A Study of Customers’ Assessment of Quality Practices of Fast Food Entrepreneurs in Southwestern Nigeria

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ABSTRACT

This paper assessed consumers’ ratings of quality practice of some selected fast food outlets in the six states comprising the Southwestern geopolitical zone of Nigeria. Data was collected in order to identify the dominant quality issues perceived by 2,509 customers of fast food across the states, using systematic random sampling technique. Findings according to the factor analysis procedures carried out revealed four service quality elements (competitiveness, empathy/relationship, compliance, and environmental factors) perceived by customers as critical to their continuous patronage in the industry. These elements also constitute 41.0% of variance explained of service quality delivery in the industry. In view of this, the study recommended the strict adoption of these elements considered as major quality determinants in the industry, by fast food entrepreneurs in their operations. It is concluded that this will go a long way in lifting up the standard, so much desired in this vantage sub-sector of the economy. Also, quality issues should not be overlooked and underestimated by decision makers in every organization.

(Keywords: quality assurance, ratings, total quality management, standards, fast food, entrepreneurs).

INTRODUCTION

The need to identify with and control quality in industries, especially as competition becomes intense and consumers become discriminating has been severally stressed. According to Allen (1991) this is even more essential for business organizations and enterprises, considering the volatile environment in which they operate nowadays, which according to Rodrigues (2013) is further enhanced by globalization and liberalization. Allen (1991) opined that the new vogue is to tailor both products and delivery according to the features which are seen to have value to the consumers. Variability in quality, therefore becomes inevitable as well as customer satisfaction which according to Kumar (2003) is the ultimate test of quality. Rodrigues (2013) states, as quality consciousness increases, the need to measure the quality of services also increased. But, it is saddening that too many companies still design their products and services without recourse to customer input, only to find them rejected and neglected later. Recognizing this power amounts to recognizing the views emanating from this power. Even, many entrepreneurs spend so much in attracting customers’ attention only to lose them to competitors later. Inherent in all these circumstances is the customers’ perception of the quality of the company’s product/services. Thus, quality as determined by the customers should be of paramount importance to entrepreneurs.

In the fast food industry, the centrality of the customer has been stressed (Fakokunde and Okeya, 2015) with its increasing growth and proliferation of restaurants worldwide attributed to the ever-increasing demand for its services for consumers to meet and cope with the global fast ways of livelihood (Schlosser, 2002). Therefore, practitioners need to be aware of the needs of the customer chain and respond accordingly (Jeffries, Reynolds, and Evans, 1996). According to Jeffries et al. (1996), they must also recognize and accept that customer’s judgment of quality is superior to and dominate all other judgments.
Great importance must be attached to the achievement of quality assurance, in order to build customers’ trust, confidence and loyalty, thus ensuring continuous patronage and profitability of our fast food firms, springing up on daily basis.

The objective of this paper is to identify the dominant quality factors in the fast food industry by evaluating opinions of customers of fast food services in Southwestern Nigeria.

LITERATURE REVIEW

The Concept of Quality Assurance

The modern concept of Quality Assurance arose out of the broad scope of Quality. Simply put; Quality is meeting or exceeding the customer requirements (Crosby, 1979), while quality assurance, on the other hand, builds quality (Iwarere, 2009) and provides evidence that the quality requirements will be met (Gryna, Chua, and Defoe, 2007). From the user’s point of view, Quality relates to excellence, reliability, dependability, predictability, consistence etc. of products or services. According to Gabbott and Hogg (2009), quality is the bundle of benefit in a purchase decision. It therefore stands for elimination of wastes, or absence of error and therefore meeting perceived customer requirements at the lowest internal price (Mohanty and Lahke, 2000). Mohanty and Lahke added that quality is everything that an organization does, in the eyes of its customers, which will encourage them to regard that organization as one of the best in its particular field of operation.

Therefore, as companies came to recognize the broad scope of quality, the concept became widened from the initial technical and inspection focus to organization-wide focus (Smith, 1994). Thus, different movements and fields recognizing the significance of quality such as Quality Assurance, Quality Control, Total Quality Control, Total Quality Management, and Total Quality started emerging worldwide.

