The Influence of the Marketing Mix on Customers' Loyalty in the Fast-Food Restaurants in Upper Egypt: Customers' Satisfaction as a Mediator

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Abstract

The main purpose of this research is to study and thoroughly analyze the influence of the 7Ps of marketing mix on customers' satisfaction (CS), and customers' loyalty (CL) in the fast-food restaurants (FFRs) in Egypt. The data were gathered through a pre-tested self-administrated questionnaire with 410 customers, they are generation Z students from the hotel management department at tourism and hotel faculties and institutes in Upper Egypt to figure out their satisfaction and loyalty to the FFRs due to the performance of the marketing mix (MM) of FFRs. The gathered data was examined using the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. This study re-examine the validity of the MM model in different contexts, it is the first empirical study in Upper Egypt's FFRs sector. The findings of this research show that high-performance 7Ps not only have a direct effect on CS but also have an indirect effect via CS on CL. The findings suggest that a more efficient management of the MM would make the customers more satisfied and more inclined to repeat the purchases and be loyal to the FFRs services. The results suggested that the prices should be equivalent to a large extent to the quality of service provided. FFRs should offer competitive seasonal promotional rates, making regular checks to ensure that FFR is well equipped and well organized with a user friendly ordering website to provide a standardized process, smooth handling of orders from receiving till delivery. Hiring well-trained staff could ensure CS through the friendly attitude, effective problems solving, and timely services with eagerness and honesty.
1. Introduction

Restaurants face challenges in promoting customers' satisfaction (CS) and customers' loyalty (CL) due to the growing demand for fast food (Norris et al., 2023) and the intensifying level of market competition (Shahzadi et al., 2018). According to prior studies in the hospitality sector acquiring and keeping loyal customers in the restaurant business and enhancing restaurant customer satisfaction both depend on offering high-quality and value-oriented services (Jani and Han, 2015; Izquierdo-Yusta et al., 2019; Scarlett et al., 2021).

Restaurants now prioritize customers' loyalty above everything else because it is closely correlated with business success (Gil-Saura et al., 2018). According to Mahmood and Khan (2014), service-based businesses could potentially gain consumers' loyalty and encourage them to make additional purchases by implementing the MM strategy in the best possible way. Previous studies have revealed the significant impact of marketing mix (MM) on customers' satisfaction (Wahab et al., 2016; Kadhim et al., 2016; Alipour et al., 2018) and demonstrated the influence of CS on CL (Iqbal and Shah, 2016; Nguyen et al., 2018).

Because most of the earlier research on CL in industries other than fast food was carried outside of Egypt particularly in the West and the Far East and covered a broader range of industries (Wahab et al., 2016; Kadhim et al., 2016; Alipour et al., 2018), this study is aiming to reveal the relationships among MM, CS, and CL by using the customers' satisfaction as an intermediate variable to empirically explore the relationship between the MM and the customers' loyalty to fill several research gaps in the context of the Egyptian fast-food restaurants (FFRs) sector.

Fast-food restauranteurs in developing countries need to have a solid understanding of the factors that motivate customers to purchase fast-food meals (Shahzadi et al., 2018). This research fills in the marketing research gaps regarding the interrelatedness and influence of antecedents involved in optimizing fast-food restaurant customer loyalty in Egypt, where the success of fast-food restaurants depends more and more on customer retention (Ha and Jang, 2012).

Previous research has mostly focused on developed countries (Jun et al., 2017; Nguyen et al., 2018; Carranza et al., 2018). The major contribution of this study is to re-examine the validity of the MM model in different contexts, as suggested by Booms and Bitner (1981), and it is the first empirical study in Upper Egypt's FFRs sector. Furthermore, there is a lack of studies in the literature to comprehend how pricing fairness and service quality indirectly affect consumer loyalty in the restaurant industry (Severt et al., 2020).

Prior studies conducted at fast-food restaurants concentrated on customer loyalty (Lu and Chi, 2018; Kwon et al., 2020; Singh et al., 2021). Recent requests from earlier FFRs research studies suggest that the research in fast-food restaurants should be expanded to compare cross-country or cross-culturally contexts and that similar goals could be investigated in other hospitality venues. This study investigates the influence of MM on customers' satisfaction and CL in FFRs, which closes a gap in the literature and advances the theoretical literature of the hospitality sector, in addition this research answers recent calls to broaden this field of literature (DeVita et al., 2022; Dandis et al., 2023).
Global fast-food corporations have significantly altered traditional eating patterns and raised demand for fast-food items by using aggressive western fast-food marketing (Janssen, 2017). Given that millennials accounted for half of all international luxury travel in 2018 (Allied Market Research, 2019), the luxury hospitality market is expected to continue to grow in popularity among the general public, including younger generations (Vale, 2021).

This study examines the restaurant preferences of the university students of Generation Z (Gen Z), young adults born in 1995 and after (Bassiouni and Hackey, 2014), which is anticipated to be the largest customer group in the future. The study concentrates on Generation Z since their purchasing behavior has not been as well studied as that of previous generations (Su et al., 2019). Moreover, the fast food sector targets young adults, particularly university students, as a significant customer segment (Harris et al., 2010).

Gen Z may display food-neophobic behavior (Wolff and Larsen, 2019), and given the distinctive qualities of Gen Z, it is observed that food flavor matters to them; and they are considered gourmet customers (Kılıç et al., 2021). University students' preferences include valued meal quality, menu diversity, serving food at the right temperature, food flavor and portion size (Oğuzalp, 2020). Managers of fast-food restaurants will receive from this study a useful foundation for satisfying Gen Z customers' requirements and generating value for them.

2. Literature Review and Hypotheses Development

2.1. The Components of Marketing Mix

According to Kotler and Armstrong (2014), the marketing mix (MM) is the collection of strategic marketing tools that a business combines to elicit the desired reaction from its target markets. Businesses that fully understand the MM mechanism will influence consumers' decisions to buy, and turn them into loyal clients (Mahmood and Khan, 2014; Wahab et al., 2016).

