THE INFLUENCE OF INTERIOR DESIGN ON BUSINESS PERFORMANCE: THE CASE OF SELECTED RESTAURANTS IN NAIROBI CENTRAL BUSINESS DISTRICT, KENYA.

BY

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RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL FULLFILLMENT OF THE REQUIREMENTS FOR AWARD OF DEGREE OF MASTER OF ARTS IN PROJECT PLANNING AND MANAGEMENT OF THE UNIVERSITY OF NAIROBI.

2012
DECLARATION

This Research Project is my original work and has not been presented for the award of a degree in any other university.

Sign: .................. Date: ..................

Benson Kimani Kariuki
L50/63719/2010

This Research Project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

This Research Project Proposal is dedicated to my late father Stephen Kariuki Chege, for his inspiration and Love. Secondly, to my lovely wife, Ndanu Kilonzo Kimani for her moral support and love. Thirdly, I cannot forget my mother, Nancy Wambui Kariuki for her prayers, love and support. Lastly, to my brother Duvis Kariuki for his words of encouragement. All in all to God, the Author and Finisher of my Faith.
I would like to express my sincere gratitude and appreciation to the entire department of Extra-Mural Studies and fellow colleagues who have contributed their time towards the completion of my Research Project Proposal.

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LIST OF ABBREVIATIONS AND ACRONYMS

CID - Commercial Impacts of Design

DC - Design Council

NCIDQ - National Council for Interior Design Qualification

NCBD – Nairobi central business district
ABSTRACT

This study sought to establish the fact that distinctive interior environments enrich lives and deliver economic returns. The findings of this study were important implications on ways in which design is being utilized in the hospitality industries to promote efficiency, comfort and value to guests' experience. These areas, in turn, could positively contribute to businesses' well-being. This exploratory study investigated an area that to date, despite its fundamental importance, has received limited attention in different fronts, including in academic research.

The research methodology of choice was mixed model research design; Quantitative and Qualitative approaches are mixed within the stages of the research process. The population of the study comprised of food outlets appearing under "restaurant" category in the 2012 Telkom Kenya Nairobi directory based within the Nairobi central business district. Krejcie and Morgan Formulae was used to select the sample for the study. Data was collected using questionnaires, informal interviews and observation schedule. In analyzing the data collected, the Statistical Package for Social Scientists (SPSS) computer software package was used because of its capacity to statistically analyze data with speed and accuracy.

The study established that the restaurants had complied with ergonomics requirement to improve human well-being as well as overall restaurant performance. The study further established that majority of the restaurants still are challenged to substantiate the value of branding in clear financial terms, thus they are not investing heavily on advertising campaigns. The study results indicated that majority of the restaurants play a wide genre of music that their customers like. The colours they are using in the restaurants are visually pleasant to their customers and that their lighting is moderately bright, beautiful and appealing to their customers. Majority of the restaurant do not treat design as an integral part of their business strategy that can add measurable value to their performance and create a more sustainable business for the future.
The study concludes that majority of the restaurants had complied with most of the ergonomics requirements such as working environment been enabling to the disabled, furniture been comfortable to use, and work environment not clattered with furniture and equipment. The study concludes that majority of the restaurants had acted in accordance to the ambience customers like such as wide genre of music and appealing colours. The study research further concludes that not all the restaurants had their lighting as bright, beautiful and appealing to their customers. On organisational strategies and goals, the study concludes that effective design can make an important contribution to business success. The study further concludes that majority of the restaurant should treat design as an integral part of their business strategy that can add measurable value to their performance and create a more sustainable business for the future.

The study recommends that restaurants should invest in interior design of their businesses; this is because it greatly influences the performance of restaurants within the retail industry. The study recommends on ergonomics that working counters should be made comfortable and working environment enabling for the disabled. The study recommends that on branding restaurant ought to participate in advertising campaigns often. The study recommends that restaurants should make their lighting as bright, beautiful and appealing to their customers. Finally the study recommends that restaurant should treat design as an integral part of their business strategy that can add measurable value to their performance and create a more sustainable business for the future. The researcher recommends that a similar study should be taken in a different geographical set up to verify the findings of this study. The researcher further recommends that future researchers should do research on customers’ preference on Interior design of a business.
CHAPTER ONE

INTRODUCTION

1.1: Background to the study

This study sets out the current state of knowledge on design and its' role in driving business performance and productivity. This study sought to answer questions such as: how can design enhance value and productivity in an entrepreneurial endeavor, for example a start-up business or an existing business? Can design have a positive influence on your bottom line? Last but not least, does design mean good business?

If you are opening a new restaurant, owning an existing restaurant, or just came up with a restaurant business plan, you should give stress on looks of your restaurant business setup. Exterior and interiors both are important aspects, but your customers will spend more of their time inside your restaurant, so interior design consideration is more important, Ancills (2008).

Look and feel is a pleasing factor, in hospitality it is one of the most important factor. It can have positive effects on your restaurant business and provides proper returns of money invested in interior designing. Excellently designed interior of your restaurants provides a soothing and comfortable dining experience to your customers.

Ancills (2008) continues to say that it is true that walls, furniture, colours, paintings, lightings, and carpets all represent your restaurant. Together they make the visual impact of your restaurant. We can easily notice a single theme accepted by all key players of Restaurant and Cafe Industry. Take example of Nairobi Java House, Dormans or Savannah Coffee Lounge, you will find a common theme in every outlet of these restaurant chains. This common theme is in fact a part of their brand identity promotion.
This visual impact is the first appearance of your service offerings to your customer. Your interior designing theme will decide your customer's mood, that mood will decide their selection of cuisine presented in your menu, Nigel (2011).

Design that increases diversity amongst products, even without necessarily making one product objectively ‘better’ than another, helps businesses create niche markets. Where there are wide variations in taste and income it may make more sense to target a specific area of the market, potentially allowing firms to charge higher prices. But design will not always be this straightforward. As Johnson, Myatt (2004) note ‘...a design change may appeal to some consumers, while displeasing to others’.

1.2: Statement of the problem

This study sought to establish the fact that distinctive interior environments enrich lives and deliver economic returns. Any successful retail outlet has a strong brand personality that entices, impresses, encourages and reassures the customers. By creatively expressing the brand, products and image within well defined spaces, it not only enriches the customer experience but enhances the sales as well, Kramer (2011). Secondly, within the retail outlets, by applying ergonomic principles to the design of the restaurants, greater functionality can be achieved and yielding higher productivity but unfortunately this is seldom considered, Kramer (2011). Thirdly, entrepreneurs do not embrace the fact that Interior design environments that deliver economic returns, concerns itself with the visual or ambient enhancement of an interior space. This can be achieved by creating a clean, environmentally sustainable space with good acoustics, lighting and air quality, Mazarella (2011). Thus, this study sought to explore that interior design is practical, aesthetic, and conducive to intended purposes, such as raising productivity, selling merchandise, or improving life style. Fourthly, this study seeks to bring to light that Interior design is not a discipline that works in isolation;
in actual fact it is a multi-faceted profession in which creative and technical solutions are applied within a structure, to achieve a built interior environment that solves the customer's problems and links space to business strategies and goals, Mazarella (2011).

1.3 Purpose of the study

This study investigated the influence of Interior design on business performance of restaurants within the retail industry. Businesses exist to return measurable value to stakeholders and the aim is to identify, where possible, those designs factors that might make restaurant environments more productive, serving strategic purposes of the business, Commission for Architecture & the Built Environment and the British Council for Offices (2005).

1.4 Objectives of the study

The Research was guided by the following objectives, namely:

1. To establish how ergonomics influences business performance of restaurants within the Nairobi central business district, Kenya.

2. To determine whether branding incorporated within a retail business has influence on business performance of restaurants within the Nairobi central business district, Kenya.

3. To identify whether the ambience of an interior space has influence on business performance of restaurants within the Nairobi central business district, Kenya.

4. To verify how Interior Design when incorporated in the overall organizational strategies and goals influences business performance of restaurants within the Nairobi central business district, Kenya.
1.5: Research questions

1. What is the influence of ergonomics to business performance?
2. Is the link between branding and business performance a very strong one?
3. Do ambient conditions of a businesses' interior space influence business performance?
4. Does interior design when incorporated as an integral part of your business strategy, add measurable value to the bottom line and create a more sustainable business for the future?