The old thinking about quality was narrow-minded, focused only on products control and led by inspectors and experts alone (Smith, 1994). But as companies came to recognize the broad scope of quality, according to Smith, the concept became widened from the initial technical and inspection focus to organization-wide focus.

The new thinking on the other hand, is strategic and for everyone in the organization. It is about continuous improvement involving everyone in the organization and led by management (Hashmi, 2006). It is an approach based on the philosophy of TQM, a generic management tool, applicable in improving processes in service and public sector organizations.

According to Hashmi (2006), TQM is the foundation for activities, which include:

- Commitment by senior management and all employees
- Meeting customer requirement
- Reducing development cycle times
- Just in time/demand flow manufacturing
- Improvement teams
- Reducing product and service costs
- Systems to facilitate improvement
- Line management ownership
- Employee involvement and empowerment
- Recognition and celebration
- Challenging quantified goals and benchmarking
- Focus on processes/ improvement plans
- Specific incorporation in strategic planning

Hashmi (2006) further identified the key principles of TQM as:

- Management commitment
- Employee empowerment
- Fact based decision making
- Continuous improvement
- Customer focus
Arora (2006), on his part, sees Quality Assurance as part of the phases of Quality Programs identified by MacDonald and Piggot (1990), which also included both the inspection and quality control. Inspection is corrective, while quality control is preventive. Quality assurance, according to Arora, aligns with both programs.

### Table 1: The Quality Phases and System

<table>
<thead>
<tr>
<th>Phases of Quality</th>
<th>Quality Program</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Design</td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>✓</td>
</tr>
<tr>
<td>Quality Control</td>
<td>Preventive</td>
</tr>
<tr>
<td>Inspection</td>
<td>Corrective</td>
</tr>
</tbody>
</table>

**Source:** Arora (2006)

Quality of Design is the measure of the design in relation to the customer requirements. That is, how well the product or service is designed to achieve the agreed or imposed requirement. The most important feature of a product, with regard to achieving quality standard and specification is the design. Arora (2006) reinstates that for quality to be built into the product, it must be through good design, which starts with market research, sales input analysis and continues to the development of product/service concept. Quality of conformance to design is the extent to which the products or services achieve the specifications required to serve the need of the customer. What customers actually receive should conform to the design. Aluko, Odugbesan, Gbadamosi and Osuagwu (2007) consider this as important by also distinguishing between performance and conformance quality.

While performance quality refers to the level at which a product performs its functions, conformance refers to freedom from defects and the consistency with which the product delivers a
specified level of performance (Aluko et al, 2007). For instance, small fast food outlets, although rated lower than the big ones in terms of performance are still expected to maintain the minimum level of performance desired by their customers. An average service time of 15 minutes is not unexpected in a casual restaurant compared to less than 10 minutes expected by customers in a modern eatery.

**Fundamentals of Quality Assurance Programs and Practices**

Quality assurance initiatives should begin with a consideration of the customer, be it internal employees or external bodies (Aluko et al, 2007). In practice, firms should use the quality assurance program to assess and monitor the production process as well as the service delivery system, in order to see where improvements can be made. It goes a long way in either assuring that all is fine or warning that all is not well so that corrective actions can be taken (Sharma and Sharma, 2009).

Collard (1989) reports that in Japan, quality control and assurance is company-wide, nation-wide and statistically-inclined. It forms an essential part of production and marketing strategies. In the U.K., many firms, as well as government agencies, hinged their quality programs on established British Standards, as minimum indications of their commitment to customers satisfaction. Although, the standards do not go quite far in total quality management, companies are still expected to demonstrate certain key features of quality system (Cole, 1994). Similarly, in the U.S., quality programs among firms are also customer-centered and governed by minimum conformance to established standards specified by the American Society for Quality Control.

While commenting on the Nigerian situation, Aluko et al. (2007) opined that it is unlikely that all Nigerian firms will behave so differently. According to Aluko et al, since quality program normally increase profitability, Nigerian firms today have no choice than to imbibe from good quality programs in order to stay in the business race. It is therefore commendable that many Nigerian banks and multinationals have started appointing TQM managers in furtherance of their quality control and improvement programs.

