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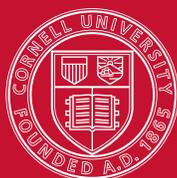


Cornell Hospitality Report

Customer Satisfaction with Seating Policies in Casual-Dining Restaurants

by Sheryl E. Kimes, Ph.D., and Jochen Wirtz, Ph.D.

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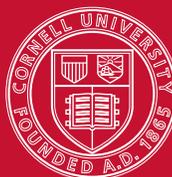
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Customer Satisfaction with Seating Policies in Casual-Dining Restaurants

By Sheryl E. Kimes and Jochen Wirtz

EXECUTIVE SUMMARY

Restaurant guests prefer the control that making reservations gives them, according to a survey conducted at Cornell University. The survey tested three strategies for managing demand in casual restaurants, namely, accepting reservations, permitting guests to call ahead for a place on a waitlist with an approximate seating time, and seating guests from a first-come, first-served waitlist. Respondents particularly favored reservations for business dinners, and well over half of the respondents would not consider a restaurant for a business meal if they could not make a reservation. Call-ahead seating was a poor substitute for reservations, in the respondents' estimation, but was still seen as better than first-come, first-served seating, with an estimated wait time. The survey found that guests thought reservations gave them better control over their schedule and that reservations demonstrated that the restaurant cared about its customers. Since reservations come with their own special operational problems, managers of casual restaurants might consider using call-ahead seating if reservations do not work for the restaurant. Those that continue with seating from a first-come, first-served waitlist should consider ways to empower guests, for example, by giving accurate wait times or issuing pagers.

ABOUT THE AUTHORS



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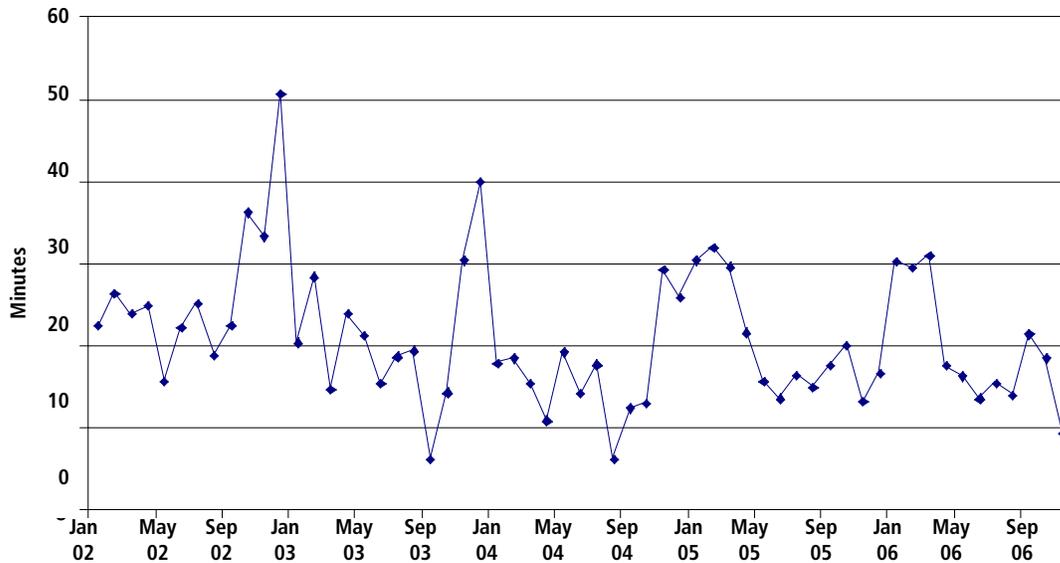


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AS IS THE CASE WITH MOST CAPACITY-CONSTRAINED SERVICE FIRMS, restaurants frequently face periods of excess demand. For casual-dining restaurants those high-demand periods generally occur on Friday and Saturday nights, when the restaurants receive about half of their demand—and nearly half of that business occurs in just two hours each night.¹ During these busy periods, restaurant operators usually must decide which customers to seat and which of them must wait. Several triage options are available: restaurants can take reservations, use call-ahead seating (in which customers can put their name on the waitlist ahead of time so that they presumably have a reduced wait), or use a first-come, first-served waitlist (in which the maître d' or host simply puts names on a waitlist as parties arrive and seats them in that order). Each of these seating policies has implications for restaurant operations and for customer satisfaction.

¹ Bob Krummert, "Rush Hour," *Restaurant Hospitality*, July 2003, pp. 43-48.

EXHIBIT 1**Mean wait for a table at U.S. dinnerhouses**

Source: Mark Kalinowski, "Restaurants: Average Wait at P.F. Changes Tops One Hour in Latest Survey," *Citigroup Smith Barney Industry Note*, December 22, 2004; and Mark Kalinowski, "Restaurants: Latest Wait-Time Results Nothing to Gobble At," *The Buckingham Research Group*, December 1, 2006.

A 2003 Harris Interactive poll found that 48 percent of respondents viewed waiting for a table as the most stressful part of dining out, followed by inaccurate estimates of wait times (27%). Guests are not surprised, though, when they have to wait for a table during rush times. Nearly a quarter of American consumers report that they typically wait for more than ten minutes at casual-dining restaurants.²

Each month some 200 casual-dining restaurants (representing sixteen chains) respond to the casual dining wait-time survey, which determines what the wait is for the next available table for four at each restaurant (on the third or fourth Friday of that month).³ Although the mean wait has remained near twenty-one minutes over the past five years, it has ranged from six minutes to over fifty minutes (Exhibit 1).⁴

In this study, we examine customers' reaction to the following three common wait-management approaches:

² "Best Restaurants: Newer Chains Take High Honors," *Consumer Reports*, July 2006, pp. 12-17.

³ Mark Kalinowski, "Restaurants: Average Wait at P.F. Changes Tops One Hour in Latest Survey," *Citigroup Smith Barney Industry Note*, December 22, 2004; and Mark Kalinowski, "Restaurants: Latest Wait-time Results Nothing to Gobble At," *The Buckingham Research Group*, December 1, 2006.

⁴ *Ibid.*

reservations, call-ahead seating, and seating from a first-come, first-served waitlist. Based on this survey, we analyze the potential fallout on guests' restaurant preferences. We will first review the different seating policies and then present the results of a survey on the three seating policies that we outline here. Next, we discuss the academic literature on waiting time, perceived control, and customer convenience and its implications to restaurant seating policies. Finally, we present the results and implications of our survey.

