

SMALL BUSINESS BRIEF

**GREAT EXPECTATIONS FOR FINE DINING:
LESSONS FOR SMALL BUSINESS RESTAURATEURS**

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ABSTRACT

As the 21st century unfolds, our work and our leisure will be changed by our growing sense of individualism and spiritualism. Experts say consumers in the new millennium will overturn much of what we know about target marketing; turning upside down traditional thinking about what we'll buy, how we'll live and work, and how we'll eat. For the aging baby boom generation, the new "meal-lennium" will be more about "time-using" (social event) than "time-saving" (eat-and-run). The fine dining experience will become the triumph of individualism over the ever-faster pace of the new economy, as baby boomers demand to be treated and catered to as individuals.

This study investigated the difference between baby boom men and women in attitude, consumption emotions, and satisfaction resulting from a visit to a fine dining restaurant. Data were collected using a self-administered questionnaire from residents of a large mid western city using a judgment sampling approach. While there was no difference in the mean values on these constructs, the causal model revealed significant differences in the profile of emotions influencing satisfaction.

INTRODUCTION

The restaurant business by its very localized nature has always been a dominant segment of small business in America. In Colonial America, the establishment of taverns and roadhouses to feed ordinary people was decreed by law (Alanzo, 1996) as an aid to expanding the frontiers. As a more genteel class emerged in the colonies, finer dining establishments, likened to the "Parisian" public eating houses began to spread.

Americans have come a long way since the days when meals and atmosphere were not of the customer's choice and their price included a fee for lodging, which had to be paid whether or not the diner slept there (Alanzo, 1996). The next "meal-lennium" as some restaurant forecasters have called it, will see increasing attention to satisfying so many of the senses. The

sense of taste, smell, sight, feel, sound, pleasure and arousal (Lawrence, 1992, p. 6). Each will contribute to customer satisfaction and, more importantly, intention to return again and again.

By the year 2010, the National Restaurant Association estimates that the total sales of the restaurant industry will exceed \$580 billion annually as consumers spend 53% of every food dollar on meals away from home compared to 44% in 1999 and 25% in 1955 (Bernstein, 2000). However, Roger Blackwell, a Professor of Marketing at Ohio State University and author of: *Reinventing the Retail Supply Chain*, says restaurants will need to examine very closely why and how people consume, not just what they buy. "The next generation of diners will be much more sophisticated than what the industry has ever had to cater to in the past," according to Doug Schmick, co-founder of a Portland, Oregon upscale seafood restaurant (Wishna, 2000, p. 28).

Several fundamental demographic changes will produce this new mind-set. Today, a baby-boomer is turning 50 every eight seconds, entering their peak earning years and empty-nest years. (Bernstein, 2000). Industry experts know that between the ages of 45-55, people enjoy fine dining more than at any other time in their life, and for the next 15 years, one-third of the population will be in that age group (Steinberg, 1999). Professor Blackwell observes that "it used to be that 25-year-old women, drove the fashion industry, now it's 45-year-old women" – who by the time they are 45, know what they look good in. And, perhaps, an even more interesting fact: Baby-boomers are expected to inherit \$7 trillion over the next ten years (Bernstein, 2000 p.22). The casual dining trend which dominated the 80's and 90's is expected to give way to greater concern for fine dining, according to a Yankelovich Associates Survey, which also observes that 55 percent of these patrons will dine three or more times a month (Stevens, 1998). In a related trend, baby-boomers are beginning to relocate from their suburbs to America's newly revitalized and sophisticated downtowns (Bernstein, 2000), primarily for social reasons and a simplicity in life that Ira Mayer sees as a continuation of the trend toward "Entertainmentization" in the final dining experience (Steinberg, 1999).

THE FINE DINING EXPERIENCE

As had been forecast, the last ten years have witnessed the importance of affective components of consumption experiences (Holbrook & Hirschman 1982; Westbrook 1980b; Westbrook 1987). Consumption emotion refers to the set of emotional responses elicited specifically during product usage. These consumption-based responses may be exhibited or expressed as joy, anger, or interest in the structural emotional dimensions such as pleasantness/unpleasantness, relaxation/action, or calmness/excitement. For some products, such as fine dining, emotional benefits are a superior choice criterion to the economic view of consumption.

There is significant research evidence in the measurement of emotions and its relevance to marketing. However, what is lacking in the literature is the differential levels of felt emotions based on gender differences. The objective of this research is to study the difference in the consumption emotions experienced between males and females and investigate the differential impact of these emotions on satisfaction related to a fine dining experience.