The important activities involved in quality assurance, according to Badi and Badi (2009), are reliable process, consumer feedback, value engineering, service aspects and product design. Wadsworth, Stephens and Godfrey (2002) also proposed the use of modern statistical methods and processes in quality control and improvement programs. As such, concepts like Six Sigma, an emerging philosophy supported by a collection of tools and methodologies for building quality and reliability into products and services, have started gaining wide acceptance. These new process improvement tools also include the advance method of Process Simulation, intense Kaizen Blitz applications of resources, and the Poka-Yoke automatic mistake-proof and error-tracking devices. The Poka-Yoke quality concept is based on the Zero Quality Control (ZQC), and advocates the use of automatic devices and methods built into the system to prevent potential errors and mistakes from being committed in the first place.

Notwithstanding, Chopping (1995) concludes that achieving success with TQM in organizations may still be attributed to developing a unique model of quality assurance system which reflects the business ethics and purpose of the organization in question.

**Implementing Quality Assurance Programs in the Fast Food Industry**

Since quality measures are widely accepted and adapted by manufacturing and service industries and obtain good results in the banking and health care sectors (Adeoti, Lawal and Tsado, 2011), many food retail organizations are interested in accepting its underlying concepts and philosophy as part of their quality control and improvement practices. Thus, apart from using standards to measure the performance of established fast food retail firms, TQM-related criteria such as continuous improvement, customer focus and total employee involvement may also be used to evaluate their services. In Nigeria, the fast food industry is also regulated by the National Agency for Food and Drug Administration and Control (NAFDAC) and Association of Fast Food and Confectioners of Nigeria (AFFCON), the only umbrella body for the organized fast food sector.

In addition, the attainment and maintenance of the desired standard services in the fast food industry requires the implementation of a total
quality assurance system. Quality assurance means quality insurance and thus, apart from protecting both the organizations and the customers, it also ensures product/service reliability through the quality of design and conformance (Arora, 2006), adopting the total quality assurance system in the fast food requires overall quality commitment and participation of all those connected with a product/service. It also involves continuous evaluation, measurement, control, reporting and reviewing of processes and operations by entrepreneurs.

Also, according to Evans and Lindsay (2005), adopting a total quality management and assurance concepts in the fast food industry involves laying emphasis on such practices as:

- product development and design
- process planning, control and procedures
- material handling, inspection and defect analysis
- instrumentation, equipment selection and measurement
- performance testing, feedback and corrections
- customer-relations and complaints-handling
- vendor/supplier selection
- delivery, sales and promotion
- special studies using problem-solving tools and statistical analysis
- employee training, development and motivation.

RESEARCH METHODS

Area of Study

The study focused on the consumers of the selected fast food outlets in Southwestern (S.W.) Nigeria. The choice of the S.W. Nigeria as the study area was because of its highest concentration of fast food operators in the country, thereby making it more suitable in achieving the research objective of this study.

The samples of this research work were drawn from two categories of population. First, the 365 registered fast food outlets operating in the six states of the S.W. Nigeria, under the regulation of NAFDAC and constructed from the Nigeria Yellow Pages and other search engines such as the (http://www.nigeriayellowpages.com) and (http://www.nigeriagalleria.com/.../fastfood) commonly used as business directories in Nigeria. Second respondents are the customers of these fast food outlets.

Sampling and Data Collection Procedure

In drawn samples of outlets used for this study, quota sampling technique was used in order for the sample to reflect the pattern of concentration of these outlets in the six states of the zone. This was considered appropriate in order to ensure fairness and proportionality of the study. Therefore, as shown in Table 2, the final sample of 59 outlets (16%) drawn, apart from cutting across the three recognized categories of fast food outlets in all the six states of the zone, also reflects the high concentration of fast food entrepreneurs in Lagos State and its low concentration in Ekiti State.

In drawn samples of respondent customers, a systematic random sampling method was adopted because it accords each element in the different population categories an equal and independent chance of being selected as a sample (Kumar, 2005). Thus, as shown in Table 3, 2950 customers were selected as respondents.

