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Factors influencing customers' restaurant choices: A comparative study of dine-in and online ordering preferences

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Abstract
The rapid growth of food delivery platforms and the evolution of dining culture have transformed the way customers engage with restaurants. This study explored and compared the key factors influencing customers' restaurant choices for dine-in and online ordering services. Primary data was collected from 52 respondents who evaluated ten decision-making factors, including hygiene, price, convenience, atmosphere, and promotional offers. Using paired sample t-tests, significant differences were found in customer preferences for hygiene (more important for dine-in), order processing time (favoured online), and excellence in hosting events (higher preference in online services). Other factors showed no statistically significant differences between dine-in and online ordering. These findings provide valuable insights for restaurant operators seeking to optimize both offline and online service models to enhance customer satisfaction and engagement. The study contributes to a deeper understanding of shifting consumer behaviour in the food service industry.

Keywords: Dine-in, online ordering, customer preferences, restaurant choice

Introduction
The restaurant industry has undergone a paradigm shift with the advent of digital food ordering and delivery services. Traditional dine-in experiences, long valued for their ambiance and hospitality, now coexist with online platforms that prioritize convenience and speed. As consumers navigate these choices, understanding the underlying factors that influence their preferences becomes crucial for restaurateurs aiming to remain competitive in both service modes.

Several factors such as food quality, hygiene, price, service speed, and promotional offers have been identified in literature as pivotal in shaping customers' dining decisions (Hwang & Lambert, 2005; Yeo *et al*., 2017) [12, 13]. However, the relative importance of these factors may differ based on the mode of engagement-whether customers are seeking the social and sensory experience of dining in or the convenience and efficiency of online ordering.

This study aims to investigate how these factors vary in importance when customers choose between dine-in and online ordering options. The comparative analysis helps in identifying the key service attributes that drive customer satisfaction and loyalty in both settings. As the hybrid restaurant model becomes increasingly prevalent, these insights are critical for strategic planning, service design, and customer relationship management.

Review of Literature
Consumer decision-making in the restaurant industry has been widely studied, with particular focus on the factors that drive customers' preferences and satisfaction. Hwang and Lambert (2005) [12] emphasized that acceptable waiting times and efficient service processes are critical in shaping customers' perceptions of restaurant quality, especially in multi-stage service environments like dine-in restaurants. They noted that customer tolerance for delays is often lower in dine-in settings due to heightened expectations for service flow and interaction.

With the advent of Online Food Delivery (OFD) platforms, Yeo, Goh, and Rezaei (2017) [18] explored consumer experiences and attitudes toward online ordering. Their study identified convenience, accessibility, and time-saving as key motivators for using OFD services.

They also highlighted those promotional offers, app usability, and delivery speed significantly affect customer satisfaction and repeat usage.

In the context of digital adoption, Gunden, Morosan, and DeFranco (2020) [3] investigated consumers' readiness to use online food ordering platforms. Their findings indicated that technology readiness and perceived ease of use play crucial roles in shaping customers' intentions to order food online. Additionally, consumers' trust in the platform and perceived value of online services were found to influence their behavioural intentions.

Lastly, Jang, Kim and Lee (2011) [7] analysed how restaurant type and the purpose of visit affect customers' perceived value. They found that experiential factors such as ambiance, food excellence, and hosting capabilities are more relevant to dine-in scenarios, whereas convenience-related factors gain prominence in online ordering contexts. Their research suggests that restaurants must align service attributes with customers' expectations depending on the chosen service mode.

Together, these studies underscore the dynamic nature of customer preferences and the need for a comparative understanding of how different factors influence the choice between dine-in and online ordering services.

List of Factors identified from extensive literature.

Specific food excellence, convenience and accessibility, price, hygiene, atmosphere of the restaurant, order processing time, previous experience, word of mouth/ suggestions from family and peer groups, excellence in hosting events, promotional offers and discounts.

Objectives of the study

1. To identify the key factors influencing customers' choice of restaurants for both dine-in and online ordering services.
2. To compare and analyse the differences in the importance of these factors between dine-in and online ordering preferences.

Theoretical Background

Consumer decision-making in the restaurant industry is rooted in the evaluation of multiple service and product attributes. The Consumer Choice Theory suggests that individuals make purchasing decisions based on the perceived value derived from various factors, such as quality, price, and convenience (Schiffman & Kanuk, 2010) [14]. Applying this theory to the restaurant context, customers weigh attributes differently based on whether they choose to dine in or order food online.

In dine-in settings, experiential factors such as food quality, hygiene, service excellence, ambiance, and the ability to host events are often prioritized (Jang *et al*., 2011) [15]. These elements contribute to the overall dining experience, aligning with the Experience Economy Theory, which posits that consumers seek memorable and immersive experiences in service environments (Pine & Gilmore, 1999) [16]. For instance, Hwang and Lambert (2005) [12] emphasized that efficient service and minimal wait times in dine-in restaurants significantly influence customer satisfaction and repeat patronage. On the other hand, online ordering is influenced by Technology Acceptance Theory (TAM), which highlights perceived ease of use and usefulness as determinants of technology adoption (Davis, 1989) [17]. In this context, convenience, speed, price, promotional offers, and platform usability become central to consumer choice (Yeo *et al*., 2017) [18]. Gunden *et al*. (2020) [3] further noted that technology readiness and trust in digital platforms influence customers' willingness to order food online.