Emotions Importance in Marketing

Emotions result from exposure to specific stimuli. Surprise, for example, may be caused from an exposure to unexpected attributes of a product or situation such as an unusually high or

unusually low quality. People may experience a feeling of being relaxed in a restaurant providing appropriate ambiance, color or music.

The study of emotions is important in marketing for several reasons. Emotions constitute a primary source of human motivation and also influence memory and stimulate information processing (Kuhl 1986). Cohen and Areni (1991), in their review of affective processing mechanisms, indicate that consumption emotions leave strong affective traces or "markers" in human memory. These memory elements are highly accessible to cognitive experiences that can be readily retrieved and integrated into current evaluative judgments. Thus, emotions influence the formation of attitude, and the retrieval of attitude information.

Thorson and Page (1988) demonstrate the role of emotions in driving attitude and intention to purchase. When an event such as an incoming message or a consumption situation produces an emotional response, it increases the likelihood of meaningful processing of the new experience. This makes it more likely that the new experience will leave a pleasurable and richer trace in memory. Furthermore, when the emotions are positive, the attitudes formed will be more positive than when no emotions are present.

Westbrook and Oliver (1991) develop a framework for how emotions lead to the formation of satisfaction. Satisfaction is related to attitudes, but is distinguished from attitudes in that attitudes represent a more generalized evaluation of the feeling. Furthermore, satisfaction is generally regarded as the key causal factor for experience based attitude change or attitude development leading to repeating expectations.

Oliver suggests that restaurant patrons may have an initial attitude based on expectations. However, it is the level of satisfaction experienced that leads to final attitude. This attitude serves as the input for determining future purchase intentions. Furthermore, satisfaction in a fine dining experience is distinguished from the pleasurableness of the consumption experience itself. It is mainly the evaluation of the "arousal" consumption experience with respect to expected performance. Thus it is distinguishable from expected experience and attitude.

The model linking these constructs can generally be stated as follows:

Consumption → Emotions → Satisfaction → Attitude → Intention

According to this model, consumption experience encounters result in emotional feelings, which influence the attitude toward that expected encounter. This attitude has a driving impact on intention to use (re-experience) the product or service in future.

A Note on the Concept and Measurement of Emotions

Izard (1977) developed a framework for emotions called the Differential Emotions Scale (DES). Izard conceptualized emotions primarily as motivational states for all human behavior. The framework comprises 30 adjectives to measure ten fundamental emotions: interest, joy, surprise, guilt, distress, disgust, anger, shame, fear, and contempt.

Plutchick (1962) formulated a comprehensive theory of primary emotions. According to Plutchick, emotions are adaptive devices that regulate in individual survival. Eight primary emotions were identified: disgust, anger, acceptance, fear, joy, sorrow, expectation, and surprise.

Mehrabian and Russell (1974) used an environmental psychology approach to studying emotions. Their particular interest is in the effects of physical environment on emotional responses. This line of inquiry has led to questions relating preference and avoidance of certain settings and the impact of these reactions on problem solving and work. The basic investigations under environmental psychology may be summarized as:

- (1) The direct impact of environment on human emotions, and
- (2) The effect of physical stimuli on behavior.

This framework postulates that the environment and the characteristic emotions associated with personality result in primary emotional responses -- pleasure, arousal and dominance. These three emotional responses describe the emotion-eliciting qualities of environments. Furthermore, these also serve as mediating variables in determining a variety of approach-avoidance behaviors.

Russell (1979) has suggested that emotions can be described in two primary dimensions: pleasantness/unpleasantness and arousal/quietness. Russell has also shown that additional behavioral outcome dimensions of emotions, are correlated with these two primary dimensions. This two-dimensional view of emotions has been well applied and studied in product consumption situations (Westbrook 1987).

GENDER DIFFERENCES AND THE FINE DINING EXPERIENCE

The investigation of differences in emotions is important from the perspective of understanding and being able to predict intention to patronize a fine dining restaurant in the future. This issue takes on greater importance especially if the decision to revisit a restaurant is a joint decision. There are few studies on gender differences in marketing. For example, Zeithaml (1985) investigated the difference in shopping styles of males and females. The findings indicated that males spent less time planning, and gathering information, and made limited trips. McCleary et al investigate gender-based differences in preferences toward choice of a hotel. The study found no differences in the importance of basic services such as clean, comfortable rooms and free local phone service. However, some services such as security, in-room services and amenities (hair dryers and mini bars), and low price were more important to businesswomen in their selection criteria. Services that were deemed more important to business travelers were: business amenities (fax machines and suites). Thus, very little is known about the consumption experience at a restaurant between males and females.

