

Factors that Influence Word-of-Mouth (WOM) of Locals and Tourists for the Selected Restaurants in the City of Mati, Davao Oriental

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Abstract

The study was conceptualized due to the rising and emerging tourism trends in Davao Oriental, and it intended to examine the factors that influence Word of Mouth (WOM) of the locals and the visiting tourists in Mati, Davao Oriental in their choices and preferences of the restaurant to visit and food to patronize. This study specifically examined the factors that elicit positive perceived value of WOM to the behavior of locals and tourists, like taste and quality of food, quality of service, physical design and ambiance of the restaurant, and price reasonableness. A quantitative research design was employed as the study was focused on looking for the answer to the question like what are the factors that influence WOM. A survey questionnaire was similarly used for the said purpose. Based on the findings using correlation analysis, there is a significant relationship between taste and quality of food, quality of service, physical design and ambiance, and price reasonableness towards the word of mouth. The data further revealed that 76.80% of the respondents' word of mouth towards the restaurants is influenced considerably by the taste of food and the price reasonableness based on the regression analysis findings. The conclusion of this research and its implication provides that, as the level of taste and quality of food increases, the level of their word of mouth also increases. The same thing happens when the level of quality of service, physical design and ambiance, and price reasonableness increases. It also suggested that these factors elicit positive perceived value of WOM towards the behavior of locals and tourists.

Keywords: Word of Mouth (WOM), Taste and Quality of Food, Quality of Service

1. Introduction

Through the years, business practices have evolved and have drastically changed its standards. The food industry, specifically restaurants and other food services, is experiencing changes every year, too (Lee & Ham, 2011). It has seen an increase in the number of the quality of food service and restaurant management. The changing and evolving segments of the food service industry, restaurant operations, and service quality in most food tourism are among the key aspects that have been observed that have an impact on the respective restaurants and other food services. In today's highly competitive environment, losing customers is very costly. Hence, it is imperative that the food industry should come up with varying strategies to be at par with the competitors, and one strategy is through marketing, be it traditional or through social media, which is most common nowadays.

Recently, the provincial government of Davao Oriental, headed by Gov. Corazon Malanyaon, opened strategies and interventions needed to help improve the province's tourism industry (Deloso, 2022). The good Governor emphasized that this project also involves standards in accommodation services, catering and restaurant services, transport, tour operators, and travel agencies, among many others. Similarly, to attract more tourists, the Governor urges the communities to be involved in other tourism activities, such as showcasing authentic native cuisines and artistic giveaways or pasalubong that reflect the province's culture.

The tourism industry in Mati City is now booming from reef to ridge with all its beautiful beaches, other tourist attractions like the museum, eco-parks, and of course, the city's variety of foods and delicacies to choose from, making food tourism an essential factor in this aspect. Thus, restaurants with limited promotional budgets depend mainly on word of mouth (WOM) from among their customers who were positively impacted by their restaurant experiences.

2. Objectives of the Study

The general objective of this study is to examine the factors that will influence WOM of the locals and the visiting tourists in Mati, Davao Oriental. Considering that restaurant services are experiential in nature, this study specifically will investigate the factors that elicits positive perceived value of WOM to the behavior of locals and tourists, like:

1. the taste and quality of food;
2. satisfactory restaurant experience due to quality-of-service employees;
3. physical design and ambiance of the restaurant; and
4. price reasonableness

3. Hypotheses

Based on the objectives, the following hypotheses are formulated:

H₀₁: The taste and quality of food served in the restaurant has a significant influence on WOM

H₀₂: The restaurant's employees' quality of service has a significant influence on WOM

H₀₃: The physical design and ambiance have a significant influence on WOM.

H₀₄: The price reasonableness of the restaurant has a significant influence on WOM.

4. Literature Review

Getting the demographic information is both vital and beneficial in helping the restaurant owners, brands, and even researchers have a better grasp of the population based on the factors (like age, sex, location, or race) of interest to their study. Using demographics aid in determining whether its goods and services are being targeted to that restaurant's/brand's most influential consumers. For example, market segments may identify a particular age group, such as baby boomers (born 1946–1964) or millennials (born 1981–1996), with specific buying patterns and characteristics (Hayes, A., 2022), and as one age and mature its interest and taste changes similarly.