1.6: Significance of the study

The rationale behind this study was to set out the current state of knowledge on design and its' role in driving business performance and productivity. This report sought to answer questions such as: how can design enhance value and productivity in an entrepreneurial endeavor, for example a start-up business? Can design have a positive influence on your bottom line? Last but not least, does design mean good business?

1.7: Delimitation of the study

This study focused mainly on the influence of interior design (independent variable) on business performance (dependent variable). The target population was Managers, employees and Customers of selected restaurants in Nairobi Central Business District, Kenya.

1.8: Limitations of the study

One limitation was to do with the extent to which the findings can be generalized beyond the cases studied. The number of cases was too limited for broad generalizations. However, the few cases represent rather different aspects of Interior design. Therefore, existing and prospective businesses can benefit from the findings. Further empirical evaluations, however,
are needed to replicate the findings in different surroundings. Secondly, because of the limited time and financial resources available, the research was conducted on a small size of population.

1.9: Assumptions of the study

First, the target population was willing to participate and respond whether through interview sessions or questionnaires. Secondly, the respondents were aware of what interior design entails. Thirdly, the respondents were not biased.

1.10: Definitions of significant terms

**Interior design** is a multi-faceted profession in which creative and technical solutions are applied within a structure to achieve a built interior environment that solves the customer's problems and links space to business strategies and goals. These solutions are functional, enhance the quality of life and culture of the occupants, and are aesthetically attractive.

**Ergonomics** interior design refers to the design of spaces that are useful and marketable to people with diverse abilities, efficient and comfortable, and with a minimum of fatigue. In addition, appropriate size and space is provided for approach, reach, manipulation, and use, regardless of the user's body size, posture, or mobility.

As noted by Bitner (1992), **ambient conditions** include background characteristics of the environment such as temperature, lighting noise, music and scent.

A **brand** is defined as a name, symbol, design or some combination of these, which identifies the product of a particular organisation as having a sustainable differential advantage, Shmitt (1999).
1.11: Organisation of the study

Design that increases diversity amongst products, even without necessarily making one product objectively ‘better’ than another, helps businesses create niche markets. This report seeks to establish the fact that distinctive interior environments enrich lives and deliver economic returns. Businesses exist to return measurable value to stakeholders and the aim is to identify, where possible, those design factors that might make restaurant environments more productive, serving strategic purposes of the business.

This study will focus mainly on the influence of Interior Design (independent variable) on Business Performance (dependent variable). My target population will be Managers and Customers of selected coffee shops in Nairobi Central Business District, Kenya.

One major limitation has to do with the extent to which the findings can be generalized beyond the cases studied. The number of cases is too limited for broad generalizations. However, the few cases represent rather different aspects of interior design. Therefore, existing and prospective businesses can benefit from the findings.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

According to Bitner (1992), the effect of physical design and décor elements on customers and workers is recognized by managers and mentioned in virtually all marketing, retailing and organizational behaviour texts. Yet, particularly in marketing, there is a surprising lack of empirical research or theoretically based frameworks addressing the role of physical surroundings in consumption settings. Managers continually plan, build change and control an organization’s physical surroundings, but frequently the influence of a specific design or design change on ultimate users of the facility is not fully understood.

The objective of this chapter is to review some of the literature on design and business performance, and to develop a structure to organize and interpret this literature. The final part of this chapter will comprise of a Theoretical framework and a conceptual framework, a brief explanation of the relationship between the variables identified for study.

2.2 The influence of ergonomics to business performance.

According to the description of ergonomics approved by the International Ergonomics Association, ergonomics deals with the design of products and processes in order to improve ‘human well-being’ as well as ‘overall system performance’. Improvement of human well-being can be considered as the social goal of ergonomics, which is important for the users of products and processes (consumers and workers) (Dul, 2000). Similarly, improvement of overall system performance can be considered as the economic goal of ergonomics, which is important for the management of an organization that develops, produces or uses products. Seldom considered, by comparison, are the practical applications of ergonomic intuition to
the design of the home. Ergonomically minded interior design produces living spaces that are not only "easier" to live in, but by virtue of this ease, facilitate "happier" living, Kramer (2011).

Stanton, Baber (2003) argue that whilst it may seem that ergonomics is cost effective to those in the profession, actual proof is hard to come by, having said that, the number of cases showing financial benefits of ergonomics is growing. The routes to demonstration of cost-effectiveness vary considerably. Some authors have demonstrated by way of case study, some by developing a business-case model, and some by a balance sheet approach, Stanton, Baber (2003). They continue to state that all of the contributions selected for publication in their special issue help to develop the case that Ergonomics interventions offer considerable benefits to the organisation in question, and these benefits include quantifiable, financial, outcomes.

Beevis, Slade (1970) argued that there was barely any evidence that justified ergonomic interventions on a financial basis. They proposed that justification for improvement in human-machine systems performance, although necessary, is not sufficient without supporting cost–benefit analyses. In 1970, they found less than 20 examples that represented the entire corpus on cost–benefit studies in ergonomics. These examples demonstrated improvements in productivity through better equipment design, reductions in mistakes and accidents, improvements in the design process through reduced time from concept to production, and increased sales through better designed products.

Hendricks (1992) argues that professional ergonomists need to put their proposals for ergonomic interventions in economic terms. To assist in this approach, Hendricks (1992)
outlines what the likely costs and benefits will be in an ergonomic intervention. This analysis may serve as a template for any ergonomic intervention. Under the cost side of the balance sheet he identifies: personnel costs, equipment and materials, disruption to normal working, and overheads. Under the savings side of the balance sheet he identifies: increased productivity, reduced errors and accidents, reduced training, reduced maintenance, reduced materials and equipment, and improved image of the company.

Karwowski (2005) states that the Human Factors discipline advocates systematic use of the knowledge concerning relevant human characteristics in order to achieve compatibility in the design of interactive systems of people, machines, environments, and devices of all kinds to ensure specific goals, Human Factors and Ergonomics Society (2004). Typically, such goals include improved (system) effectiveness, productivity, safety, ease of performance and the contribution to overall human well-being and quality of life.

3 The relationship between branding and business performance

Madden et al., (2006) in their journal of academy of marketing science begin by stating that corporate attention to branding has increased steadily and significantly since the publication of Aaker (1991) seminal work on the power of brands. Although corporate officers now may recognize branding as an important marketing activity, marketing executives still are challenged to substantiate the value of branding in clear financial terms Doyle (2000), Lehmann (2004). Conchar et al., (2005) comprehensive meta-analysis provides evidence of a significant positive relationship between a firm's advertising and promotion spending and the market value of the firm, thus supporting the linkage between a firm's brand-building activities and the financial performance of the firm.

Yeung, Ramasamy (2008) in their journal of brand management give an example of Michell et al., (2001) who surveyed 70 senior managers of industrial companies and confirmed
Shipley et al., (1993) finding that on average, industrial firms believe branding to be important towards realising corporate success.

Aaker et al., (2000) argue that the development of brands is the only way to remove oneself from a commodity status and price competition resulting in price premiums and consumer and trade loyalty. Not surprisingly, strongly branded companies are able to command a premium price among customers, thus reaping a higher profit margin.

Brand equity is said to have four dimensions: awareness, associations, perceived quality and brand loyalty, Aaker (1991). Each of these dimensions could influence business performance. Brand awareness is key in consumer behaviour and related to a brand's presence in the consumers' relevant set. Thus, a well-known brand is more likely to be considered for purchase and therefore to its market performance, Laurent et al., (1995); Silk, Urban, (1978). Brand association refers to any information linked to the brand node in the consumer's memory Aaker (1991). Researchers have found that brand associations have a positive influence on consumer choice, preferences and intention to purchase, their willingness to pay a price premium for the brand, accept brand extensions and recommend the brand to others Yoo et al., (2000); Cobb et al., (1995); Park et al., (1994); Agarwal et al., (1996) and Hutton (1997).

