DLSU Research Congress 2022 De La Salle University, Manila, Philippines July 6 to 8, 2022

The Effects of COVID-19 Perceived Risk, Trust in Government, and Preventive Measures on Restaurant Visit Intention among Business Students in Tablas, Romblon

Ellaine Joy Guyo-Eusebio¹, Danzen Olazo² ¹ Romblon State University ² Holy Angel University *Corresponding Author: email <u>guyoellainejoy@yahoo.com</u> and <u>dolazo@hau.edu.ph</u>

Abstract: The ongoing COVID-19 pandemic has adversely affected the foodservice industry. This study explores the factors affecting restaurant visit intention. Two hundred ninety-nine business students in Tablas, Romblon, were surveyed. Descriptive statistics, multiple linear and moderation regressions were conducted using JAMOVI software. The study revealed that female business students have a higher level of Covid-19 risk perception, trust in government, and preventive measures' expectations regarding restaurant visit intention than male business students. Male business students have a higher intention to visit restaurants compared to female business students. More so, the results show that COVID-19 perceived risks, trust in government, and preventive measures have no significant effects on restaurant visit intention. However, it is worth noting that business students are worried about contracting COVID-19 while ordering in a restaurant, and they find it very risky on how it will be performed. Owners and managers should address this important issue. Further, the government and policymakers should also continuously improve their COVID-19 pandemic management. Business students trust them, primarily on disseminating information and news about the COVID-19 situation. Government and restaurant business owners can utilize social media to convey assurance and a sense of safety inside the restaurant facility to reduce the customers' perception of risk. Future research should explore other factors influencing restaurant visit intention such as guarantine protocols since restrictions prevent customers from going out.

Key Words: COVID-19, perceived risks, trust in government, preventive measures, business owner

1. INTRODUCTION

The coronavirus disease has already infected more than 219 million people worldwide and recorded a staggering 4.54 million deaths as of September 3, 2021, based on the latest monitoring of the John Hopkins Coronavirus Resource Center. New variant mutations, such as Delta, even worsened the situation, spreading faster than the original variant. In response to the pandemic, different governments started imposing lockdowns and community quarantine to curb virus transmission.



The foodservice industry plays an essential role in our economy by contributing 3% to the Philippines' gross domestic product. Based on the 2016 formal audit conducted by the Department of Trade and Industry (DTI), there were more than 6,652 full-service restaurants, 4,477 fast-food restaurants, 3,772 food kiosks, 3,748 cafeterias, and 1,445 bars & pubs operating in the Philippines.

The restaurant business is vulnerable to natural catastrophes and epidemics. Due to the COVID-19 pandemic, the Philippine food sector only grew by \$11 billion in 2020 from the expected \$16 billion (USDA). During the first few months of the community quarantine, restaurants were allowed to continue running on a dine-out basis, and travel restrictions caused to reduce demand for its services. The study conducted by Yang et al. (2020) also revealed that the pandemic greatly affected restaurant demand. Furthermore, Defend Jobs Philippines cited that 80 percent of food services establishments incurred losses due to lockdown in March 2020 (Inquirer). This situation resulted in some establishments temporarily shutting down their operations.

Dining in a restaurant already raised many issues among customers during the pandemic. If a customer infected by the virus enters a restaurant, the possibility of spreading the virus on anything he touches can cause the transmission to other customers (Shahbaz et al., 2020). Furthermore, physical contact and food sharing could aggravate virus transmission among other customers. These could be possible reasons why customers are hesitant to dine in a restaurant. Their perceived risk of COVID-19 can negatively affect their intention to visit. Thus, it is essential to practice preventive measures such as social distancing and disinfection, among others, inside closed spaces.

This study will investigate the factors influencing the intention to visit a restaurant. Specifically, the researcher would like to explore the effects of the following on restaurant visit intention: perceived risk of COVID-19, trust in the government in handling the pandemic, and preventive measures of restaurants against COVID-19.