Seating Policies

Restaurants have three general choices for seating customers when the restaurant is oversubscribed. They can take reservations for a specific time, use call-ahead seating for an estimated time, or use a waitlist. Although readers are undoubtedly familiar with all three of these policies, we describe each as a starting point to our discussion.

Reservations. Reservations allow restaurants to manage demand by controlling when customers arrive, as well as give customers the opportunity to schedule their dining time. However, many casual-dining restaurants do not take reservations, in part because of the operational problems associated with reservations. These include no shows, when a party fails to honor its reservation at all; late-shows, when a party misses the reservation time by an appreciable margin;

EXHIBIT 2

Seating policies of top casual dinnerhouses

Chain	Seating Policy
Ale House Restaurant	Reservations-Large Party
Applebee's Neighborhood Grill & Bar	Waitlist
Bahama Breeze	Call-Ahead
Beef "O" Brady's Family Sports Pub	Reservations
Benihana of Tokyo	Waitlist
Bennigan's Grill & Tavern	Reservations-Weekdays
Bertucci's Brick Oven Pizzeria	Call-Ahead
BJ's Restaurant & Brewery	Call-Ahead
Black Angus Steakhouse	Combination
Bonefish Grill	Reservations
Buca di Beppo	Reservations
Buffalo Wild Wings Grill & Bar	Waitlist
California Pizza Kitchen	Reservations
Capital Grille	Reservations
Champps Americana	Reservations
Champps Restaurant & Bar	Combination
Cheddar's Casual Café	Waitlist
Chevy's Fresh Mex	Reservations-Large Party
Chili's Bar & Grill	Call-Ahead
Claim Jumper	Reservations
Damon's Grill	Waitlist
Dave & Buster's	Waitlist
Don Pablo's	Call-Ahead
El Torito	Combination
Elephant Bar Restaurant	Reservations
Famous Dave's	Waitlist
Fox and Hound English Pub & Grille	Waitlist
Fuddruckers	Waitlist
Ground Round Grill & Bar	Waitlist
Hard Rock Café	Call-Ahead
Hooters	Reservations
Houlihan's	Waitlist
Houston's	Waitlist
Islands	Waitlist
J. Alexander's	Call-Ahead
Johnny Carino's Italian	Reservations-Large Party
Legal Sea Foods	Reservations
Logan's Roadhouse	Call-Ahead
Marie Callender's Restaurant & Bakery	Call-Ahead
Max & Erma's	Call-Ahead
McCormick & Schmick's	Reservations
Mimi's Café	Call-Ahead
Morton's, The Stakehouse Steakhouse?	Reservations
Ninety Nine Restaurant & Pub	Call-Ahead
O'Charley's	Call-Ahead
Old Chicago	Combination
On the Border	Call-Ahead
Planet Hollywood	Reservations
Rainforest Café	Waitlist
Red Robin Gourmet Burgers	Waitlist
Roadhouse Grill	Call-Ahead
Rock Bottom Restaurant & Brewery	Combination
Ruby Tuesday	Waitlist
Ruth's Chris Steak House	Reservations
Sizzler	Waitlist
Smokey Bones Barbeque & Grill	Waitlist
TGI Friday's	Call-Ahead
The Cheesecake Factory	Waitlist
The Melting Pot	Reservations
Tony Roma's	Reservations-Weekdays
Tumbleweed Southwest Grill	Waitlist
Uno Chicago Grill/Pizzeria Uno	Call-Ahead

Sources: Nation's Restaurant News, 2006; Restaurants & Institutions, 2006.

and short-shows, when parties arrive on time, but with fewer people than specified in the reservation. Some of these issues can be managed through policies such as credit card guarantees, table-holding time limits, and short-show penalties, but we believe that many customers dislike those policies.

Despite the problems inherent in accepting reservations, certain casual-dining chains (e.g., Houston's, Seasons 52, and PF Chang's) decided to accept reservations because of customer complaints about the long waits associated with first-come, first-served seating.

As we said, reservations allow customers to better plan their schedule. They know when they are expected to be at the restaurant and know that they have a high likelihood of being seated when they arrive. Moreover, they can make specific requests for particular tables or special services when they make the reservations.

Call-ahead seating. The most common type of call-ahead seating allows customers to call the restaurant a few hours in advance and ask to be placed on the waitlist, thereby moving ahead in the queue. Variations include calling sometime during the day to be placed on the waitlist for a particular time that day, and calling anytime in advance and requesting a particular date and time. Like reservations, call-ahead seating helps restaurant operators smooth out demand, since they can limit the number of call-ahead slots per time period. A number of casual-dining chains, including Outback Steakhouse, Bahama Breeze, Carrabba's, and Texas Roadhouse, have adopted this practice.

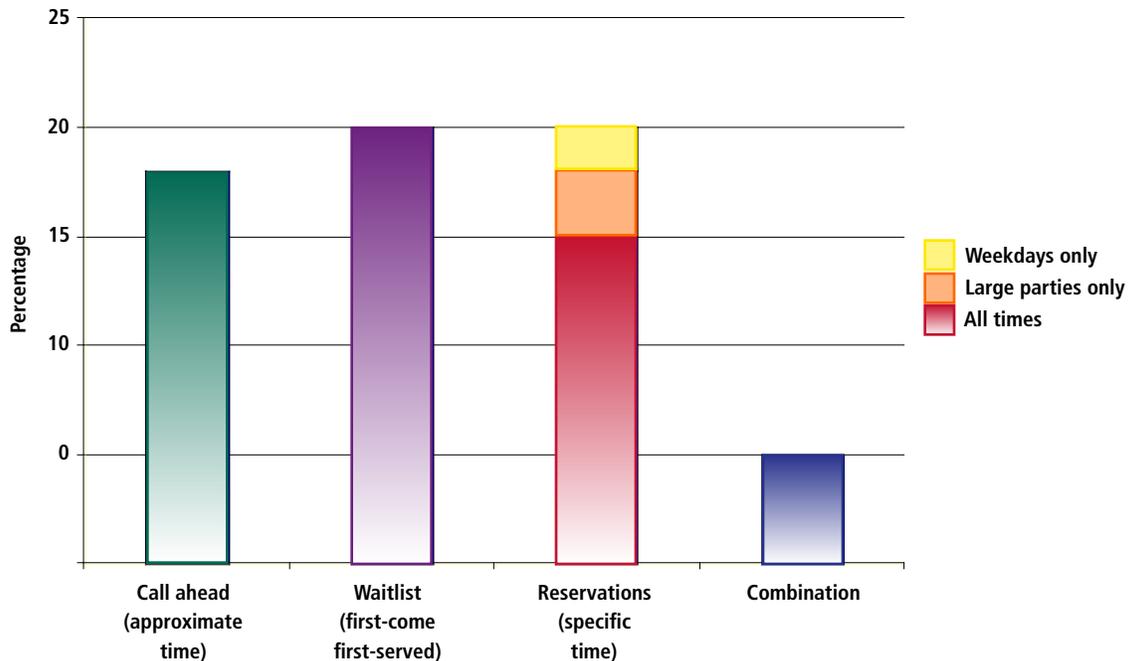
Some customers do not understand the difference between calling ahead and making a firm reservation. Those customers are often upset when they arrive at the restaurant and find that they still have to wait for a table even though they called ahead for what they considered to be a reservation. As a consequence, some restaurant chains have dropped call-ahead seating.⁵

