

## **A STUDY ON THE FACTORS INFLUENCING CATERING BRANDS LOYALTY IN THE CATERING INDUSTRY UNDER HENAN PROVINCE**

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**Abstract:** The objectives of this research were: 1) To explore the factors influencing catering brands loyalty in the catering industry under Henan province. 2) To explore how quality products and perfect service, customer database, corporate website, customer organization development, partnerships with customers effect affect the catering brands loyalty in the catering industry under Henan province. This study used quantitative analysis method and collected data in batches of 423 responses each during each data collection session. This study employed an exploratory factor analysis (EFA) and structural Equation Model (SEM) Testing to assess the construct validity of the questionnaire. The results of the dissertation found that: Catering brands loyalty in the catering industry under Henan province includes 5 influencing factors: quality products and perfect service (QS), customer database (CD), corporate website (CW), customer organization development (COD), partnerships with customers (PC); Quality products and perfect service (QS) of catering brands loyalty in the catering industry under Henan province positively influences corporate website (CW). Quality products and perfect service (QS) positively influences partnerships with customers (PC). Customer database (CD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province. Customer database (CD) positively influences customer organization development (COD) of catering brands loyalty in the catering industry under Henan province. Customer organization development (COD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province. Corporate website (CW) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province.

**Keywords:** Catering Brands Loyalty, The Catering Industry, Henan Province

### **Introduction**

Henan catering industry can be traced back to the ancient food culture. Henan, as the central plains of China, has a long history and profound culture, so it also has unique traditions and characteristics in catering (Evert.G.2019). In ancient times, Henan, as one of the political, economic

and cultural centers of China, attracted a large number of businessmen, scholars and officials from all over the country, which enabled the catering culture of Henan to be fully developed (Guo, M.C.2020). In the Song Dynasty, the catering industry in Henan reached its peak. Luoyang and Kaifeng were praised as "the best city in the world. "With the changes of the times, the catering industry in Henan is also constantly developing and innovating. Nowadays, the catering industry in Henan has formed a diversified pattern, with traditional local specialties and various modern restaurants and catering brands to meet the needs of different groups of people (Sang, H, 2020, etal.P.49-50).

Henan catering industry in the development process is also facing some practical problems. Due to the labor intensity of the catering industry, and wages are not high, resulting in a shortage of talent. In particular, the demand for professionals such as senior chefs and waiters is more urgent (Xu, J.2020.P.23-24). The development of the catering industry has also caused a certain impact on the environment, such as smoke pollution, waste disposal and other issues (Zuo, R.S.2020), how to achieve environment-friendly business has become an important direction for the development of the industry (Guo, Y.Y. & Wang, J.& Song, Z.F. etal.2018). So we are to study components of the factors influencing catering brands loyalty in the catering industry under Henan province and to compare the components of the factors influencing catering brands loyalty in the catering industry under Henan province. It is very necessary.

### **Research Objective (s)**

- 1) To explore the factors influencing catering brands loyalty in the catering industry under Henan province
- 2) To explore how quality products and perfect service, customer database, corporate website, customer organization development, partnerships with customers effect affect the catering brands loyalty in the catering industry under Henan province.

### **Literature Review**

#### *Quality products and perfect service*

As the buyer and user of the product, customers will inevitably consider the performance, quality and price of the product when choosing the product and take this as the basis for judging and measuring the product, and finally make the purchase decision. (Lu, 2019). Many famous brands in the world tell us that catering brands loyalty to products depends to a large extent on the satisfaction of product quality (Zhang, et al. 2017.).

#### *Customer database*

Database marketing is when enterprises collect and accumulate a large amount of information about consumers, predict how likely consumers have to buy certain products after processing. (Hou.

