Fast Food Industry: Brand Association and Perceived Quality Influence on Purchase Intention of Millennial Consumers

ABSTRACT

Fast food restaurants often attract their target consumers with their taste, price, and level of customer service. Specific dimensions must also be considered when making purchases to attract customers to these restaurants. This study aims to give new entrants in the fast food business a basis for what they should concentrate on to draw in Generation Y customers. 385 participants received an online survey, and descriptive statistics, PLS-SEM, WARP PLS Version 7.0, and SPSS Version 20 were utilized to examine the quantitative data. Results showed that respondents regarded service quality as the most significant factor, meaning it is more important that employees treat them well in a fast food restaurant for them to return from the same restaurant. On the other hand, brand association is not as crucial as the other factors. Nonetheless, it still influences the purchase intention in the industry through the awareness it provides regarding updates on the new entrants to fast food in the Philippines.

Keywords: Fast Food, Brand Association, Perceived Quality, Millennials, Purchase Intention

INTRODUCTION

According to Xiao et al. (2018), purchase intentions of Generation Y consumers of fast food relies on the service quality, the environment, the quality of the food, and the price. Generation Y, or Millennials, have been found to prefer eating away from home which is specifically on fast food restaurants. The people within this age group have more spending on this endeavor as compared to their spending on electronics and even a higher level of education (Segokgo, 2016). Having said that, there are only a few articles that tackle the fast food industry in the Philippines. Additionally, there are no published papers on the fast food industry that focuses on the consumption of Millennials in Metro Manila. Hence, the researchers aim to provide a basis for the new entrants in the fast food industry on the dimensions of fast food they must consider to acquire Generation Y consumers. Specifically, it aims to determine the consumers’ perception on brand
association and perceived quality factors and understand its influence on their purchase intentions.

LITERATURE REVIEW

Fast Food

In a 2014 country report of Euromonitor International, the market in the fast food sector is the largest and fastest growing of the industry of foodservice (Raquel & Alonzo, 2019). The leading embodiment of the distinct oriental taste, market, and ownership of Filipinos is undoubtedly, Jollibee. The branches of this brand and even other fast food restaurants in the Philippines are increasing given the current mindset of the society on “eat-and-run” (Alvarez 2020). Other than convenience and consistency, fast food consumers in Serbia as stated by Demirović-Bajrami et al. (2020) take into account health, social responsibility, and product quality.

Brand Association

Brand Association according to the study of Choi and Seo (2019) could also be correlated to cause-related marketing or CRM. The concept of CRM refers to an instance wherein a company implementing a strong brand equity will result in a high level of association between brand and social causes which will lead to the consumers becoming more engaging and participating actively in the brand’s activities.

Positive Brand Association in Relation to Consumer Satisfaction

According to Sari & Susilowati (2020), the positive influence of brand association towards the customers’ purchase intention is helping the fast food restaurant’s management in conducting specific strategies on its brand communication. Research findings of Khan et al. (2021) stated that if the consumer had a positive experience with a brand, this could result in a positive association with the brand. Rodríguez-López et al. (2020) added that the consumers will associate themselves with the fast food restaurant considering that there is a high significant level of authenticity towards the brand’s food and environment.

Negative Brand Association in Relation to Consumer Satisfaction

In the study of Rossolatos (2021), it was proven that negative and relevant comments are more likely to be given by the consumers than the positive and relevant ones. Negative experiences from a fast food restaurant are more impactful to the consumers than positive ones. Negative publicity, on Maslikhan’s (2019) findings, could clearly make an impact on a firm's brand equity, especially with how this negative information would be escalating and developing on social media.

Brand Association to Purchase Intention

According to Hanaysha (2021), brand association has a positive effect on consumer’s purchase intention and their preferences. Adding also the findings of Susanti et al. (2019) that brand association is a critical determinant component in consumer’s intention to
purchase. It was also determined that brand association could be influenced by positive insights from other consumers, leading to their intention to purchase from the brand. In the study of Mohd Yusof et al. (2021), consumers are more likely to associate themselves with the brand when they know that they would be achieving great quality of service thereof.