Bae and Chang (2020) used the Health Belief Framework (HBF), introduced in the 1950s, to explain how health-promoting behavior minimizes health risks. He proposed that when individuals avoid health risks, they expect a particular health-promoting behavior to reduce that risk. Grounded on HBF, this study identified factors influencing consumer behavior, specifically visit intention: Perceived Risk of COVID-19; Trust in Government in managing the pandemic; and Preventive Measures of restaurants against the virus. Finally, using the social theory of gender, the researcher will also explore the role of gender on the relationships between these factors and restaurant visit intention, as shown below.

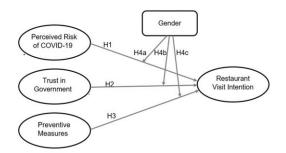


Figure 1. Operational Research Framework of the study

Yu et al. (2021) define perceived risk as customers' different perceptions of negative results from seeking products or services. This study defines perceived risk as the risks associated with COVID-19 while seeking food services in a restaurant. On the other hand, restaurant visit intention is the customer's intention to visit a specific restaurant once the economy reopens. While trust in government is the trust of the customers in government to manage the effect of the pandemic, preventive measures are the COVID-19 protocols that customers expect to observe while ordering in a restaurant. Thus the following hypotheses were tested in this study.

 ${\rm H.Perceived}\ {\rm risk}\ {\rm of}\ {\rm COVID-19}\ {\rm has}\ {\rm a}\ {\rm significant}\ {\rm and}\ {\rm negative}\ {\rm effect}\ {\rm on}\ {\rm restaurant}\ {\rm visit}\ {\rm intention}.$

H. Trust in Government has a significant and positive effect on restaurant visit intention.

 ${\rm H}$ Preventive Measures have a significant and positive influence on restaurant visit intention.

 $\rm H.$ Gender moderates the effect of the perceived risk of COVID-19 on restaurant visit intention.

H Gender moderates the relationship between trust in Government and restaurant visit intention.

H. Gender moderates the relationship between preventive measures and restaurant visit intention.

2. METHODOLOGY



DLSU Research Congress 2022 De La Salle University, Manila, Philippines July 6 to 8, 2022

2.1 Subsection

This study is a quantitative research that employed a stratified random sampling technique. The survey respondents are business students from the College of Business and Accountancy in Romblon State University's main campus (CBA RSU main). As a prerequisite in answering the survey questionnaire, student respondents must be officially enrolled during the 1st semester of the academic year 2021-2022. They should also be at least 18 years old and above at the time of data-gathering.

There are four programs offered by the CBA RSU main. These are the Bachelor of Science in Accountancy (BSA), Bachelor of Science in Business Administration major in Financial Management (BSBA-FM), Bachelor of Science in Business Administration major in Operations Management (BSBA-OM), and Bachelor of Science in Hospitality Management (BSHM). There are 1,333 students enrolled in CBA RSU main at the time of data gathering. Calculating the sample size for 1,333 population, 5% margin of error, and 95% confidence level, the researchers' sample size for this study was 299 respondents.

Based on the official list of enrollment provided by the RSU registrar, BSA has 81 students, BSBA-FM has 565 students, BSBA-OM has 196 students, and BSHM has 491 students. Thus, 18, 127, 44, and 110 students were identified respectively for each course program, which would total the required 299 respondents calculated for the sample size. The researcher utilized Google form to survey these respondents. The survey link was sent to the chair of each department and requested their assistance to forward it to their students, who will be part of the study.

Statistical analyses indicated that 127 respondents were enrolled in the BSBA-FM program, 110 were in BSHM, 44 were in BSBA-OM, and 18 were from the BSA department. One hundred of the respondents were on their 1st year level, 66 were on the 2nd year level, 73 were on their 3rd year, and 60 were already on their 4th year. Two hundred thirty-one respondents were females, while 68 were males.