One of the prime determinants of customer satisfaction is perceived quality, and evidence has it that customer satisfaction is a direct driver of companies' profitability and stock performance Yeung, Ennew (2000). There is also evidence of a positive relationship between quality/satisfaction and retention Labarbera, Mazursky (1983) and Ennew, Binks (1996). Loyalty is a key driving force for financial performance, greater brand loyalty among consumers leads to greater sales of the brand. The loyalty-buyer behavior link has an important impact on financial performance too because repeat customers are generally
cheaper to service than new customers Hallowell (1996). Loyal customers are also more profitable as they are the main source of repeat purchase and positive word of mouth Wirtz, Chew (2002) and Edvardsson et al., (2000).

2.4 Ambient conditions and its relationship to business performance

As noted by Bitner (1992), several authors have identified ambient conditions as a factor that affects perceptions of and human responses to the environment Baker (1987); Baker et al., (1988); Becker (1981); Russell, Snodgrass (1987). Ambient conditions include background characteristics of the environment such as temperature, lighting noise, music and scent.

A very limited number of empirical studies in consumer research confirm that ambient factors may influence customer responses. For example, in studies of restaurants and supermarkets, it has been illustrated that music tempo can affect pace of shopping, length of stay, and amount of money spent Milliman, (1986).

In another study, familiarity of music played in a department store setting was found to affect shopper’s perceptions of how long the spent shopping, Yalch, Spangenberg (1988).

Whyte (1980) observed human activity in public spaces and found that even subtle changes in design (e.g., adding plants, providing comfortable perches) led to a rather dramatic increase in activity and utilization. Similar results might be achieved by examining the direction and flow of activities in a particular servicescape. For example, changes in the layout and furnishings of the service facility can be made to speed the flow of transactions, encourage particular forms of interaction between and among customers and employees, or provide opportunities for customers to linger. Turley, Miliman (2000) used the Berman, Evans (1995) approach to categorize atmospheric factors.

External Variables: The external variables include the storefront, marquee, entrances, display windows, building architecture, the surrounding area, and parking.
General Interior Variables: This category includes such variables as flooring/carpeting, lighting, scents and sounds, temperature, cleanliness, wall textures, and color usage. Numerous studies were found that dealt with interior variables and on customer’s perceptions of these variables.

Overall perceptions of the general interior have been studied by Donovan et al., (1994), Akhter et al., (1994), Donovan, Rossiter, (1982), Ward et al., (1992), and Grossbart, et al., (1990). All of these studies found that general perceptions of the interior influenced behavior. Taken together, these studies indicate that perceptions of the interior influence approach/avoidance, time spent in the environment, and sales.

2.5 Interior Design as an integral part of your business strategy

Olins (1989) states that the purpose of design is not only to change the appearance of products or the workings of processes, the visual style of an organization affects its' positioning in the market. In essence, corporate purpose is made visible through design.

Swann, Birke (2005), begin by stating how on the occasion of its 50th Birthday, the Design Council in 1995 published a booklet with 50 different definitions of design offered by famous designers, business-people, politicians, and others. The designer Michael Wolff is quoted to say: “Design is a vision... Design is a process...Design is a result” Each of these three statements raises important and different economic issues.

When referring to vision, a business must continually adapt to its competitive environment, there are certain core ideals that remain relatively steady and provide guidance in the process of strategic decision-making. These unchanging ideals form the business vision. Secondly, design is seen as one of the main routes through which ideas are turned into innovations; a technique to harness or channel creativity for commercial advantage. Thirdly, design is the
route to competitive success, especially in the world market, or design is the route to competitive distinction.

Effective design can make an important contribution to business success. Treat design as an integral part of your business strategy and it can add measurable value to the bottom line and create a more sustainable business for the future - a view supported by research from the Design Council (Design in Britain 2004-5). 45% of companies that don’t use design compete mainly on price. Where design is significant, only 21% have to compete on price. The UK’s most successful businesses rate design as the second most important factor (after financial management) for success. Design opened new markets for 39% of companies where design is integral to their business. 67% of companies where design is integral introduced a new product or service in the last 3 years, compared to a UK average of just 32%.

Careful and creative management of the business may be able to contribute to the achievement of both external marketing goals and Interior organizational goals. The typology of service organizations combined with the theoretical framework suggests that the physical environment may assume a variety of strategic roles in services marketing and management. First, the servicescape provides a visual metaphor for an organization’s total offering. In other words, the dimensions of the servicescape act as package, similar to a product’s package, by conveying a total image and suggesting the potential usage and relative quality of the service, Solomon (1985). Yet, the care given to product package design is commonly lacking in service “package” design. Second, the servicescape can assume a facilitator role by either aiding or hindering the ability of customers and employees to carry out their respective activities. The floor plan, layout of equipment and equipment design can have a major impact on the ability of users to complete their tasks and achieve their service goals. As a facilitator, the servicescape can encourage and nurture particular forms of social interaction among and
between employees and customers. Finally, the physical environment can serve as a differentiator in signaling the intended market segment, positioning the organization, and conveying distinctiveness from competitors. Each of the roles can be shaped to a significant degree to support important services marketing and management objectives of the organization, Solomon (1985).

2.6 Theoretical Framework

2.6.1 The Economic and Commercial Impacts of Investments in Design

Relatively little work appears to have been done on the economic or commercial impacts of investments in design. Almost certainly this reflects the absence of an agreed definition of design, as this has hindered the collection of consistent and comparable statistics on these investments. There are however a number of studies which show at least associations between investments in, or commitment to design and superior business performance. These include the studies on the Commercial Impacts of Design by the Design Innovation Group of researchers at the Open University, Tether (2005).

2.6.1.1 Studies on the Commercial Impacts of Design (CID) by the Design Innovation Group

The Design Innovation Group of researchers undertook a study of design and product development projects in 221 small and medium-sized firms. The CID study claims to have been the first to provide quantified information on the commercial returns to investing in professional design expertise at the product level. The researchers took great care to check that better design was the main reason for achieving the results reported and only 15% of firms said that factors other than design were responsible for the majority of the commercial outcome.
In summary, this research found out that of the design projects that were launched on to the market (i.e., implemented), 89% paid back their total project investment and made a profit. The average payback period was 15 months from product launch. Nearly half (48%) of the implemented projects recovered their total costs within a year or less of market launch and nearly 90% of the successful projects achieved payback within three years. The loss involved in those that failed was generally small, as most of the failures occurred prior to production starting. Of the projects that failed, the largest single cause was inadequate briefing of the design consultant, which was particularly a problem among smaller firms. Other problems included the failure to maintain adequate contact between the company and consultants and, in a minority of cases, the selection of an inappropriate design consultant. Where comparisons with previous, less design-oriented, products were possible, sales increased by an average of 41%.

Benefits included reduced manufacturing costs, stock saving, increased profit margins and improvements in a company’s external image. Almost half the companies in the survey increased their use of professional in-house or consultant designers following their experience with the subsidised consultant. Significantly, many of the companies whose projects did not make a profit were sufficiently convinced about the importance of design that they too increased their spending on it. A third of the firms said that the consultancy project had improved attitudes towards design and, in particular, they felt that they had learned key design management skills, especially how to select, brief and manage professional designers. Overall, therefore, the firms achieved considerable returns for their investments in design. The authors are however cautious that investments in design might be seen as an easy cure-all means of improving business performance: The relationship between investment in design and business performance is complex and interactive. In other words business success and investment in design and product development are likely to be mutually reinforcing, while
poor financial performance and a failure to invest can lead to a cycle of decline. Investing in design and product development is likely to be a necessary, but not sufficient, condition for good business performance.” Roy et al., (1998).

2.6.1.2 **The Danish Study on the Economic Effects of Design**

One of the more sophisticated attempts to investigate ‘The Economic Effects of Design’ is that undertaken in 2003 by the Danish Design Centre in collaboration with a consultancy and Copenhagen University. This study involved a telephone survey of 1,074 Danish businesses with 10 or more employees and asked about their business performance and investments in design. It is important to stress that the study finds some associations between investments in design and superior performance, but not causal relationships. In other words, whilst design may lead to success, it is also possible that more successful firms tend to invest more heavily in design.

The study found that about half the Danish firms surveyed were investing in design, either through undertaking design internally or buying design services from consultants, or indeed both. Comparing the performance of those firms that invested in design against those that did not, the study found that on average firms that invested in design tended to outperform those that did not invest in design in terms of sales growth and employment growth, although there was little difference in the export performance of the two groups. The best performing sub-group of firms was those that invested in design both internally and externally – these firms experienced substantially faster growth in sales and employment than did those that did not invest in design, and also exported substantially more than those that did not invest in design.