As one age, the things they prefer to buy also changes. Age is considered a great segmentation of the market. Generation Z customers consider restaurant attributes for their benefit when deciding on a restaurant or a place to dine (Perutkova, 2010). Millennials are seen as a great target as they normally go out to try new places to dine. In contrast, the Baby-Boom generation and Generation X tend to spread common insights until they mature (Roberts & Manolis, 2000).

Gender differentiates buying behavior. Men and women differ in a set of characteristics. According to research, men and women are different in their strategies for processing information and making decisions (Kolyesniskova et al., 2009). Women are comprehensive and take both subjective (customer reviews) and objective info into consideration, while men tend to choose objective information (make, model, speed, etc.) over subjective information (Aswegen, 2015). Women nowadays are very selective in terms of place preference when dining. Marketing strategies are different in gender buying behavior, and females are emotional and can easily be attracted by advertisements and customer reviews, unlike males (Imam, 2013). Women eat more vegetables and fruit, while men consume more meat products (Prattala et al., 2006). Women feel a sense of power in their ability to enjoy better products at a lower cost.

In terms of locality, a business establishment's location needs to be situated in an attractive area that can easily be accessed by transportation and mass transit. Easier for tourists and locals alike to visit and dine. But nowadays, regardless of location, as long as the place serves appetizing and sumptuous food and has a unique or aesthetic location, tourists and locals would really pay a visit and dine. Some tourists try to add restaurants or eateries and food tripping in their itinerary when visiting or exploring a new city or location as part of engaging and adapting to the culture of that particular city or tourist destination. A desirable area where the business is located will benefit from the exposure of other neighboring businesses.

Restaurants and other brands nowadays also rely upon different marketing strategies like advertising and different social and traditional media like word-of-mouth. Pal, S. (2020) said that it reflects the conversation among the consumers whether they are interested or satisfied with the product or service of a particular company. Word of mouth, as others perceive it as free publicity, is also greatly affected by individual characteristics such as gender or age, which drive the customers to engage in whether negative or positive word of mouth (Moyal & Mishra, 2018).

Food quality is being valued as the most vital attribute influencing restaurant choice and preference based on many studies about consumers' restaurant selection behavior (Soriano, 2002). Based on the study by Andaleeb and Conway (2006), it was able to establish that food quality can greatly influence the relationship between a restaurant and its consumers' satisfaction and loyalty. In the restaurant setting, food quality not only provides a substantial indication of outcome quality but is also an important component of outcome quality in the hospitality industry (Kim et al., 2006). Taste and food quality involves richness and unique taste, appearance, temperature, freshness, nutrition, and variety of menu. Hence, food quality influences customers' decisions to revisit the restaurant (Jin et al., 2012). Taste is determined after consumption; however, customers anticipate the taste before consumption through price, quality, food labels, and brand name (Rahjput & Gahfoor, 2020). Moreover, one of the factors that can influence customers' dining experience at restaurants is their perceived risk. For example, some customers believe that foods prepared by street vendors are unhealthy and riskier because of the limited facilities and the potential use of lower-quality ingredients (Taylor et al., 2000). By the same token, the taste of food is important to achieve customer satisfaction in the same way that food appearance enhances dining customer satisfaction (Carins et al., 2020).

Moreover, according to a study on consumer behavior, consumption experiences produce influences that act as powerful sources of human motivation (Westbrook, 1987). Thus, food quality is acknowledged as a basic component of the restaurant's overall experience to affect consumers to visit the restaurant again and perhaps entice other customers to dine there as well. As succinctly put by Brockway, Mangold and

Miller (1999), satisfied consumers will tell an average of five people, while dissatisfied consumers share their bad experiences with ten people.

Quality of service, as defined by researchers in many different ways, is an essential factor in yielding consumers' revisit intentions. Restaurant service quality influences the dining experiences of customers. Service quality creates a first impression on consumers and affects consumers' perception of quality (Lai, 2015). Similarly, Tat et al., (2011) also expressed that service quality is one of the core factors of consumer satisfaction, and it will completely influence organizational success, particularly in the restaurant industry. Experience is an individualized thing, and hence even if two people go and dine at the same restaurant, they may find their experience totally different.