3. RESULTS AND DISCUSSION

Correlation Analyses among Constructs

The study conducted Spearman correlation analysis among variables. The results show that perceived risk and visit intention were not correlated, r(297)=0.08, and significant (p=0.18). Perceived risk and preventive measures were weakly positively correlated, r(297)=0.37, and were significant (p<.001). Perceived risk and trust in Government were not correlated, r(297)=.20, and were significant (p<.001). Preventive measures and visit intention were not correlated, r(297)=0.03, and were not significant (p=0.59). Visit intention and trust in Government were not correlated, r(297)=0.09, and were not significant (p=0.11). Preventive measures and trust in Government were weakly positively correlated, r(297)=.43, and were significant (p<.001).

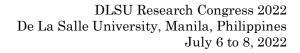
Table 1. Correlational Matrix

	Perceived Risk	Trust in Government	Preventive Measures	Visit Intention
Perceived Risk Trust in Governme nt Preventive Measures	<i>r</i> 0.202 <i>p</i> < .001 <i>r</i> 0.372 <i>p</i> < .001	<i>r</i> 0.437 <i>p</i> < .001		
Visit Intention	<i>R</i> 0.202 <i>p</i> < .183	<i>r</i> 0.090 <i>p</i> < .118	<i>r</i> 0.031 <i>p</i> < .590	

Linear Regression and Moderating Analysis of Variables

The results of the linear regression model were not significant, F(3,295) = 1.08, p=0.36, R2 = 0.011. Perceived Risk did not significantly predict Visit Intention, B= 0.05, t(295)=0.67, p=0.51. Also, Preventive Measures did not significantly predict Visit Intention, B=0.03, t(295) = 0.35, p=0.73. Finally, Trust in Government did not significantly predict Visit Intention, B= 0.05, t(295) = 0.81, p=0.42.

For moderation to be supported, two conditions must be met (Netemeyer et al., 2001). First, the causal predictor variables, Perceived Risk, Trust in Government, and Preventive Measures, must significantly predict Restaurant Visit Intention in the



simple effects model (step 1). Secondly, the interaction model (step 3) must explain significantly more variance of Restaurant Visit Intention than the noninteraction model (step 2). If either of these conditions fails, moderation is not supported. These regressions will be examined based on an alpha of 0.05. However, based on the regression analyses, Perceived Risk, Trust in Government, and Preventive Measures did not significantly predict Restaurant Visit Intention. Therefore, the first condition was not met.

 Table
 3. Results
 for
 Linear
 and
 Moderation

 Regressions

Pathname	B	<i>p</i> − Value	Results
Perceived risk \rightarrow Visit intention	0.05	0.51	Not significant
Trust in government \rightarrow Visit intention	0.03	0.73	Not significant
Preventive measures \rightarrow Visit intention	0.05	0.42	Not significant
Perceived risk x Gender \rightarrow Visit intention			Not supported
Trust in government x Gender \rightarrow Visit intention			Not supported
Preventive measures x Gender \rightarrow Visit intention			Not supported

4. CONCLUSIONS

This study provides new information on the relationship between risks related to health and customers' behavioral intention. Specifically, it contributes to the body of knowledge in at least four ways.

First, the study revealed that female business students have a higher level of Covid-19 risk perception, trust in government, and preventive measures' expectations regarding restaurant visit intention than male business students. These findings support the contribution of Davidson and Freudenburg (1996), Garbarino and Strahilevitz, (2004), and Yildirim et al. (2020). However, male business students have a higher intention to visit restaurants compared to female business students.

Covid-19 perceived risk did not significantly influence customers' restaurant visit intention. Previous research established that the higher an individual's perceived risk of COVID-19, the lower the possibility for that individual to visit a restaurant in the future (Hakim et al., 2021). However, this study showed a different result and supports Gan & Wang's (2017) and Leung and Cai's (2021) findings that perceived risk is not a significant predictor of behavioral intention.

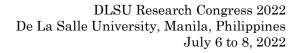
Trust in government did not significantly predict restaurant visit intention. It was expected that trust in the government influences intention to visit restaurants since it was found to have an indirect effect on visit intention through disease denial in Turkey (Hakim et al., 2021). Though the same research found no direct impact, the Turkish President's position on security measures to curb COVID-19 might have affected their findings based on Hakim et al. (2021). Therefore, this study verified if it would also deliver different effects on restaurant visit intention in a Philippine setting and generated similar results.