The Danish study also found that firms whose commitment to design was increasing tended to outperform – in sales growth and employment growth, but not exporting - those whose commitment to design was static or declining, Tether (2005).
The Danish study also examines performance according to the design ‘ladder’ developed by the Danish Design Centre. This ladder outlines four levels of commitment to design: 

Non-Design - Design is an inconspicuous part of, for instance, product development and is performed by members of staff who are not design professionals. Design solutions are based on the perception of functionality and aesthetics shared by the people involved.

Design is Styling - Design is perceived as a final aesthetic finish of product. In some cases professional designers may perform the task, but generally other professions are involved.

Design as Process - Design is not a finite part of a process but a work method adopted very early in product development. The design solution is adapted to the task and focused on the end user and requires a multidisciplinary approach, e.g., involving process technicians, material technologists, marketing and organisational people.

Design as Innovation - The designer collaborates with the owner/manager in adopting an innovative approach to all — or substantial parts of — the business foundation. The design process combined with the company vision and future role in the value chain are important elements, Tether (2005).

The analysis shows that on average firms that see design as innovation and design as process tend to outperform — in sales growth, employment growth and exports as a share of sales — those that did not have a commitment to design although this does not prove that design causes superior business performance. One way of interpreting these results and the role of design in business performance is that investments in design increase the probability that the firm will be in the high performance sub-set of firms that create most new sales and jobs Tether, Massini, (1998).

These companies experience an increase in growth that is statistically significant. However, the analysis does not identify design as the sole contributor to higher revenue. Investment in design very likely presupposes a certain level of economic success due to the high cost of
investment. In turn, the revenue generated by the investment allows the company to reinvest in design. Focusing on design probably yields greater competitiveness because it promotes a more professional business approach. This is reflected in the fact that companies with a comprehensive approach to adopting design perform better, Tether (2005).

2.7 Conceptual Framework

Distinctive interior environments enrich lives and deliver economic returns. Within the retail outlets, by applying ergonomic principles to the design of the restaurants, greater functionality can be achieved and yielding higher productivity Kramer (2011). Furthermore, a strong brand personality that entices, impresses, encourages and reassures the customers should be creatively expressed within well defined spaces, it not only enriches the customer experience but enhances the sales as well, Kramer (2011). Thirdly, visual or ambient enhancement of an interior space can be achieved by creating a clean, environmentally sustainable space with good acoustics, lighting and air quality, Mazarella (2011). Fourthly, Interior design is profession in which creative and technical solutions are applied within a structure, to achieve a built interior environment that solves the customer's problems and links space to business strategies and goals, Mazarella (2011). Finally, various factors have been identified that affect entrepreneurial endeavours.

The following conceptual framework has been tabulated to show the relationship between the Independent and the Dependent variable. In addition, various indicators have been identified to support this.
Figure 1: Conceptual Framework
2.8 Summary

The objective of this chapter is to review some of the literature on design and business performance, and to develop a structure to organize and interpret this literature. Among the various variables for study included Ergonomics, Branding, Ambience and Organisational strategies and Goals. The Moderating variable for study is Management perspective whilst the intervening variables for study include the Economic and Marketing perspective.

A brief analysis of the Theoretical framework identified that the relationship between investment in design and business performance is complex and interactive. In other words business success and investment in design and product development are likely to be mutually reinforcing, while poor financial performance and a failure to invest can lead to a cycle of decline. Investing in design and product development is likely to be a necessary, but not sufficient, condition for good business performance.” Roy et al., (1998).

Tether, Massini, (1998) argue that the role of design in business performance is that investments in design increase the probability that the firm will be in the high performance sub-set of firms that create most new sales and jobs.

Finally, the conceptual framework has been tabulated to show the relationship between the Independent and the Dependent variable. In addition, various indicators have been identified to support this.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The research design of choice was Mixed Model research design. The population of the study comprised of food outlets appearing under "restaurant" category in the 2012 Telkom Kenya Nairobi directory based within the Nairobi central business district. The sample frame was drawn from the total number of businesses on the streets for study namely; Kimathi, Mama Ngina, Tom Mboya, Koinange, Kaunda, Standard, Muindi Bingu, Loita, Kenyatta Avenue and Moi Avenue. The sample size of the population was determined using the Krejcie and Morgan formulae.

The methods of data collection applied ranged from survey to observation method while the tools intended for use were questionnaires, informal interviews and observation schedule.

Validity was accomplished by use of triangulation, using a variety of instruments to collect data. When a conclusion is supported by data collected from a number of different instruments, its validity is enhanced. On the issue of Reliability, split-half method was done by scoring two-halves of a test separately for each person and then calculating a correlation coefficient for the two sets of scores.

In analyzing the data collected, the Statistical Package for Social Scientists (SPSS) computer software package was used because of its capacity to statistically analyze data with speed and accuracy. The questionnaires were coded and categorized. They were also edited to ensure that there is accuracy and consistency in interpretation. The data was then summarized and presented in table form showing the frequencies and percentages. Percentages were used to simplify the numbers and facilitate interpretation and comparison.
Ethics in this research study was an integral part of the research planning and implementation process.

3.2 Research Design

The research design of choice was Mixed Model research design. Quantitative and Qualitative approaches were mixed within the stages of the research process.

3.3 Target Population

The target population (N) was the restaurant businesses in Nairobi Central Business District, Kenya. Heldal, Jentoft (2011) define the target population as the population of individuals that we are interested in describing and making statistical inferences about. The population of the study comprised of food outlets appearing under "restaurant" category in the 2012 Telkom Kenya Nairobi directory based within the Nairobi central business district.

The sample frame was drawn from the total number of businesses on the streets for study namely; Kimathi, Mama Ngina, Tom Mboya, Koinange, Kaunda, Standard, Muindi Bingu, Loita, Kenyatta Avenue and Moi Avenue.
Table 1: Population size per street

<table>
<thead>
<tr>
<th>STREET</th>
<th>POPULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kimathi</td>
<td>2</td>
</tr>
<tr>
<td>Mama Ngina</td>
<td>1</td>
</tr>
<tr>
<td>Moi Avenue</td>
<td>11</td>
</tr>
<tr>
<td>Kenyatta Avenue</td>
<td>2</td>
</tr>
<tr>
<td>Tom Mboya</td>
<td>4</td>
</tr>
<tr>
<td>Koinange</td>
<td>6</td>
</tr>
<tr>
<td>Kaunda</td>
<td>9</td>
</tr>
<tr>
<td>Muindi Bingu</td>
<td>2</td>
</tr>
<tr>
<td>Standard</td>
<td>3</td>
</tr>
<tr>
<td>Loita</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>41</strong></td>
</tr>
</tbody>
</table>

(Source: Researcher)

The table above shows the summary of the population for the research study.

3.4 Sampling Procedure

A sample is a small proportion of a target population selected for analysis. Mugenda, Mugenda, (1999) define a sample as a smaller group obtained from accessible population to represent the whole subject. Wiersma, Churchill, (1995) explained that a good sample should be large enough so that a researcher can work with confidence that a different sample of the same size, if drawn using the same procedure can illicit the same similar and appropriate results. The usual purpose of educational research is to learn something about a large population of subjects by studying a smaller group of its subjects, called a sample. In this regard, a sample that has as many of the characteristics of the whole population as possible is essentially identified for a study.

According to Salant, Dillman (1994), the size of the sample is determined by four factors: How much sampling error can be tolerated, population size, how varied the population is with
respect to the characteristics of interest and the smallest subgroup within the sample for which estimates are needed. The sample size of a population of Forty one (41) businesses was determined using the Krejcie and Morgan formulae. The researcher sampled 1 employee and 2 customers per restaurant.

Based on Krejcie and Morgan's (1970) table for determining sample size, for a given population of 41 restaurants, a sample size 36 restaurants was needed to represent a cross-section of the population, whereby 36 employees and 72 customers from each restaurant were targeted as respondents.

