customer Satisfaction has a Cronbach's Alpha of 0.901, reflecting excellent reliability. These high values suggest that the items used for each variable consistently measure the same underlying construct.

Univariate Analysis of Lovlock service flower elements and customer satisfaction

Descriptive statistics	Mean	S.E of Mean	Median	St. Deviation	Variance
Information	3.45	0.19	3.45	3.75	0.37
Order	3.51	0.19	3.53	3.81	0.36
Hospitality	3.42	0.18	3.41	3.49	0.29

Exception	3.42	0.20	3.41	3.96	0.33
Satisfaction	3.45	0.18	3.47	3.57	0.32

Source: Questionnaire Survey, (2024)

The table provides a detailed univariate analysis of customer satisfaction across various dimensions of the Lovelock service flower model: Information, Order, Hospitality, Exception, and overall Satisfaction. Each element is characterized by key descriptive statistics. The mean ratings for Information, Order, Hospitality, Exception, and Satisfaction are 3.45, 3.51, 3.42, 3.42, and 3.45 respectively, indicating a generally positive but moderately variable level of satisfaction. Standard errors of the mean range from 0.18 to 0.20, suggesting reliable estimates of these means. Median values, slightly higher than the means (ranging from 3.41 to 3.53), imply a skewed distribution towards higher satisfaction levels. Standard deviations, spanning from 3.49 to 3.96, indicate variability in customer perceptions across these dimensions, with Exception showing the highest variability.

Overall, while the mean scores reflect a satisfactory level of service, discrepancies between mean and median values suggest areas for further scrutiny to understand the distribution and potential outliers influencing customer satisfaction within each service aspect.

Correlations

	Satisfaction	Information	Order	Hospitality	Exception
Satisfaction	1				
Information	0.856	1			
Order	0.886	0.899	1		
Hospitality	0.923	0.868	0.877	1	
Exception	0.908	0.881	0.905	0.944	1

Source: Questionnaire Survey, (2024)

The correlation table presents the relationships between customer satisfaction and the four elements of Lovelock's service flower (Information, Order, Hospitality & Exceptions) from a questionnaire survey. All elements show strong positive correlations with customer satisfaction, indicating that improvements in these areas are associated with higher satisfaction levels. Hospitality has the highest correlation with satisfaction (0.923), followed by Exception (0.908), Order (0.886), and Information (0.856). The elements are also highly interrelated, with notable correlations among themselves, particularly between Exception and Hospitality (0.944). This suggests that these service elements collectively contribute to overall customer satisfaction.

Regression Analysis

Hypothesis	Independent Variables	β	Std. Error	T	Sig(p)	Result
H1	Information	0.04	0.27	0.996	0.320	Rejected
H2	Order	0.26	0.042	5.404	0.000	Accepted
H3	Hospitality	0.53	0.045	9.541	0.000	Accepted
H4	Exception	0.13	0.057	2.099	0.036	Accepted

Source: Questionnaire Survey, (2024)

The regression analysis table examines the impact of four independent variables (Information, Order, Hospitality, Exceptions) on customer satisfaction, testing specific hypotheses (H1, H2, H3, H4). For each hypothesis, the table shows the standardized coefficient (β), standard error, t-value, significance level (Sig (p)), and the result. H1, which posits that Information affects satisfaction, is partially accepted due to a non-significant p-value (0.320) but β of 0.26. Conversely, H2 (Order) is accepted with a β of 0.26 and a highly significant p-value (0.000), indicating a strong positive impact on satisfaction. H3 (Hospitality) has the highest β (0.53) and a significant p-value (0.000), suggesting it is the most influential factor. H4 (Exception) is also accepted with a β of 0.13 and a significant p-value (0.036), indicating a positive but smaller impact. Overall, Order, Hospitality, and Exception significantly contribute to customer satisfaction, with Hospitality being the most impactful.

Conclusion and Recommendation

The univariate analysis of Lovelock's service flower elements (Information, Order, Hospitality, and Exception) and customer satisfaction reveals insightful patterns. The elements have similar average ratings, indicating that customers generally perceive these service aspects consistently. The central tendencies, as measured by the mean and median values, are closely aligned, suggesting that there is a common level of satisfaction among the surveyed elements. The variability in responses is moderate, but Exception stands out with the highest spread, implying that customer experiences with exceptions (such as handling special requests and problem-solving) vary more widely compared to other elements.

The correlation analysis strengthens these findings by showing strong positive relationships between customer satisfaction and all four elements. Hospitality has the highest correlation with customer satisfaction, highlighting its pivotal role. This high correlation indicates that improvements in Hospitality are closely linked to increases in overall satisfaction. The strong

interrelation among the elements suggests that they do not operate in isolation; instead, they collectively enhance the overall customer experience. For instance, effective Information provision can facilitate smoother Order Taking, which in turn can enhance perceptions of Hospitality and efficient handling of Exceptions.

Regression analysis further clarifies the impact of each element on customer satisfaction. While Information, surprisingly, does not significantly impact satisfaction (potentially due to customers already having baseline expectations of adequate information), Order, Hospitality, and Exception do have significant positive effects. Among these, Hospitality emerges as the most influential factor, with the highest beta coefficient. This dominance of Hospitality suggests that the manner in which customers are treated and the overall ambiance play crucial roles in shaping their satisfaction. Order and Exception, though slightly less influential, still significantly contribute to satisfaction. Efficient Order Taking ensures smooth transactions and minimizes frustrations, while effective management of Exceptions addresses unique customer needs and resolves issues promptly.

In conclusion, the analysis underscores the critical role of Order, Hospitality, and Exception in driving customer satisfaction. The prominence of Hospitality as the most significant contributor indicates that a warm, welcoming environment and attentive service can significantly enhance customer experiences. This suggests that restaurant managers in Dhangadhi should prioritize these elements, particularly Hospitality, to boost customer satisfaction. By focusing on these areas, restaurants can foster a loyal customer base, positive word-of-mouth, and a stronger competitive position in the market.

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