

# THE INFLUENCE OF PERCEIVED SERVICE PERFORMANCE ON GENERATION Z'S EWOM INTENTIONS IN THE FOOD SERVICE SECTOR

Chonlada Sajjanit<sup>1</sup>

## Abstract

As “digital natives”, Generation Z consumers are extremely active on social media by sharing their opinions and experiences via several online platforms and mobile technologies. In the restaurant setting, electronic word of mouth (eWOM) information is quite resilient and influence consumers' decisions as food services could not be evaluated before consumption. Nevertheless, previous studies examining the effect of Generation Z consumers' perceptions about restaurant service experiences on their eWOM intentions have been fewer addressed. Consequently, the purpose of this study is to examine the relationship between Generation Z consumers' perceived service performance of quick service restaurants (QSRs) which become popular among Thai teenagers and their eWOM intentions.

Utilizing quantitative survey of 373 young consumers, the findings reported that perceived restaurant service

performance positively related to eWOM intentions. In this regard, five components of restaurant service performance included food quality, personal interaction, perceived value, reliability, and physical environment. The findings contribute to the consumer behavior and digital marketing literature in that it provides a better understanding of the link between perceived service performance and electronic word-of-mouth (eWOM) in the restaurant setting. The framework could also facilitate future empirical studies in the hospitality industry. Additionally, the study could encourage food service marketers recognize the importance of eWOM and connect with young consumers to encourage positive eWOM communications while the costs of promotions are increasing.

**Keywords:** Electronic word of mouth (eWOM), Generation Z, Service performance, Social media, Mobile technology, Restaurant industry

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<sup>1</sup> Department of Marketing, Kasetsart Business School, Kasetsart University

## INTRODUCTION

The study of word of mouth (WOM) has experienced an increasing growth since 2004 (Chan & Ngai, 2011). It is one of the most influential power of information transmission and exchanges among people (Godes & Mayzlin, 2004). In this regard, the advance of internet and information technology have been recognized in social marketing and consumer behavior area in bringing in a relatively new form of WOM, electronic word-of-mouth (eWOM) (Hennig-Thurau & Walsh, 2003). The new tool provides new opportunities for consumers to share their experiences and feelings about products and services. According to social exchange theory, eWOM is motivated by the social interaction. Additionally, consumers also use eWOM to search for information for further decisions (Smith *et al.*, 2005). As such, eWOM has been received increased interests from both academics and practitioners (Brown *et al.*, 2007; Dwyer, 2007).

Notably, some studies indicated that consumers in social commerce era are most influenced by word of mouth on the Internet and social media platforms (Hajli, 2014). Specifically, Generation Z consumers who were born after 1995 (Williams, 2015), are extremely active on social media by

sharing their opinions and experiences online via videos and links (Lenhart, 2013; Relander, 2014). As “digital natives” (The Nation, 2017), they actively search, collect and disseminate information on several social platform such as Facebook, Instagram, and Twitter.

In the restaurant setting, eWOM information is quite resilient and influence consumers’ evaluations as food and services could not be evaluated before consumption (Kim *et al.*, 2015). In this regard, the quick service restaurants (QSRs) serving quick meals become increasingly popular among Thai people (USDA Foreign Agricultural Service, 2016) including Generation Z due to their convenience, nationwide restaurant chains, affordable prices, and changes in dining out lifestyles of modern families and young consumers (Food Intelligence Center Thailand, 2017). Subsequently, their positive perceptions of overall service performance of the QSRs may impact their behavioral intentions. Previous studies indicated that restaurant service performance such as food quality (Jalilvand *et al.*, 2017; Kim *et al.*, 2009; Liu & Jang, 2009; Mattila, 2001; Sulek & Hensley, 2004; Susskind & Chan, 2000), service quality (Kim *et al.*, 2009; Susskind & Chan, 2000), price and value (Jalilvand *et*

*al.*, 2017; Kim *et al.*, 2009), personal interaction quality (Jalilvand *et al.*, 2017), atmosphere and the appearance of employees (Jalilvand *et al.*, 2017; Kim *et al.*, 2009; Liu & Jang, 2009; Susskind & Chan, 2000) and reliability (Liu & Jang, 2009; Marcovic *et al.*, 2010; Stevens *et al.*, 1995) were the antecedents of WOM in the restaurant industry. Accordingly, perceived dining experiences and positive attitudes about QSRs' services might influence Generation Z's eWOM intentions (Jeong & Jang, 2011).

Consequently, the purpose of this study is to examine the relationship between restaurant service performance and electronic word-of-mouth (eWOM) intentions. Accordingly, the following research question is addressed. How does perceived service performance of QSRs affect Generation Z consumers' eWOM intentions?