The seven components of the MM are referred to as the "7Ps": product (service), pricing, place (a location or distribution channel), promotion, physical evidence (facilities), process, and people (Kotler and Keller, 2016). Products are a set of goods or services that a business provides to its intended market (Kotler and Armstrong, 2017). According to Friani et al. (2018), prices are a set of values that customers exchange for the various advantages of owning or utilizing a product or service. Place refers to the channels of distribution that are mainly intended to carry out economic tasks in a community, thereby bridging the gap between production and consumption (Kotler et al., 2008).

According to Akroush (2011), service promotion refers to the degree to which a service organization incorporates elements of marketing campaigns and develops a plan to reach out to certain audiences and measure their reactions. Additionally, Kushwaha and Agrawal (2015) stated that employees who prioritize customer service prioritize providing individual attention, fostering positive relationships, being courteous, and responding promptly.

Wijaya et al. (2018) define physical evidence in hospitality sector as elements that give tangible evidence of the high standard of services, facilities and customer guidance during the service process, such as buildings, landscaping, equipment, and staff uniforms. The term "process mix" describes a comprehensive set of marketing operations that include providing a
product or service to the guest, monitoring and regulating the situation, and ultimately assessing the level of CS and goal achievement (Kotler et al., 2008). Several restaurant qualities, including quick service, product quality, and affordable menu items, have an influence on FFRs consumers’ service experiences (Kwon et al., 2020).

2.2. The Relationship between Marketing Mix and Customers' Satisfaction

Customers' satisfaction is determined by comparing the services customers receive to their expectations, it is the degree of emotion a consumer expresses after comparing the products or services they received with what they had anticipated (Kotler and Keller, 2016). If customers' expectations are fulfilled or their desires are exceeded, they will be satisfied (Lestari and Hertati, 2020).

Customer satisfaction is an antecedent of loyalty (Wahab et al., 2016; Rahi and Ghani, 2016; Rahi et al., 2017; Fachmi et al., 2020). It can be developed for making repeat purchases and creating CL, as well as providing profitable word-of-mouth (WOM) recommendations (Fitri et al. 2019).

The MM in the tourism business has a beneficial influence on CS (Satit et al., 2012; Kadhim et al., 2016). Restaurant customers' decisions to make additional purchases are influenced by the 7 P's marketing mix (Amofah et al., 2016). On the other hand, Mahmood and Khan (2014) contended that consumer perceptions are considerably and favorably impacted by pricing, promotion, physical evidence, and people.

Products, promotions, and staff all had a favorable and noticeable impact on customer satisfaction, as demonstrated by Marlina et al. (2019). Customer satisfaction is affected by the quality of services provided (Kadhim et al., 2016; Wahab et al., 2016; Alipour et al., 2018). Numerous research (Bawa et al., 2016; Kadhim et al., 2016; Alipour et al., 2018; Razak, 2022) showed the existence of correlations between CS and the cost that the consumer pays.

Prior studies have demonstrated the relationship between CS and promotions (Wahab et al., 2016; Verma and Singh, 2017; Alipour et al., 2018). Customers' satisfaction is significantly impacted by the location dimension of MM (Kadhim, 2016; Alipour et al., 2018). Furthermore, the availability of physical evidence affects the satisfaction of customers (Dwi, 2017).

The best method to improve CS and service quality is the service management process (Yu et al., 2013; Kadhim et al., 2016). Jie et al. (2015) state that providing consumers with prompt and effective service or product delivery has a favorable effect on their level of satisfaction. Employee attributes, including experience, dependability, empathy, and performance, have an impact on CS (Mahmood and Khan, 2014; Alipour et al., 2018). The research posits the following hypothesis considering the earlier findings:

Hypothesis 1: Marketing mix has a positive impact on customers' satisfaction.

2.3. The Relationship between Marketing Mix and Customers' Loyalty

Customer loyalty is defined as the customer's affirmative response to buying a specific product or service (Rahi and Ghani, 2016). Casidy and Wymer (2016) defined CL as a person's sentiments of devoted attachments to the loyalty object that does not always require repeated business transactions.
According to Yeo et al. (2015), a common definition of CL is the consumer's willingness to make repeated purchases of a product or service along with a positive psychological link and attitudes about the services despite external factors and marketing campaigns that may tempt consumers to switch. Customer's loyalty is demonstrated by their consistent practice of making repeat purchases once they are satisfied (Salem and Chaichi, 2018).

According to Kang et al. (2015), CL concept is comprised of five elements: the total level of happiness received, the desire to form bonds with the business, the propensity to repurchase, the propensity to refer people to the product, and the reluctance to move to competitors' brands.

Additionally, Kotler and Keller (2016) showed that brand loyalty is a solid promise to return in the future, regardless of external factors and future marketing initiatives that might encourage brand switching.

The MM has a rather considerable impact on customers' loyalty (Vidyastuti, 2018; Daulay, 2021). When Erlina and Hermawan (2021) investigated the impact of the MM on customers' loyalty, they found that the physical evidence component was the most important aspect and that the pricing factor had the least effect. Aghaei et al. (2014) discovered a direct and favorable correlation between brand loyalty and the components of the marketing mix. Place has impacted customers' satisfaction and customers' loyalty (Nuseir and Madanat, 2015; Wahab et al., 2016; Verma and Singh, 2017).

Previous studies showed that customers' loyalty is affected by promotion (Išoraitė, 2016; Hatta et al., 2018). Tsai et al., (2021) revealed the effect of relationship marketing orientation on customers' loyalty. Physical evidence components would enhance CS and lead to CL (Mahmood and Khan, 2014). Therefore, the following hypothesis is proposed:

Hypothesis 2: Marketing mix has a positive impact on customers’ loyalty.

2.4. The Relationship between Customers’ Satisfaction and Customers’ Loyalty

The mechanism between customer satisfaction and customers’ loyalty is formulated when customers are satisfied, they will be loyal to the service provider, and will repeat their purchases with WOM recommendations, and previous studies revealed that the main factor in customer loyalty is customers’ satisfaction (Belás and Gabcova, 2016; Wahab et al., 2016; Rahi et al., 2017; Sudari et al., 2019; Fachmi et al., 2020).