**H1: Brand Association has a positive influence on Purchase Intention of Generation Y Customers in Fast Food.**

**Food Quality**

According to the study of Xiao et al. (2018), food quality is a major factor that significantly influences the purchase intention corresponding to the choice of restaurant. They also have mentioned that there is a positive correlation between food quality and satisfaction that would later influence the purchase intention of consumers.

**Food Quality to Purchase Intention**

According to Zhong and Moon (2020), food quality could be a marketing strategy on how fast food brands could acquire customers by providing a unique experience to them through food presentations, menu, freshness, and such. Based on the findings of Vigilia (2020), customers would usually seek fast food restaurants that serve quality food and that have a wide variety of food in the menu. In the findings of Namin (2017), it was also found that the food quality is one of the most influential factors in consumer behavior. Food quality in this study is determined by using high quality ingredients in preparing the food that would be served in fast food restaurants.

**H2: Food Quality has a positive influence on Purchase Intention of Generation Y Customers in Fast Food.**

**Physical Environment Quality**

The major sensory impression caused by the design, physical appearance, and retail activities is the physical environment (Cox & Brittain, 2000, as cited in Amir, 2021). The physical environment is an intangible feature comprising everything associated with the brand that would leave an impression on the specific area (Serhan & Serhan, 2019). This factor will also encourage restaurant owners to focus on and put effort into offering a more pleasant environment for their consumers (Xiao et al., 2018).

**Physical Environment Quality to Purchase Intention**

According to Bitner (1992, as cited in Slack et al., 2020), a well-designed physical environment has a significant impact on consumers' pre- and post-purchase decisions, as well as their satisfaction with the quality of products and services provided by a service provider. Similarly, Hyun et al. (2018, as cited in Richardson et al., 2019), mentioned that the physical environment of a fast food restaurant can foster positive attitudes and improve perceived value, customer satisfaction, and loyalty. Furthermore, a pleasant and stimulating physical environment will increase consumers’ purchase intentions by about 12% on average (Ryu & Jang, 2006, as cited in Xiao et al., 2018). Hanaysha (2016, as
cited in Zhong & Moon, 2020) also noted that a well-kept physical environment can help a restaurant retain existing customers while also attracting new ones. This is supported by Canny (2013), wherein the physical environment is important not just to retain current restaurant customers, but also to attract new ones, because many customers place a higher value on a pleasant and inventive restaurant environment than on the food or service itself.

**H3:** Physical Environment has a positive influence on Purchase Intention of Generation Y Customers in Fast Food.

**Service Quality**

Service quality is the expectation set by the consumer over the actual service received (Yarimoglu, 2014, as cited in Slack et al., 2020). Furthermore, it was also defined as the level of interpersonal service wherein employees of fast food restaurants interact with consumers (Ha & Jang, 2010, as cited in Slack et al., 2020). According to Saneva & Chortoseva (2018), the difference between the value derived from the consumers’ expectations and the value derived from their perceptions of the actual service performance is also known as service quality.

**Service Quality to Purchase Intention**

Among other factors, service quality also has an effect on the purchase intention (Ariffin et al., 2021). Service quality is the association between the service provider and the customer (Chun & Nyam-Ochir, 2020; Xiao et. al., 2018). Similarly, Slack et al. (2020) clarified that multiple studies found commonalities among articles that focus on factors affecting the choice of food and one of primary ones is service quality. Nonetheless, service quality is important for the success of any fast food establishment as having a low one on this part will be attributed to a low-scale food service (Serhan & Serhan, 2019).