## LITURATURE REVIEW

### 1. Electronic word of mouth (eWOM)

Word of mouth (WOM) is a significant area of research in marketing. WOM refers to "informal, person-to-person communication between a perceived noncommercial communicator and a receiver regarding a brand, a product, an

organization, or a service." (Harrison-walker, 2001, p. 63). It is one of the most influential power of information transmission (Godes & Mayzlin, 2004) on purchase and consumption decisions (Steffes & Burgee, 2009). Notably, it is widely acceptable that WOM has a tremendous impact on consumers than other channels of marketing communication (King *et al.*, 2014). However, the traditional form of WOM in which the information is exchanged in private conversations (Jalilvand *et al.*, 2011) are limited due to is network boundaries (Bhatnagar & Ghose, 2001).

Due to the advance of the Internet and electronic commerce, eWOM or WOM available online emerged (Chang & Ngai, 2011). Electronic word of mouth was defined as "any positive or negative statement made by the potential, actual or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet" (Hennig-Thurau *et al.*, 2004, p.39). The Internet and online social network have changed information transmission and exchanges without limits (Chan & Ngai, 2011). According to Varadarajan and Yadav (2002), the following changes have occurred due to the emergence of eWOM:

product attributes and price access, product evaluation based on consumers' considerations, increased quality of information, and organized and structured data.

### **eWOM intentions**

According to Cummins *et al.* (2014), consumers use the Internet as an essential social medium to seek and share information with other people (Schultz & Peltier, 2013). Previous studies posited that eWOM affects consumer behavior and decision making (Erkan & Evans, 2016; Lee *et al.*, 2008). Consumers tend to use eWOM information based on social media platform in their evaluations and purchase intention. Some studies even suggested that consumers are most influenced by word of mouth on social media channels (Hajli, 2014).

Other than seeking eWOM information, people also share their opinions about products and services with their friends and acquaintances on several internet platforms such as blogs, review websites and social media (Cheung & Thadani, 2012). As a result, consumers become providers of the online content in the form of opinions, experiences, reviews, evaluations, instructions, recommendations and facts

(Cummins *et al.*, 2014). The social platforms used include Facebook, YouTube, Twitter, Instagram etc.

One reason that consumers provide eWOM is due to perceived pressure of usage experiences or post purchase of products and services (Picazo-Vela *et al.*, 2010). Another reason is economic incentives that encourage consumers to generate eWOM.

### **Social exchange theory**

Social exchange theory proposed by Homans (1958) is widely used in explaining why people generate eWOM (Mishra & Satish, 2016). The theory describes that there is an exchange of tangible or intangible activities among people in the social environment involving positive and negative issues (Mishra & Satish, 2016). Therefore, eWOM is motivated by the social interaction. Since eWOM allows consumers to actively exchange product-related information and socially interact with others (Blazevic *et al.*, 2013), eWOM is the research area that has received increased interest from academics (Lin *et al.*, 2012).

## **2. Generation Z**

Generations of consumers are basically

categorized based on the birth dates as the Silent or Matures Generation, the Baby Boom Generation, Generation X or Gen-Xers, Generation Y or the Millennial Generation and Generation Z (Bolton *et al.*, 2013; Desai & Lele, 2017; Zhang *et al.*, 2017). However, the labels and the start-end birth dates of each cohort remain inconclusive (Bolton *et al.*, 2013; Desai & Lele, 2017). For instance, Williams (2015) labeled the generation born after 1995 as Generation Z while Peterson (2014) and Desai & Lele (2017) referred that Generation Z was born after 1990. In this study, Generation Z involves people who were born after 1995 (Williams, 2015). Therefore, the age of Generation Z in 2018 is below 23 years of age.

Nevertheless, those studies indicated that the Generation Z consumers have common characteristics such as technologically savvy and being socially connected through digital media (Glum, 2015; Desai & Lele, 2017). According to Reeves and Oh (2008), Generation Z is largely dependent on technology almost from birth. This could be referred as the “digitally native” cohort (The Nation, 2017). They seek information from multiple sources and spend time on social network sites (Grail Research, 2010). Their attention

are divided as they use various media simultaneously (Desai & Lele, 2017).

### **Generation Z and eWOM**

Generation Z consumers are extremely active on social media by sharing their thoughts and personal experiences online via videos and links (Lenhart, 2013; Relander, 2014). As such, they actively search, collect and spread information on several Internet platform. In Thailand, Generation Z is the group that use social media heavily both on time and different social sites including Facebook, YouTube, Line, Instagram and Snapchat (The Nation, 2017). For example, 35 percent of Thai Generation Z visits Instagram several times a day and 92 percent of them accesses Line at least once a week. Since they grew up with mobile technologies, 81 percent of Thai Generation Z spend their time more than one hour a day on their mobile devices (The Nation, 2017). Therefore, Generation Z consumers, who engage actively with social network sites are likely to share their opinions and experiences and engage in eWOM whether positive or negative.