Nobar and Rostamzadeh (2018) demonstrated that customer expectations and satisfaction are positive drivers of CL. Farhan et al. (2020) interviewed managers in Pakistan’s textile industry, and the results revealed a positive and significant association between the corporate reputation, customer satisfaction, customer loyalty, and behavioral intention.

Customer satisfaction has advantages such as fostering positive relationships between businesses and customers, encouraging repeat business and CL, and generating word-of-mouth recommendations, and the previous studies proved that consumer loyalty is significantly and positively affected by CS (Iqbal and Shah, 2016; Nguyen et al., 2018; Fitri et al., 2019). Thus, the following hypothesis was presented by the study in light of earlier research:

Hypothesis 3: Customers' satisfaction has a positive impact on customers' loyalty.
2.5. The Mediating Role of Customers' Satisfaction on the Relationship between Marketing Mix and Customers' Loyalty

Sukamto and Lumintan (2015) found that while merely a product has no discernible effect on customers' loyalty, MM components significantly improve CL through CS. The study conducted by Abd Wahab and Hassan (2015) demonstrated the correlation between the MM and CL, as well as the mediating role that CS plays in that relationship. Prior studies found that CS played a mediating role in determining how customer loyalty was affected by MM (Wahab et al., 2016; Verma and Singh, 2017; Juniardi et al., 2018; Sudari et al., 2019; Hutauruk et al., 2020).

Han and Hyun (2018) demonstrated the role of CS in connecting the brand image and the loyalty of customers. Furthermore, Wantara and Tambrin (2019) concluded that consumer loyalty and satisfaction are positively correlated with product quality and pricing and that CL is positively correlated with CS. Xie (2020) demonstrated that consumer perceptions of the product, people, process, and physical evidence all positively affect CS, which in turn positively impacts customer loyalty.

According to Risal and Aqsa (2021), factors related to product, place, and promotion have a significant effect on CS, which in turn has a significant impact on CL. According to Grace et al. (2021), CS has a positive and significant influence on CL, and product quality has a significant impact on CL. This discussion supports the following hypothesis:

Hypothesis 4: Customers' satisfaction mediates the relationship between marketing mix and customers' loyalty.

2.6. Theoretical Framework

The stimulus–organisms–response (SOR) model by Mehrabian and Russel (1974) is employed to explain behavioral intentions among Gen Z customers of fast food restaurants from the psychological viewpoint, as advised by a wealth of research in the tourism and hospitality fields (Asyraff et al., 2023). The study's use of the SOR model broadens the body of research on consumer behavior because it states that people's perceptions, feelings, and responsive behaviors are all influenced by environmental circumstances, or stimuli (Kim and Kim, 2012; Ali et al., 2021; Chao et al., 2021).

The conceptual model on the relationship between MM aspects (Stimuli) and customers' satisfaction (Organism) in affecting restaurant choice intention (Response) is consistent with the theoretical foundations of the SOR model and the literature, because based on their choosing process and satisfaction with the restaurant, customers respond behaviorally (Line and Hanks, 2020; Li and Wei, 2021).

The Stimulus-Organism-Response theory is consistent with and supports the studies research frameworks which examined the quality of personnel service, physical environment quality, and fast-food restaurant service quality (Carranza et al., 2018; Shahzadi et al., 2018), and it supports this study research framework where the MM components significantly impact customers’ decision, customers' satisfaction with the dining experience, and the behavioral intentions.
Furthermore, the study framework is supported by the theory of reasoned action (TRA), which was developed by Fishbein and Ajzen (1977), and was used to predict and explain FFR customers behaviors (Bagozzi et al., 2000; Ryu and Han, 2010; Ghasrodashti, 2018). In addition to these theories, the expectation-confirmation theory (Oliver, 1977), and the theory of planned behavior (Ajzen, 1991), supports the conceptual framework which is put forth to ascertain how consumer loyalty to fast-food restaurants is influenced by stimuli (MM efficacy) and how this influence is mediated by customers' satisfaction (organism). Figure 1 represents the theoretical framework and the hypothesized relationships between the study variables; marketing mix (MM), customers' satisfaction (CS), and customers' loyalty (CL).

![Figure 1: Theoretical Framework](image_url)

3. Methodology

3.1. Population and Sample

With about 40% of all customers, Generation Z is growing more and more dominant in the worldwide market for consumption (Turan Yildiz, 2022). This study goes further to investigate the variations in Gen Z customers' decision-making processes while choosing restaurants, as their life experiences may not put them more in line with their older counterparts. The participants of this study Generation Z, often known as "fresh foodies," on the food and beverage industry (Kılıç et al., 2021). Generation Z has a significant influence on their families' buying patterns. Prior to buying, they usually do a multifaceted assessment of everything. As a result, businesses or brands must demonstrate a flexible marketing strategy by taking Generation Z's tastes into account (Yildiz, 2022).

The researcher intends to highlight the rationale for investigating fast food businesses among Gen Z customers in this paper (Choi, 2020) as they face a change in food consumption patterns once they start college (Shin et al. 2021). The research adopts a deductive approach and focuses on examining the impact of the MM on CS and CL, and the mediating role of CS
between MM and CL in FFRs in Upper Egypt from the perspective of hotel management department students in Upper Egypt tourism and hotel faculties and institutes.

The survey questionnaire was distributed to students from the hotel management departments in the Upper Egypt governorates. These students were chosen because, firstly, they study marketing, food and beverage, and other hotel management subjects, so they have collected a basic insight into evaluating the MM, CS, and loyalty. Second, fast food consumption is the highest in young adults between 19 and 29 years of age (Adams et al., 2015). The researchers used a convenient sampling technique to include students from different tourism and hotel faculties, and institutes, and this sample is appropriate for analysis using PLS-SEM. An electronic link to the poll was sent to a convenience sample of Upper Egypt students from various institutions, encompassing the majority of governorates. An online poll administered using a Google Form received responses from 438 participants from September 2023 to January 2024.

Since only members of Generation Z were included as respondents in the study, these individuals were found through the technique of purposive sampling. The dissemination of the questionnaire in hotel and tourism colleges was aided by a personal network. When filling out the questionnaire, respondents were asked to identify the fast food chain that they were most acquainted with and to use it as the focus brand. After answering the gatekeeper questions, only 410 valid responses from Generation Z respondents were deemed competent. Twenty-eight individuals were deemed ineligible due to inaccurate replies.