Waitlist seating. The wait associated with waitlist seating is usually the longest of the three seating policies, since customers generally have no way to influence their wait time other than to renege entirely. The restaurant's staff offers a wait-time estimate, leaving the guest to choose whether to wait or leave. If they wait, guests have difficulty planning the remainder of their evening, because they do not know for certain how long they will be at the restaurant.

Many operators seek to manage the waitlist beyond the traditional first-come, first-served approach, in part because of its inherent operating inefficiencies. Seating parties in the order they arrive may result in less than optimum seat occupancy, as when, for instance, small parties are seated at large

⁵ See: Jochen Wirtz, Sheryl E. Kimes, Jeannette Ho Pheng Theng, and Paul Patterson, "Revenue Management: Resolving Potential Customer Conflicts," *Journal of Revenue and Pricing Management*, Vol. 2, No. 3 (2003), pp. 216-228.

Seating policies of top-63 casual restaurants and dinnerhouses



tables, and it can disenchant loyal or important guests when they are not given some form of preferential treatment (i.e., a shorter wait). A study on the perceived fairness of waitlist management techniques assessed different approaches to seating guests that violated the first-come, first-served principle.⁶ Customers viewed call-ahead seating and matching party sizes to table sizes as relatively fair, but found seating preferences for VIPs to be unfair.

Current Practice in Leading Restaurants

A survey of the top 63 (by volume) casual-dining restaurants and dinner houses in the United States (Exhibit 2) found that the use of the three seating policies was fairly evenly split (reservations, 31.7 percent; call-ahead seating, 28.6 percent; waitlist seating, 31.7 percent; combination of the three, 7.9 percent, see Exhibit 3).⁷ Three of the chains that accepted reservations did so only for large parties and kept a

waitlist for all other party sizes. Two others took reservations only on weekdays (and used a waitlist during busy weekend times).

Literature Review

We have seen three streams of research that relate to restaurant seating policies. The three perspectives that have surfaced are: (1) the effect of waiting time on guests' preference for a restaurant and on customer satisfaction, (2) customers' perceptions of control, and (3) customers' convenience.

Waiting Time

Not surprisingly, research has shown that lengthy perceived waiting times diminish customer satisfaction.⁸ These studies conclude that customers tend to overestimate how long they have waited, and it is the perception rather than the actual length of the wait that influences satisfaction. Anything that can be done to reduce the perceived waiting time should result in an increase in customer satisfaction and preference.

⁶ Kelly McGuire and Sheryl E. Kimes, "The Perceived Fairness of Waitlist Management Techniques for Restaurants," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 47, No. 2 (2006), pp. 121-134. VIP seating entails giving important customers (however defined by the restaurant) preferential treatment in seating. Right-sized table seating means matching the party size to the table size. For example, a party of two would be seated at the next available two-top even if a four-top became available before then.

⁷ The authors would like to thank Wayne Taylor, an undergraduate student at the Hotel School, for his assistance with this survey.

⁸ Karen L. Katz, Blaine M. Larson, and Richard C. Larson, "Prescription for the Waiting-in-Line Blues: Entertain, Enlighten, and Engage," *Sloan Management Review*, Vol. 32, Winter 1991, pp. 44-53; Ad Pruyn and Ale Smidts, "Effects of Waiting on the Satisfaction with the Service: Beyond Objective Time Measures," *International Journal of Research in Marketing*, Vol. 15 (1998), pp. 321-334; and Gail Tom and Scott Lucey, "A Field Study Investigating the Effect of Waiting Time on Customer Satisfaction," *Journal of Psychology*, Vol. 131, No. 6 (1997), pp. 655-660.

Satisfaction is particularly diminished by a long wait before guests receive their first food item.⁹ We call this the pre-process wait, which begins when customers arrive at a restaurant and ends when there is food on the table.

Pre-process waits seem to be most dissatisfying when the customer has a reservation, an appointment, or other expectation of timely service. Such waits have been divided into three types: (1) pre-schedule waits, which occur when a customer arrives early for a reservation, (2) delays, when someone shows up on time for a reservation but still must wait, and (3) queue waits, which happen during restaurants' busy times in the absence of reservations. In the context of this study, the most relevant pre-process waits are queue waits and delays.

As we said, an increase in perceived waiting time leads to a decrease in customer satisfaction. This evaluation is affected by the degree to which the customers feel that the company has control over the delay and by how the company helps ease customers' feelings of uncertainty and anger. Again, some of the confusion and anger associated with call-ahead seating may result because of the confusion between call-ahead seating and reservations.