Factor identification for this study is derived from these theoretical underpinnings and validated empirical findings. For both dine-in and online ordering, the study considers ten key factors: Specific food excellence, convenience and accessibility, price, hygiene, atmosphere of the restaurant, order processing time, previous experience, word-of-mouth suggestions, excellence in hosting events, promotional offers and discounts.

These factors represent a combination of product-related and service-related attributes that reflect customer expectations and decision criteria in both modes of restaurant engagement. Understanding the relative importance of these factors can guide restaurant businesses in tailoring strategies for hybrid service delivery.

Research Design

This study is a quantitative, descriptive, and comparative analysis aimed at identifying and comparing factors influencing customers' choices for dine-in and online food ordering. A sample of 52 respondents, selected via purposive sampling, provided primary data using a structured questionnaire with a 5-point Likert scale (1=Least Important, 5=Most Important).

Data analysis involved

- Descriptive statistics (frequency distribution, mean) is used to assess factor importance.
- Paired Sample t-test is used to compare responses for dine-in and online preferences, as the same respondents evaluated both.
- The analysis was conducted at a 95% confidence level ($p<0.05$).

Data Analysis and Interpretation

To identify and compare the importance of various factors influencing customer choice of restaurants for Dine-in and Online Ordering, three statistical tools were employed:

Frequency Distribution and Mean Scores

Each respondent rated the importance of 10 factors on a 5-point Likert scale (5=Most Important, 1=Least Important) for both Dine-in and Online ordering. The mean scores represent the average importance of each factor.

Factor	Dine-in Mean	Online Mean
Specific food excellence	4.46	4.32
Convenience and accessibility	4.22	4.14
Price	4.04	4.28
Hygiene	4.56	4.22
Atmosphere of the restaurant	4.32	4.04
Order processing time	3.90	4.28
Previous experience	4.22	4.26
Word of mouth/Suggestions	4.24	4.22
Excellence in hosting events	3.80	4.24
Promotional offers and discounts	3.86	3.84

Source: Computed by researcher using primary data.

Interpretation: Hygiene Factor had the highest mean for Dine-in (4.56), suggesting it is crucial in in-person dining,

while the least important factors were Hosting events (3.80), Promotional offers (3.86), and Order processing time (3.90). Order processing time and Price (4.28) factors scored higher in Online ordering, indicating efficiency and cost are more critical online, whereas Promotional offers (3.84), Atmosphere (4.04), and Convenience (4.14) factors were least important. These results highlight differing priorities across service modes ambiance and hygiene matter more for dine-in, while speed and price are key online.

Mean values are high across all factors, implying respondents view these aspects as important.

Paired sample t-test

A Paired t-test was conducted to determine if there is a significant difference in how customers rated each factor for Dine-in versus Online ordering. The results are shown below:

Factor	T-Statistic	P-Value	Significant (p<0.05)
Specific food excellence	1.309	0.197	No
Convenience and accessibility	0.531	0.598	No
Price	-1.600	0.116	No
Hygiene	3.012	0.004	Yes
Atmosphere of the restaurant	1.705	0.095	No
Order processing time	-2.565	0.013	Yes
Previous experience	-0.299	0.766	No
Word of mouth/Suggestions	0.148	0.883	No
Excellence in hosting events	-2.852	0.006	Yes
Promotional offers and discounts	0.121	0.904	No

Source: Computed by researcher using primary data.

Interpretation: There is no significant difference between Dine-in and Online for most factors. Significant differences (p<0.05) were observed in factors like: Hygiene (Dine-in rated higher), Order processing time (Online rated higher), Excellence in hosting events (Online rated higher). These results indicate that while customers prioritize similar factors in both modes, certain attributes like Hygiene, Order Processing time, Excellence in hosting events are more influential in specific contexts and have significant difference in how customers rated each factor for dine-in versus online ordering.

Findings

1. Hygiene, specific food excellence, and atmosphere were top priorities for dine-in customers.
2. Order processing time, price, and previous experience were most important for online ordering.
3. Promotional offers and discounts were rated lowest in importance in both modes.

Suggestions for restaurants

1. Focus on visible hygiene practices and pleasant ambiance to attract and retain dine-in customers.
2. Enhance speed, efficiency, and user-friendly online interfaces for better online ordering experiences.
3. Offer value-based pricing rather than relying heavily on promotional discounts.
4. Build customer loyalty through consistent service and personalized engagement across both service modes.

Conclusion

This study explored the key factors influencing customer preferences when selecting restaurants for dine-in and online ordering. The findings highlight that hygiene, food quality, and ambiance are more critical for dine-in experiences, while order speed, price, and prior experience are prioritized in online contexts. Significant differences in customer expectations suggest the need for tailored strategies in each service mode. By addressing these preferences, restaurants can enhance customer satisfaction, build brand loyalty, and improve overall operational effectiveness in both physical and digital platforms.

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