Service quality positively influences emotional satisfaction, that in turn would have a positive influence on both consumer loyalty and relationship quality (Wong, 2004). Usually, a consumer's evaluation of service quality is influenced by the level of friendliness, promptness, and care. Service quality, therefore, leads to positive word of mouth, customer satisfaction, and a favorable brand image; it can allure new customers, increase revisits, and strengthen business performance (Rahjput & Gahfoor, 2020). On the other hand, according to Keaveney (1995), if the service fails, there is likely dissatisfaction from customers, and it would result in negative word of mouth.

Understanding what motivates customers to spread positive WOM may enhance the ability of owners not only to restructure their restaurants in a more customer-oriented way or perhaps train their employees more in order to draw out positive WOM and, as a result, increase customer visits (Jeong & Jang, 2011). For that reason, WOM plays an important role in influencing consumers' purchase decisions.

The physical design and ambiance of the restaurant satisfies and attracts new customers. Customers desire the dining experience to be pleasing; thus, they look for a physical environment quality (Yuksel et al., 2010). Services are generally intangible; therefore, the physical environment of the establishment has an immense effect on the satisfaction level of the consumers (Ryu & Jang, 2008). This was similarly espoused by Wu and Ko (2013), stating that physical environment quality is an antecedent of customer satisfaction. Apart from influencing behavioral intention, decorations and artifacts will form customers' first impressions of the overall ambiance of the restaurant (Siu et al., 2012). Having nice decorations with quality artifacts would shape customers' perception of the restaurant as premium and high service quality (Lam et al., 2011). The physical environment of the restaurant, which is the restaurant atmosphere, ambiance, décor, and other facilities, can have a great impact on the dining experience (Sloan, 2002).

Adam et al. (2015) also explain that consumers perceive the quality of a restaurant based on cleanliness, quirky, comfortable welcome, physical environment quality, and other amenities that create the ambiance. An auspicious restaurant aura with a unique concept could be a valuable marketing asset in order to create a competitive advantage and cannot easily be replicated by other restaurants. The physical design and ambiance of the restaurant increase financial performance and, in return, creates a memorable experience for the customers (Ali et al., 2016)). Thus, restaurants need to create attractive and distinctive physical designs and ambiance to satisfy their consumers.

Effective pricing is a powerful tool to gain customer attention and increase sales when it is done correctly. From the customers' perspective, the price of a product and/or service is a proxy for quality; therefore, management must determine pricing strategies very carefully (Raab et al., 2009).

Additionally, the customer's price perception, in turn, enhanced the customer satisfaction level and directly/indirectly influenced customer loyalty (Han & Ryu, 2009).

More often, price is the most important factor that consumers consider when deciding where to dine out. Understanding customer perceptions and striking features affecting guests' average expenses is also an important task for restaurant operators. Due to the fact that restaurant products consist of a variety of characteristics, including food, services, décor, accessibility, etc. (Fogarty, 2012), it is difficult for restaurant management to develop optimal menu pricing. Menu analysis has become an important tool for restaurant managers because effective menu pricing can lead to customer satisfaction as well as financial success (Annaraud, 2007).

5. Theoretical Bases

5.1 Word of Mouth (WOM)

The theory of Word-of-Mouth of a reference group reflects personal consumer behavior. This concept is critical for service industries like restaurants since intangible products cannot be evaluated before their consumption.

Essentially, it is free advertising triggered by customer experiences, usually something that goes beyond what they expected (Hayes, 2022). An example of this is when a diner has a wonderful time at a restaurant because their expectations were exceeded and later tweets about it. This becomes powerful advertising, according to Keenan (2021), as consumers trust their family and friends' recommendations almost always 92% all the time.

Word-of-Mouth (WOM) is an informal communication of sharing of experiences between and among consumers over products or services. It is considered one of the most important sources of information when making purchase decisions as it provides a channel for consumers to share perceptions, views, or feedback about businesses or goods, or services (Jansen et al., 2009).

Previous studies have proven that several factors, such as food, quality, service, and price, may affect customers' WOM behavior (Hwang et al., 2013; Kim et al., 2017). As emphasized by Litvin et al. (2008), WOM has a powerful impact on customers' actions. It has a very powerful, convincing influence, particularly in disseminating information about new and upcoming products for consumers to buy (Dean & Lang, 2008).