Table 2: Population and Sample size

<table>
<thead>
<tr>
<th>STREET</th>
<th>POPULATION</th>
<th>SAMPLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kimathi</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Mama Ngina</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Moi Avenue</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Kenyatta Avenue</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Tom Mboya</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Koinange</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Kaunda</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Muindi Bingu</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Standard</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Loita</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>41</strong></td>
<td><strong>36</strong></td>
</tr>
</tbody>
</table>

(Source: Researcher)

The table above shows the summary of the sample for the research study.
3.5 Validity and Reliability

Validity is the degree to which a test measures what it purports to measure (Borg and Gall, 1989). Mugenda, Mugenda, (2009) reliability is a measure of the degree to which a research instrument yields consistent results on data after repeated trials. This was accomplished by use of triangulation, using a variety of instruments to collect data. When a conclusion is supported by data collected from a number of different instruments, its validity is enhanced.

On the issue of Reliability, split-half method was done by scoring two-halves of a test separately for each person and then calculating a correlation coefficient for the two sets of scores.

3.6 Methods of Data Collection

Data was collected using the survey and observation method. The researcher had designed questions to elicit answers to the issues raised in the research objectives. The researcher used closed and open-ended questionnaires and informal interviews. There were two sets of questionnaires, one for the management/employee and another for the customer. Informal interviews were used mostly on the customers as well as to verify the information in the questionnaires. When considering the observation method, the researcher investigated closely the behavioural characteristics of the employees and customers within the selected restaurants using the observation schedule.

3.7 Data analysis

In analyzing the data collected, the Statistical Package for Social Scientists (SPSS) computer software package will be used because of its capacity to statistically analyze data with speed and accuracy. The questionnaires will be coded and categorized. They will also be edited to ensure that there is accuracy and consistency in interpretation. The data will then be
summarized and presented in table form showing the frequencies and percentages. Percentages will be used to simplify the numbers and facilitate interpretation and comparison. Diagrams will also be used in depicting and describing the variables in the study.

3.8 Ethical considerations

The six norms of scientific research were borne in mind. They include use of valid research design that contributed to the well-being of the participant. Secondly, the researcher was competent to conduct the research. Thirdly, consequences of the research must were identified: procedures respected privacy, the researcher ensured confidentiality, maximized benefits, and minimized risks. Fourthly, the sample selection was appropriate for the purpose of the study, representative of the population to benefit from the study, and sufficient in number. Fifthly, the participants agreed to participate in the study through voluntary informed consent that, without threat or undue inducement, knows what a reasonable person in the same situation would want to know before giving consent and explicitly agreeing to participate. Lastly, the researcher informed the participants whether harm was to compensated.
3.9 Operationalisation of Variables

Indicators were denoted by the main variables under the study in order to render them measurable. The table below is a summary of this:

Table 3: Operationalisation of variables

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Variables</th>
<th>Indicators</th>
<th>Measurement</th>
<th>Measurement scale</th>
<th>Tools of Analysis</th>
<th>Types of Analysis</th>
</tr>
</thead>
</table>
To verify how Interior Design when incorporated in the overall organizational strategies and goals can contribute to Business performance.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Innovations.
3. Competitive distinction.

<table>
<thead>
<tr>
<th>Ordinal</th>
<th>Mean Standard Deviation</th>
<th>Descriptive Regression</th>
</tr>
</thead>
</table>

28
3.10 Summary

The research design of choice was Mixed Model research design. Quantitative and Qualitative approaches are mixed within the stages of the research process.

The target population (N) was restaurant businesses in Nairobi, Kenya whilst the sample size (n) was the restaurant businesses in Nairobi Central Business District, Kenya.

Data was collected using the survey and observation method and the tools that were used were closed and open-ended questionnaires, informal interviews and observation schedule respectively.

Validity was accomplished by use of triangulation, using a variety of instruments to collect data. When a conclusion was supported by data collected from a number of different instruments, its validity is enhanced. On the issue of Reliability, split-half method was done by scoring two-halves of a test separately for each person and then calculating a correlation coefficient for the two sets of scores.

Last but not least, data was analysed using both qualitative and quantitative methods. In qualitative data analysis, data collected was organized, interpreted and conclusions made. In quantitative data analysis, data from structured questionnaires was edited for completeness and consistency before processing it. The results from the data analysis were presented using tables of frequencies and percentages.

Lastly, ethics in this research study was an integral part of the research planning and implementation process.
4.1: Introduction.

This chapter discusses the interpretation and presentation of the findings, the influence of Interior design on business performance of restaurants within the retail industry. The researcher made use of frequency tables and percentages to present data.

4.2: Manager, Staff and Customers Back Ground Data

4.2.1: Response Rate

Table 4: Response Rate

<table>
<thead>
<tr>
<th></th>
<th>Manager and Staff</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>% response rate</td>
</tr>
<tr>
<td>Non response</td>
<td>7</td>
<td>19.44%</td>
</tr>
<tr>
<td>Actual respondents</td>
<td>29</td>
<td>80.55%</td>
</tr>
<tr>
<td>Targeted respondents</td>
<td>36</td>
<td>100%</td>
</tr>
</tbody>
</table>

In the table above the response rate for manager and staff were 80.55% and the response rate for customers was 83.33% this was found to be satisfactory for analysis to draw a valued conclusion. This was also consistent with widely held rule of thumb that a sample of 30 respondents and above is adequate for application of statistical tools proposed for this study. This complied with Mugenda and Mugenda (2003) who suggested that for generalization a response rate of 50% is adequate for analysis and reporting, 60% is good and a response rate of 70% and over is excellent. This commendable response rate was actualized.
after the researcher made personalized visits to each restaurant to explain the importance of participating in the study.

4.2.2: Demographic Data

Table 5: Gender analysis

<table>
<thead>
<tr>
<th>Manager and Staff</th>
<th>Frequency</th>
<th>% response rate</th>
<th>Customers</th>
<th>Frequency</th>
<th>% response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>21</td>
<td>58.33%</td>
<td>15</td>
<td></td>
<td>25.0%</td>
</tr>
<tr>
<td>Male</td>
<td>15</td>
<td>41.66%</td>
<td>45</td>
<td></td>
<td>75.0%</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100%</td>
<td>60</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

This shows that majority of the manager and staff were female 58.33% while male were just 41.66%. The study further revealed that majority of the customers were male 75% while female were just 25%.

4.2.3 Age Analysis

Table 6: Age analysis

<table>
<thead>
<tr>
<th>Manager and Staff</th>
<th>Frequency</th>
<th>% response rate</th>
<th>Customers</th>
<th>Frequency</th>
<th>% response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>24-30 years</td>
<td>12</td>
<td>33.33%</td>
<td>13</td>
<td></td>
<td>21.66%</td>
</tr>
<tr>
<td>31-35 years</td>
<td>10</td>
<td>27.77%</td>
<td>17</td>
<td></td>
<td>28.33%</td>
</tr>
<tr>
<td>36-40 years</td>
<td>7</td>
<td>19.44%</td>
<td>12</td>
<td></td>
<td>20.0%</td>
</tr>
<tr>
<td>41-45 years</td>
<td>5</td>
<td>13.88%</td>
<td>9</td>
<td></td>
<td>15.0%</td>
</tr>
<tr>
<td>46-50 years</td>
<td>2</td>
<td>5.55%</td>
<td>6</td>
<td></td>
<td>10.0%</td>
</tr>
<tr>
<td>51 years and above</td>
<td>0</td>
<td>0%</td>
<td>3</td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100%</td>
<td>60</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>
The study sought to know the age of the manager and staff the study found that none of manager and staff was of age above 51 years while the majority of the manager and staff are of age below 24 years which is represented by 33.33%. The study further sought to know the age of the customers the study found that, 24-30 years, 31-35 years, 36-40 years, 41-45 years, 46-50 years were 21.66%, 28.33%, 20.0%, 15.0%, 10%, and 5% respectively. This shows that, majority of the customers are of age between 31-35 years.

### 4.2.4 Academic and Professional Qualification

Table 7: Academic and Professional Qualification

<table>
<thead>
<tr>
<th></th>
<th>Manager and Staff</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>% response rate</td>
</tr>
<tr>
<td>KCSE certificate</td>
<td>10</td>
<td>27.77%</td>
</tr>
<tr>
<td>Diploma</td>
<td>14</td>
<td>38.88%</td>
</tr>
<tr>
<td>Bachelor</td>
<td>9</td>
<td>25.0%</td>
</tr>
<tr>
<td>Post graduate</td>
<td>3</td>
<td>8.33%</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100%</td>
</tr>
</tbody>
</table>

The study found that majority of the manager and staff held Diploma certificate as represented by 38.88%. Those manager and staff with KCSE certificate, Bachelor and Post graduate were represented by 27.77%, 25.0 and 8.33% respectively. From the analysis of the results it shows majority of the manager and staff are well educated and thus understood thoroughly the questionnaire.