**H4:** Service Quality has a positive influence on Purchase Intention of Generation Y Customers in Fast Food.

**Purchase Intention of New Customers in Fast Food**

Xiao et. al. implied in 2018 that purchase intention is one of the most significant factors in the field of business since it promotes profitability when customers are satisfied most especially for long-term instances and lifetime value. Furthermore, purchase intention determines whether a certain product or service has satisfied a customer's need or wants to trigger their further exploration of a particular offering. In addition, Xue et. al. stated in 2021 that the purchase intention of consumers portrayal their assessments and positive premise of a brand. The variety of the food associated with fast food ranges from hamburgers to pizzas that are all prepared in a standardized manner by global, national, and even multinational franchises (Sapic et. al., 2019). Usually it is associated with food served in large portions, at low prices, with lots of calories (Namin, 2017; Demirović-Bajrami et al., 2020). With different preferences of Filipinos with foreigners, there are different implications in terms of considerations for consumption of fast food.
In a competitive market, there is a need for constant competitor analysis to determine competitive advantages and disadvantages for competitive marketing strategies (Alvarez, 2020). In 2020, Liu et. al. discovered that there is an existing association within a 500 meter radius of the restaurant and the consumption of young adults. Thus, consumption increases when there are nearby fast food outlets. In the Philippines, the topmost reason for patronizing fast food restaurants is food quality which highlights the taste, the variety, and the cleanliness of the environment (Alvarez 2020). It was discovered by Pérez-Villarreal et al. (2019) that attitude towards a brand or a certain fast food category is required to have a purchase intention at all. To assist in this attitude, they emphasized that tradition and taste are the two most important values one has to consider in the fast food product.

**Hypotheses of the Research**

![Proposed Conceptual Framework](image)

**Figure 1. Proposed Conceptual Framework**

**METHODOLOGY**

The proponents utilized the quantitative method by using a descriptive-causal analysis to examine the influence of the dimensions of perceived quality and brand association on the purchase intention of Generation Y consumers in the fast food industry. Several studies use this type of analysis to assist them to discuss and present the cause and effect relationship between the variables. As a result, such data was used to come up with a rationale that could help new entrants acquire consumers in the fast food industry.

This research study is carried out to the highly urbanized areas in the National Capital Region since urbanization increases the possibility of the presence of fast food establishments in an area (Yang et al., 2017). This is in line with the discussion of Awaan & Nawaz in 2015 that the lifestyle of urban areas is associated with the demand for food. To achieve the quantitative approach of this study, the researchers distributed the questionnaires to 385 participants online using Google Forms and onsite using a printed copy of the questionnaire. Respondents were screened in accordance with certain requirements. Initially, it is important to note that these respondents should belong to the age group of the Generation Y which are the ages 26 to 41 years old. According to
Segokgo (2016), Millennials have been discovered to prefer eating out, particularly at fast food restaurants. The proponents of the paper have used the leading fast food brand in the country as the basis with 37.5% market share in the sector (Banzon, 2017). With almost 1,186 branches in the country and Luzon as the place where they have most of their branches (846 branches) where most come from the National Capital Region (379 branches), the study site began within this region.

The researchers used a quantitative survey questionnaire with a 6-point Likert scale on acquiring data on consumers’ level of agreement on the variables influencing purchase intention. There was also a part on the survey questionnaire wherein the respondents were screened based on some of their personal information and their current purchasing behavior. The researchers strived to adapt and modify Vigilia's (2020) and Racquel & Alonzo’s (2019) survey questionnaires to cover all of the research issues in this study. Additionally, the researchers attempted to modify Sari and Susilowati’s (2020) questionnaire, but because the researchers are attempting to cover the fast food business in general, the questionnaire did not include any specific fast food brand. The researchers had also tested the reliability of the study using Cronbach Alpha. Lastly, Cohen's Kappa was utilized to analyze data that are similar or those that are having the same scores.

The researchers used a purposive sampling method to gather the data for this research study. The researchers screened the respondents based on their qualifications: fast food consumers, part of Generation Y, and currently located in NCR. The estimated time allocated for the data gathering lasted for a month, which occurred in December 2022.

The researchers also used stratified sampling to determine the corresponding percentage of respondents gathered in a specific city within NCR. Using the Cochran Formula having a margin of error of 5% with a confidence level of 95%, the total sample size was computed to be 385 total respondents. It was then divided into the three main cities in NCR that have the highest population density, 217 participants from Quezon City, 137 from Manila City, and 31 from Pasay City. These cities are ranked to be the top three in highly urbanized areas according to the Department of Trade and Industry on Cities and Municipalities last 2021.

