

Impact of Face book on consumers Satisfaction  
and Word of Mouth: A case of Restaurants of  
Islamabad

---



**By:**

Taimoor Hassan (01-122142-061)

**Supervisor:**

Mr. Danish Ahmed Khan

Department of Management Sciences

Bahria University Islamabad - Pakistan

2016

Impact of Face book on consumers Satisfaction  
and Word of Mouth: A case of Restaurants of  
Islamabad

---



Thesis presented to

Bahria University, Islamabad

In the partial fulfillment of the requirement for the degree of

MBA (Marketing)

By

Taimoor Hassan (01-122142-061)

Marketing (Management Sciences)

Bahria University Islamabad - Pakistan

2016

# Developers Submission:

---

This thesis report is being submitted to the Department of Masters in Business Administration of the Bahria University in partial fulfillment of the requirements for the degree of MBA specialization in Marketing.

# Developer's Declaration

---

I take full responsibility of the thesis work conducted during the Final Year thesis titled "Role of TV advertisement and Word of mouth on brand switching in telecom sector of Pakistan". I solemnly declare that the thesis work presented in the report is done solely by me with no significant help from any other person; however, small help wherever taken is duly acknowledged. Moreover, I have not presented this thesis (or substantially similar thesis work) or any part of the thesis previously to any other degree awarding institution within Pakistan or abroad.

## **Abstract**

**Purpose-** The purpose of this paper is to highlight how the use of Facebook in the restaurant industry is impacting the users satisfaction and how much successful it is in creating word of mouth. Aim is to explore whether Facebook is good enough to drive consumer to any restaurant (Consumer Selection) and how these features of Facebook is affecting the overall Satisfaction a consumer gets from a restaurant page, and how much successful Facebook is developing the word of mouth about any restaurant.

**Design/methodology/approach-** This is a descriptive and empirical study employing the correlation and regression analysis.

**Findings** -Facebook usage in restaurant industry via different restaurant pages suggests that the approach of using Facebook as a tool to drive user satisfaction and creation of word of mouth is good. Besides some variables contributes lesser than others like, Facebook Likes.

**Research limitations/implications-** On the basis of these study restaurants can actually target their consumers on Facebook with right features to drive satisfaction and create word of mouth for their restaurants.

**Originality/value- this** study advances the knowledge of Facebook and is beneficial to the professionals of restaurants and hospitality industry.

**Keywords** Facebook, Restaurants, Satisfaction, Word of Mouth

**Paper type** Research paper

# Table of Contents:

## Contents

Abstract.....	iii
1.1. Overview .....	2
1.2. Justification of selection of this topic .....	5
1.3. Objectives of research .....	8
1.4. Conclusion .....	8
1.1 Introduction.....	11
1.2 Literature Review.....	11
1.2.1 <i>Restaurant Industry:</i> .....	11
1.2.2 <i>Social Media &amp; the Restaurant Industry</i> .....	13
1.2.3 Online Social engagement proves to be enhancing customers experience .....	13
1.2.4 Improvement in Trust and Loyalty can be seen via Online Networking Engagement. ....	14
1.2.5 Social Media Users Dine out More Often.....	15
1.2.6 Ratings Mean Revenues .....	16
1.3 Twitter.....	16
1.4 Facebook.....	17
1.4.1 Facebook Check INS.....	18
1.5 Motivational factors from U&G theory.....	19
1.6 LIKES:.....	23
1.7 WOM on Facebook.....	25
1.8 Online OWM.....	28
1.9 Commenting:.....	29
1.10 Sharing: .....	31
1.11 Facebook Places .....	32
2 Introduction .....	35
2.1 Hypothesis .....	35
2.1.1 <i>Likes</i> .....	35
2.1.2 <i>Reviews</i> .....	35
2.1.3 <i>Ratings</i> .....	35

2.1.4	<i>Check INS</i> .....	35
2.1.5	<i>Facebook friends</i> .....	35
2.1.6	<i>Comments</i> .....	36
2.1.7	<i>Shares</i> .....	36
2.2	Main Hypothesis .....	36
2.3	Research Model: .....	37
2.4	Methodology .....	38
2.4.1	<i>Population:</i> .....	38
2.4.2	<i>SAMPLING METHOD:</i> .....	38
2.4.3	<i>Sample:</i> .....	39
2.4.4	<i>SCALE INSTRUMENT</i> .....	39
2.4.5	<i>Data Collection Tool:</i> .....	39
2.4.6	<i>Survey Method:</i> .....	39
2.5	ANALYSIS OF DATA .....	39
3	Data Analysis 1 <sup>st</sup> Method .....	43
3.1.1	Hypothesis # 1 (a) .....	43
3.1.2	Hypothesis # 1 (b) .....	45
3.1.3	Hypothesis # 2 (a) .....	46
3.1.4	Hypothesis # 1 (b) .....	47
3.1.5	Hypothesis # 3 (a) .....	48
3.1.6	Hypothesis # 3 (b) .....	49
3.1.7	Hypothesis # 4 (a) .....	51
3.1.8	Hypothesis # 4 (b) .....	52
3.1.9	Hypothesis # 5 (a) & (b) .....	53
3.1.10	Hypothesis # 6 (a) .....	58
3.1.11	Hypothesis # 6 (b) .....	60
3.1.12	Hypothesis # 7 (a) .....	61
3.1.13	Hypothesis # 7 (b) .....	63
3.2	Reliability Test .....	71
3.3	Correlations Analysis .....	71
3.4	Regression Analysis and Hypothesis testing .....	73
3.4.1	<i>Hypothesis 8: Restaurants Pages on Facebook positively influences user's satisfaction.</i> .....	73

3.4.2	<i>Hypothesis 9: Restaurant Pages on Facebook positively influences Word of Mouth.</i>	74
4	Discussions:	76
4.1	Practical Implications:	79
4.2	Conclusion	80
4.3	Limitation for future research:	80
	References and Bibliography	83