2019). Marketing expert Bob Stone proposed that the three elements of the latest consumption, consumption frequency and consumption amount in the customer database are the best indicators to analyze customers (Yu, Wang & Qian, 2018)

#### *Corporate website*

With the progress of technology and the development of communication practice, new communication channels in constantly, especially the rise of the Internet completely changed the enterprise and customer communication and communication, enterprises can be in the powerful database system support. (Liu, 2019)

#### *Customer organization development*

Customer organization means that an enterprise organizes existing customers and potential customers, establishes an organization and continuously expands the organization, so that customers have a sense of identity to the enterprise or brand (Manuel, S.M.& Angeles. I. 2016. P.230-249).

#### *Partnerships with customers*

The emotional tendency of customers' purchasing behavior is increasing, and the influence of emotion in catering brands loyalty cannot be ignored (Chang, 2016; John, 2019). Personal contact is through the secret between marketers and customers cut communication, build an emotional relationship (Yu, 2019)

### **Methodology**

This study used quantitative analysis to explore the factors influencing catering brands loyalty in the catering industry under Henan province and the various influencing factors.

#### *Sample Size*

If the sample size for the study can be calculated using the simplified formula, where the equation is  $n = \frac{N}{1-N(e)^2}$ , (Chaokromthong & Sintao, 2021), To ensure enough valid data, this study has decided to collect data in batches of 423 responses each during each data collection session.

#### *Hypotheses*

H1: Quality products and perfect service (QS) of catering brands loyalty in the catering industry under Henan province positively influences corporate website (CW).

H2: Quality products and perfect service (QS) positively influences partnerships with customers (PC).

H3: Customer database (CD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province.

H4: Customer database (CD) positively influences customer organization development (COD) of catering brands loyalty in the catering industry under Henan province.

H5: Customer organization development (COD) positively influences partnerships with

customers (PC) of catering brands loyalty in the catering industry under Henan province.

H6: Corporate website (CW) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province.

## Results

The reliability test value of the scale is an indicator used to evaluate the stability and reliability of the scale's measurement results. This article uses internal consistency reliability to test, and the commonly used one is Cronbach's  $\alpha$ , whose value is between 0 and 1. The closer it is to 1, the better the internal consistency. After testing the scale, the Cronbach's  $\alpha$  in this article is 0.873, which exceeds 0.8 and can be used for further analysis.

The KMO and Bartlett's test results for this questionnaire and its constructs are presented in the table below:

**Table 1:** KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.879
Bartlett's Test of Sphericity	Approx. Chi-Square	6546.496
	df	300
	Sig.	.000

The KMO for the questionnaire is 0.879, which is greater than 0.7, and the Bartlett's test (Sig. < 0.001) indicates significance. The results of the KMO and Bartlett's sphericity test demonstrate that there is a strong interrelation among constructs, aligning with the requirements for factor analysis.

### *Structural Equation Model (SEM) Testing*

Structural Equation Modeling enables the establishment and examination of complex conceptual models, including the relationships between observed variables and latent variables. It comprises two parts: the Measurement Model and the Structural Model (Ji, Y.li.2018).