### **3. Restaurant service performance**

There are many factors that are

likely to influence consumer evaluations of restaurant quality. Some studies indicated that food quality, physical environment and restaurant service are the major elements of overall restaurant service quality (Susskind & Chan, 2000). Kim *et al.* (2009) suggested five components of restaurant service quality including food quality, service quality, price and value, atmosphere and convenience. Kim *et al.* (2015) encompassed three key elements in terms of perceived quality involving product quality, atmosphere quality and service quality. The findings of Jalilvand *et al.* (2017) indicated that food quality, personal interaction quality, physical environment quality and perceived value influence were the antecedents of WOM in the restaurant industry.

Accordingly, Stevens *et al.* (1995) proposed the measure of restaurant service quality called DINESERV, which was adapted from SERVQUAL instrument developed by Parasuramann *et al.* (1988). The DINESERV measure consists of tangibles, reliability, responsiveness, assurance and empathy. It was regarded as a reliable tool for evaluating restaurants' service quality (Markovic *et al.*, 2010). However, since restaurant service experience is difficult to evaluate before

consumption, there are many factors that influence consumers' assessment of restaurant quality. For example, food quality which is excluded from DINESERV instrument is regarded as the most important component of customers' assessments of restaurant quality (Jalilvand *et al.*, 2017; Sulek & Hensley, 2004). Consequently, based on previous studies (Jalilvand *et al.*, 2017; Markovic *et al.*, 2010; Steven *et al.*, 1995), the current study adopted five dimensions to evaluate overall service performance of food service businesses.

### **Food quality**

In general, food quality is regarded as a key aspect of the overall restaurant quality (Jalilvand *et al.*, 2017; Sulek & Hensley, 2004). According to Mattila (2001), food quality is more important factor than price, cleanliness, value and convenience in the dining setting. Likewise, Liu and Jang (2009) indicated that food quality was one of the fundamental element to restaurants' competitive advantage. Food quality refers to "taste, variety, healthy options, presentation, freshness, and temperature" (Jalilvand *et al.*, 2017, p. 86). Accordingly, taste is a fundamental attribute in restaurant service

consumption. The variety of menu items also contributes to the positive dining experience. Healthy and nutritious foods provide perceived value of customer experiences as more consumers demand for healthy options. Attractive presentation of food signals customers' perception of restaurant quality. Freshness of food and temperature are sensory cues of the perceived flavor of food to be evaluated in the restaurant setting.

#### **Physical environment or atmosphere**

The atmosphere of the restaurant is another key factor of service experience. The physical environment includes attractive dining areas, comfort, cleanliness and appearance of facilities and staff (Markovic *et al.*, 2010). It reflects restaurant image (Jalilvand *et al.*, 2017). Based on the DINESERV measure, physical environment could be referred as tangibles which include facilities, appearance of personnel and equipment used in the restaurants (Stevens *et al.*, 1995).

#### **Personal interaction**

Consumer evaluations of service quality are largely based on the quality of interaction between service providers and customers. The ability of service

employees to communicate to a customer enhances trust and loyalty (Parsons, 2002; Patrick & Vesna, 2010). With reference to DINESERV instrument (Stevens *et al.*, 1995), personal interaction between service employees and customers involves responsiveness, empathy and assurance.

#### **Service reliability**

According to Stevens *et al.* (1995, p.57), service reliability involves “the ability to perform the promised service dependably and accurately”. Reliability includes accurate billing and the ability to perform error-free service at promised time (Markovic *et al.*, 2010). Liu and Jang (2009) reported that service reliability significantly affected customer satisfaction in the dining setting.

#### **Perceived value**

Perceived value is defined by Ryu *et al.* (2007) as “a customer's exchange between the quality of the benefits in which they perceive the product relative to the sacrifice they perceive by paying the price” (Jalilvand *et al.*, 2017, p. 85). In this regard, consumers compare between what is received and what is given. Therefore, in the food service sector, perceived value is a cognitive assessment of the time and

money that consumers invest in a restaurant comparing to the service experiences gained (Jalilvand *et al.*, 2017).

#### **4. Quick service restaurant sector in Thailand**

The food service industry in Thailand has been continuously increasing (Kasikorn Bank Research Center, 2017) due to the growth in consumer spending (USDA Foreign Agricultural Service, 2016). The restaurant sector remains attractive since Thai people have higher income and tend to eat out at restaurants, the urban population continues to grow, more restaurants have been set up in modern malls and the expansion of online channels helps increase sales (USDA Foreign Agricultural Service, 2016). The growth in Thailand's tourism sector also contributes to tourists' spending of food in the country (Department of Business Development, 2017). Total market value of restaurant industry as of 2017 is approximately 390,000 – 397,000 million baht, a 2-4 percent increase from 2016 (Kasikorn Bank Research Center, 2017). There are three sectors of restaurant industry in Thailand namely quick service restaurants (QSR), high-end restaurants and small restaurants (USDA Foreign Agricultural Service, 2016).