Finally, preventive measures did not significantly increase or decrease restaurant visit intention. Yildirim et al. (2020) highlighted that people became more engaged in preventive practices during this pandemic. Thus, this study assumed that this would affect customers' behavioral intention. However, the result showed that it did not influence restaurant visit intention, which confirms the study conducted by Wei et al. (2021).

5. PRACTICAL IMPLICATIONS

Business owners and managers consider customers' preferences in developing their marketing strategies. They focus their efforts on dynamics that have the most significant effect on customers. They also reflect this in their budget prioritization. Therefore, restaurant owners need to know the factors affecting the customer's decision to visit restaurants. Based on the results, the variables used in this study were not significant factors affecting restaurant visit intention. However, it is worth noting that business students are worried about contracting COVID-19 while ordering in a restaurant, and they find it very risky on how it will be performed.

Owners and managers should address this important issue. Since business students expect restaurant businesses to observe preventive practices inside the establishments; restaurant businesses should strictly observe the COVID-19 preventive measures among their employees such as frequent hand washing, use of hand sanitizers, and wearing of face covering. They should also sanitize the facility



religiously and ensure that hand sanitizer is readily available to guests. Further, the government and policymakers should also continuously improve their COVID-19 pandemic management. Business students trust them, primarily on disseminating information and news about the COVID-19 situation. Government and restaurant business owners can utilize social media to convey assurance and a sense of safety inside the restaurant facility to reduce the customers' perception of risk.

6. LIMITATIONS AND FUTURE DIRECTION OF THE STUDY

Similar to other research work, this study has its limitation. First, the researcher framed it in Romblon province, where cases are not as high compared to other provinces in the Philippines or other parts of the world. The result may not be similar for areas with a higher number of Covid-19 positive cases. The study also based the result on the whole sample; however, female samples were more represented than males. There could be a slight variation should there be an equal chance of both genders being represented. Finally, sample respondents were college business students belonging to the 18-23 years old bracket. This age group has a lower risk of contracting the virus since the risk associated with COVID-19 also depends on maturity (Jin et al., 2020, as cited by Hakim et al., 2021). Therefore, the age bracket of sample respondents probably affected the result.

Future research can replicate this study on older group populations in the same province to compare the result. Conducting it in regions with relatively high cases, such as Metro Manila, may also produce a different result, which can make a more generalized statement on the variables used. An older age group in high-risk areas may have different Covid-19 perception risks, different levels of trust in government, and expectations on restaurant preventive measures. Future research work may also include other factors affecting restaurant visit intention, such as quarantine protocols since restrictions prevent customers from going out. The indirect influence of these factors on restaurant visit intention is an exciting contribution to the literature that can also help restaurant owners manage their business moving forward.

7. REFERENCES

- Bae, S. & Chang, P. (2020). The effect of coronavirus disease-19 (COVID-19) risk perception on behavioral intention towards 'untact' tourism in South Korea during the first wave of the pandemic (March 2020). Current Issues in Tourism, DOI: 10.1080/13683500.2020.1798895
- Davidson, D. J., & Freudenburg, W. R. (1996). Gender and environmental risk concerns: a review and analysis of available research. Environment and Behavior, 28(3), 302–339. doi:10.1177/0013916596283003
- Davras, O. & Durgun, S. (2021). Evaluation of precautionary measures taken for COVID-19 in the hospitality industry during a pandemic. Journal of Quality Assurance in Hospitality & Tourism, 1-23
- Dedeoglu, B. & Bogan, E. (2021). The motivations of visiting upscale restaurants during the COVID-19 pandemic: The role of risk perception and trust in government. International Journal of Hospitality Management, 95, 102905
- Ellen G., & Michal S. (2004). Gender differences in the perceived risk of buying online and the effects of receiving a site recommendation. Journal of Business Research, 57(7), 768–775
- Foroudi, P., Tabaghdehi, S. & Marvi, R. (2021). The gloom of the COVID-19 shock in the hospitality industry: A study of consumer risk perception and adaptive belief in the dark cloud of a pandemic. International Journal of Hospitality Management, 92, 102717
- Gan, C. and Wang, W. (2017). The influence of perceived value on purchase intention in social commerce context. Internet Research, 27(4), 772-785
- Hakim, L. Zanetta, L., da Cunha, D. (2021). Should I stay, or should I go? Consumers' perceived risk and intention to visit restaurants during the COVID-19 pandemic in Brazil Mariana Piton. Food Research International, 141, 110152