### 3.2 Data Analysis Techniques

Statistical Package for the Social Sciences (SPSS) version 22, and the Partial Least Squares Structural Equation Modeling (PLS-SEM) Smart-PLS 4 approach were used for data analysis. A confirmatory factor analysis (CFA) as a part of the two-step approach suggested by Anderson and Gerbing (1988) was used. Composite reliability and Cronbach’s alpha, factor loadings, and average variance extracted (AVE) were used to measure convergent validity and discriminant validity. Hypotheses testing through PLS-SEM was carried out after confirming the model, predictive relevance, effect size measurement, and path coefficients.

### 3.3 Research Instrument

*Marketing Mix construct* has been measured using the 7Ps of MM which were conceptualized through a formative model where seven variables are coded as PRD = Product (4 items), PRC = Price (4 items), PRO = Promotion (4 items), PLC = Place (3 items), PHEV = Physical evidence (5 items), PROC = Process (4 items), and PPL = People (5 items). These items have been compiled using the literature which uses the scales of Marketing Mix elements; Witel (2011), Gunawan (2015), Khumnualthong (2015), Tjan (2015), Xie (2015), and Anjani et al. (2018). *Customers' Satisfaction* was measured with six items, and this satisfaction scale is an adaptation of the measurement of the global satisfaction scale used by Wang (2002), O’Loughlin and Coenders (2004), Kaleappan (2006), Kim (2007), Thuy (2010), Banomyong and Supatt (2011) and Zlatković (2013). *Customers’ Loyalty* was measured by seven items; to measure the behavioral intentions, as proposed by Sirdeshmukh et al. (2002) and Chang et al. (2008); to evaluate word-of-mouth intentions as proposed by Lam et al. (2004); and to measure the price sensitivity as proposed by Chang et al. (2008).
4. Results

4.1 Profile of the Respondents

Gender, age group, and frequency of meals were disclosed by the respondents. The respondents to the survey were FFRs consumers from Gen Z students in Upper Egypt who were at least 18 years old, of legal age, and had eaten at a FFR during the previous six months. There were 43.4% female and 56.6% male participants in the Gen Z sample. There were more than 94.6 percent of the respondents between the age 18 and 25. In addition, eating frequency was reported by those classified as frequent FFRs customers; 45.2% once a month, 34.6% twice or up to six times per month, 9.5% from seven to ten times per month, and 10.7% more than ten times per month. In addition to the Egyptian local FFRs chains (e.g. Cook Door, Crepiano), fast food chains from throughout the world, were frequented by the Gen Z respondents such as McDonald's, KFC, Pizza Hut, Hardee's, and Burger King which are among the top FFRs globally in terms of sales, these restaurants have all achieved success, and have the largest brand equity on the global stage (Brown, 2015).

4.2. Measurement Model Results

According to the descriptive statistics, all items have high mean scores exceeding 3 that are above the scale's midpoint (3). Each item's skewness and kurtosis coefficients met the acceptable standards. Furthermore, each factor loading showed significance, proving convergent validity (see Table 1).

The results demonstrate that the empirical data adequately fit the model in which 29 items were reflective of one latent variable (i.e. MM). The CFA results showed that the first-order model for MM provided a better fit to the data than the second-order (AVE = 0.596, and C.R. = 0.889). The initial model for the latent variable of CS and CL resulted in a poor fit of the model to the data, and the respecified model indicated that the data was a good fit to the model, as a consequence of deleting the items (CS5) and (CL6 & CL7) which caused major model misspecification.

Table 1 indicates the means, standard deviations, and standard factor loadings. Data show that customers' positive perceptions of MM dimensions as a whole are strong, with high mean scores exceeding 3, Product (M = 3.60), Price (M = 3.52), Promotion (M = 3.38), Place (M = 3.71), Physical Evidence (M = 3.56), Process (M = 3.56), People (M = 3.63), which were conceptualized to form the MM (M = 3.56) which lead to higher CS (M = 3.61) and superior CL (M = 3.32).

The outcome demonstrated that the construct reliability (CR) and average variance extracted (AVE) values exceeded the suggested levels of 0.7 and 0.5, respectively, across all dimensions (Fornell and Larcker, 1981). Reliability analysis shows that each item has strong internal consistency, all latent values are more than 0.6, and this proof is sufficient to agree that the study scale has good reliability. Table 1 indicates the Cronbach alpha, composite reliability values, and AVE for each construct.