Perceived Control

As occurs with waits and delays, customers are more likely to be satisfied with a service encounter to the extent that they perceive that they have control over that service encounter.¹⁰ This is true in several industries. For example, Langer and Rodin found that when nursing home residents were given

⁹ Laurette Dubé-Rioux, Bernd H. Schmitt, and France Leclerc, "Consumer's Reactions to Waiting: When Delays Affect the Perception of Service Quality," in *Advances in Consumer Research*, Vol. 16, ed. T. Srull (Provo, Utah: Association for Consumer Research, 1988), pp. 59-63; and Katz, *et al.*, *op.cit.*

¹⁰ James R. Averill, "Personal Control over Aversive Stimuli and Its Relationship to Stress," *Psychological Bulletin*, Vol. 80, No. 4 (1973), pp. 286-303; Michael K. Hui and John E. G. Bateson, "Perceived Control and the Effects of Crowding and Consumer Choice on the Service Experience," *Journal of Consumer Research*, Vol. 18 (September 1991), pp. 174-184; Michael K. Hui and David K. Tse, "What to Tell Consumers in Waits of Different Lengths: An Integrative Model of Service Evaluation," *Journal of Marketing*, Vol. 60 (April 1996), pp. 81-90; and Ellen J. Langer, *The Psychology of Control* (Beverly Hills, CA: Sage, 1983).

additional control over when they ate or when visiting hours were scheduled, they were happier, more active, and longer lived.¹¹ Hui and Bateson found a similar relationship between perceived control and customer satisfaction, as did Langer and Saegert, in other businesses.¹²

Three types of perceived control have been proposed: namely, behavioral, cognitive, and decisional.¹³ Customers have behavioral control when they can directly influence or modify what happens to them.¹⁴ In restaurants this means choosing the dining times (through reservations), minimizing their wait (through reservations or call-ahead seating), or, at least, choosing their desired table.

Cognitive control is related to the extent to which a customer can predict and interpret a situation. Research has shown that offering additional information (such as the expected length of the wait) leads to a more positive evaluation of the service. In cognitive terms, when customers know how long they have to wait, they have increased cognitive control. The same is true when they know which table will be theirs or who will be their server.

Finally, decisional control involves a customer's control of outcomes and goals. When guests must wait for a restaurant seat, they can decide whether to wait at the restaurant, leave and return when the table is promised, or seek other dining options. The pager systems used by many casual-dining restaurants give customers the perception of having more decisional control because in many cases (particularly with cell phone pagers), customers have the freedom to leave the restaurant until they are paged.

Perceived control is a key to customer satisfaction. In the context of this study, we propose that customers have more control when their chosen restaurant accepts a

¹¹ Ellen J. Langer and Judith Rodin, "The Effects of Choice and Enhanced Personal Responsibility for the Aged: A Field Experiment in an Institutional Setting," *Journal of Personality and Social Psychology*, Vol. 34, No. 2 (1976), pp. 191-198.

¹² Ellen J. Langer and Susan Saegert, "Crowding and Cognitive Control," *Journal of Personality and Social Psychology*, Vol. 35, Vol. 2 (1977), pp. 175-182.

¹³ Averill, *op.cit.*

¹⁴ Hui and Bateson, *op.cit.*

For a business meal,
respondents overwhelmingly
preferred being able to make
reservations.

reservation than when it uses call-ahead seating or waitlist seating. By the same token, we suggest that call-ahead seating gives customers more control than does waitlist seating.

Service Convenience

Service convenience involves conserving customers' time and effort in relation to the purchase and use of the service. Berry and his colleagues theorized that an increase in service convenience is associated with an increase in satisfaction. They proposed five types of service convenience: (1) decision convenience, (2) access convenience, (3) transaction convenience, (4) benefit convenience, and (5) post-benefit convenience.¹⁵

Decision convenience concerns the time and effort required to make a decision regarding which service to purchase. For example, when customers select a restaurant they draw on many sources of information (such as talking to friends and reading reviews, as well as their own past experience). Restaurant reviews and on-line ratings (such as Zagat.com or Chowhound.com) increase decision convenience by providing ready information.

Access convenience is related to the time and effort needed to actually purchase a service. Offering reservations, whether by phone or through an on-line service such as Opentable.com or Dinnerbroker.com, increases access convenience, as does permitting call-ahead seating. Those two approaches reduce purchase time compared to the possibility of being waitlisted.

Transaction convenience involves the perceived time and effort needed to secure the right to use a service. Waiting for a table decreases transaction convenience. Again, anything that can be done to reduce wait time should increase transaction convenience.

This study does not relate directly to the final two types of convenience. Benefit convenience is the perceived time and effort involved in experiencing the core benefit of the service (when guests are actually dining), and post-benefit

convenience is determined by the time and effort needed to reinitiate contact with the firm after the benefit has been received. Instead, this study relates most directly to access convenience and transaction convenience. We propose that the greatest access and transaction convenience occurs with reservations, followed, in order, by call-ahead seating and waitlist seating.

Survey on Seating Policies

We developed a survey to assess guests' views of the three seating policies (i.e., reservations, call-ahead seating, and seating from a first-come, first-served waitlist). Respondents were given a series of up to ten statements for each seating policy and asked to indicate their agreement with each statement (1 = strongly disagree and 7 = strongly agree). In addition, we asked for restaurant patronage and demographic information. A copy of the survey instrument is presented in Exhibit 4 (overleaf).¹⁶

We tested perceived control with the following three items: "I can plan my evening"; "I have control over when I eat"; and "I have a choice over where I sit." Service convenience was measured by the following: "My wait will be shorter"; "My table will be ready for me"; and "It is difficult to get a table without reservation." Finally, beliefs about the customer focus of the restaurants were measured by the following two items: "The restaurant doesn't care about me" and "The restaurant is respectful of my time."

The dependent variable in our analysis was liking of the restaurant, as expressed by: "I like to go to this type of restaurant." The dependent variable was measured for each of the three seating policies.

Survey Procedure

We conducted a pre-test of the survey among 32 undergraduates at Cornell University, after which we adjusted the final survey instrument. For the study itself, a group of students stopped people in the lobby of Cornell's Statler Hotel, asking

¹⁵ Leonard L. Berry, Kathleen Seiders, and Dhruv Grewal, "Understanding Service Convenience," *Journal of Marketing*, Vol. 66, No. 3 (2002), pp. 1-17.

¹⁶ The authors would like to thank Wayne Taylor and Will Hendrick, both undergraduate students at the Hotel School, for their assistance with the survey and data analysis.

EXHIBIT 4

Survey items

We are interested in finding out about your experience with and opinions of casual dining restaurants. Examples of casual restaurant chains include TGIFridays, Applebees and Outback Steakhouse.

Some casual restaurants take reservations, some use call-ahead seating (in which the customer can call from home to be put on a waitlist) and some just use a waitlist. We'd like to ask you some questions about each of these methods.

1. Some casual restaurants take reservations. Please indicate whether you agree or disagree with each of the statements about this type of restaurant (1 = strongly disagree, 7 = strongly agree).