The proponents treated the data collected using descriptive statistics and inferential statistics. The mean, standard deviation, frequency, and percentage are specifically on the screening part of the questionnaire where the demographics of the respondents are indicated. In addition, the data resulting from the questions focusing on the first and second objectives were also treated the same. The following were used to interpret the data's means: 5.15 - 6.00 (Strongly Agree), 4.32 - 5.16 (Agree), 3.49 - 4.31 (Slightly Agree), 2.66 - 3.48 (Slightly Disagree), 1.83 - 2.65 (Disagree), and 1.00 - 1.82 (Strongly Disagree).

Furthermore, with the variables of this paper being latent and with its third objective, which measures the influence of variables, inferential statistics was deployed. Partial
Least Square - Structural Equation Modeling was used in determining the effect of the exogenous variables on the endogenous variable. According to Rajput and Gahoor (2020), PLS-SEM is recommended for investigating complicated cause-effect relationships. It is a good choice for understanding and discussing complex interactions in general because it avoids impermissible solutions and variable indeterminacy (Zhong & Moon, 2020). To process the data accordingly, the proponents used WARP PLS Version 7.0 and Statistical Packages for Social Sciences (SPSS) Version 20.

RESULTS

This presents the results and findings from 387 questionnaires completed by Millennial fast food consumers. The researchers want to give new entrants in the fast food industry a basis for understanding the dimensions of fast food that they must consider to acquire new customers from Generation Y.

**Demographic Characteristics of the Respondents**

<table>
<thead>
<tr>
<th>Demographic Group</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>220</td>
<td>56.8</td>
</tr>
<tr>
<td>Male</td>
<td>167</td>
<td>43.2</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26-30</td>
<td>186</td>
<td>48.1</td>
</tr>
<tr>
<td>31-35</td>
<td>99</td>
<td>25.6</td>
</tr>
<tr>
<td>36-41</td>
<td>102</td>
<td>26.4</td>
</tr>
<tr>
<td>Location</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quezon City</td>
<td>217</td>
<td>56.1</td>
</tr>
<tr>
<td>Manila City</td>
<td>137</td>
<td>35.4</td>
</tr>
<tr>
<td>Pasay City</td>
<td>33</td>
<td>8.5</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below Php 18,200.00</td>
<td>31</td>
<td>8</td>
</tr>
<tr>
<td>Php 18,201.00 – Php 36,400.00</td>
<td>86</td>
<td>22.2</td>
</tr>
<tr>
<td>Php 36,401.00 – Php 63,700.00</td>
<td>139</td>
<td>35.9</td>
</tr>
<tr>
<td>Above Php 63,700.00</td>
<td>131</td>
<td>33.9</td>
</tr>
</tbody>
</table>

Results revealed that the majority of the respondents were female with ages ranging from 26 to 30 years old. Additionally, results showed that 56.1% of the respondents were residing in Quezon City with a monthly income of Php 36,401.00 to Php 63,700.00 and above Php 63,700.00.

**RO 1. To determine the consumers’ perception on the factors of the fast food industry**

Table 2 shows the respondents’ perception of the factors of the fast food industry. Results revealed that among the four factors, respondents rated Service Quality as the most important factor of the fast food industry, followed by Perceived Food Quality.

Specifically, among the four indicators of Service Quality, respondents rated “Employees that provide service quickly and accurately are important to me” and “Employees that are courteous are important to me” as the leading indicators of Service Quality. This finding is supported by Amir (2021), who states that interactions between an employee and a
Fast Food Industry: Brand Association and Perceived Quality.....

customer in a fast food restaurant should be optimized following the standards that the fast food restaurant has established. It is because fast food restaurants fall into a category of establishments that offer limited service compared to others. Additionally, research by Serhan & Serhan (2019) showed that the academic staff, students, and other employees at a remote university in Lebanon place more value on the treatment of the cafeteria staff towards their customers, their familiarity with the products they offer, and how cooperative the employees are. However, in contrast to their finding, the least significant indicator for them was the speed of service.