As recommended by (Fornell and Larcker, 1981; Bagozzi and Yi, 2012), Cronbach Alpha values of all scales were acceptable ranging from 0.765 to 0.886, while CR values of the relevant scales were between 0.767 and 0.889. All constructs' AVEs are above the suggested level of 0.50, ranging from 0.516 (CL) to 0.596 (MM), indicating strong discriminant validity (see Table 1).
<table>
<thead>
<tr>
<th>Const.</th>
<th>Item Description</th>
<th>Mean</th>
<th>Sd.</th>
<th>SFL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MM1</strong></td>
<td>Marketing Mix (MM) (7Ps) (C.R. = 0.889 ; AVE = 0.596 ; α = 0.886)</td>
<td>3.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MM2</strong></td>
<td>Price</td>
<td>3.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRD1</td>
<td>FFR offers high-quality services.</td>
<td>3.74</td>
<td>0.842</td>
<td>0.619</td>
</tr>
<tr>
<td>PRD2</td>
<td>The meals at the restaurant were well-packaged.</td>
<td>3.79</td>
<td>0.940</td>
<td>0.762</td>
</tr>
<tr>
<td>PRD3</td>
<td>FFR is spacious and comfortable.</td>
<td>3.28</td>
<td>1.054</td>
<td>0.729</td>
</tr>
<tr>
<td>PRD4</td>
<td>FFR offers fair and competitive prices compared to other competitors.</td>
<td>3.49</td>
<td>0.963</td>
<td>0.732</td>
</tr>
<tr>
<td><strong>MM3</strong></td>
<td>Promotion</td>
<td>3.38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC1</td>
<td>FFR has diversified prices.</td>
<td>3.76</td>
<td>0.892</td>
<td>0.621</td>
</tr>
<tr>
<td>PRC2</td>
<td>FFR offers discounts.</td>
<td>3.46</td>
<td>1.086</td>
<td>0.708</td>
</tr>
<tr>
<td>PRC3</td>
<td>FFR prices are competitive and are equivalent to the level of service provided.</td>
<td>3.38</td>
<td>0.990</td>
<td>0.739</td>
</tr>
<tr>
<td><strong>MM4</strong></td>
<td>Place</td>
<td>3.71</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLC1</td>
<td>FFR is in accessible locations.</td>
<td>3.86</td>
<td>0.898</td>
<td>0.680</td>
</tr>
<tr>
<td>PLC2</td>
<td>FFR offers competitive seasonal promotional rates.</td>
<td>3.47</td>
<td>0.988</td>
<td>0.766</td>
</tr>
<tr>
<td>PLC3</td>
<td>FFR offers remarkable discounts.</td>
<td>3.22</td>
<td>1.060</td>
<td>0.775</td>
</tr>
<tr>
<td><strong>MM5</strong></td>
<td>Physical Evidence</td>
<td>3.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PHEV1</td>
<td>FFR is clean.</td>
<td>3.76</td>
<td>0.917</td>
<td>0.742</td>
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<td>PHEV2</td>
<td>FFR is well organized and well decorated.</td>
<td>3.76</td>
<td>0.911</td>
<td>0.824</td>
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<td>PHEV3</td>
<td>FFR offers special discount on total high bills.</td>
<td>3.10</td>
<td>1.097</td>
<td>0.718</td>
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<tr>
<td>PHEV4</td>
<td>FFR offers fair and competitive prices compared to other competitors.</td>
<td>3.49</td>
<td>0.957</td>
<td>0.651</td>
</tr>
<tr>
<td><strong>MM6</strong></td>
<td>Process</td>
<td>3.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROC1</td>
<td>FFR is opening and closing at convenient time.</td>
<td>3.57</td>
<td>1.020</td>
<td>0.711</td>
</tr>
<tr>
<td>PROC2</td>
<td>Fast food restaurant provides smooth and professional services.</td>
<td>3.50</td>
<td>0.940</td>
<td>0.763</td>
</tr>
<tr>
<td>PROC3</td>
<td>Fast food restaurant provides services with honesty.</td>
<td>3.55</td>
<td>0.977</td>
<td>0.730</td>
</tr>
<tr>
<td><strong>CS</strong></td>
<td>Customers' Satisfaction (C.R. = 0.773 ; AVE = 0.522 ; α = 0.771)</td>
<td>3.61</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAT1</td>
<td>Fast food restaurant staff provide timely services with eagerness.</td>
<td>3.55</td>
<td>0.977</td>
<td>0.730</td>
</tr>
<tr>
<td>SAT2</td>
<td>Fast food restaurant staff is friendly.</td>
<td>3.59</td>
<td>0.967</td>
<td>0.735</td>
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<tr>
<td>SAT3</td>
<td>Fast food restaurant staff provides services with honesty.</td>
<td>3.70</td>
<td>0.910</td>
<td>0.722</td>
</tr>
<tr>
<td>SAT4</td>
<td>Fast food restaurant staff has a nice and presentable appearance.</td>
<td>3.78</td>
<td>0.936</td>
<td>0.779</td>
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<tr>
<td>SAT5</td>
<td>Fast food restaurant staff ensure effective problems solving.</td>
<td>3.54</td>
<td>0.992</td>
<td>0.768</td>
</tr>
<tr>
<td>SAT6</td>
<td>My food orders are always delivered by the exact agreed-upon time.</td>
<td>3.36</td>
<td>1.034</td>
<td>0.711</td>
</tr>
</tbody>
</table>
### Table 2. Fornell-Larcker and Heterotrait-Monotrait ratio (HTMT) - matrix results

<table>
<thead>
<tr>
<th>Variables</th>
<th>MM</th>
<th>CS</th>
<th>CL</th>
<th>MM</th>
<th>CS</th>
<th>CL</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM</td>
<td>0.772</td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CS</td>
<td>0.687</td>
<td>0.723</td>
<td>0.828</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CL</td>
<td>0.498</td>
<td>0.537</td>
<td>0.718</td>
<td>0.602</td>
<td>0.696</td>
<td>-</td>
</tr>
</tbody>
</table>

**Correlation is statistically significant with p<0.01. Diagonal entries (in bold) are the square root of AVE; sub-diagonal entries are the latent construct inter-correlations.**

### 4.3. Test of Research Hypotheses

Variance inflation factor (VIF) should be reviewed to determine the multicollinearity between variables, and the Inner VIF value should be less than 5 (Sarstedt et al., 2017), all constructs’ VIF scores indicated a range between 1.000 and 1.892, which implies that the multicollinearity symptom does not exist, and the next step is to test the research hypotheses (see Table 3).

The value of R-square is used to determine the variation of changes in the independent variable. The coefficient of determination $R^2$ should be between 0 and 1. According to Hair et al. (2019), the R-square value should be at least 0.10 to ensure an acceptable model fit. R-square value criteria are 0.67 (high), 0.33 (moderate), and 0.19 (weak). The $R^2$ value for CS
was 0.471 which was close to the moderate level of variance accounted for through MM. Generally, according to Table 3, the R-square values can be said to be moderate.

Predictive relevance of the model is measured using cross-validated redundancy ($Q^2$), a supplementary assessment recommended by Henseler and Sarstedt (2013), and when the relevant values were examined, it was determined that the model estimation level was sufficient. According to Hair et al. (2019), $Q^2$ values greater than zero reveal that the paths of the independent variables have predictive relevance on the dependent variables (see Table 3).