The QSR market represents about 10 percent of the total restaurant industry and become increasingly popular among Thai people including teenagers (USDA Foreign Agricultural Service, 2016). In 2016, the market value of QSRs is 339,000 million baht with the average annual growth of 9.1 percent (Food Intelligence Center Thailand, 2017). Quick service restaurants or QSRs in Thailand are basically franchise businesses (USDA Foreign Agricultural Service, 2016) offering fried chicken, burgers, bakery and quick meal. The examples of QSRs currently operated in Thailand are KFC, McDonalds, Pizza Hut, the Pizza Company, Domino Pizza, Burger King, Dunkin Donuts, etc. This segment grows satisfactorily due to their convenience, nationwide outlets, affordable prices, and changes in consumer eating lifestyles of modern families and teenagers (Food Intelligence Center Thailand, 2017). However, the challenges are that Thai consumers tend to consume more healthy foods while fast food is perceived as an unhealthy option (USDA Foreign Agricultural Service, 2016).

#### **eWOM in the food service sector**

In this era, consumers take pictures of their food and post them on social media platform such as Facebook, Instagram and

Twitter (Albers, 2010). They also review their positive or negative experiences of the restaurant visits through social network sites. For the food service sector, eWOM information is relatively strong and influence consumers' decision making as food and services could not be evaluated before consumption (Kim *et al.*, 2015).

Based on the literature review, this study determine the drivers of overall service performance of QSR and explore its relationship with eWOM intentions. The Proposed Conceptual Framework is shown in Figure 1.