The study sought the academic and professional qualification of the customers. The study found that KCSE certificate, Diploma, Bachelor, and Post graduate were 20.0%, 30.0%, 38.33%, and 11.66%, respectively. Thus majority of the customers 38.33% held bachelor degree.
Table 8: Manager and Staff Results on Influence of Interior Design on Business Performance

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ergonomics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>working environment enabling, and we are able to be proactive</td>
<td>3.880</td>
<td>0.121</td>
</tr>
<tr>
<td>furniture comfortable to use</td>
<td>3.770</td>
<td>0.211</td>
</tr>
<tr>
<td>the design of work environment is enabling for the disabled</td>
<td>1.194</td>
<td>0.276</td>
</tr>
<tr>
<td>work environment is cluttered with furniture and equipment</td>
<td>1.580</td>
<td>0.259</td>
</tr>
<tr>
<td>work counters are comfortable to work on</td>
<td>2.720</td>
<td>0.225</td>
</tr>
<tr>
<td><strong>Branding</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We often participate in advertising campaigns</td>
<td>2.710</td>
<td>0.116</td>
</tr>
<tr>
<td>we offer quality in our your services</td>
<td>4.500</td>
<td>0.254</td>
</tr>
<tr>
<td>Quality services are the main attributes towards customer loyalty</td>
<td>4.434</td>
<td>0.119</td>
</tr>
<tr>
<td>Our prices are competitive</td>
<td>3.932</td>
<td>0.118</td>
</tr>
<tr>
<td>We have experienced growth in our customer base in the last quarter</td>
<td>2.580</td>
<td>0.206</td>
</tr>
<tr>
<td>We have been able to retain our older customers</td>
<td>2.511</td>
<td>0.254</td>
</tr>
<tr>
<td><strong>Ambience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our lighting is very bright and appealing to our customers</td>
<td>3.127</td>
<td>0.207</td>
</tr>
<tr>
<td>The colours we use in the restaurant are very bright pleasant to our customers</td>
<td>4.440</td>
<td>0.150</td>
</tr>
<tr>
<td>We play a wide genre of music which our customers like</td>
<td>4.680</td>
<td>0.275</td>
</tr>
<tr>
<td><strong>Organisational Strategies and Goals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vision statement highlight the importance of Interior design on business performance</td>
<td>2.380</td>
<td>0.123</td>
</tr>
<tr>
<td>Mission statement highlight the importance of Interior design on business performance</td>
<td>2.160</td>
<td>0.279</td>
</tr>
<tr>
<td>We aspire to grow as a business</td>
<td>3.720</td>
<td>0.211</td>
</tr>
</tbody>
</table>
We have competitive edge over and above our competitors

4.3.1: Ergonomics and Business performance

The study found that the manager and staff agreed that working environment was enabling, and they were able to be proactive, and furniture were comfortable to use, each had a mean score of 3.880, and 3.770 respectively. The manager and staff moderately disagreed that work counters are comfortable to work on. The manager and staff disagreed that work environment is cluttered with furniture and equipment it had a mean score of 1.580. The respondents strongly disagreed that the design of work environment is enabling for the disabled and it had a mean score of 1.194.

4.3.2: Branding and Business performance

The respondents strongly agreed that they offer quality services, and it had a mean score of 4.500. The managers and staff agreed that quality services are their main attributes towards customer loyalty, and their prices are competitive, each of the factors had a mean score of 4.434 and 3.932 correspondingly. The respondents moderately agreed that they often participate in advertising campaigns, they experienced growth in their customer base in the last quarter and they have been able to retain their older customers. Each of the factors had a mean score of 2.710, 2.580, and 2.511 respectively.

4.3.3: Ambience and Business performance

The managers and staff strongly agreed that the type of music they play their customers like it, it had a mean score of 4.680. The respondents further agreed that the colours they use in the restaurant are very bright pleasant to their customers it had a mean score of 4.440. The respondents moderately agreed that their lighting is very bright and appealing to their customers which had a mean score of 3.127.
4.3.4: Organisational Strategies and Goals and Business performance

The respondents agreed that they aspire to grow as a business and they have competitive edge over and above their competitors, each had a mean score of 3.720 and 3.512 respectively. The respondents disagreed that the vision statement highlight the importance of interior design on business performance and mission statement highlight the importance of interior design on business performance. Each of the factors had a mean score of 2.380 and 2.160 respectively.

4.4: Customer Results on Influence of Interior Design on Business Performance

Table 9: Customer Results on Influence of Interior Design on Business Performance

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ergonomics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In your opinion, do you think the restaurant has complied with ergonomic requirements? How would you rate the restaurant? (bear in mind the seating, circulation and other usable facilities to you as the customer)</td>
<td>3.880</td>
<td>0.192</td>
</tr>
<tr>
<td>Working environment enabling for the employees</td>
<td>3.960</td>
<td>0.230</td>
</tr>
<tr>
<td>Work environment is clattered with furniture and equipment</td>
<td>1.640</td>
<td>0.223</td>
</tr>
<tr>
<td><strong>Branding</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>You are satisfied as a customer of this restaurant</td>
<td>3.720</td>
<td>0.250</td>
</tr>
<tr>
<td>The restaurant offer quality services</td>
<td>3.900</td>
<td>0.232</td>
</tr>
<tr>
<td>The restaurant prices are competitive</td>
<td>3.160</td>
<td>0.152</td>
</tr>
<tr>
<td><strong>Ambience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The lighting of this restaurant is descent and beautiful</td>
<td>3.440</td>
<td>0.110</td>
</tr>
<tr>
<td>The colour usage in this restaurant is appealing</td>
<td>4.760</td>
<td>0.165</td>
</tr>
<tr>
<td>The music played in this restaurant satisfactory</td>
<td>4.880</td>
<td>0.208</td>
</tr>
<tr>
<td><strong>Organisational Strategies and Goals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The innovations of this restaurant have appealed to you as a customer</td>
<td>3.560</td>
<td>0.152</td>
</tr>
</tbody>
</table>
The restaurant have a competitive edge over and above other competitors | 3.400 | 0.240
The design convey a total image and suggesting the potential usage and relative quality of the service | 4.440 | 0.110
Effective design can make an important contribution to business success | 3.680 | 0.217

### 4.4.1: Ergonomics and Business performance

The customers agreed that working environment was enabling for the employees, and the restaurant had complied with ergonomics requirements, each had a mean score of 3.960 and 3.880 respectively. The customers disagreed that work environment was cluttered with furniture and equipment it had a mean score of 1.640.

### 4.4.2: Branding and Business performance

The customers agreed that the restaurant offer quality services and they are satisfied as a customer of their respective restaurant; each had a mean score of 3.900, and 3.720 respectively. The customers further moderately agreed that the restaurant prices are competitive which had a mean score of 3.160.

### 4.4.3: Ambience and Business performance

The respondents strongly agreed that the music played in their restaurant of choice was satisfactory, and the colour usage in their restaurant of choice is appealing, each of the factors had a mean score of 4.880 and 4.760 respectively. The respondents moderately agreed that the lighting of the restaurant of choice was descent and beautiful which had a mean score of 3.440.

### 4.4.4: Organisational Strategies and Goals and Business performance

The respondents agreed that the design convey a total image and suggesting the potential usage and relative quality of the service, effective design can make an important contribution
to business success and the innovations of the restaurant of choice is appealing to them as customers. Each of the factors had a mean score of 4.440, 3.680 and 3.560 respectively. The respondents moderately agreed that their restaurant of choice had a competitive edge over and above other competitors which had a mean score of 3.400.

4.5: Regression Analysis Results

4.5.1 Correlation Analysis

Two predictor variables are said to be correlated if their coefficient of correlations is greater than 0.5. In such a situation one of the variables must be dropped or removed from the model. As shown in table below, none of the predictor variables had coefficient of correlation between themselves more than 0.5 hence all of them were included in the model. The matrix also indicated high correlation between the response and predictor variables, that is, ergonomics, branding, ambience and organizational strategies and goals respectively.