Table 3 shows that all $Q^2$ values are greater than zero, therefore, this model has predictive relevance. Furthermore, the effect size ($f^2$) measures the quantitative effect of the stimulus variables on the variables of the organism concerning the variation in $R^2$. Table 3 reveals that the effect size of MM on CS and CS on CL is consecutively 0.892, and 0.106. Additionally, the effect size of the MM on CL is 0.047 which reflects a small effect size, as Cohen (1988) suggested that the value of 0.02, 0.15 and 0.35 or above represent small, medium, and large effect size, and according to Hair et al. (2019), values higher than zero are meaningful. By relating the mediating variable of CS, according to $f^2$ values, it may be seen that MM has a low effect on CL, while it has a high effect on CS (see Table 3).

<table>
<thead>
<tr>
<th>Variables</th>
<th>MM</th>
<th>CS</th>
<th>MM</th>
<th>CS</th>
<th>$R^2$</th>
<th>$Q^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>CS</td>
<td>1.000</td>
<td>0.892</td>
<td>-</td>
<td>0.471</td>
<td>0.468</td>
<td></td>
</tr>
<tr>
<td>CL</td>
<td>1.892</td>
<td>1.892</td>
<td>0.047</td>
<td>0.106</td>
<td>0.320</td>
<td>0.242</td>
</tr>
</tbody>
</table>

Regarding the hypothesized relationships (Figure 2 and Table 4), MM significantly influences CS ($\beta$ = 0.687, $t$ = 20.912, $p < 0.000$), supporting H1. This indicates that FF restaurants’ MM dimensions influence forming higher CS. Furthermore, the significant relationship between MM and CL ($\beta$ = 0.245, $t$ = 4.433, $p < 0.000$) supported H2. Therefore, it indicates that customers are more likely to remain loyal to FF restaurants due to their efficient MM. Moreover, the strength of relationship between CS and CL was significant ($\beta$ = 0.369, $t$ = 6.716, $p < 0.000$); thus, it supports H3 (see Table 4).

As shown in Table 4, all the hypothesized relationships are statistically significant ($p<.001$). Figure 2 shows hypotheses testing of the conceptual model with the path’s coefficients. The hypothesized structural model supports each of the proposed links.

Considering Figure 2, it has been determined that MM has a high performance for CS, and MM have a high performance for CL, although not as much as a CS. Correspondingly, it has been detected that CS influence toward CL is significantly substantial and successful. It was concluded that the MM’s significance level and effect size on CS ($\beta$ = 0.687) was more significant compared to the other paths. At the same time, it was determined that the significance level and effect size of MM on CL ($\beta$ 0.245) was at the lowest level compared to other variables.
The research model goodness-of-fit values including the Standard Root Mean Square (SRMR) value between the observed correlation matrix and the hypothesis matrix should be less than 0.08 (Hu and Bentler, 1998). The relevant value of $X^2$ is 1.871. The Norm Fit Index (NFI) above 0.9 indicates that the model fit is sufficient (Lohmoller, 1989). The relevant values should be within the 95% confidence interval, and it was determined that the model for the relevant values provided a good fit (SRMR = 0.071; $d_{ULS}$ (Euclidean distance) = 0.751; $d_G$ (geodetic distance) = 0.786; $X^2 = 1.871$; NFI = 0.912) (see Figure 2).

**Mediation of CS on MM - CL Relationship**

It can be concluded that CS partially mediates the link between MM and CL, after regression and bootstrapping techniques were applied together with MM, CL, and CS as a mediator; the size of indirect effect of MM was 0.253 and it is statistically significant at $t = 6.336$ ($p < 0.000$). Thus, it was confirmed that CS is a mediator between MM and CL through partial mediation and it represents that hypothesis H4 was supported (see Table 4).

### Table 4. Path coefficients and hypotheses testing

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Hypothesized Relationships</th>
<th>Standardized Coefficient</th>
<th>T-statistics ([O/STDEV]/Sobel Test)</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>MM --- CS</td>
<td>0.687***</td>
<td>20.912</td>
<td>Supported</td>
</tr>
<tr>
<td>H2</td>
<td>MM --- CL</td>
<td>0.245***</td>
<td>4.433</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>CS ---- CL</td>
<td>0.369***</td>
<td>6.716</td>
<td>Supported</td>
</tr>
</tbody>
</table>

**Ratio of Indirect-to-Total Effects**

| H4         | MM - CS - CL               | 0.253***                 | 6.336                              | Supported |

***$p<0.001$
5. Discussion, Conclusion, and Implications

5.1. Discussion

The results provided support to the existing research goal investigating the performance of the MM as an antecedent to CS and CL. The relationships were in the hypothesized direction, the paths were significant ($p < .001$), and perceptions of satisfaction and loyalty were strongly supported ($p < .001$), suggesting that the more satisfied the customers, the more they will show loyalty according to the MM performance.

The results were in line with the prior studies which revealed that the elements of MM ($M = 3.56$) have positive effects on customers' satisfaction (Sukamto and Lumintan, 2015; Kadhim et al., 2016; Wahab et al., 2016; Alipour et al., 2018). Customers' satisfaction received a high mean score ($M = 3.61$). The respondents agree that they are satisfied with the on-time service, and the handling procedures of FFRs, where orders are delivered in good condition.

The courtesy of the employees of FFR and their attitude in responding to the customer needs contributed to their CS. Moreover, the customers are satisfied with the ease of communication with the FFRs' style in handling complaints, and responding to requests. Generally, the customers are satisfied and are pleased with the service offered by FFRs, which meets their expectations. Regarding the Customers' loyalty ($M = 3.32$), the respondents are willing to recommend and give positive comments and feedback about FFRs and would repurchase even if the prices increase.

5.1.1. The relationship between customer perceptions of Marketing Mix elements and Customers' Satisfaction (H1)

The results indicate that bundled marketing mix practices performance has a positive impact on customers' satisfaction and reveal a high correlation level. The effect size of MM on CS is 0.892, and there is a positive and significant impact from the MM on customers' satisfaction at a confidence level of 99% with a standardized coefficient of 0.687. The results supported the first hypothesis and are consistent with the previous studies, for example, a study by Kadhim et al. (2016) revealed that the MM (7 Ps) had a positive influence on tourists' satisfaction. Furthermore, the findings of this study are in line with previous studies which revealed that MM has a positive and significant effect on customers' satisfaction (Verma and Singh, 2017; Alipour et al., 2018). The results revealed that ensuring timely and efficient service or product delivery to customers has a positive effect on customers' satisfaction (Jie et al., 2015; Gil-Saura et al., 2018).