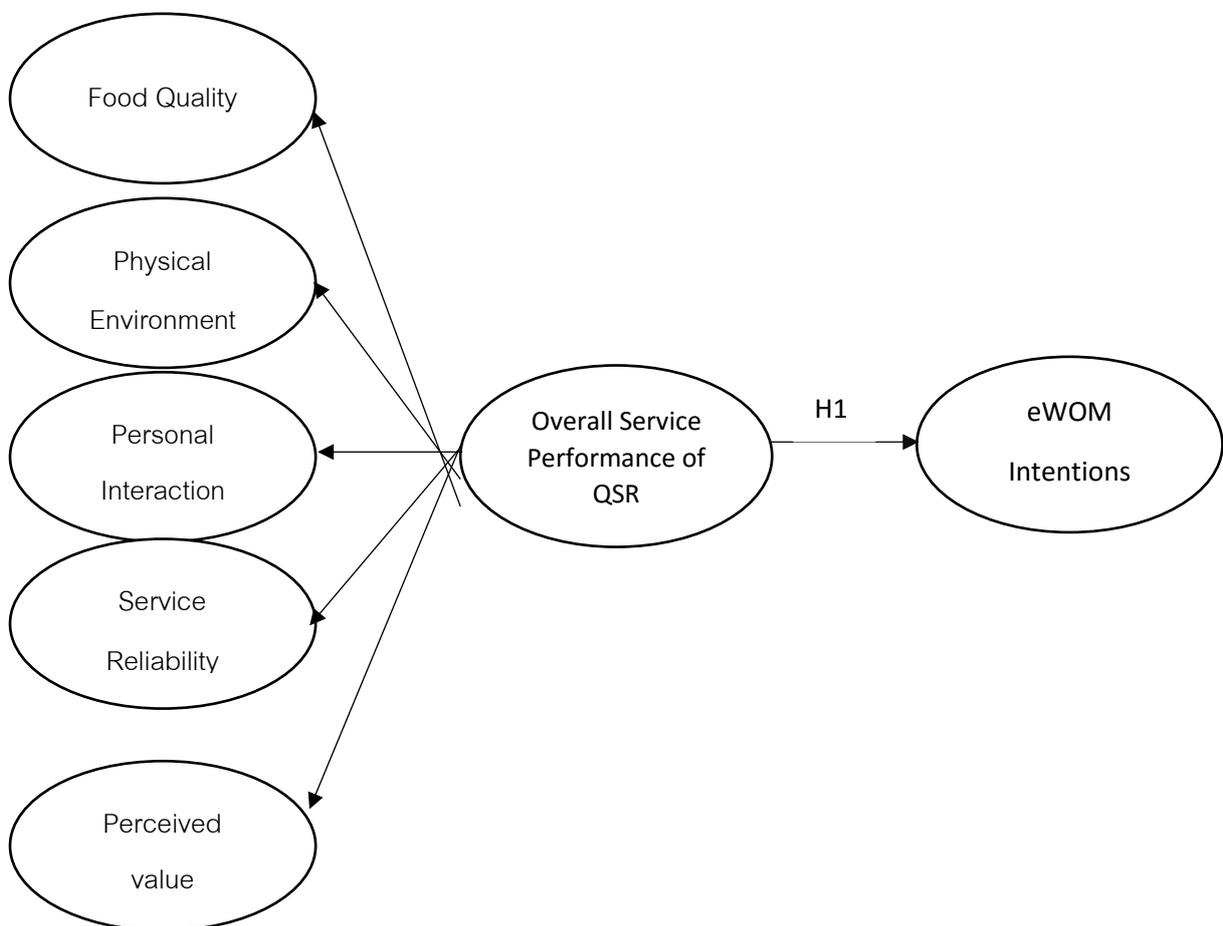


Figure 1 The proposed research model

## Research Hypotheses

### Overall service performance and eWOM intentions

Consumption experiences determine post consumption behavior such as eWOM intentions. This study proposes that the evaluation of restaurant service performance encompassing food quality, physical environment, personal interaction, reliability and perceived value could affect Generation Z consumers' eWOM intentions. Prior study indicated that those dimensions such as food quality, service quality, price and value, and atmosphere were important aspects of restaurant quality resulting in customer satisfaction (Kim et al., 2009). Jalilvand *et al.* (2017) found that food quality, personal interaction quality, physical environment quality and perceived value influence were the antecedents of WOM in the restaurant industry. According to Marcovic *et al.* (2010), the reliability dimension was perceived as the most customer expectations in dining experience.

Since young people often visit quick service restaurants, their positive perceptions of overall service performance of the restaurants may impact their behavioral intentions. Accordingly, positive attitudes about certain restaurant services

might influence consumers' eWOM activities (Jeong & Jang, 2011). If Generation Z consumers experience good service at a quick service restaurant, they tend to engage in favorable eWOM within their online communities including social media, mobile technologies or other online methods of communication. Conversely, if they perceive poor service performance, they will disseminate negative eWOM messages to their families and acquaintances or post their complaints via social network sites. Therefore, the following hypotheses are proposed.

***H1: Perceived service performance of quick service restaurants influences GenZ consumers' eWOM intentions.***

## RESEARCH METHODOLOGY

To answer the research question and test hypothesis, the quantitative methodology was employed. To conduct the survey, the restaurant service performance and the eWOM intention variables were operationalized as follows.

### Measurement of Variables

#### 1) Restaurant service performance

Based on the prior studies of Jalilvand *et al.* (2016), Markovic *et al.* (2010), and Stevens *et al.* (1995), perceived

restaurant service performance was adapted and measured by five factors consisting of 24 items. Those factors were physical environment, food quality, personal interaction, reliability and perceived value.

## 2) eWOM intentions

Three measurement items of eWOM intentions were adapted from Heung and Lam, (2003) and Zhang *et al.* (2017).

These measurement of items was by means of five-point Likert scale from 1 to 5 rating from strongly disagree (1) to strongly agree (5). The five-point Likert scale.

## Research instruments, sample and data collection

Questionnaire was the instrument used in the quantitative survey. Accordingly, the current study adopted the IOC measure to evaluate the validity of instruments for all 27 items of the proposed constructs. The content specialists in this study consisted of three marketing academics. The IOC findings indicated that each item was above the acceptable threshold of .50 (Brown, 1996). Additionally, some contents were adjusted according to experts' comments.

Subsequently, the instruments were finally used.

The research sample was determined on the basis of the ratio of observations per variable as 10 to 1 (Bentler & Chou, 1987). Based on the proposed model consisting of 27 indicators, the sample size should be 270 consumers. The sampling technique was purposive sampling. The respondents were Generation Z customers (13 - 22 years of age) who visited Japanese quick service restaurants in Bangkok. The final questionnaires were distributed to 480 customers to deal with unusable instruments. The returned questionnaires were checked for the missing values, and non-response bias. Consequently, the remaining usable questionnaires were 373.

## ANALYSIS AND RESULTS

### Data analysis techniques

In this study, the measurement model of the second-order latent construct – overall service performance of QSR – was assessed using Confirmatory Factor Analysis (CFA) via AMOS. CFA is appropriate when the number of factors and the items loading on each factor are theoretically specified (Hair *et al.*, 2006). The hypotheses testing was utilized to answer research question of how perceived service

performance of QSRs affects Generation Z consumers' eWOM intentions. The overall fit of the conceptual structural model was examined using Structural Equation Modeling (SEM) via AMOS version 23. According to Bagozzi and Yi (2012), SEM provides a broad and integrative function encompassing many different statistical methods. It could assess construct validity more broadly and extremely than traditional correlation analyses.

### Descriptive statistics results

According to descriptive statistic results, 65.7% of respondents were female. The average age was 17.06 years, ranging from 13 years to 22 years. Regarding the respondents' education level, 47.7% were studying at high school and 52.3% were studying at the undergraduate level.

### Results of the study

#### Measurement model results

With an AMOS software package, the measurement model of perceived restaurant service performance is presented in Figure 1. The study found that each of five dimensions was significant ( $P < .001$ ). Table 1 shows the measurable items and their factor loadings. Personal interaction consisted of 7 items. Food quality and physical environment dimensions had 5 items per factor. The reliability and perceived value component had 4 items and 3 items respectively.

The top three dimensions exhibiting highest factor loadings were food quality (0.95), personal interaction (0.95) and perceived value (0.92), respectively. The remaining dimensions were reliability (0.90) and physical environment (0.88).