Similarly, earlier research indicates that consumers favor WOM as a much more reliable medium than traditional media (e.g., television, radio, print advertisements, etc.) (Cheung & Thadani, 2012). It is thus considered one of the most powerful sources of information about products and services (Lee & Youn, 2009). To share positive or negative opinions between existing and future customers, Taghizadeh, Taghipourian, and Khazaei (2013) also believed that WOM is particularly important for service providers whose products are chiefly based on experience or credence.

Once a customer is satisfied as his or her expectation is met or exceeded, the chances of becoming a frequent visitor to the location are ensured as well as he/she most likely would recommend more to come and purchase from the restaurant (Anwar & Gulzar, 2011).

Moreover, Zhang et al. (2010) also find that word of mouth is normally associated with personal encounters and assessments of a company's product or service. This was supported by a Nielsen survey in 2007 which purported that 78% of customers depend on the recommendation from word of mouth to make their decisions. This kind of behavior is most common in the restaurant industry, where consumers rely heavily on advice and suggestions from other consumers, especially in terms of the quality of food,

the price, and the quality of service as they have experienced it. However, other studies suggest that while the manner of delivery of word of mouth is important, other factors, such as the richness of content and reputation of the messenger, are critical to the persuasiveness of word-of-mouth messages (Wang et al., 2013).

6. Research Methods

The major aim of this study is to look into the different factors that influence Word of Mouth and how this WOM affects the tourists' behavior in patronizing the different restaurants in the City of Mati. So, a primary source of information was gathered for the identification of key independent and dependent variables.

This study employed a quantitative research design as the study is focused on looking for the answer to the question like what are the factors that influence WOM. In order to use objective measures to analyze data in a statistical way, the quantitative approach is a tool that can achieve that. A survey questionnaire was similarly employed for the said purpose. The questionnaire was formulated and developed from a similar template survey questionnaire about customer satisfaction but was modified to suit the study.

Considering that the questionnaire developed was a new one, prior to the pilot testing, it was validated by three reliable persons: one was by the statistician-researcher, while the other two were by the panel members of the Thesis Advisory Committee (TAC).

After this, the questionnaire was pilot tested to twenty (20) respondents/customers patronizing most restaurants within the city of Mati. The result of the pilot testing was collated and analyzed by calculating the category's internal consistency using Cronbach alpha, and it turned out that its value was 0.789, implying reliability that there is an internal consistency in all 19 questions rendering the questionnaire reliable. To quantify the respondents' answers, the questionnaire consists of two (2) parts, with the first part focusing on the demographic profiles of the respondents in terms of age, sex, and residence status. In comparison, the second part deals with the Level or Extent of Agreement and Disagreement in terms of Taste and Quality of Food, Quality of Service, Physical Design and Ambiance of the Restaurant, Price Reasonableness, and Word of Mouth in selected restaurants. For the second part, the researcher employed the use of a 5-point Likert scale questionnaire since it is an orderly scale from which respondents choose the option that best supports their opinion. It can be used to measure someone's attitude by measuring the extent to which they agree or disagree with a particular question or statement (Cleave, 2017).

Moreover, for this study, the range of means and its descriptive equivalents were utilized in the assessment of the extent of agreement or disagreement of the respondents to various items, as shown in Table 1.

Table 1. Qualitative Interpretation of a 5-Point Likert Scale Measurement

Likert-Scale	Likert-Scale Interval	Likert-Scale Description
1	1.00-1.80	Strongly Disagree
2	1.81-2.60	Disagree
3	2.61-3.40	Neutral
4	3.41-4.20	Agree
5	4.21-5.00	Strongly Agree

Source: Pimentel, 2010

Participants responded to the items using the 5-point Likert scale and in the primary analysis the descriptive statistics (means) were calculated. The means were interpreted as presented in Table 1 above.