The results are consistent with the study of Satit et al., (2012) who found that product and price impacted tourists' purchasing decisions, resulting in trust and satisfaction. Additionally, price is considered as a critical contributor to customers' satisfaction and loyalty (Išoraitė, 2016; Kadhim et al., 2016; Kotler and Armstrong, 2017; Alipour et al., 2018).

This study findings support the results of (Kotler et al., 2008), who found that physical evidence can impact customers' satisfaction, and the findings of Sarker et al. (2012) who revealed that six out of the 7Ps have a positive influence on CS in the tourism industry.
The findings support the previous MM literature which revealed that improving the product and service quality performance will significantly enhance customer satisfaction (Nuseir and Madanat, 2015; Sukamto and Lumintan, 2015; Kadhim et al., 2016; Wahab et al., 2016; Kotler and Armstrong, 2017; Alipour et al., 2018).

The study is in the same vein with many studies which revealed the association between promotion and customer satisfaction (Kadhim et al., 2016; Wahab et al., 2016; Kotler and Armstrong, 2017; Verma and Singh, 2017; Alipour et al., 2018). Additionally, inconvenient locations for the customers result in dissatisfaction which leads to negative consequences that impact the company in negative ways (Niharika, 2015).

5.1.2. The relationship between customer perceptions of Marketing Mix elements and Customers' Loyalty (H2)

As previously noted, the MM had a positive effect on customers' loyalty with a coefficient of 0.245 ($p < 0.001$). The findings support the previous literature, and the second hypothesis is accepted, where the independent variables of MM elements have a real impact on customers' loyalty in Egypt's FFRs sector ($r = 0.498$).

In addition, the effect size of MM on CL is 0.047, which means that any change in MM elements can affect customers' loyalty. This notion is supported by the study of Allen (2017) which revealed the influence of restaurant service quality on customer repeated visits and willingness to recommend in the field of FF restaurants.

The results are in line with the previous studies which revealed that MM has a positive and significant influence on customers' loyalty (Wahab et al., 2016; Wu and Li, 2017; Kasiri et al., 2017; Vidyastuti, 2018; Daulay, 2021; Erlina and Hermawan, 2021).

The result is in the same line with the study of Mahmood and Khan, (2014) who found that past experiences influence customers’ choice and the study of Satit et al. (2012) who showed that MM affects tourists’ decisions. According to Išoraitė (2016) and Kotler and Armstrong (2017), selling price is the most critical contributor to customers' loyalty.

5.1.3. The relationship between Customers' Satisfaction and Customers' Loyalty (H3)

The results of the study indicate that there is a relationship between FFRs' customers' satisfaction and loyalty as shown by the path coefficient analysis (0.369), the results show that there is a significant correlation between customers' satisfaction and customers' loyalty at a confidence level of 99%, and the correlation was 0.537.

Specifically, this study found support for the positive influence of customers' satisfaction on customers' loyalty, which is in line with the findings from previous studies (Iqbal and Shah, 2016; Wahab et al., 2016; Kasiri et al., 2017; Rahi et al., 2017; Nguyen et al., 2018; Sudari et al., 2019; Fachmi et al., 2020). Ikraman and Syah (2020) recommended keep improving services and increasing customers' satisfaction as satisfied customers will repurchase the product and recommend it to others. Moreover, this ensures the success of the model to capture elements of MM and customers' satisfaction, which could make it easier to reflect customers' loyalty. For this reason, hypothesis (3) is accepted.
5.1.4. Mediation role of Customers' Satisfaction (H4)

The results indicated that there is a positive significant effect from the MM and customers' satisfaction on customers' loyalty with standardized coefficients of 0.245, 0.369 respectively. These results support the fourth hypothesis that there is a significant impact and indirect effect of the MM variable on customers' loyalty through the mediating role of customers' satisfaction, with a positive regression coefficient value (0.253). MM elements and customer' satisfaction has affected customers’ loyalty and the rest are impacted by other variables awaiting discovery in future research.

The results are consistent with the previous studies which revealed that customers satisfaction mediates the relationship between MM and customers' loyalty (Sukamto and Lumintan, 2015; Saneva and Chortoseva 2020; Thanabordeekij and Syers, 2020; Xie, 2020; Hutauruk et al., 2020; Grace et al., 2021; Risal and Aqsa, 2021; Mukarromah et al., 2021; Raharjo and Digdowiseiso, 2022)

In the same vein as the results, Mokhtar and Sjahruddin (2019) revealed that customers' satisfaction is playing a mediating role in the impact of service quality on customers' loyalty. Pi and Huang (2011) revealed that promotions significantly impact satisfaction and trust which are affecting the customers' loyalty. Sudari et al., (2019) revealed that MM components have positive effects on customers' loyalty through customers' satisfaction with food and beverage products.

The results revealed that products that have good brands also result in customers' satisfaction which leads to customers' loyalty (Nuseir and Madanat, 2015), and price can impact the level of satisfaction and satisfaction in turn leads to CL (Wahab et al., 2016). Additionally, attractive promotion has a positive impact on customers' satisfaction and customers' loyalty (Verma and Singh, 2017).

The results revealed that customers' satisfaction partially mediates the relationship between MM elements and customers' loyalty, physical evidence may impact customers' satisfaction (Kotler et al., 2008), and customers’ loyalty is closely related to customers’ satisfaction (Kasiri et al., 2017). Gil-Saura et al., (2018) revealed that perceived value and service quality as determining factors to satisfaction, and how it affects customer’s loyalty.

5.2. Contributions and Implications

5.2.1. Theoretical Contributions

It has been argued that more research is required on the mechanism linking MM and customers’ satisfaction and loyalty to investigate more causal relationships in this chain through employing more sophisticated analytical tools, specifically SEM. To address this need, as well as previous calls in the literature for additional empirical work assessing the customer behaviors, this study is one of the first empirical studies to use PLS-SEM to examine the mediating effect of the CS on the relationship between the MM performance and CL in Egyptian FFRs industry.