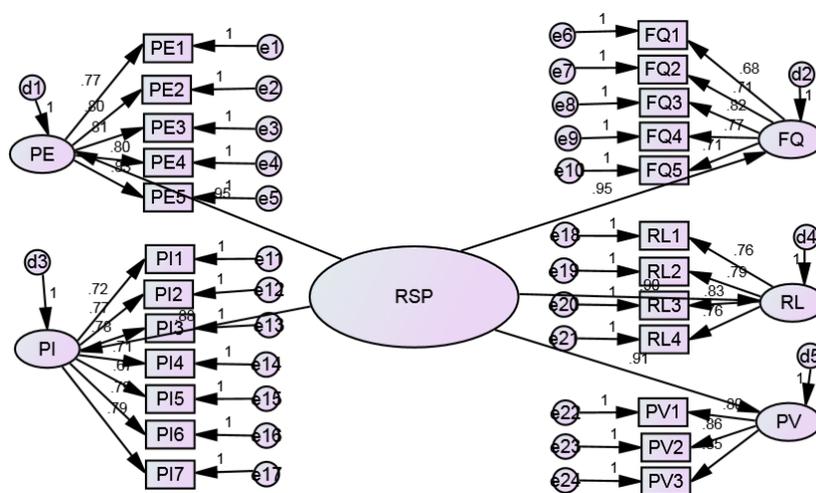


Figure 1 The measurement model results of restaurant service performance

**Table 1** Factor loadings, mean, and standard deviation of measurable items

Item	Measurable items	Factor Loadings	$\bar{x}$	S.D.
<b>Physical environment</b>				
PE1	The restaurant has clean, neat and appropriately dressed staff members.	.77***	3.67	.96
PE2	The restaurant has an easily readable menu.	.80***	3.70	.98
PE3	The restaurant has comfortable dining area.	.81***	3.71	.96
PE4	The restaurant has clean dining area.	.80***	3.54	.97
PE5	The restaurant has comfortable seats in the dining room.	.83***	3.58	.96
<b>Food quality</b>				
FQ1	Food presentation is visually attractive.	.68***	3.35	1.02
FQ2	The restaurant offers a variety of menu item.	.71***	3.53	1.03
FQ3	The restaurant serves tasty food.	.82***	3.79	.99
FQ4	The restaurant offers fresh food.	.77***	3.54	.93
FQ5	Food is served at the appropriate temperature.	.71***	3.69	1.00
<b>Personal interaction</b>				
PI1	I am willing to visit Japanese restaurants.	.72***	3.33	1.03
PI2	I would be proud to use food services at Japanese restaurants.	.77***	3.46	.97
PI3	Japanese restaurants are for people like me.	.76***	3.35	1.00

PI4	The restaurant's employees make you feel comfortable in your dealings with them.	.71***	3.24	1.06
<b>Item</b>	<b>Measurable items</b>	<b>Factor loadings</b>	<b><math>\bar{x}</math></b>	<b>S.D.</b>
PI5	The restaurant's employees provide individual attention.	.67***	3.11	1.08
PI6	The restaurant's employees are sympathetic and reassuring if something is wrong.	.79***	3.13	1.04
PI7	The restaurant's employees seems to have the customers' best interests at heart.	.79***	3.29	1.02
<b>Reliability</b>				
RL1	The restaurant provides an accurate bill.	.76***	3.77	1.04
RL2	The restaurant serves your food exactly as you ordered it.	.79***	3.78	1.01
RL3	The restaurant serves you in the time promised.	.83***	3.58	1.01
RL4	The restaurant quickly corrects anything that is wrong.	.76***	3.48	.98
<b>Perceived value</b>				
PV1	The restaurant offers good value for money.	.80***	3.52	1.00
PV2	I would think that the prices that I pay for the services of this restaurant are worthwhile.	.86***	3.46	.98
PV3	I would rate my overall experience at this restaurant extremely good value.	.85***	3.50	.95

Note: \*\*\* p <.001

Regarding the overall model fit, the factor structure specified in Table 1 represents data well using the combination of various fit indices assessment. The overall model  $\chi^2$  was 191.012 with 189 degrees of freedom. The p-value was significant (.000) using a Type I error of .05. Therefore, the  $\chi^2$  statistic indicated that the observed covariance matrix matched the estimated covariance matrix within sampling variance.

Other absolute fit indices to be assessed included  $\chi^2$  /df, GFI, and RMSEA. The ratio of  $\chi^2$  /df reported 1.01:1, less than the cut-off criterion of 3:1 (Shah & Goldstein, 2006). The GFI is 0.96 exceeded the guideline of 0.90 (Hair *et al.*, 2006). The value of RMSEA was 0.005, below the cut-off value of 0.05 (Joreskog and Sorbom, 1993).