	Strongly Disagree	Strongly Agree
I can plan my evening	1 2 3 4 5 6 7	
The restaurant is respectful of my time	1 2 3 4 5 6 7	
I have control over when I eat	1 2 3 4 5 6 7	
The restaurant is expecting me	1 2 3 4 5 6 7	
The restaurant doesn't care about me.	1 2 3 4 5 6 7	
My wait will be shorter	1 2 3 4 5 6 7	
It is difficult to get a table without a reservation.	1 2 3 4 5 6 7	
I have a choice over where I sit	1 2 3 4 5 6 7	
My table will be ready for me	1 2 3 4 5 6 7	
I like to go to this type of restaurant	1 2 3 4 5 6 7	

2. Some casual restaurants use call-ahead seating. With call-ahead seating there are no reservations but you can call from home and have your name put on the waitlist ahead of time. Please indicate whether you agree or disagree with each of the statements about this type of restaurant (1 = strongly disagree, 7 = strongly agree).

	Strongly Disagree	Strongly Agree
I am familiar with call-ahead seating	1 2 3 4 5 6 7	
I can plan my evening	1 2 3 4 5 6 7	
The restaurant is respectful of my time	1 2 3 4 5 6 7	
I have control over when I eat	1 2 3 4 5 6 7	
The restaurant is expecting me	1 2 3 4 5 6 7	
The restaurant doesn't care about me.	1 2 3 4 5 6 7	
My wait will be shorter	1 2 3 4 5 6 7	
I have a choice over where I sit	1 2 3 4 5 6 7	
My table will be ready for me	1 2 3 4 5 6 7	
I like to go to this type of restaurant	1 2 3 4 5 6 7	

3. Some casual restaurants do not take reservations or call-ahead seating, but instead put customers onto a waitlist. Please indicate whether you agree or disagree with each of the statements about this type of restaurant (1 = strongly disagree, 7 = strongly agree).

	Strongly Disagree	Strongly Agree
I can plan my evening	1 2 3 4 5 6 7	
The restaurant is respectful of my time	1 2 3 4 5 6 7	
I have control over when I eat	1 2 3 4 5 6 7	
The restaurant is expecting me	1 2 3 4 5 6 7	
The restaurant doesn't care about me.	1 2 3 4 5 6 7	
My wait will be shorter	1 2 3 4 5 6 7	
I have a choice over where I sit	1 2 3 4 5 6 7	
My table will be ready for me	1 2 3 4 5 6 7	
I like to go to this type of restaurant	1 2 3 4 5 6 7	

4. Assume that you are going out for a business dinner at a casual restaurant. How likely are you to select a casual restaurant that (please circle your response):

	Always	Usually	Sometimes	Never
Takes reservations	Always	Usually	Sometimes	Never
Uses call-ahead seating	Always	Usually	Sometimes	Never
Only uses a waitlist	Always	Usually	Sometimes	Never

5. Assume that you are going out for a social dinner at a casual restaurant. How likely are you to select a casual restaurant that (please circle your response):

	Always	Usually	Sometimes	Never
Takes reservations	Always	Usually	Sometimes	Never
Uses call-ahead seating	Always	Usually	Sometimes	Never
Only uses a waitlist	Always	Usually	Sometimes	Never

Now, we'd like to ask you a few questions about yourself.

6. How many times do you usually go out for dinner at a casual restaurant per month? Please circle your response.

- 4 or more
- 2 or 3
- Once
- Never

7. What is your approximate age?

- Under 25
- 25–39
- 40–54
- 55 and over

8. What is your gender?

- Female
- Male

9. Please indicate your highest obtained educational level

- Some high school
- High school graduate
- Some college
- College graduate
- Post-graduate

☛ Thank you very much for your participation in this study. Please be assured that your responses will remain completely anonymous.

them to fill out the survey (which took about five minutes to complete). We received 131 completed surveys over the two-week survey period.

Sample

Fifty-four of the 131 respondents (just over 40 percent) were women, and just over three-quarters of the respondents (76 percent) held a college degree. Approximately 22 percent of the respondents were under 25; 22 percent were between 25 and 39; 39 percent were between 40 and 54; and 17 percent were 55 or older. About one-fifth (19.4%) went out for dinner at a casual dining restaurant once per month, 34.1 percent went out two or three times per month, and 41.9 percent went out four or more times per month. Only 4.7 percent reported that they did not dine at casual-dining restaurants.

We ran a MANOVA with the various demographics measured as independent variables and preferences for the three seating policies as dependent variables. None of the multivariate nor the univariate effects reached significance at $p < .05$.

Findings: We Hate to Wait

Overall, as shown in Exhibit 5, customers had the most favorable attitude toward reservations ($\bar{x} = 5.11$), followed by call-ahead seating (4.10), and waitlist seating (3.46). This was true both for business meals and social occasions.¹⁷

When we asked our respondents about business dinners, they were much more sensitive to seating policies than when the occasion was social. For business dinners, respondents were more likely by far to favor a restaurant that takes reservations (55.5% said that they would always pick such a restaurant) than those that use call-ahead seating (5.6%) or waitlist seating (2.4%). More telling, 57 percent of respondents said that they would never choose a restaurant that uses waitlist seating for a business dinner, and 25 percent said they would never choose a restaurant that uses call-ahead seating for a business meal (Exhibit 6).

Reservations were not considered as crucial for social occasions, although this policy remained most popular. About one-sixth (16.7%) stated that they would always select a casual-dining restaurant that takes reservations, 3.2 percent said they would always choose a restaurant that uses call-ahead seating, and 3.2 percent said they would always choose a restaurant that uses waitlist seating. About one-fifth (20.8%) said they would never use a restaurant that uses waitlist seating for a social dinner (Exhibit 7).

¹⁷ All differences were significant at $p < 0.001$. ANOVA was used to determine the statistical differences of the results.