Table 10: Pearson Correlation

<table>
<thead>
<tr>
<th></th>
<th>Ergonomics</th>
<th>Branding</th>
<th>Ambience</th>
<th>Organizational Strategies and Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ergonomics</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branding</td>
<td>.760</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ambience</td>
<td>.746</td>
<td>.434</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Organizational Strategies and Goals</td>
<td>.634</td>
<td>.412</td>
<td>.469</td>
<td>1.000</td>
</tr>
</tbody>
</table>

4.5.2 Analysis of variance

The probability value (p-value) of a statistical hypothesis test is the probability of getting a value of the test statistic as extreme as or more extreme than that observed by chance alone, if the null hypothesis H0 is true. The p-value is compared with the actual significance level of the test and, if it is smaller, the result is significant. The smaller it is the more convincing is the rejection of the null hypothesis. ANOVA findings in table 4.6 shows that there is correlation between the predictors variables (ergonomics, branding, ambience and
organizational strategies and goals) and response variable (Business Performance) since P-value of 0.00 is less than 0.05

Table 11: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>135.830</td>
<td>4</td>
<td>33.958</td>
<td>102.784</td>
<td>.000(a)</td>
</tr>
<tr>
<td>Residual</td>
<td>29.404</td>
<td>89</td>
<td>.330</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>165.234</td>
<td>93</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), ergonomics, branding, ambience and organizational strategies and goals

Dependent Variable: Business Performance.

The above summary of the basic logic of ANOVA is the discussion of the purpose and analysis of the variance. The purpose of the analysis of the variance is to test differences in means (for groups or variables) for statistical significance. The accomplishment is through analyzing the variance, which is by partitioning the total variance into the component that is due to true random error and the components that are due to differences between means. The ANOVA analysis is intended to investigate whether the variation in the independent variables explain the observed variance in the outcome – in this study the business performance.

The ANOVA results indicate that the independent variables significantly ($F=102.784$, $p=0.001$) explain the variance in business performance. In this context, as have been presented in the table above, the dependent variable is the level of business performance while the independent or the predictors, ergonomics, branding, ambience and organizational strategies and goals.

Mainly the study was on dependent and independent relationship, a moderate multiple regression analysis was used. The multiple regression analysis is mathematically expressed as shown below: A multivariate regression model was applied to determine the relative
importance of each of the four variables with respect to the influence of interior design on business performance of restaurants within the retail industry

The regression model was as follows:

\[ y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \]

Where:

\[ y \] = Business Performance

\[ \beta_0 \] = Constant Term

\[ \beta_1 \] = Beta coefficients

\[ X_1 \] = Ergonomics

\[ X_2 \] = Branding

\[ X_3 \] = Ambience

\[ X_4 \] = Organizational Strategies and Goals

\[ \varepsilon \] = Constant error

Regression equation and the predictor relationship

The established multiple linear regression equation becomes:

\[ Y = 0.497 + 0.439X_1 + 0.685X_2 + 0.876X_3 + 0.506X_4 \]

Where

Constant = 0.497, shows that if ergonomics, branding, ambience and organizational strategies and goals were all rated as zero, business performance of restaurant rating would be 0.497
$X_1 = 0.439$, shows that one unit change in ergonomics results in 0.439 units increase in business performance

$X_2 = 0.685$, shows that one unit change in branding results in 0.685 units increase in business performance of restaurant

$X_3 = 0.476$, shows that one unit change in ambience, results in 0.476 units increase in business performance of restaurant

$X_4 = 0.306$, shows that one unit change in organizational strategies and goals results in 0.306 units increase in business performance of restaurant

### 4.5.3 Regression coefficients

Table 12: Regression coefficients

<table>
<thead>
<tr>
<th></th>
<th>Un-standardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>.497</td>
<td>.167</td>
<td>.933</td>
<td>2.980</td>
</tr>
<tr>
<td>Ergonomics</td>
<td>.439</td>
<td>.212</td>
<td>.933</td>
<td>4.431</td>
</tr>
<tr>
<td>Branding</td>
<td>.685</td>
<td>.142</td>
<td>.826</td>
<td>5.526</td>
</tr>
<tr>
<td>Ambience</td>
<td>.476</td>
<td>.126</td>
<td>.793</td>
<td>5.895</td>
</tr>
<tr>
<td>Organizational</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategies and Goals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.306</td>
<td>.073</td>
<td>.321</td>
<td>4.174</td>
</tr>
</tbody>
</table>

### 4.6 Strength of the model

Analysis in table 4.6 shows that the coefficient of determination (the percentage variation in the dependent variable being explained by the changes in the independent variables) $R^2$ equals 0.822, that is, ergonomics, branding, ambience and organizational strategies and goals
explain 82.2 percent of the influence of Interior design on business performance of restaurants within the retail industry leaving only 17.2 percent unexplained.

4.7 Model Summary

Table 13: Model Summary

<table>
<thead>
<tr>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>R Square</td>
<td>Change</td>
<td>F Change</td>
<td>df1</td>
</tr>
<tr>
<td>.907</td>
<td>.822</td>
<td>.814</td>
<td>.57479</td>
</tr>
</tbody>
</table>

Predictors: (Constant), ergonomics, branding, ambience and organizational strategies and goals.

Adjusted $R^2$ is called the coefficient of determination and tells us how business performance of restaurants within the retail industry varied ergonomics, branding, ambience and organizational strategies and goals. From Table 4.5 above, the value of adjusted $R^2$ is 0.814. This implies that, there was a variation of 81.4% of business performance varied with ergonomics, branding, ambience and organizational strategies and goals at a confidence level of 95%.
CHAPTER FIVE:

SUMMARY OF THE FINDINGS, DISCUSSIONS, CONCLUSION AND RECOMMENDATION

5.1: Introduction

This chapter shows the summary of the research findings, conclusion, recommendation, and recommendation for further study.

5.2: Summary of the Findings

Table 14: Summary of the findings

<table>
<thead>
<tr>
<th>Objective</th>
<th>Findings</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>To establish how ergonomics influences business performance of restaurants within the Nairobi central business district, Kenya.</td>
<td>The study established that the restaurants had complied with most of the ergonomics requirements such as working environment was enabling, furniture were comfortable to use, work environment was not cluttered with furniture and equipment. The manager and staff moderately disagreed that work counters are comfortable to work on and the restaurant work environment was not enabling to the disabled.</td>
<td>Majority of the restaurants had complied with ergonomics requirement to improve human well-being as well as overall restaurant performance</td>
</tr>
<tr>
<td>To determine whether branding incorporated within a retail business has influence on business performance of restaurants within the Nairobi central business district, Kenya.</td>
<td>The study results showed that majority of the restaurant in Nairobi CBD offer quality services, and quality services is a main attribute towards customer loyalty. The study found out that majority of the restaurants do moderately participate in advertising campaigns. A few of the restaurants are able to retain</td>
<td>Majority of the restaurants still are challenged to substantiate the value of branding in clear financial terms, thus they are not investing heavily on advertising campaigns. One of the prime determinants of customer satisfaction is perceived quality.</td>
</tr>
<tr>
<td>To identify whether the ambience of an interior space has influence on business performance of restaurants within the Nairobi central business district, Kenya.</td>
<td>The study result indicated that majority of the restaurants play a wide genre of music that their customers like. Secondly, the colours they are using in the restaurants are visually pleasant to their customers. The study further found out that in the majority of the restaurants, their lighting is moderately bright, beautiful and appealing to their customers.</td>
<td>Ambient conditions affect perceptions of and human responses to the environment and their behavior.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>To verify how Interior Design when incorporated in the overall organizational strategies and goals influences business performance of restaurants within the Nairobi central business district, Kenya.</td>
<td>From the study, it is clear that design is not seen as one of the main routes through which ideas are turned into innovations; a technique to harness or channel creativity for commercial advantage. The study results indicated that majority of the restaurant in Nairobi CBD are not aware of the fact that effective design can make an important contribution to business success. Treat design as an integral part of your business strategy and it can add measurable value to the bottom line and create a more sustainable business for the future.</td>
<td>Majority of the restaurant do not treat design as an integral part of their business strategy that can add measurable value to their performance and create a more sustainable business for the future.</td>
</tr>
</tbody>
</table>
5.3 Discussions

5.3.1 The influence of ergonomics to business performance.

Ergonomically minded interior design produces living spaces that are not only "easier" to live in, but by virtue of this ease, facilitate "happier" living, Kramer (2011). They continue to state that all of the contributions selected for publication in their special issue help to develop the case that ergonomics interventions offer considerable benefits to the organisation in question, and these benefits include quantifiable, financial, outcomes.