With regard to two incremental fit indices i.e. CFI and TLI, they were 1.00. Both

exceeded the common cut-off threshold of 0.90 (Bagozzi and Yi, 2012; Hair *et al.*, 2006). The results also supported the model. In sum, the CFA results suggested that the restaurant service performance measurement model provided a reasonably good fit and satisfactory unidimensionality.

Regarding reliability analysis (Table 2), the coefficient alpha values of restaurant service performance and its dimension were greater than a recommended level at .70 (Bagozzi and Yi, 2012), indicating internal consistency of the measures. The corrected item-total correlation (CITC) scores in each dimension were above the acceptable value at .50 (Hair *et al.*, 2006). Since the standardized values of factor loadings of each construct were significantly greater than .5 (Hair *et al.*, 2006) as shown in Table 1, the results supported convergent validity of restaurant service performance.

**Table 3** The reliability analysis of restaurant service performance

Variables	Internal consistency	
	Cronbach's Alpha (>.7) (Bagozzi and Yi, 2012)	Corrected Item-Total Correlation (>.5) (Hair <i>et al.</i> , 2006)
Restaurant service performance	.96	
Physical environment	.90	

PE1		.73
PE2		.74
PE3		.77
PE4		.75
PE5		.75
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<b>Variables</b>	<b>Internal consistency</b>	
	<b>Cronbach's Alpha</b> ( <b>&gt;.7</b> ) (Bagozzi and Yi, 2012)	<b>Corrected Item-Total Correlation</b> ( <b>&gt;.5</b> ) (Hair et al., 2006)
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<b>Food quality</b>	.85	
FQ1		.62
FQ2		.68
FQ3		.71
FQ4		.70
FQ5		.62
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<b>Personal interaction</b>	.91	
PI1		.70
PI2		.66
PI3		.77
PI4		.72
PI5		.76
PI6		.74
PI7		.75
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<b>Reliability</b>	.87	
RL1		.72
RL2		.76
RL3		.75
RL4		.67
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<b>Perceived value</b>	.87	
PE1		.73
PE2		.78
PE3		.76
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The reliability and validity analysis of eWOM intentions was also satisfactory. The values of factor loadings of measurable items were ranging from .81 to .86, significantly greater than .7 (Hair *et al.*, 2006), the results supported convergent validity of eWOM intentions. For internal consistency, the value of coefficient alpha of .87 was greater than the cut-off guidelines of .70 (Bagozzi and Yi, 2012). The results suggested that reliability was supported for eWOM intentions.

### Hypothesis structural model results

Based on the sample size of 373 in this study, the ratio to number of observed variables (27) is 13.8:1, which is appropriate to conduct SEM (Bentler & Chou, 1987). From Figure 2 and Table , the model fit results were  $\chi^2/df = 1.04$ , GFI = .95, RMSEA = .01, CFI = 1.00, TLI = 1.00, indicating that the structural model had a good fit of the proposed model to the data. The fit indices exceeded the common guideline of .90 and RMSEA was less than the cut-off value of .05 (Hair *et al.*, 2006). Figure 2 presents the hypothesized structural model.

The hypothesis (H1) was significantly supported. The t-value (10.65) was greater than 1.96, suggesting that the relationships were significant at the .05 level. As

expected, the path coefficient between restaurant service performance and eWOM intentions was .63 ( $p = .000$ ), suggesting that QSRs' service performance positively relates to Generation Z consumers' eWOM intentions. The result of this hypothesis testing was in line with previous literatures. The prior researches suggested that positive perceptions about certain restaurant services could influence consumers' eWOM activities (Jeong & Jang, 2011; Kim *et al.*, 2015).

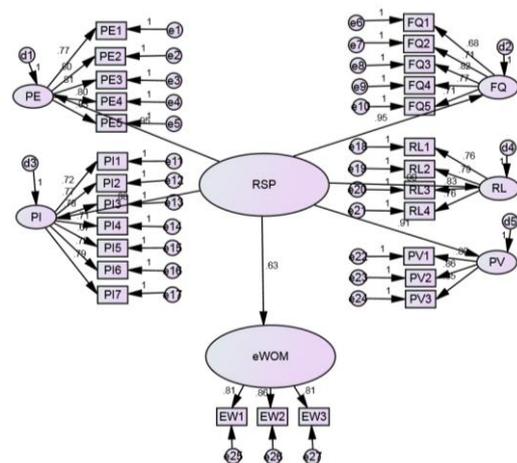


Figure 2 The hypothesized structural model

## CONCLUSIONS, IMPLICATIONS AND LIMITATIONS OF THE STUDY

Generation Z consumers who were born after 1995 (Williams, 2015), are extremely active on social media by sharing their opinions and experiences online via videos and links (Desai & Lele; 2017; Lenhart, 2013;

Relander, 2014). They actively search, collect and disseminate information on several social platform and mobile technology. In the restaurant setting, eWOM information is quite strong and influence consumers' evaluations as food and services could not be evaluated before consumption (Kim *et al.*, 2015). In this regard, the studies examining the effect of Generation Z consumers' perceptions about restaurant service performance on their eWOM intentions have been rarely addressed. The current study fulfilled this research gap. Accordingly, quick service restaurants (QSRs) were selected as they become popular among Thai teenagers. Therefore, the purpose of this study is to examine the relationship between Generation Z consumers' perceived service performance of QSRs and their eWOM intentions.