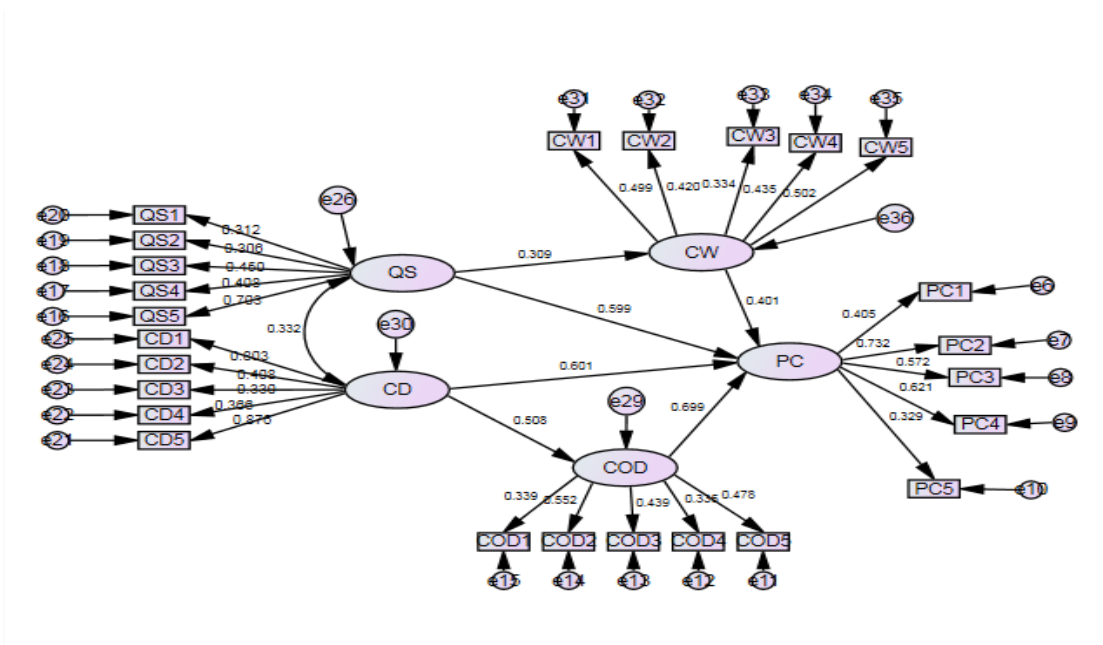
### *Model Fit Test*

In this study, we employed AMOS 24.0 for computations and utilized the maximum likelihood method to estimate the model. The model fit results are presented in Table 2.

**Table 2:** The Results of Model Fitting

Indices	Optimal Standards	Statistical Values	Status
CMIN	—	1230.974	—
DF	—	517	—
CMIN/DF	<3	2.438	Good
RMR	<0.08	0.027	Good
GFI	>0.8	0.873	Accepted
AGFI	>0.8	0.822	Accepted

NFI	>0.9	0.922	Good
IFI	>0.9	0.932	Good
TLI	>0.9	0.943	Good
CFI	>0.9	0.930	Good
RMSEA	<0.08	0.025	Good



**Picture 1:** Catering brands loyalty in the catering industry under Henan province model

From Table 2 above, it can be observed that CMIN/DF of model is 2.438, which is below the standard threshold of 3. Additionally, GFI and AGFI are both above 0.8, within an acceptable range. NFI, TLI, IFI, and CFI all exceed the standard of 0.9. Furthermore, RMR is 0.017, below the 0.08 threshold, and RMSEA is 0.025, also less than 0.08. According to relevant research, this model demonstrates good fit (Kline, 2016b).

*Path Model Analysis*

The study employed AMOS 24.0 to perform structural equation modeling on the collected data, resulting in standardized path coefficients (refer to Picture 1) and significance tests.

**Table 3:** The Result of Path Analysis

			Estimate	S. Estimate	S.E.	C.R.	P	Label
CW	<---	QS	0.309	0.232	0.041	5.239	***	Support H1
PC	<---	QS	0.599	0.374	0.057	5.639	***	Support H2
PC	<---	CD	0.601	0.437	0.044	5.425	***	Support H3
COD	<---	CD	0.508	0.479	0.047	5.349	***	Support H4
PC	<---	COD	0.699	0.649	0.063	6.765	***	Support H5
PC	<---	CW	0.401	0.529	0.042	8.218	***	Support H6

Based on Table 3, quality products and perfect service (QS) of catering brands loyalty in the

catering industry under Henan province positively influences corporate website (CW) (standardized coefficient  $\beta=0.309$ ,  $P<0.05$ ), indicating that when employee perceive a higher degree of quality products and perfect service (QS), they tend to have stronger corporate website (CW), as hypothesized in H1.