| Table 2. Respondents’ Perception of the Factors of the Fast Food Industry |
|---------------------------------------------------------------|---------------|-----------------|--------------------------|
| Fast Food factor                                              | Mean          | Sd              | Verbal Interpretation    |
| Brand Association towards Fast Food                           | 4.91          | 1.12            | Agree                    |
| New entrants to fast food restaurants in the Philippines provide high quality products at a reasonable price. | 4.76          | 1.11            | Agree                    |
| I feel significant when I eat and make purchases from new entrants’ fast food restaurants. | 4.47          | 1.29            | Agree                    |
| New entrants of fast food brands in the Philippines have personalities and are interesting. | 4.82          | 1.11            | Agree                    |
| It is important for me to know the current issues and new related to the fast food brand before I purchase from them. | 5.07          | 1.15            | Agree                    |
| Feedback from other customers influences me to try out new entrants to fast food restaurants in the Philippines. | 5.44          | 0.93            | Strongly agree           |
| Perceived Food Quality                                        | 5.74          | 0.69            | Strongly agree           |
| Food that a served in the fast food restaurants should be made with fresh and high quality ingredients. | 5.68          | 0.78            | Strongly agree           |
| Food that are made and served in the fast food restaurants should be clean. | 5.85          | 0.56            | Strongly agree           |
| The presentation of the food being served in fast food restaurants is important to me. | 5.62          | 0.78            | Strongly agree           |
| The taste and smell of the food served in the fast food industry is my mosy crucial consideration. | 5.79          | 0.64            | Strongly agree           |
Table 2. Respondents’ Perception of the Factors of the Fast Food Industry

<table>
<thead>
<tr>
<th>Fast Food factor</th>
<th>Mean</th>
<th>Sd</th>
<th>Verbal Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Perceived Physical Environment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fast food restaurants with spacious eating arrangements are important to me.</td>
<td>5.41</td>
<td>0.96</td>
<td>Agree</td>
</tr>
<tr>
<td>Fast food restaurants with meat and clean surroundings are important to me.</td>
<td>5.42</td>
<td>0.97</td>
<td>Agree</td>
</tr>
<tr>
<td>Fast food restaurants with attractive buildings and dining areas are important to me.</td>
<td>5.61</td>
<td>0.86</td>
<td>Agree</td>
</tr>
<tr>
<td>Fast food restaurants having sufficient lighting is important to me.</td>
<td>5.39</td>
<td>0.97</td>
<td>Agree</td>
</tr>
<tr>
<td>Fast food restaurants with modern looking equipment are important to me.</td>
<td>5.38</td>
<td>0.99</td>
<td>Agree</td>
</tr>
<tr>
<td><strong>Service Quality</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees that are courteous are important to me.</td>
<td>5.81</td>
<td>0.54</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>Employees that are provide service quickly and accurately are important to me.</td>
<td>5.83</td>
<td>0.51</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>Employees that are knowledgeable and skilled are important to me.</td>
<td>5.77</td>
<td>0.54</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>Employees that are willing and able to provide service in a timely manner are important to me.</td>
<td>5.80</td>
<td>0.56</td>
<td>Strongly agree</td>
</tr>
</tbody>
</table>

RO 2. To know the level of purchase intention of the Generation Y consumers in the fast food industry

The respondents' intention to make a fast food restaurant purchase is shown in Table 3. Results revealed that respondents strongly agreed that “With good food quality, I have a strong intention to purchase a new entrant in the fast food industry” and “With a good service quality, I have a strong intention to purchase a new entrant in the fast food industry”. According to Richardson et al. (2019) and Xiao et al. (2018), food quality has been identified as the most important fast food dimension that affects a customer's purchase intention and selection process. On the other hand, Serhan & Serhan (2019) discovered that higher levels of customer satisfaction and the intentions to return and refer to others were positively connected with service quality.
Fast Food Industry: Brand Association and Perceived Quality.....