Other than employing descriptive method, this study also made use of correlational (Pearson) method and regression analysis. Descriptive statistics was used as this study is hypothesis-based and it defines the primary subject matter which is the WOM and it tries to analyzed it using different assumptions and techniques. It also used correlational method and regression analysis to establish the relationships of the identified dependent and independent variables in the study. Since the study collected primary data and the quantitative data collected was analyzed using descriptive statistics like percentage distribution, mean and frequency counts for the profile of sample while a correlation and regression analysis was undertaken to analyze the data namely, taste and quality of food, service quality, physical design and ambience of restaurant and price reasonableness and how it affects WOM and consequently, customer's revisit intention.

Four statistical treatments were utilized, namely: frequency distribution and percentage, descriptive statistics, correlation analysis, and regression analysis. Each responded to the respective objectives at hand.

6.1 Frequency Distribution and Percentage.

The proponents used Frequency Distribution and Percentage to analyze customer profile particularly in age, gender, and locality. This was used to determine the frequency counts and percentage distribution of personal related variables of the respondents.

Formula:

$$\% = \frac{F}{N} \times 100$$

Where:

% is the percentage

F is the Frequency

N is the total number of respondents

100 is a constant value

6.2 Descriptive Statistics.

It was also used to interpret the result for the Likert scale questionnaire using SPSS. It shows whether the respondents strongly agree, agree, neutral, disagree or strongly disagree with their restaurant experience. Additionally, interpreting the respondent's level of taste and quality of food, quality of service, physical design and ambience, and price reasonableness of some selected restaurants in Mati City and to determine the degree of which the respondents agree or disagree with the statements provided on the Likert scale questionnaire.

6.3 Correlation Analysis.

The researcher also used Correlation Analysis in knowing the relationship between the independent variables (taste and quality of food, quality of service, physical design and ambience and price reasonableness) and dependent variable (word-of-mouth)

A negative on the correlation means that the significance level of the variable may increase as the other variable decreases, while positive correlation is the relationship of two variables in which both moves in a tandem pattern, this means that in a positive correlation, the significance level of a variable decreases if the other variable decreases. Furthermore, there are correlations that are significant at level 0.01 to

0.05. So, in this study in general, the significance of Taste and Quality of food, Quality of Service, Physical Design and Ambiance and Price Reasonableness can only be determined at the level of 0.01 to 0.05, and other variables that has a correlation above 0.05 are considered to have no relationship.

6.4 Regression Analysis.

It was used for the factors that influence Word of Mouth (WOM) of Locals and Tourist for the selected restaurants in the City of Mati, Davao Oriental. The researcher used the SPSS to determine the significant influence of Taste and Quality of food, Quality of Service, Physical Design and Ambiance and Price Reasonableness on the dimension evaluated by the respondents with regards to WOM. To know if there is an effect or not, a significant of less than .05 interprets that there is an effect while a significant of more than .05 has no effect. The R Square on the Pearson table shows the level of effectivity of the independent variables (Taste and Quality of food, Quality of Service, Physical Design and Ambiance and Price Reasonableness) on the dependent variable (Word-of-Mouth).

7. Results and Discussion

Tables 2-6 presents the findings on the levels of agreement and disagreement, in terms of Taste and Quality of Food, Quality of Service, Physical Design and Ambiance and Price Reasonableness, as evaluated by the customers using a Likert Scale. The means were interpreted as follows: Strongly disagree in the point range of 1.00 - 1.80, Disagree 1.81 - 2.60, Neutral 2.61 – 3.40, Agree 3.41 - 4.20, and strongly agree 4.21 - 5.00 (Pimentel, 2010) indicating their level of agreement or disagreement with each of the statements regarding their restaurant experience in the City of Mati.

Table 2 indicates the Level of Taste and Quality of Food in some selected restaurants in Mati City. The respondents’ awareness is high as evident in the over-all mean of 4.22. Most respondents interviewed strongly agreed that the selected restaurants in Mati possessed the following attributes: it served/offered quality foods and snacks, it has good selection of variety of dishes, it served fresh food every day and it similarly catered to the nutritional needs of the customers. However, for an attribute of a restaurant that offered a specialized or unique dishes they are known for, respondents only Agree to that extent. Overall, it showed a Strong Agreement in the characteristics of restaurant in terms of taste and quality of food.

The overall result is akin to the study of Carins et al. (2020) that taste of food is important to achieve customer satisfaction in the same way that food appearance enhances dining customer satisfaction. This information can be viewed as an effective tool for the restaurants in Mati City should they wish to maintain or improve the customers’ dining experience, that is to meet the guest’s needs through its taste and quality of food, making sure all their foods and drinks are served clean, fresh, and delicious every day.