Consequently, a total of 2950 questionnaires were administered to the respondents based on the 50 allotted questionnaires for each participating outlet out of which 2506 questionnaires (84.9% response rate) were found usable and analyzed. The questionnaire contains a checklist of twelve (12) quality issues, the existence of which the customers were expected to perceive in various degrees in the outlets. It was measured with a five-point Likert scale ranging from very high, high, average, low to very low. This was done to ensure consistency and ease of data computation (Bhote, 1996; Bontis, Chua and Richardson, 2000).
The reliability measures are both the Kaiser-Meyer-Olkin (KMO) and the Bartlett’s test. The result of KMO exceeded the threshold of 0.60 as recommended by Bowling (2009) while the Bartlett’s test was statistically significant (p < 0.05) based on maximum level of risk that is usually taken in social science research (Bryman and Bell, 2011; Bryman and Cramer, 2003). Also, using SPSS 10.0 (Statistical Package for Social Sciences), the data from the questionnaire was analyzed using the factor analysis methodology.

**ANALYSIS AND DISCUSSION OF RESULTS**

The study aims at determining the main issues dominating quality practices in the fast food industry in the zone. This was achieved using the factor analysis.

For this study, 12 variables were adopted in line with the quality elements identified by both Evans and Lindsay (2005) and Hashmi (2006). These elements, for the purpose of this study referred to as perceived quality variables, are itemized as:

1. Quality commitment and compliance
2. Reliability
3. Recognition.
4. Empathy/Relationship.
5. Responsiveness.
6. Tangibles/Technology.
7. Supporting services.
8. Competitiveness.
11. Availability.
12. Accessibility.

The factor analysis conducted, was able to summarize the vital customers’ perceived quality issues into 4 main factors. The procedure involves three basic steps. First, was the factor loading i.e. the identification of the structure of the relationship existing among the factors, using correlation coefficient matrix. At this stage, the
suitability of the available data for the factor analysis was confirmed through both the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and the Bartlett's test of sphericity conducted.

According to Bowling (2009), for factor analysis to be appropriate in exploring the dimensions underlying the questionnaire, the KMO measure should exceed the threshold of 0.60 and Bartlett's test should be statistically significant (p < 0.05). Therefore, both the KMO index of 0.639 and the Bartlett's test showing a chi-square of 659.333 in Table 4, which is significant at 0.01 are enough to indicate that the factor analysis of the variables is reasonable.

This was followed by initial factor extraction, using the principal component analysis method, employed for any possible data reduction. In determining the number of factors to retain during the extraction procedure, latent rule and Scree test were used to select those factors whose latent roots (also called Eigen values) are greater than 1. The last step involved the factor rotation of the terminal solution, also employed to further search for any interpretable factors causing significant variations in the issues under investigation.

The whole process involved the determination of communality coefficients and the variance accounted for in the issue under investigation by the identified dominant factors. Communalities show the proportion of the variance in a given variable explained by all the factors (extracted) jointly. It indicates the level of reliability of a factor. A low or zero communality indicates that the common factors explained few or none of the variances in a variable. On the other hand, a high value or communality of 1.00 indicates that all the common factors explain majority or all the variances in a variable.

Thus, as shown in the Table 5, only four (4) factors whose Eigenvalues are greater than one was suggested for the solution, after all the perceived quality variables had been subjected to initial extraction and rotations, using Varimax method. The Eigenvalues indicates the amount of variation in the total sample accounted for by each factor.

Therefore, factor 1 (competitiveness) has a communality of 0.494 and accounts for 13.21% in the variation of the data. Also factor 2 (empathy/relationship) has a communality of 0.416, and accounts for 9.44% of the variation in the total sample. Factor 3 (commitment/compliance) and factor 4 (environmental factors) have communalities of 0.348 and 0.496, while also accounting for 9.24% and 9.11% of total variance respectively.

