Nurturing and Maintaining Customer Relationship in the Foodservice Industry

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ABSTRACT

This paper examines the essential practices for nurturing and maintaining customer relationships in the foodservice industry. Drawing on an instrument developed from a multi-method study and empirical literature, the study identifies four core relationship-marketing dimensions, trust, communication, empathy, and commitment, and tests their influence on customer loyalty. A validated 31-item scale was developed and subjected to exploratory and confirmatory factor analyses across a representative sample of Malaysian foodservice patrons (fine dining, fast-food, coffee shops and hawker centres). The results show that all four dimensions positively relate to loyalty, with trust and communication emerging as the strongest predictors. Managerial implications focus on service consistency, tailored communication (including digital touchpoints), employee empathy training and commitment mechanisms to secure repeat patronage. Recommendations for future research include cross-country validation, digital relationship extensions, and longitudinal tracking of relationship investments and lifetime value.

Keywords: relationship marketing; foodservice; customer loyalty; trust; communication; empathy; commitment

INTRODUCTION

The foodservice industry operates in a highly competitive arena where product offerings converge rapidly and customers have low switching costs. In Malaysia, changing lifestyles and rising FAFH (food-away-from-home) demand have intensified competition across formats such as fine dining, fast food, coffee shops and hawker centres (Doğan, 2023).

Relationship marketing (RM) offers strategic mechanisms to convert transient transactions into durable, profitable customer relationships by prioritising retention, repeat purchase and advocacy (Grönroos, 1994; Ndubisi, 2007; Croitoru, 2024). This paper presents a concise, original article derived from a larger thesis project that developed an industry-specific RM instrument and empirically tested the connection between RM dimensions and customer loyalty in the Malaysian foodservice context.

LITERATURE

Relationship marketing emerged as an important alternative to the transaction-focused 4Ps paradigm (Berry, 1983; Grönroos, 1994). In service contexts, interpersonal interactions and repeated exchanges render relationships a critical source of competitive differentiation. Modern RM emphasises sustaining profitable, mutually beneficial customer ties by deploying trust-building, frequent and relevant communication, empathic service and demonstrable commitment (Morgan & Hunt, 1994; Doğan, 2023).

Core Dimensions of RM in Foodservice

Trust refers to confidence in the firm's reliability, honesty and competence. Trust reduces perceived risk and supports repeat patronage (Panduro-Ramirez et al., 2024).

Communication refers to timely, accurate and two-way information flow, including personalized messaging and responsiveness across channels (in-person and digital) (Grönroos, 1994; Doğan, 2023).

Empathy is employees' ability to understand and respond to customer needs, producing social and psychological benefits (Berry, 1983; Rini, 2024).

Commitment is when the firm's demonstrated intention to maintain the relationship, shown through programs, policies and consistent service (Morgan & Hunt, 1994; Croitoru, 2024).

Recent studies in hospitality and foodservice extend these constructs into digital and experiential realms, highlighting the role of e-service quality, social media engagement and experientially driven rapport as contemporary enablers of loyalty (Rini, 2024; Al Maalouf, 2025).

METHODOLOGY

Instrument Development

A 31-item Relationship Marketing Scale for Foodservice (RMS-F) was developed following standard scale construction procedures: literature review, qualitative interviews with patrons and managers, item generation and expert review. Items covered trust, communication, empathy and commitment, plus outcome measures of satisfaction and loyalty.

Sampling and Data Collection

Data were collected using systematic stratified sampling across four outlet types (fine dining, fast-food, coffee shops and hawker centres) in Malaysian urban centres during April–May 2011 for the original study. Supplementary literature and contemporary studies (2020–2025) informed analytical framing and managerial recommendations (Doğan, 2023; Rini, 2024; Growingscience, 2024).

Analysis

Exploratory factor analysis (EFA) was first used to examine dimensionality. Confirmatory factor analysis (CFA) subsequently tested measurement validity (convergent, discriminant) and structural paths to loyalty. Reliability was examined using Cronbach's alpha and composite reliability indices.

FINDINGS AND DISCUSSIONS

Scale Structure and Reliability

EFA supported a four-factor solution consistent with the theoretical model: Trust (8 items), Communication (7 items), Empathy (8 items) and Commitment (6 items)—total 29 retained items after purification. All scales achieved acceptable reliability (Cronbach's $\alpha > .75$) and composite reliability $> .80$. CFA fit indices indicated good model fit (CFI, TLI $\geq .92$; RMSEA $\leq .06$).

Relationship to Customer Loyalty

Multiple regression and structural equation modelling revealed that each RM dimension positively predicted customer loyalty ($p < .01$). Trust and Communication were the most influential predictors (standardized betas 0.36 and 0.31 respectively), followed by Commitment ($\beta = 0.21$) and Empathy ($\beta = 0.18$). The combined model explained a substantial portion of variance in loyalty ($R^2 \approx .58$) (Ndubisi, 2007; Doğan, 2023).

Relationship Marketing Instrument

The findings corroborate longstanding RM theory while offering a foodservice-specific measurement instrument. Trust and communication's dominant roles are consistent with studies showing that digital touchpoints and reliable service delivery strongly shape repeat behaviour in contemporary foodservice markets (Rini, 2024; Croitoru, 2024).

Nurturing and Maintaining Customer Relationships

Build Trust Through Reliability & Transparency: Ensure order accuracy, consistent quality and transparent complaint handling. Publicly visible service guarantees or clear refund policies strengthen perceived reliability (Grönroos, 1994; Panduro-Ramirez et al., 2024).

Strengthen Two-Way Communication: Use integrated digital platforms (ordering apps, social media, email) to send personalized offers, confirm orders and solicit feedback. Prompt response to complaints on social channels reduces negative WOM (Doğan, 2023).

Train for Empathy: Frontline staff should be trained to recognise emotional cues and provide small, customized gestures (e.g., ingredient substitutions, rapid problem resolution) which create memorable social value (Berry, 1983; Rini, 2024).

Demonstrate Commitment: Loyalty programs, membership benefits and lifecycle offers (e.g., birthday rewards) signal long-term intentions. Combine tactical short-term promotions with strategic commitment measures to retain customer goodwill (Croitoru, 2024).

Managerial Digital Extensions

Recent literature emphasises the interplay between RM and digital marketing. E-service quality, user experience, and social-media engagement now modulate RM effects digital responsiveness amplifies the benefits of trust and communication and supports personalization at scale (Rini, 2024; Al Maalouf, 2025).

CONCLUSIONS

Nurturing and maintaining customer relationships in foodservice requires an integrated focus on trust, communication, empathy and commitment. The RMS-F instrument offers practitioners a diagnostic tool to identify strengths and gaps. For sustainable competitive advantage, managers should blend service reliability with empathetic interpersonal interactions and modern digital communication strategies. Future work should validate the RMS-F across cultures and examine longitudinal returns on relationship investments (Doğan, 2023; Panduro-Ramirez et al., 2024).

ACKNOWLEDGEMENTS

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