Table 3. Respondents’ Level of Purchase Intention in the Fast Food Industry

<table>
<thead>
<tr>
<th>Purchase Intention</th>
<th>Mean</th>
<th>Sd</th>
<th>Verbal Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>With a good food quality, I have a strong intention to purchase a new entrant in the fast food industry.</td>
<td>5.71</td>
<td>0.67</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>With a good food physical environment, I have a strong intention to purchase a new entrant in the fast food industry.</td>
<td>5.58</td>
<td>0.78</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>With a good service quality, I have a strong intention to purchase a new entrant in the fast food industry.</td>
<td>5.70</td>
<td>0.67</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>I will definitely consider buying food from new fast food brands.</td>
<td>5.53</td>
<td>0.77</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>Given the opportunity, I like to buy food from new fast food brands.</td>
<td>5.58</td>
<td>0.75</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>I will buy food from new fast food brands in the future.</td>
<td>5.59</td>
<td>0.71</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>Overall</td>
<td>5.61</td>
<td>0.72</td>
<td>Strongly agree</td>
</tr>
</tbody>
</table>

RO 3. To enumerate the factors in the fast food industry that would initiate the purchase intention of the Generation Y consumers

Partial Least Squares Structural Equation Modeling (PLS-SEM)

The factors in the fast food industry that would encourage Generation Y consumers to make a purchase were determined using the Partial Least Squares - Structural Equation Modeling (PLS-SEM).

The Confirmatory Factor Analysis (CFA) is employed in the first phase of this analysis to assess the measurement model or instrument used. On the other hand, the Structural Equation Analysis is utilized in the second phase. The Confirmatory Factor Analysis can be used to evaluate the measurement model’s convergent validity, construct reliability, and discriminant validity.
Table 4 consists of the latent variable coefficients that are used to assess the construct reliability, internal consistency, and convergent validity of the sets of indicators. According to Roldán & Sanchez-Franco (2012) and Kock (2017), the most commonly used in assessing the construct reliability are the composite reliability and Cronbach's Alpha. The values of the Cronbach’s Alpha (CA) must be at least 0.80 in order for the construct to have an acceptable reliability and would also be an indication of a good reliability. Similar to the Composite Reliability (CR) which must also be valued at least 0.80 in order to exhibit a good internal consistency.

In terms of construct reliability, results revealed that the Cronbach Alpha (CA) of Brand Association towards Fast (0.836), Perceived Food Quality (0.891), Perceived Physical Environment (0.942), and Service Quality (0.932), and Purchase Intention (0.950) met the criterion for good reliability. Similarly, the composite reliability (CR) of Brand Association towards Fast Food (0.885), Perceived Food Quality (0.924), Perceived Physical Environment (0.956), Service Quality (0.952), and Purchase Intention (0.960) fit the criterion for good internal consistency of the research instrument.

Results show that the research instrument’s indicators have fulfilled the convergent validity criterion. The factor loadings of all indicators ranging from 0.642 to 0.934, with a
p-value less than 0.001 implies that the constructs are statically important. However, some of the indicators have p-values higher than 0.05, hence were excluded since it only indicates that they are not statistically significant indicators of the construct.

Study by Kock (2017) supported that the convergent validity specifies that the respondents understand all the questions that are being asked in each construct the same way the researchers formulated the questions. On the other hand, based on the study of Amora, Ochoco, and Anicete (2016) and Kock (2017), the item loading is the relationship of the items and constructs and it also measures the convergent validity.

The constructs have an acceptable validity if its average variance extracted (AVEs) are higher than the threshold value which is 0.50. This calculates the amount of variation of each construct from its items in relation to the amount caused by the measurement error (Chin, 1998; Amora et al., 2016). The range of average variance (AVEs) retrieved was shown to be in-between 0.609 and 0.832 which indicates that the study instrument had sufficient validity.

**Discriminant Validity**

Table 5 presents the latent variable correlations with square roots of AVE coefficients in measuring the discriminant validity of the instrument. The square root for the AVEs must be higher than the other correlations that involve the given variables. Based on the results, the research instrument involves a discriminant validity given by the values on the main diagonal. The research instrument includes a discriminant validity when the given values at the main diagonal are greater than the off-diagonal elements and the latent variables have an acceptable discriminant validity. What the discriminant validity examines is if the statements are related with each latent variable and it does not confuse the respondents whenever they read and interpret the items in the questionnaire. In addition to this, the discriminant validity also examines if the indicators related to one variable have the same interpretation with the other statements associated with other variables (Kock, 2017).