In summary, total variance explained is presented as:

- Factor 1 (competitiveness) = 13.21%
- Factor 2 (empathy/relationship) = 9.44%
- Factor 3 (compliance) = 9.24%
- Factor 4 (environmental factors) = 9.11%
- Total variance explained = 41.0%

### Table 4: The Results of the KMO and the Bartlett’s Tests.

<table>
<thead>
<tr>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</th>
<th>0.639</th>
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<tbody>
<tr>
<td>Bartlett’s Tests of Sphericity.</td>
<td></td>
</tr>
<tr>
<td>Approx. Chi-Square</td>
<td>659.333</td>
</tr>
<tr>
<td>Df</td>
<td>66</td>
</tr>
<tr>
<td>Sig.</td>
<td>0.000</td>
</tr>
</tbody>
</table>
Table 5: Summarized Results of the Factor Analysis of Customer Perceived Quality Variables.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Initial Eigenvalues</th>
<th>Communality</th>
<th>Factor</th>
<th>Rotation Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>1</td>
<td>1.664</td>
<td>0.494</td>
<td>1</td>
<td>1.585</td>
</tr>
<tr>
<td>2</td>
<td>1.150</td>
<td>0.416</td>
<td>2</td>
<td>1.133</td>
</tr>
<tr>
<td>3</td>
<td>1.067</td>
<td>0.348</td>
<td>3</td>
<td>1.109</td>
</tr>
<tr>
<td>4</td>
<td>1.039</td>
<td>0.496</td>
<td>4</td>
<td>1.093</td>
</tr>
<tr>
<td>5</td>
<td>0.984</td>
<td>0.350</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>0.965</td>
<td>0.442</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>0.954</td>
<td>0.442</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>0.910</td>
<td>0.488</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>0.885</td>
<td>0.457</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>0.871</td>
<td>0.295</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>0.789</td>
<td>0.382</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>0.723</td>
<td>0.310</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The result of the analysis conducted shows that four factors are identified by customers as major determinants of patronage in the fast food industry. The four factors, when extracted accounted for 41% of customers’ perceived quality issues in the fast food industry while the remaining 59% is not explained within the model. They are accounted for by other variables outside the scope of the study. The implication of this finding is that the current level of patronage enjoyed by the industry may not be due to effective quality delivery and may be short-lived if proper efforts are not made to distinguish the industry from the plethora of the competing informal sector. This probably explains the high level of brand switching practiced by fast food customers.

CONCLUSION

The research focused on the evaluation of quality control and improvement practice of fast food firms in Southwestern Nigeria, with the intention of entrepreneurs and practitioners developing a quality assurance program widely-acceptable to customers in the industry. This is in line with the view of Jeffries et al. (1996) that quality as determined by customers should be of paramount importance. Specifically, the research addressed consumers’ ratings of quality practice of the selected outlets in the six states of the geopolitical zone.

The results of the study bring out certain conclusions tantamount to the main objective of the research. It identified four variables as dominating quality control practice in the fast food industry. These are Commitment, Empathy, Competitiveness and Environmental factors. These four variables identified can be considered as customers perceived quality elements very crucial to a successful quality assurance program in the fast food industry since in most cases, purchase decisions are dependent on customers’ perception of service quality.

This aptly suggests that to ensure survival in this present day, practitioners in the industry, should make regular recourse to the drawing board to continuously fashion out quality improvement policies and strategies towards offering an unmatched total-solution package in the competitive market. In doing this, greater emphasis should be laid in collecting relevant data for reassessing customers’ view, opinions and perceptions about their services.

The study therefore strictly recommends the adoption of TQM philosophy, with special emphasis on the four customer perceived service quality determinants in the industry but this is not to suggest that other factors influencing fast food purchase decisions such as product price, company’s image, advertisement etc. should be neglected, but should serve as accomplices in the maintenance of customer’s loyalty and confidence in the industry. These, it is believed, apart from enhancing performance, will go a long way in lifting up the standard, so much desired in
this vantage sub-sector of the economy. Consequently, the industry would be on course in re-creating the right environment in satisfying the ever-increasing desire of the millennium customer.

Thus, the influence of stringent quality assurance efforts on overall performance and, particularly on customers’ patronage, and its efficacy in turning business around, as stressed in this paper should not be overlooked and underestimated by decision makers, not only in the fast food industry, but in every organization.

REFERENCES


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