EXHIBIT 5
Average rating for "I like this restaurant"

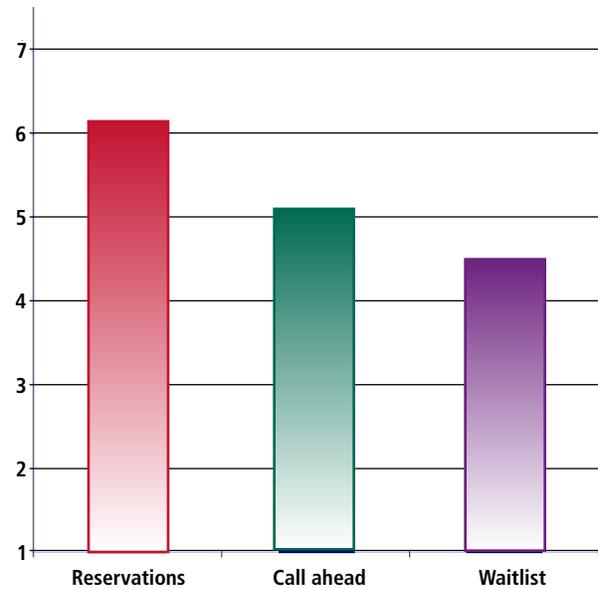


EXHIBIT 6
Likelihood of business dinner booking

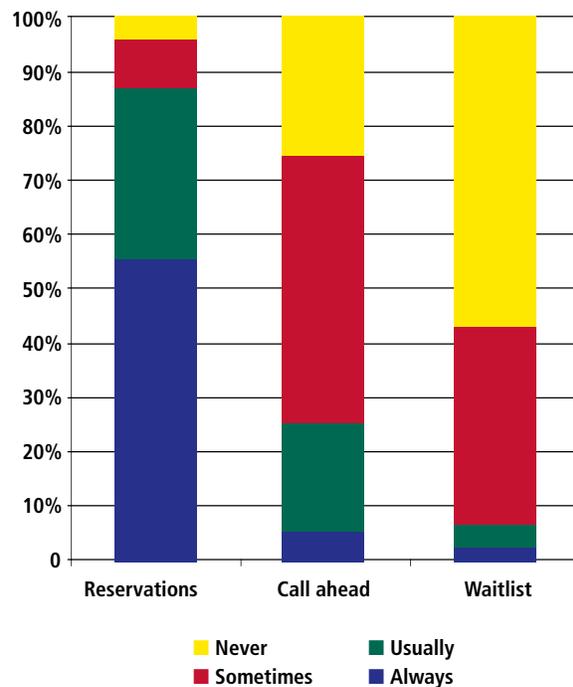
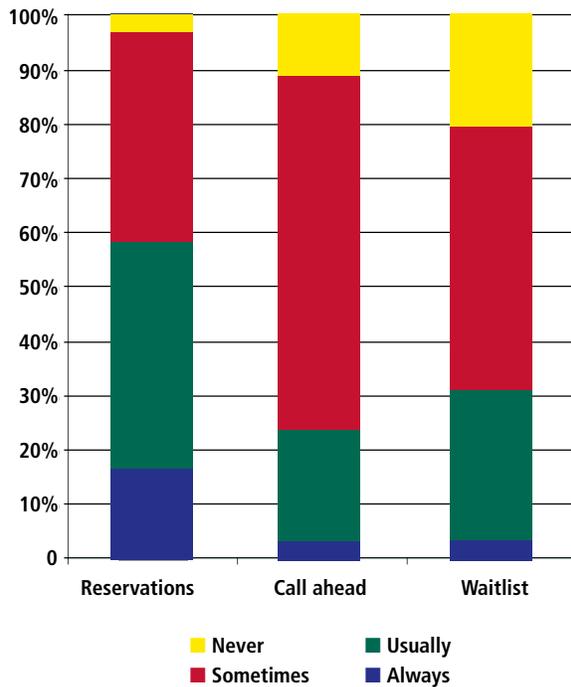


EXHIBIT 7

Likelihood of leisure dinner booking



Attitudes Towards Seating Policies

We asked respondents to indicate their agreement with seven different attributes, relating to control or convenience, associated with the three seating policies.

Perceived control. Respondents have the highest perception of control when a restaurant accepts reservations, followed in order by call-ahead seating and waitlist seating. Respondents believed that they could better plan their evening at restaurants that take reservations ($\bar{x} = 5.58$) than at restaurants that use call-ahead seating (4.47) or waitlist seating (2.95, see Exhibit 8).¹⁸ Likewise, as shown in Exhibit 9, respondents indicated a stronger sense of control in restaurants that take reservations ($\bar{x} = 5.37$) than restaurants that use call-ahead seating (4.31) or use waitlist seating (2.93).¹⁹ Finally, although customers do not feel that they have much control over table selection (see Exhibit 10), they feel as if they have more control over where they are seated at restaurants that take reservations ($\bar{x} = 3.54$) than with either call-ahead seating (3.09) or waitlist seating (2.69).²⁰

Convenience. Our respondents saw reservations as most convenient, followed again by call-ahead seating and waitlist seating. As shown in Exhibit 11, restaurants that take reservations are considered to have a shorter wait ($\bar{x} = 5.58$) than those that use call-ahead seating (4.31) or waitlist seating (2.68). Looking at Exhibit 12, we see that restaurants that take reservations are considered to have a higher likelihood of having the table ready ($\bar{x} = 4.88$) than those that use call-ahead seating (3.56) or waitlist seating (2.49).²¹

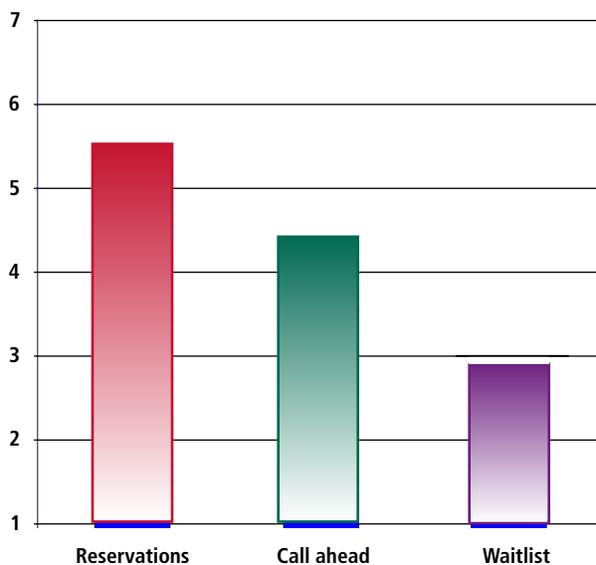
Perceptions of the restaurant’s service orientation. Again, all measures indicate that reservations signal the greatest customer service orientation, followed by call-ahead seating. Seating from a waitlist was seen as indicating low customer service orientation, as shown in Exhibits 13 and 14 (following pages). Respondents believed that restaurants that use waitlist seating are less likely to care about customers ($\bar{x} = 3.63$) than are restaurants that use call-ahead seating (3.43) or that take reservations (2.85).²² They also felt that restaurants that take reservations are more respectful of their time ($\bar{x} = 5.31$) than restaurants that use call-ahead seating (4.27) or waitlist seating (2.97).²³

Discussion: Beyond the Waitlist

Respondents to our survey clearly preferred that casual-dining restaurants accept reservations, rather than use call-

EXHIBIT 8

Average rating for “I can plan my evening”



¹⁸ All differences were significant at $p < 0.001$.