DLSU Research Congress 2022 De La Salle University, Manila, Philippines July 6 to 8, 2022

- Han, H., Yu, J., & Kim, W. (2019). An electric airplane: Assessing the effect of travelers' perceived risk, attitude, and new product knowledge. Journal of Air Transport Management, 78, 33–42
- Hong, I. (2015). Understanding the consumer's online merchant selection process: The roles of product involvement, perceived risk, and trust expectation. International Journal of Information Management, 35(3), 322–336
- https://newsinfo.inquirer.net
- http://www.raosoft.com/samplesize.html
- https://www.worldometers.info/coronavirus
- https://www.fas.usda.gov
- https://www.dti.gov.ph
- Huifeng, Pan; Ha, Hong-Youl; Lee, Je-Won (2020).
 Perceived risks and restaurant visit intentions in China: Do online customer reviews matter?.
 Journal of Hospitality and Tourism Management, 430, 179–189.
- Kaur, S. & Arora, S. (2020). Role of perceived risk in online banking and its impact on behavioral intention: trust as a moderator. Journal of Asia Business Studies, ahead-of-print(ahead-of-print), doi:10.1108/jabs-08-2019-0252
- Leung, X. & Cai, R. (2021). How pandemic severity moderates digital food ordering risks during COVID-19: An application of prospect theory and risk perception framework. Journal of Hospitality and Tourism Management, 47, 497– 505
- Mitchell, V-W. (1992). Understanding Consumers' Behaviour: Can Perceived Risk Theory Help?. Management Decision, 30(3)
- Netemeyer, R., Bentler, P., Bagozzi, R., Cudeck, R., Cote, J., Lehmann, D., McDonald, R., Irwin, J., & Ambler, T. (2001). Structural Equation Modeling. Journal of Consumer Psychology, 10(1/2), 83-100.
- Pagliaro S, Sacchi S, Pacilli MG, Brambilla M, Lionetti F, Bettache K, et al. (2021) Trust predicts COVID-19 prescribed and discretionary behavioral intentions in 23 countries. Plos One, 16(3), e0248334
- R core team (2018). R: a language and environment for statistical computing. [computer software]. Retrieved from https://cran.r-project.org/.

- Shahbaz, M., Bilal, M., Moiz, A., Zubair, S., & Iqbal, H.M. (2020). Food Safety and COVID-19: Precautionary Measures to Limit the Spread of Coronavirus at Food Service and Retail Sector. Journal of Pure and Applied Microbiology, 14, 6203
- The jamovi project (2019). Jamovi. (version 1.1) [computer software]. Retrieved from https://www.jamovi.org.
- Wei, C., Chen, H. & Lee, Y. (2021). Factors influencing customers' dine-out intention during COVID-19 reopening period: The moderating role of country-of-origin effect. International Journal of Hospitality Management, 95, 102894
- Yang, Y., Liu, H., & Chen, X. (2020). COVID-19 and restaurant demand: early effects of the pandemic and stay-at-home orders. International Journal of Contemporary Hospitality Management
- Yildirim, M., Geçer, E. & Akgul, O. (2020). The impacts of vulnerability, perceived risk, and fear on preventive behaviors against COVID-19. Psychology, Health & Medicine, 1-9
- Yu, J., Lee, K., & Hyun, S. (2021). Understanding the influence of the perceived risk of coronavirus disease (COVID-19) on post-traumatic stress disorder and revisiting intention of hotel guests. Journal of Hospitality and Tourism Management, 46, 327-335