<table>
<thead>
<tr>
<th>Latent Variables</th>
<th>Brand Association</th>
<th>Food Quality</th>
<th>Physical Environment Quality</th>
<th>Service Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Association</td>
<td>(0.781)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Quality</td>
<td>0.317</td>
<td>(0.868)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physical Quality</td>
<td>0.444</td>
<td>0.409</td>
<td>(0.902)</td>
<td></td>
</tr>
<tr>
<td>Service Quality</td>
<td>0.282</td>
<td>0.791</td>
<td>0.438</td>
<td>(0.912)</td>
</tr>
</tbody>
</table>

Diagonal values are the square roots of AVE, and off-diagonals are inter-construct squared correlations.
Evaluation of Structural Model and Hypothesis

Table 6. Model Fit Indices of the Emerging Model

<table>
<thead>
<tr>
<th>Measure</th>
<th>Estimate</th>
<th>Threshold</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Path Coefficient (APC)</td>
<td>0.262, p &lt; 0.001</td>
<td>p &lt; 0.05</td>
<td>Significant</td>
</tr>
<tr>
<td>Average R-squared (ARS)</td>
<td>0.657, p &lt; 0.001</td>
<td>p &lt; 0.05</td>
<td>Significant</td>
</tr>
<tr>
<td>Average block VIF (AVIF)</td>
<td>2.858</td>
<td>&lt; 3.3</td>
<td>Ideally</td>
</tr>
<tr>
<td>Average Full Collinearity VIF (AFVIF)</td>
<td>2.346</td>
<td>&lt; 3.3</td>
<td>Ideally</td>
</tr>
<tr>
<td>Tenenhaus Goodness of Fit (GoF)</td>
<td>0.708</td>
<td>≥ 0.36</td>
<td>Large</td>
</tr>
</tbody>
</table>

Table 6 consists of the most commonly used Model Fit of the emerging model. These indicators were employed to create the acceptability of the emerging structural model. The evaluation criteria for the structural model in general are the significance level of the Average Path Coefficients (p-value of APC), as well as the significance level of the Average R-squared (p-value of ARS). The Average Path Coefficient (APC = 0.262, p < 0.001) and Average R-squared (ARS = 0.657, p < 0.001) are more statistically significant than the acceptable range (p < 0.05) which implies that the emerging model is pertinent.

Emerging Model

As displayed in Figure 2, this study aims to discuss the influence of brand association and perceived quality on the Filipino Generation Y fast food consumers’ purchase intention. Perceived quality is further dissected into three parts namely food, service, and physical environment.

![Figure 2. The Emerging Model](image)

Note: *** Significant at < 0.001

Path Analysis and Hypothesis Testing

Table 7 provides an illustration of the path analysis. The researchers look at path coefficients and their probability values to determine the influence of brand association...
and the three dimensions of perceived quality on the consumers' purchase intentions towards new entrants in the fast food industry.

Table 7. Path coefficients and p-values

<table>
<thead>
<tr>
<th>Path</th>
<th>Path Coefficients (β)</th>
<th>P-values</th>
<th>Effect Sizes (f²)</th>
<th>Effect Size Interpretation (Cohen, 1988)**</th>
<th>Description</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Brand Association → Purchase Intention</td>
<td>0.298</td>
<td>&lt;0.001</td>
<td>0.167</td>
<td>Medium</td>
<td>Significant</td>
<td>H1 is Supported</td>
</tr>
<tr>
<td>H2: Food Quality → Purchase Intention</td>
<td>0.189</td>
<td>&lt;0.001</td>
<td>0.134</td>
<td>Small</td>
<td>Significant</td>
<td>H2 is Supported</td>
</tr>
<tr>
<td>H3: Physical Environment Quality → Purchase Intention</td>
<td>0.319</td>
<td>&lt;0.001</td>
<td>0.197</td>
<td>Medium</td>
<td>Significant</td>
<td>H3 is Supported</td>
</tr>
<tr>
<td>H4: Service Quality → Purchase Intention</td>
<td>0.257</td>
<td>&lt;0.001</td>
<td>0.168</td>
<td>Medium</td>
<td>Significant</td>
<td>H4 is Supported</td>
</tr>
</tbody>
</table>

Cohen Effect Size: **0.02 – Small, 0.15 – Medium, 0.35 - Large

DISCUSSION

With its p-value of less than 0.05 and a positive β-coefficient, it has been discovered that Brand Association towards Fast Food, Food Quality, Physical Environment Quality, and Service Quality has a significant positive effect on the Purchase Intention of the respondents. Brand association towards fast food, physical environment quality, and service quality are deemed to have a medium contribution while food quality only has a small contribution to the purchase intention of the respondents. These are impled by the value of the effect size. This explains the extent of the effect of the former to the latter.