Table 2. Level of Taste and Quality of Food of Some Selected Restaurants in Mati City

Statements	Mean	Descriptive Interpretation
1. The restaurants in Mati served/offered quality foods and snacks.	4.27	Strongly Agree
2. The restaurants provide a good selection or variety of dishes.	4.27	Strongly Agree

3. Foods are served fresh every day.	4.23	Strongly Agree
4. Restaurants offer food that caters to the nutritional needs of the costumers.	4.22	Strongly Agree
5. Restaurants offered specialized or unique dishes they are known for.	4.13	Agree
Overall	4.22	Strongly Agree

Shown in Table 3 is the Level of Quality of Service of some selected restaurants in Mati City. Based on the questionnaires given, having a restaurant staff that are welcoming, friendly and accommodating and that the waiting time for orders to be served are reasonable, gained an Agreement from the respondents. Meanwhile, restaurant that treats customer with extra care especially for babies, senior citizens, pregnant women and PWDs and having store hours convenient for customer dining needs resulted to a Strongly Agree feedback. Overall, it showed an Agree response from the respondents.

With the gathered result, it agrees with Tat et al, (2011) that service quality is one of the core factors of consumer satisfaction and it would completely influence the organizational success particularly in the restaurant industry. Mati City restaurants need to provide extraordinaire service by sustaining excellent execution of these steps such as greetings the customers when they come in, fast delivery of order, making sure drinks are refilled on a timely basis and aiding customer needs especially the senior citizens, pregnant women, kids and PWDs as it can translate to satisfactory restaurant experience.

Table 3. Level of Quality of Service of Some Selected Restaurants in Mati City

Statements	Mean	Descriptive Interpretation
1. The restaurant staff are welcoming, friendly, and accommodating.	4.19	Agree
2. The waiting time for orders to be served is reasonable as the restaurant is very prompt.	4.06	Agree
3. The restaurant treats customer with extra care as they provide amenities for customer’s convenience especially for babies, senior citizens, pregnant women, and person with disabilities.	4.22	Strongly Agree
4. Store hours are convenient for customers’ dining needs.	4.23	Strongly Agree
Overall	4.17	Agree

Table 4 shows the Level of Physical Design and Ambiance of Some Selected Restaurants in Mati City. The restaurant’s general ambiance that is soothing, relaxing, and well ventilated, the physical design that is customer-oriented and caters to different characteristic of customers (babies, children, senior citizens and PWDs) and lastly the restaurant’s decorations and artifacts give a good customer impression which showed an Agreement from most of the respondents. Meanwhile, restaurants that are clean and quirky,

which offers a modern kitchen equipped with facilities and hygienic food preparations boosted a Strongly Agree response. Overall, the table presented an Agree feedback from the respondents with an over-all mean of 4.17.

Relatedly, Adam et al. (2015) explains that consumers perceive the quality of a restaurant based on cleanliness, quirky, comfortable welcoming, physical environment quality, and other amenities that create the ambiance. Restaurants in Mati or future restaurateurs should also invest more in the overall beauty and aesthetic of their place that also caters to the PWDs, senior citizens, pregnant women, and kids. Specific examples to this are: having proper lighting in the area as some of the older guest or senior citizens have vision problems and having a dimmed or warm lightings makes it harder to read menus and signages, the later could also pose potential danger in the resto; having comfortable waiting areas when restaurants are at its peak hours/ busy times especially for the senior citizens, pregnant women and disabled individuals. As has been observed lately, having proper restaurant physical design with ambiance that is instagrammable really affects customer’s behavior and their overall desire to stay longer in the place.