¹⁹ All differences were significant at $p < 0.001$.

²⁰ All differences were significant at $p < 0.001$.

²¹ All differences were significant at $p < 0.001$.

²² All differences were significant at $p < 0.001$.

²³ All differences were significant at $p < 0.001$.

EXHIBIT 9

Average rating for "I have control"

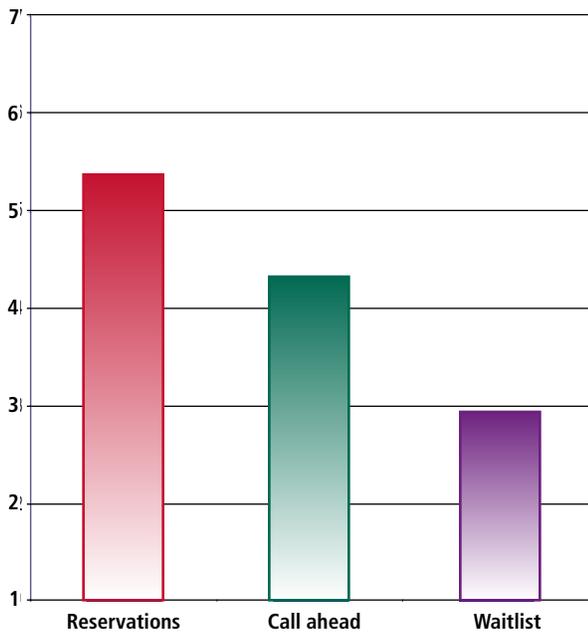


EXHIBIT 11

Average rating for "I have a shorter wait"

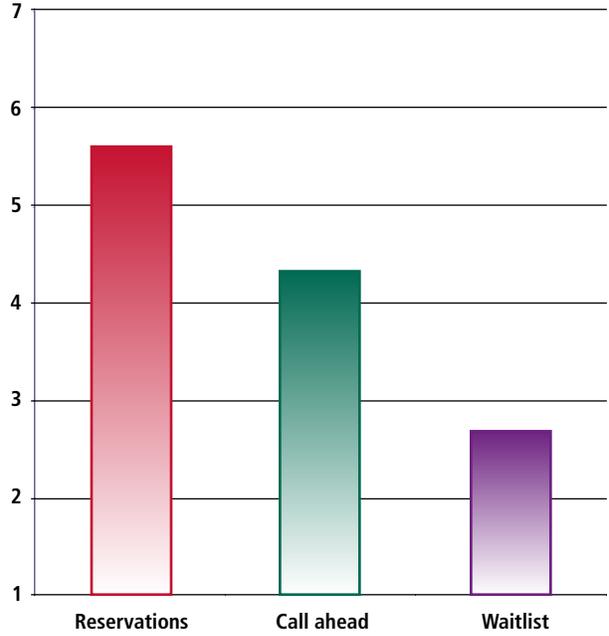


EXHIBIT 10

Average rating for "I can choose a table"

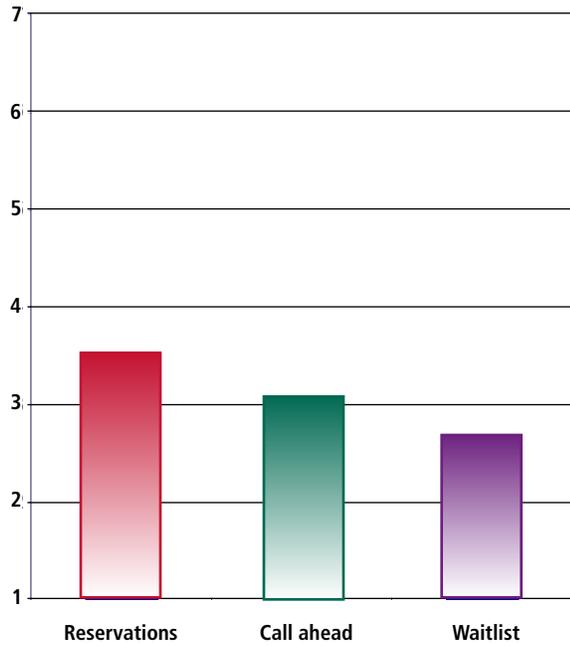


EXHIBIT 12

Average rating for "My table will be ready"

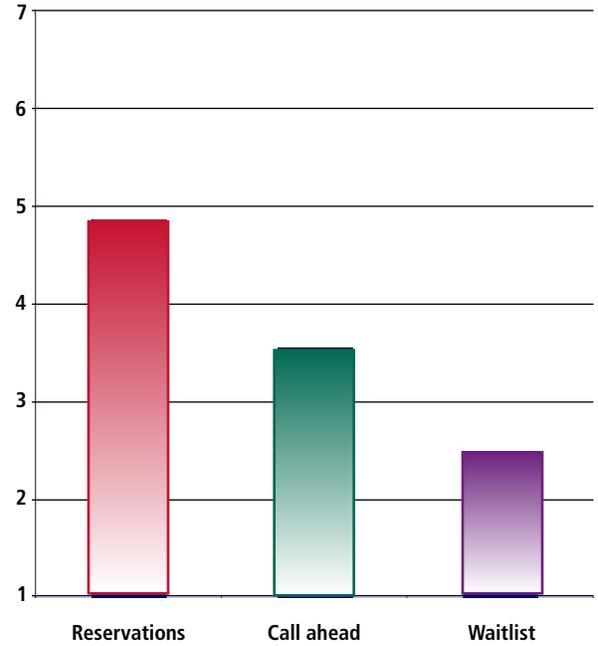
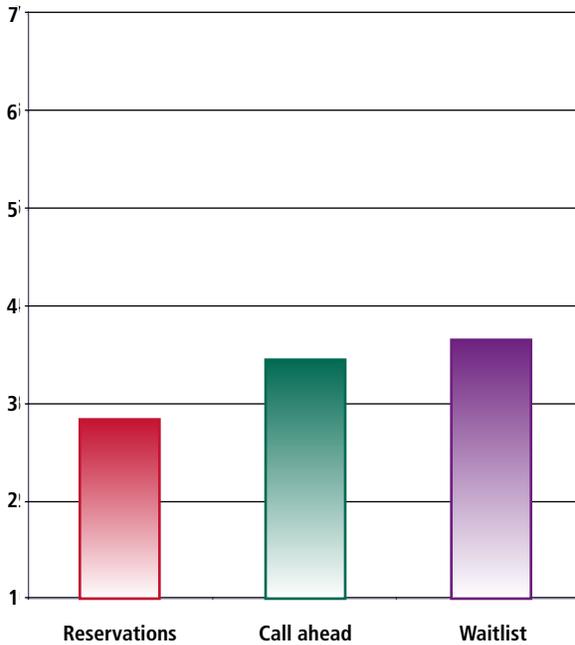