To date, little if any work has addressed the role of MM in enhancing CS and CL in the Egyptian FFRs industry. The study model contributes to the existing literature to better understand the pattern of the MM, CS and CL in the FFRs sector. This study presented the major studies that have linked the MM, CS and CL.
This study aims to extend the existing literature on the relationship between the MM and CL by testing the mediating effect of CS. Furthermore, one of the major contributions of this study is to re-examine the validity of the MM model in a different context, the Upper Egypt's FFRs sector.

Another theoretical contribution is using a sample from the FFRs sector in the upper region of Egypt, a country that has a significantly different business culture from its Western counterparts and has been under-researched. Having achieved success in testing the proposed model and the scales in a different cultural context, Egypt, generalizes the application of these theoretical constructs.

5.3.2. Practical Implications

From a managerial perspective, this research results contribute to understanding how MM strategies are essential to enhance CS and make customers more loyal. Fast food restaurants should focus on increasing promotion through promotional strategies based on improving the products offered by providing quality assurance and service recovery, meeting customer requirements, enhancing the brand name, and producing various services to meet CS.

FFRs need to focus on the loyalty programs, review the product strategy and survey the changing needs of customers to develop and expand their services, and implement a pricing policy based on quality, apply diversity and flexibility of competitive prices, and offer appropriate discounts and promotions according to the market conditions.

Managers could seek feedback about the perceptions of MM performance directly from the customers, for instance, through a CS survey. Periodic workshops should be conducted to recognize and evaluate the MM performance which could be supported by performance management systems.

To build constructive WOM and loyalty, promotional activities should be effective and attractive to encourage the customer's purchase decisions. The study recommends that marketing managers should focus on the strategic promotional mix to adopt creative and aggressive tactics to enhance CS, loyalty, and retention. The study suggested that FFRs should foster effective MM components, improve engagement, and communication marketing, and build trust with customers which will increase their CS and CL and will result in positive WOM.

The FFRs prices and discounts should be competitive, reasonable, and equivalent to a large extent to the quality of service provided. Moreover, FFRs could extend the network of its well-equipped and well-organized destinations covering the market needs in other accessible locations. FFRs should keep on sending regular emails announcing competitive seasonal promotional rates and offers remarkable discounts for loyal customers.

A user friendly ordering website with smooth handling of various types of orders from receiving till delivery with responding quickly to service failures will ensure CS. Furthermore, FFRs staff should be trained to ensure presentable appearance, friendly attitude, professional knowledge, a high level of professionalism in handling discrepancies, and providing timely services with eagerness and honesty.
6. Limitations and Scope for Future Research

The study surveyed the marketing mix in a single geographic area, Upper Egypt Governorates, so the findings cannot be generalized to the Egyptian context as a whole and the results are limited to the studied sample. A logical step for future studies would be to test these measures with varying samples and different variables in a longitudinal study.

Future studies could search more geographically diverse samples from various industries and should consider international markets using a similar methodology to determine if the relationships found in Egyptian FFRs sector hold true for FFRs services in other countries.

The many kinds of fast-food restaurants, such as local, regional, and worldwide, were not distinguished in this study. As a result, similar research may be done in the future using various kinds of fast-food outlets. The sample size should be increased for better validity and reliability, and future studies could address additional demographic effects.

Complex models that can include financial and economic variables to gain a better understanding of the causal links could be developed and should examine other variables such as service quality, perceived value, customer trust, and other customers' attitudinal behaviors.

References


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تأثير المزيج التسويقي على ولاء العملاء في مطاعم الوجبات السريعة

في الوجه القبلي في مصر: رضا العملاء كوسيط

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المعهد العالي للسياحة والفنادق- الغردقة- جمهورية مصر العربية
كلية السياحة والفنادق- جامعة المنيا- جمهورية مصر العربية

ملخص البحث:

الغرض الرئيسي من هذا البحث هو دراسة وتحليل تأثير الأبعاد السبعة للمزيج التسويقي على رضا العملاء وولاء العملاء في مطاعم الوجبات السريعة في مصر. تم جمع البيانات من خلال استبيان شمل ٤٠ من العملاء وهم طلاب أقسام الإدارة الفندقية بكلية ومعاهد السياحة والفنادق بمحافظة مصر من الجيل "ز" لمعرفة مدى رضاهم ولوائهم طبقاً لأداء المزيج التسويقي من قبل مطاعم الوجبات السريعة. تم فحص البيانات المجمعة باستخدام ماهج نماذج المعادلات الهيليكية بالمراعاة الإحصائية في مجال خدمة مختلف، وذلك كأول دراسة تجريبياً في قطاع المطاعم المصرية في الوجه القبلي في مصر. تظهر نتائج هذا البحث أن عناصر المزيج التسويقي عالية الأداء ليس لها تأثير مباشر على رضا العملاء فحسب، بل لها أيضاً تأثير غير مباشر عبر رضا العملاء على وولاءه. تشير النتائج إلى أن الإدارة الأكثر كفاءة لـعناصر المزيج التسويقي من شأنها أن تجعل العملاء أكثر رضاً وأكثر ميلاً إلى تكرار عمليات الشراء ويرفع لديهم وولاء لخدمات مطاعم الوجبات السريعة. وتشير النتائج إلى أن الأعاريس يجب أن تكون معايدة إلى حد كبير لجذب الوجبات المقدمة. كما يجب أن تقدم سلاسل مطاعم الوجبات السريعة أجاباً ترويجياً متميزة، مع إجراء مراجعات متعددة لضمان أن المطاعم مرتبطة ومتشابهة، مع وجود موقع إلكتروني سهل الاستخدام لمساعدتهم على تقديم خدمات مميزة. كذلك يمكن أن يؤدي تعيين موظفين مدربين بذريياً جيداً إلى ضمان خدمة معتمدة للعملاء من خلال أساليب الضيافة المهنية وحل المشكلات بطريقة فعالة، وتقديم الخدمات في الوقت المناسب بسرعة و fwrite.

الكلمات المفتاحية: المزيج التسويقي، رضا العملاء، ولاء العملاء، مطاعم الوجبات السريعة، الوجه القبلي- مصر.