Table 4. Level of Physical Design and Ambiance of Some Selected Restaurants in Mati City

Statements	Mean	Descriptive Interpretation
1. The general ambiance of the restaurant is soothing, relaxing and well-ventilated giving satisfying customers’ dining experience.	4.10	Agree
2. The restaurants physical design is customer-oriented and inclusive for all kinds of customers as it caters to different characteristics of customers (babies, children, senior citizens, person with disabilities)	4.11	Agree
3. The restaurant’s decorations and artifacts give a good customer impression and contributes to the over-all ambiance of the restaurant.	4.18	Agree
4. The restaurant is clean and quirky which offers a modern kitchen equipped with facilities for hygienic food preparation including all its utensils and other materials being used.	4.43	Strongly Agree
Overall	4.18	Agree

The Level of Price Reasonableness of Some Selected Restaurants in Mati City is presented in Table 5. Restaurant attributes like meals that are sold is a good value for money, foods are reasonably priced with the quantity that is customer-friendly for group tours, back packers, etc. and pricing of the restaurant menu items does not scare away customers, echoed an overall Agree response for all the statements by the respondents.

This over-all result corroborates with Fogarty (2012) that price is the most important factor that consumers consider when deciding where to dine out. Understanding customer perceptions and striking features affecting guests’ average expenses is also an important task for restaurant operators. The buying

power of the consumers depends on their source of income and allowances. But with the problem of inflation, prices of food items in the menus may change without prior notice, this means that price matter in the choices and preferences of restaurant and food to patronize.

Table 5. Level of Price Reasonableness of Some Selected Restaurants in Mati City

Statements	Mean	Descriptive Interpretation
1. The meals sold are a good value for the money.	4.15	Agree
2. The restaurant offers food that are reasonably price with the quantity that is customer-friendly for group tours, back packers, etc.	4.02	Agree
3. The restaurants' pricing of their menu items does not scare away customers.	4.11	Agree
Overall	4.09	Agree

Table 6 shows the Level of Word of Mouth towards Some Selected Restaurants in Mati City. Respondents of the study showed a positive response that they would suggest restaurants to their relatives, friends and acquaintances, share/talk with friends about positive features and satisfaction of the restaurant. Overall, it resulted to an Agree response with an overall mean of 4.09 based on the data gathered.

Similarly, Anwar and Gulzar (2011) explain that once a customer is satisfied as his or her expectation are met or has exceeded, the chances of becoming a frequent visitor to the location is ensured as well as he/she most likely would recommend more to come and purchase from the restaurant. Influencing a positive WOM is generated when there is a customer satisfaction which may lead to brand/company loyalty.

Table 6. Level of Word of Mouth towards Some Selected Restaurants in Mati City

Statements	Mean	Descriptive Interpretation
1. I will suggest this restaurant to my relatives, friends, and acquaintances.	4.18	Agree
2. I talk with my friends about positive features of this restaurant.	4.15	Agree
3. I talk about my satisfaction on this restaurant.	4.10	Agree
Overall	4.14	Agree

For Tables 7 and 8 the researcher calculated the correlation of the variables. The Table 7 analysis shows that there is a significant relationship between taste and quality of food, quality of service, physical design and ambiance, and price reasonableness towards the word of mouth, since the p-values of each relationship is less than the alpha level, $p < 0.05$. This result implies that as the level of taste and quality

of food increases, the level of their word of mouth also increases. The same thing happens when the level of quality of service, physical design and ambiance, and price reasonableness increases. It corroborates with Kim et al (2017) and Hwang et al (2013) that several factors, such as food, quality, service, and price, may affect customers' WOM behavior.

In contrast, negative on the correlation means that the significance level of the variable may increase as the other variable decreases. Hence, the independent variables (taste and quality of food, quality of service, physical design and ambiance and price reasonableness) have significant relationship with the dependent variable (word of mouth).

Table 7. Correlation Analysis

		Word of Mouth
Taste and Quality of Food	r-value	.865**
	p-value	.000
Quality of Service	r-value	.830**
	p-value	.000
Physical Design and Ambiance	r-value	.803**
	p-value	.000
Price Reasonableness	r-value	.807**
	p-value	.000

The taste and quality of food ($p < 0.000$) and the price reasonableness ($p = 0.012$) significantly influence the word of mouth in some selected restaurants in Mati City. Similarly, Litvin et al. (2008) emphasized that WOM has a powerful impact on customers' actions. It has a very powerful convincing influence, particularly in disseminating of information about new and upcoming products for consumers to buy (Dean & Lang, 2008). Nonetheless, there is sufficient evidence on this result which could show that the quality of service ($p = 0.845$) and physical design and ambiance ($p = 0.378$) significantly influence the word of mouth.