Effect of Respondents’ Brand Association towards Fast Food on their Purchase Intention

The effect size of 0.167 implies that 16.7% of the variability in the respondents' purchase intention is due to the former. Consequently, this indicates that as the brand association towards fast food enhances, respondents' purchase intention will increase which supports Hypothesis 1. This supports the findings of Mackintosh & Didia last 2020 that brand association positively influences the purchase intention of the customers which they also reiterated to be similar findings of an article in 2000.

Effect of Respondents’ Perceived Food Quality on their Purchase Intention

With the effect size of 0.124, food quality results in 12.4% of the variability of the purchase intention of the participants. Additionally, the positive relationship indicates that as food quality enhances, the purchase intention of the respondents likewise increases. Thus, it supports Hypothesis 2. It is in line with the findings of Xiao et al. in 2018 that there is a positive relationship between food quality and the purchase intention of Millennials. Likewise, it is consistent with findings in 2017 of Namin that also implied that food quality is one of the most influential factors of consumer behavior. In the Philippines, Alvarez stated in 2020 that the topmost reason why Filipinos consume fast food is due to food quality.
Effect of Respondents’ Perceived Physical Environment on their Purchase Intention

The Perceived Physical Environment accounts for 19.7% of the variability in the respondents’ purchase intentions when the effect size is 0.197. The physical environment has a positive influence on the purchase intention of the respondents. Thus, Hypothesis 3 is supported. This result is consistent with the findings of Ryu and Jang (2006, as cited in Xiao et al., 2018), wherein consumers’ purchase intentions will roughly increase by 12% in a comfortable and engaging physical environment. However, this contradicts the research findings of Xiao et al. (2018), who revealed a negative correlation between a fast food restaurant’s physical environment and the purchase intention of Millennial students in Malaysia.

Effect of Respondents’ Service Quality on their Purchase Intention

The effect size of 0.168 means that 16.8% of the variability in the respondents’ purchase intention is resulted from the service quality. This finding implies that the more the service quality exceeds the expectations of the respondents, the more that the respondents are willing to purchase. Therefore, Hypothesis 4 is supported. The findings of this study are consistent with the study of Slack, et al. (2020) that proves that the service quality dimension is one of the significant determinants of customer’s perceived quality, satisfaction, as well as their purchasing intention. The more that the consumers are satisfied with the service quality, the more it influences their purchasing behavior.

CONCLUSIONS

Based on the findings of this study, brand association, perceived food quality, perceived physical environment, and service quality are all relevant and contribute positively to the purchasing intention of the consumers. However, the most important factor according to the respondents is service quality. It is more important for the respondents that the employees are treating them well in a fast food restaurant in order for them to return and purchase from the same restaurant. Brand association is not extremely important as the other factors, however, it is still considered as relevant on the consumers’ purchase intention in the fast food industry. This pertains to how important it is to be aware of the news and trends related to the fast food restaurant, having personalities, the feeling of eating in a fast food restaurant, and how satisfying are the new entrants to fast food in the Philippines.

Limitations and Recommendations

The researchers recommend that, in terms of the subject and study sites, they may want to look for and work with a population whose respondents are adult Generation Z (ages 18 - 25). Future works might not also restrict to a specific number of the country’s densely populated cities. This is both online and onsite connections to possible respondents to easily scatter the survey to other prospects. Additionally, should future researchers have access to printed articles or books, it would strengthen the literature.
to add citations from these other than merely online sources. Lastly, the researchers also suggest that future research may focus on the relationship between price (Namin, 2017) and the consumers’ purchase intention in the fast food industry. They might also want to discuss the influence of customer satisfaction and retention.

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