OBJECTIVES OF THE STUDY

Clearly, human emotions result from exposure to specific understandable stimuli. Surprise, for example, may be caused from an exposure to unexpected attributes of a product or a situation such as an unusually high or unusually low food quality. One may experience a feeling of being relaxed or belonging in a restaurant with appropriate ambiance and music (jazz). Moreover the level of arousal of various emotions may be different for men and women. Furthermore, the influence of emotions on experienced satisfaction, leading to attitude and future intention may be different between men and women. These two issues are central to the investigations in this research report.

RESEARCH METHODOLOGY

The focus of the study was on emotions of baby boomers relating to a fine dining experience. Data were collected using a structured questionnaire under the scenario method that has been used upon numerous occasions in marketing research (Surprenant and Solomon 1987). Respondents were instructed to consider the specific situation -- their total dining experience at a fine dining restaurant. The attitude toward dining at the restaurant was by a summated three item scale with end points as good idea - poor idea, worthwhile - worthless, and unpleasant - pleasant. The reliability of the three items measuring attitude toward the restaurant was $R^2=.97$. Satisfaction was measured using a single item scale with end points as very satisfied - very dissatisfied. The intention to visit the restaurant was a dichotomous variable.

Measurement of Emotions: Emotions related to the experience of dining at a fine dining restaurant are measured using the PAD (pleasure, arousal and dominance) paradigm by Mehrabian and Russell (1974). The items for PAD are measured on a 9 point Semantic Differential scale. The scale for each item was comprised of 6 items (See Mehrabian and Russell 1974 for details). For example, the scale items for Pleasure had the following end points - Happy, Unhappy; Pleased, Annoyed; Satisfied, Unsatisfied; Delighted, Sad; Hopeful, Despairing and Interested, Bored.

Prior to testing the difference in mean values on various emotions, and also for analyzing the full model by LISREL, it was essential to determine the factor structure of the PAD scale and to determine the reliability of the items measuring the emotions. The results of factor analysis revealed three factors, as expected. The only exception was that item 4 of the dominance scale with end points "insignificant/ significant" did not load on its expected domain. This item was dropped from further analysis, resulting in a 5-item scale for dominance and 6 items each for pleasure and arousal.

The individual reliabilities were computed for each emotion. The reliabilities for PAD constructs were .94, .64 and .82 respectively. Although the reliability for arousal dimension may be considered lower than the reliability of other constructs, it is considered satisfactory for basic research.

Subjects: Data were collected using a judgment sample of adults aged 40 to 56, living in a large Midwestern city. Respondents were contacted in person and asked to complete the self-administered questionnaire. A total of 210 individuals were contacted, of which 184 agreed to cooperate and formed the basis of analysis. The respondents were primarily in the adult age groups, with 11 % 40 years of age, 42 % between 41 and 45, approximately 36 % between 45 and 50, and remainder up to 56 years of age. The sample comprised of 60 % females and 40 % males. They also represented upper levels of education. While 10 % noted high school education as their highest level of educational attainment, 31 % had some college education, approximately 36 % were college graduates, and 22 % had post-graduate education.

ANALYSIS OF RESULTS

The scale means for the PAD components of emotions for the men and women groups of respondents are shown in Table 1.

The findings in Table 1 show that there are no significant differences between men and women on the three emotions, Pleasure, Arousal and Dominance. This indicates that the restaurant environment is equally effective in arousing the three emotions amongst men and

women. There are no emotional biases or differences when it comes to being stimulated by the ambience of the restaurant.

Table 1
MEAN VALUES ON VARIOUS DIMENSIONS
FOR MALE AND FEMALE GROUPS*

Dimension	Male	Female	P-Value
Pleasure	7.07	7.47	.064
Arousal	4.27	4.85	.177
Dominance	5.45	5.12	.240
Attitude	7.37	7.69	.256
Satisfaction	7.23	7.61	.255

* Scale means. Scale ranges from 1 to 9.

Next, the coefficients for the path model leading from emotion to attitude and intention are estimated and shown in Table 2. The values in the parentheses are the standard errors and the values immediately below the standard errors are the t-ratios.