The data further revealed that R-squared value of 0.768 signifies that 76.80% of the respondents' word of mouth towards the restaurants is influenced considerably by the taste of food and the price reasonableness. And the difference 23.20% was influenced by other factors that are not covered in this study.

Table 8. Regression Analysis

Word of Mouth					
	Standardized Coefficients		Standardized Coefficients	t-value	p-value
	B	Std. Error	Beta		
Constant	-.134	.256		-.523	.602

Taste and Quality of Food	.739	.155	.625	4.775	.000
Quality of Service	-.038	.192	-.033	-.196	.845
Physical Design and Ambiance	.120	.135	.114	.887	.378
Price Reasonableness	.213	.133	.202	1.606	.012
R	.876				
R-square	.768				
F-value	78.628				
P-value	.000				

Hence, the model will now be: $WOM = 0.739(TQF) + 0.213(PR)$

This indicates that for every one level increase of taste and quality of food (TQF), the word of mouth (WOM) will be added with 0.739. And for every one level increase of price reasonableness (PR), there will be an additional of 0.213 level of the word of mouth. These findings are similarly espoused by Brockway, Mangold and Miller (1999) stating that satisfied consumers due to taste and quality of food would tell an average of five people, while dissatisfied consumers share their bad experience with ten people. Moreover, previous studies by Hwang et al., (2013) and Kim et al., (2017) have proven that several factors such as food, quality, service and price may affect customers' WOM behavior. In similar token, Han and Ryu (2009) also emphasized that customers price perception enhanced the customer satisfaction level and directly/indirectly influenced customer loyalty resulting to an influence of WOM.

8. Conclusion

The study came into existence as an off shoot of the rising and emerging tourism trends in Davao Oriental. Such interesting topic drive the researcher to address the study on the topic of the Factors That Influence Word of Mouth (WOM) Of Locals and Tourist as A Marketing Tool for the Restaurant Industry: The Case of Mati City, Davao Oriental. After gathering and interpreting the data, the researcher found out that the levels on the taste and quality of food, quality of service, physical design and ambiance and price reasonableness has a great influence in WOM.

Thus, the researcher hypotheses were correct. The conclusion of this research and what the result implies is that, as the level of taste and quality of food increases, the level of their word of mouth also increases. Meaning, when restaurants or other eateries served delicious foods and deliver what the customers expected there is more likely traction that customers would be enticed to recommend restaurants not only to their family and peers but also to others who would be interested to come and visit Davao Oriental. The same thing happens when the level of quality of service, physical design and ambiance, and price reasonableness increases. It also suggested that these factors elicit positive perceived value of WOM towards the behavior of locals and tourists.

9. Recommendations

The researcher, having had a good grasp of the results and findings of this research, have the following salient recommendations that can best help the food tourism industry in the City of Mati:

9.1 The researcher proposes that if the restaurant thinks of their target market, they should consider all ages, gender and other demographic characteristics, as everyone loves to eat, whether it be young or

old, female and male who are epicure and ambience conscious, students, young professionals or the older generation who are residing in Mati City or tourists visiting the city.

- 9.2** The researcher proposes that future researchers should also come up with different research that would analyze the effectiveness of various word of mouth marketing strategies employed by different restaurants. This can be done by exploring the use of social media influencer marketing, referral programs, loyalty rewards, promotions, discounts and other tactics to encourage positive word of mouth and attract new customers.
- 9.3** The researcher also proposes for the restaurant industry to consider different lighting options, such as natural light or dimmed lighting and their impact on customer satisfaction, perceived comfort, and dining duration. Additionally, the restaurateur should also think about the impact of kitchen visibility on customer perceptions of cleanliness, food quality, and trust.
- 9.4** The researcher acknowledges several limitations in this current research. Limitation is an opportunity for future researchers to improve the quality of this research or fill the gap of the study. The findings are based on a specific location, Mati City, Davao Oriental and may not be fully typical with other tourism areas within the region or country. The study only focused on the factors of WOM in the restaurant industry and did not dwell on other tourism aspects or the long-term impacts. Future researchers could study and explore other factors related to WOM to provide a deeper and more comprehensive grasp about the study.

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