Quality products and perfect service (QS) positively influences partnerships with customers (PC) (standardized coefficient  $\beta=0.599$ ,  $P<0.05$ ), indicating that when employee perceive a higher degree of quality products and perfect service (QS), they tend to have stronger partnerships with customers (PC), as hypothesized in H2.

Customer database (CD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province (standardized coefficient  $\beta=0.601$ ,  $P<0.05$ ), indicating that when employee perceive a higher degree of customer database (CD), they tend to have stronger partnerships with customers (PC), as hypothesized in H3.

Customer database (CD) positively influences customer organization development (COD) of catering brands loyalty in the catering industry under Henan province (standardized coefficient  $\beta=0.508$ ,  $P<0.05$ ), indicating that when employee perceive a higher degree of customer database (CD), they tend to have stronger individualism and collectivism, as hypothesized in H4.

Customer organization development (COD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province (standardized coefficient  $\beta=0.699$ ,  $P<0.05$ ), indicating that when employee perceive a higher degree of customer organization development (COD), they tend to have stronger partnerships with customers (PC), as hypothesized in H5.

Corporate website (CW) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province (standardized coefficient  $\beta=0.401$ ,  $P<0.05$ ), indicating that when employee perceive a higher degree of corporate website (CW), they tend to have stronger partnerships with customers (PC), as hypothesized in H6.

## **Discussion**

Based on the literature review and related research, the factors influencing catering brands loyalty in the catering industry under Henan province includes 5 influencing factors: quality products and perfect service (QS), customer database (CD), corporate website (CW), customer organization development (COD), partnerships with customers (PC), high-quality products and complete services (QS) are the foundation for building catering brands loyalty.

Quality products and perfect service (QS) of catering brands loyalty in the catering industry under Henan province positively influences corporate website (CW). Quality products and perfect service (QS) positively influences partnerships with customers (PC). Customer database (CD)

positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province. Customer database (CD) positively influences customer organization development (COD) of catering brands loyalty in the catering industry under Henan province. Customer organization development (COD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province.

These are consistent with Zhang (2018)'s theory. Corporate website (CW) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province. In addition, the establishment and maintenance of customer database also has a positive impact on the improvement of catering brands loyalty. Understanding customer needs and preferences through customer database and providing personalized service can increase customer satisfaction and loyalty. Customer organization development and cooperation relationship with customers are also important factors, through the establishment of good cooperation relationship and organization development, can enhance customer trust and dependence, improve catering brands loyalty (An, 2020).

## **Conclusions**

The factors influencing catering brands loyalty in the catering industry under Henan province includes 5 influencing factors: quality products and perfect service (QS), customer database (CD), corporate website (CW), customer organization development (COD), partnerships with customers (PC).

Quality products and perfect service (QS) of catering brands loyalty in the catering industry under Henan province positively influences corporate website (CW), indicating that when employee perceive a higher degree of quality products and perfect service (QS), they tend to have stronger corporate website (CW), as hypothesized in H1.

Quality products and perfect service (QS) positively influences partnerships with customers (PC), indicating that when employee perceive a higher degree of quality products and perfect service (QS), they tend to have stronger partnerships with customers (PC), as hypothesized in H2.

Customer database (CD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province, indicating that when employee perceive a higher degree of customer database (CD), they tend to have stronger partnerships with customers (PC), as hypothesized in H3.

Customer database (CD) positively influences customer organization development (COD) of catering brands loyalty in the catering industry under Henan province, indicating that when employee perceive a higher degree of customer database (CD), they tend to have stronger individualism and collectivism, as hypothesized in H4.

Customer organization development (COD) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province, indicating that when employee perceive a higher degree of customer organization development (COD), they tend to have stronger partnerships with customers (PC), as hypothesized in H5.

Corporate website (CW) positively influences partnerships with customers (PC) of catering brands loyalty in the catering industry under Henan province, indicating that when employee perceive a higher degree of corporate website (CW), they tend to have stronger partnerships with customers (PC), as hypothesized in H6.

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