Table 2
ESTIMATED EQUATIONS FOR THE MALE AND FEMALE SEGMENTS

MALE SEGMENT				
Satisfaction = 0.78(Pleasure) + 0.023(Arousal) + 0.10(Dominance)			Error var. = 0.39,	
(0.087)	(0.084)	(0.087)	(0.042)	R ² = 0.63
9.06	0.28	1.17	9.41	
Attitude = 0.92 (Satisfaction),			Error var. = 0.14,	R ² = 0.86
(0.049)			(0.015)	
18.80			9.41	
Attitude = 0.49 (Attitude),			Error var. = 0.70,	R ² = 0.26
(0.11)			(0.075)	
4.48			9.41	
FEMALE SEGMENT				
Satisfaction = 0.72(Pleasure) + 0.13(Arousal) + 0.12(Dominance)			Error var. = 0.39,	
(0.058)	(0.058)	(0.059)	(0.042)	R ² = 0.60
12.35	2.22	2.06	9.41	
Attitude = 0.93 (Satisfaction),			Error var. = 0.14,	R ² = 0.85
(0.035)			(0.015)	
26.41			9.41	
Attitude = 0.57 (Attitude),			Error var. = 0.70,	R ² = 0.31
(0.077)			(0.075)	
7.37			9.41	

GENERALIZED CONCLUSIONS

The findings reveal that there is little significant gender based differences in the arousal of emotions related to a fine dining experience. The mean values of the scales for pleasure, arousal and dominance are virtually the same for men and women. This demonstrates that both groups are experiencing and reacting to the same levels of emotions from the stimuli.

When considering the causal model showing the impact of emotions on satisfaction, attitude and intention. The findings are also very similar. There is however, one significant difference in the two models. The model for men shows that the pleasure emotion is most significant in its influence on satisfaction. The arousal and dominance emotions do not influence their level of satisfaction. For women, all the three emotions experienced (pleasure, arousal and dominance) are clearly significant. Although pleasure plays a dominant role in women's satisfaction, the influence of arousal and dominance also needs to be included in their overall satisfaction. The models also reveal a strong effect by satisfaction on attitude and the ultimate influence of attitude on intention to repeat the fine dining experience.

Small business managers will find this outcome important for two reasons. First, there is the issue of targeting appropriate marketing channels. In the case of studies dealing with fine dining restaurants, the findings indicate that either gender will respond to incentive advertising. Second, the findings are important because both groups experienced similar levels of intensity in emotions. However, the impact of the emotions on satisfaction and intention (repeat business) was different for the two groups, with women exhibiting a significantly richer emotional impact. Thus, the overall findings indicate that restaurant owners need not pursue multiple campaign levels or multiple messages to influence these two groups of respondents.

PRACTICAL IMPLICATIONS

The 21st century will see the triumph of fine dining over the fast-food, casual-dining chain experience of the 1980's and 1990' where 80 percent of "diners" skipped dessert. The love of the bottomless bowl and immediate junk food (while at the same time exercising to the point of obsession) will yield to the much more sophisticated, better educated, better traveled, more exposed to cultural influence and the palates that desire more fine and adventuresome dining. Today, one McDonald's located in New York City's financial District, features fresh flowers on the tables and in the rest rooms, complimentary grapes and strawberries on the breakfast menu, and cappuccino and French pastries from one of the city's premier bakeries in the afternoon. A uniformed doorman ushers customers in, while a customer-service manager oversees fourteen hostesses dressed in purple and fuschia uniforms who direct patrons to empty tables, hand around napkins, straws, and forgotten condiments. Live piano music is provided throughout the day by a staff of three musicians who perform on a catwalk high above the patrons. All of this is the vision of Frank Madalone, the owner, who has seven other franchises in the city.

A California company "Technomic" has clearly detected the trend in fine dining and the shifts in dining-out demand. They provide a new online service working with popular restaurants to lock up tables during peak periods, like Friday and Saturday nights. The service then re-sells the accommodations for a surcharge to consumers who absolutely, positively have to get into a place that night, even if it means paying more to do so. Restaurants get a share of the take. But what does it mean for small business restaurant managers. The boomers are going to go on an eating-out fine dining tear.

So what will the people for whom casual dining and drive-thru windows were created demand of restaurants in the future? They will want the obvious requirements of an aging population: menus with larger typefaces, quieter dining rooms and wheelchair accessibility. And they will want what everyone will want in the frantically-paced, stimuli bombarded future: a refuge of warmth, pleasure and arousal.

"I think there's a strong sense that restaurants increasingly should be peaceful, soothing and sensual, a respite from the busy lives that people lead," says architect and restaurant designer Jeffrey Beers, who designed Las Vegas, NV's Rum Jungle, and Miami, FL's upcoming Billboard Live. "The idea in restaurant design is to move away from bombarding people with information and to make venues more luxurious, more of an escape."

The "mini vacation" that Beers believes is the future of restaurant design jibes perfectly with the main reason people in the next millennium will go out to eat: to relate. More and more, restaurants will be a place to experience life with family and friends. They will be the places that appreciate the importance of emotions on satisfaction. These findings help to stress the need for small business restaurant managers to understand the influence of emotions in leading to satisfaction. Restaurant owners can benefit greatly by creating an ambiance that arouses pleasant emotions and thus leads to repeat business.

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