EXHIBIT 13

Average rating for “Restaurant doesn’t care about me”



ahead seating or waitlist seating. Of these three policies, the respondents took a particularly dim view of being seated from a first-come, first-served waitlist. These preferences are similar for both social and business occasions, but the differences are much more pronounced for business dinners than for social dinners. For a business occasion, respondents overwhelmingly preferred reservations, far more than in a social context.

Our survey demonstrated the increased sense of control over their time that respondents perceive at restaurants that take reservations—more control over their dining experience, more control over their evening’s schedule, and even more control over the table at which they will be seated. Although call-ahead seating is not rated as highly as reservations, respondents still believed they had significantly more control in restaurants that use call-ahead seating than those that use waitlist seating. The increase in perceived control combined with the strong preference for restaurants that take reservations or use call-ahead seating supports previous research which has shown that an increase in perceived control typically leads to increased satisfaction.²⁴

Respondents believe that restaurants that take reservations offer higher service convenience. Again, although call-ahead seating was not rated as highly as reservations, respondents believed that their wait would be shorter with call-ahead seating than would be the case in restaurants that used waitlist seating. This supports previous research that has shown that a reduction in the perceived waiting time leads to enhanced satisfaction.²⁵

Respondents reported a more favorable perception of a restaurant’s service orientation when it takes reservations. Once again, respondents had a more favorable view of restaurants that use call-ahead seating than those that use waitlist seating.

Recommendations for Managers

Based on the results of this survey, casual dining operators should seriously consider offering reservations, or an easy-to-explain call-ahead seating policy. We say this because of the dim view our respondents took of waitlist seating. We were particularly impressed that 57 percent of our respondents would not consider a walk-in-only restaurant for a business dinner.

That cannot be the end of the discussion, however. We suspect that casual restaurants cannot entirely abandon the waitlist. There will always be walk-ins, and there will always be customers who prefer not to plan ahead. Perhaps the critical point here is that the restaurant should take whatever

²⁴ Averill, *op.cit.*; Hui and Bateson, *op.cit.*; Hui and Tse, *op.cit.*; and Langer, *op.cit.*

²⁵ Katz *et al.*, *op.cit.*; Pruyn and Smidts, *op.cit.*; and Tom and Lucey, *op.cit.*

steps are possible to give customers more control over the length of their wait. That may involve nothing more than a realistic estimate of wait time and the use of a pager, but at least the customers know that the restaurant is focusing on whittling down the wait.

Restaurants that do take reservations or allow call-ahead seating must make sure that their policies are clear. Customers who are familiar with a policy are more likely to view that policy favorably.²⁶ Given the problems that accepting reservations can cause, we can see that casual restaurants might decide against taking them. Our survey shows that call-ahead seating may be a good compromise policy, because it does not have the operational problems associated with reservations and at the same time is viewed more favorably than waitlist seating.

Limitations and Future Research

This study was limited by the sample, which consisted of people intercepted as they walked through the lobby of the Statler Hotel on the Cornell campus. It would be useful to conduct the survey in additional sites with a randomly selected sample.

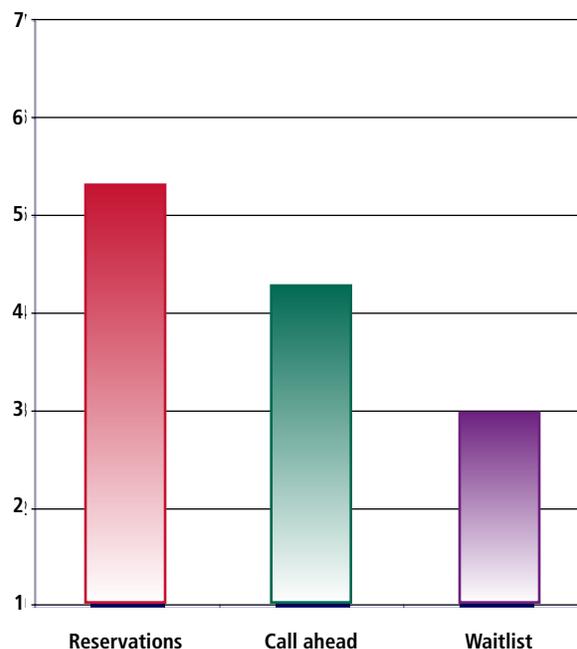
Our sample's strong preference for reservations leads to a number of further research questions concerning reservations. For example, what policies do restaurants that take reservations adopt to help alleviate problems with no-shows, short-shows, and late-shows? How well do such policies work, and what are the associated issues? These questions will be addressed in an upcoming *Cornell Hospitality Report* on reservations policies. The study will address which policies are in use at top restaurants and how customers react to these policies. This should be of great practical value to restaurant operators. Additionally, if customers prefer reservations, why do so many successful casual restaurants not accept them? This will be studied in a future report, in conjunction with the National Restaurant Association.

Other interesting questions to address include how to determine the optimum mix between reservations accepted, call-ahead patrons, and walk-ins, along with the best way in which to set up a reservation book. For example, how many tables of each size should be allocated to different time slots?

Finally, we note customers' strong dislike of waiting for a table, particularly when they have made a reservation. The effects on customer satisfaction of giving inaccurate wait times and the effectiveness of potential proactive service recovery strategies would be interesting and useful areas of further research. In that regard, research on how to develop a more accurate wait time estimate seems warranted. ■

EXHIBIT 14

Average rating for "Restaurant respects my time"



²⁶ McGuire and Kimes, *op.cit.*; and Wirtz and Kimes, *op.cit.*

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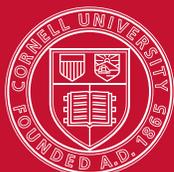
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