With Confirmatory Factor Analysis (CFA), restaurant service performance measurement model shows a reasonable good fit based on absolute fit indices and incremental fit indices. Considering all criteria to assess construct validity and reliability, the measure of service performance of QSRs meet the acceptable threshold, suggesting that the proposed measure is reliable and valid. Accordingly,

findings revealed that restaurant service performance comprised five dimensions with 24 measurable items. The factors exhibiting highest factor loadings significantly were food quality (0.95), personal interaction (0.95) and perceived value (0.92), respectively.

To answer the research question of how perceived service performance of QSRs affects Generation Z consumers' eWOM intentions, the hypothesis result would be discussed. Based on SEM results, the structural model presented a good fit ( $\chi^2/df = 1.04$ , GFI = .95, RMSEA = .01, CFI = 1.00, TLI = 1.00) and statistically supported the hypothesis (H1). The findings indicated that perceived restaurant service performance positively related to eWOM intentions ( $\beta = .63$ ,  $p = .000$ ). This is consistent with prior literatures which concluded that restaurant service experience could impact consumers' eWOM activities (Jeong & Jang, 2011; Kim *et al.*, 2015).

The findings also supported previous studies indicating that restaurant service factors such as food quality (Jalilvand *et al.*, 2017; Kim *et al.*, 2009; Liu & Jang, 2009; Mattila, 2001; Sulek & Hensley, 2004; Susskind & Chan, 2000), service quality (Kim

and Chan, 2000), price and value (Jalilvand *et al.*, 2017; Kim *et al.*, 2009), personal interaction quality (Jalilvand *et al.*, 2017), facilities and the appearance of employees (Jalilvand *et al.*, 2017; Kim *et al.*, 2009; Liu & Jang, 2009; Susskind & Chan, 2000) and reliability (Liu & Jang, 2009; Marcovic *et al.*, 2010; Stevens *et al.*, 1995) were the important factors of word of mouth communication in the restaurant industry. Since teen people often visit QSRs, perceived dining experiences about QSRs' services influence Generation Z's eWOM intentions (Jeong & Jang, 2011).

The findings also supported the social exchange theory indicating that there is an exchange of tangible or intangible activities among people in the social environment involving positive and negative issues (Mishra & Satish, 2016). Therefore, eWOM is motivated by the social interaction and allows consumers to actively exchange product-related information and socially interact with others (Blazevic *et al.*, 2013). Therefore, Generation Z consumers, who engage actively with social network sites are likely to share their opinions and experiences about dining experience and engage in eWOM whether positive or negative.

Accordingly, if Generation Z consumers

experience good service at a QSR, they are likely to engage in favorable eWOM within their online communities including social media and mobile technologies. On the other hand, if they perceive poor service experience, they will spread negative eWOM messages to their families, friends and acquaintances or post their complaints via social network sites.

Regarding contribution of this research, the study provides a better understanding of the Generation Z consumers' decisions of eWOM and their perceived service performance in food services industry. The proposed construct of perceived restaurant service performance could also facilitate future empirical studies in the restaurant industry. With regard to practical implications, the research findings would enable restaurant businesses to better manage their strategies. While the generation of certain online content has been received interests and discussed by researchers in hospitality literature, the findings of the study could encourage food service marketers recognize the importance of eWOM and connect with young consumers to encourage positive eWOM communications. The restaurant executives should ensure that their offering services consistently satisfy their teen customers to

prevent negative eWOM from disseminating on social media and online community. They should monitor the eWOM on the Internet and social media platforms and take prompt actions to deal with any negative comments. Therefore, the better understanding of eWOM intentions of the Generation Z in quick service restaurant setting could help marketing practitioners develop servicing and communication strategies to maximize positive eWOM and reducing promotional costs. Further, the proposed model could be applied in other restaurant settings, which expect to have the positive impact of perceived service experience on eWOM intentions, but the level of importance for each of restaurant service component might be different for each sector.

Nevertheless, the study findings should be considered with the following limitations. This study focuses on a specific

cohort – Generation Z consumers. Further study considering the earlier generations should be examined to get better understandings which can present certain distinction between the different generations. Additionally, the quantitative survey used in this study might not reflect actual purchase decisions, thus some techniques such as experiment and qualitative interviews to observe actual behaviors could be applied in future study. Furthermore, the survey was conducted in a specific country. The results may differ from those of other countries. Therefore, cross-country study might be conducted. Finally, additional studies could explore consumers' eWOM intentions through social networking and mobile technologies in specific service contexts such as positive or negative service experiences to bring valuable theoretical and managerial insights.

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