Responses from the study revealed that majority of the respondents are at ease when their work environment allows easy circulation. Secondly, most respondents cited that the furniture was comfortable to use comprising and this has lead to more customers in their restaurants. Thirdly, results revealed that most respondents agreed that the design of their restaurants was enabling to the disabled, this enabling environment also accommodates a particular market niche which contributes to growth in sales. Finally, results revealed that a majority of the respondents who were actually customer rated specific restaurant ergonomics as poor. The respondents gave various views such as uncomfortable furniture, poor circulation and lack of consideration for disabled people.

Beevis, Slade (1970) argued that there was barely any evidence that justified ergonomic interventions on a financial basis. They proposed that justification for improvement in human-machine systems performance, although necessary, is not sufficient without supporting cost–benefit analyses. However, from the findings above, I tend to disagree and say that there is evidence based on circulation, efficiency and comfort to both the staff and clientele.

5.3.2 The relationship between branding and business performance

Madden et al., (2006) in their journal of academy of marketing science begin by stating that corporate attention to branding has increased steadily and significantly since the publication of, Aaker (1991) seminal work on the power of brands. Although corporate officers now may recognize branding as an important marketing activity, marketing executives still are challenged to substantiate the value of branding in clear financial terms Doyle (2000), Lehmann (2004). Conchar et al., (2005) comprehensive meta-analysis provides evidence of a significant positive relationship between a firm's advertising and promotion spending and the market value of the firm, thus supporting the linkage between a firm's brand-building activities and the financial performance of the firm.
Results depicted that the respondents that did participate in advertising campaigns experienced growth in customer base in the last quarter. In addition, findings portrayed showed that most respondents who cited that the restaurant branding was good where more buoyant to come back the second time which in turn builds up towards customer loyalty.

From the findings, it is evident that loyalty is a key driving force for financial performance, greater brand loyalty among consumers’ leads to greater sales of the brand. The loyalty-buyer behavior link has an important impact on financial performance too because repeat customers are generally cheaper to service than new customers Hallowell (1996). Loyal customers are also more profitable as they are the main source of repeat purchase and positive word of mouth.

5.3.3 Ambient conditions and its relationship to business performance

As cited by Milliman, (1986) in studies of restaurants and supermarkets, it has been illustrated that music tempo can affect pace of shopping, length of stay, and amount of money spent.

Overall perceptions of the general interior have been studied by Donovan et al., (1994), Akhter et al., (1994), Donovan, Rossiter, (1982), Ward et al., (1992), and Grossbart, et al., (1990). All of these studies found that general perceptions of the interior influenced behavior. Taken together, these studies indicate that perceptions of the interior influence approach/avoidance, time spent in the environment, and sales.

Results revealed that most of the restaurants that scored high in regard to ample natural and artificial lighting, suitable colour and appealing music recorded a high customer base which equates to time spent in the environment, and sales.

5.3.4 Interior Design as an integral part of your business strategy

Interior Design when incorporated in the overall organizational strategies and goals influences business performance of restaurants within the Nairobi central business district, Kenya.

Olins (1989) states that the purpose of design is not only to change the appearance of products or the workings of processes, the visual style of an organization affects its’ positioning in the market. In essence, corporate purpose is made visible through design.
Results depicted show that in cases where the respondents rated the restaurants design innovation strategies as average, customer satisfaction was significantly low translating to low sales.

From this figures, it is clear that design is not seen as one of the main routes through which ideas are turned into innovations; a technique to harness or channel creativity for commercial advantage. Effective design can make an important contribution to business success. Treat design as an integral part of your business strategy and it can add measurable value to the bottom line and create a more sustainable business for the future.
5.4: Conclusion

The study concludes that majority of the restaurant had complied with most of the ergonomics requirements such as working environment been enabling, furniture been comfortable to use, and work environment not clattered with furniture and equipment. On ergonomics the study further concludes that work counters are not comfortable and it was not enabling for the disabled.

The study further concludes that majority of the restaurant in Nairobi CBD offer quality services and it is the main attributes towards customer loyalty. The study on branding further concludes that few restaurants often participate in advertising campaigns.

The study concludes that majority of the restaurants had acted in accordance to the ambience customers like such as music, colours. The study research further concludes that not all the restaurants have their lighting as bright, beautiful and appealing to their customers.

On organisational strategies and goals the study concludes that effective design can make an important contribution to business success. The study further concludes that restaurant should treat design as an integral part of their business strategy that can add measurable value to their performance and create a more sustainable business for the future.
5.5: Recommendation

The study recommends that restaurants should invest in interior design of their businesses; this is because it greatly influences the performance of restaurants within the retail industry. The study recommends on ergonomics that working counters should be made comfortable and working environment enabling for the disabled. The study recommends that on branding restaurant ought to participate in advertising campaigns often. The study recommends that restaurants should make their lighting as bright, beautiful and appealing to their customers. Finally the study recommends that restaurants should incorporate the importance of interior design on business performance on their vision statement and mission statement.
5.6: Recommendation for further study

The researcher recommends that a similar study should be taken in a different geographical set up to verify the findings of this study. The researcher further recommends that future researchers should do research on customers' preference on Interior design of a business.
REFERENCES


Tether, B. (2005). Think piece on the Role of Design in Business Performance. ESRC Centre for Research on Innovation and Competition (CRIC), University of Manchester. 14


UNIVERSITY OF NAIROBI  
COLLEGE OF EDUCATION AND EXTERNAL STUDIES  
SCHOOL OF CONTINUING AND DISTANCE EDUCATION  
DEPARTMENT OF EXTRA-MURAL STUDIES  
NAIROBI EMC

Your Ref:  
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Gandhi Wing, Ground Floor  
P.O. Box 30197  
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Our Ref:  
Telephone: 318262 Ext. 120  
NAIROBI

25th June, 2012  

REF: UON/DEMS/NEMC/ 12/298  

RE: BENSON KIMANI - REG.NO. L50/63719/2010  

The above named is a student at the University of Nairobi, College of Education and External Studies, School of Continuing and Distance Education, Department of Extra-Mural Studies pursuing Post graduate diploma in Project Planning and Management.

He is proceeding for research entitled "the influence of interior design on business performance." A case of selected restaurants in NCBD, Kenya

Any assistance given to him will be appreciated.

CAREN AWILLY  
CENTRE ORGANIZER  
NAIROBI EXTRA MURAL CENTRE
1.2 Questionnaire for Manager and Staff

QUESTIONNAIRE

Instructions
I am conducting an educational research study on the topic, “Impact of interior design on business performance: a case of selected restaurants in Nairobi Central Business District, Kenya.” Your impressions and your opinions are very important.

If you’re like most people, you’ll agree that the business environment and what’s in it are very important.

Thank you for your time and honest comments.

Section A: Background information (please put an X in relevant box)

1. What is your age bracket?

20-30 years [ ]

30-40 years [ ]

40-50 years [ ]

Above 50 years [ ]

2. Which is your highest academic level?

Secondary certificate [ ]

College diploma [ ]

University Graduate [ ]

Post graduate [ ]
Section B: Manager and Staff

7: To what extent do you agree with the following statement on the influence of Interior design on business performance of restaurants within the retail industry? Key: 5 To Very Great Extent, 4 To Great Extent, 3 To Moderate Extent, 2 To Less Extent, 1 To No Extent (please put an X as appropriate)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ergonomics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>working environment enabling, and we are able to be proactive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>furniture comfortable to use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the design of work environment is enabling for the disabled</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>work environment is clattered with furniture and equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>work counters are comfortable to work on</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Branding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We often participate in advertising campaigns</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>we offer quality in our your services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality services are the main attributes towards customer loyalty</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our prices are competitive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We have experienced growth in your customer base in the last quarter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We have been able to retain our older customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ambience</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our lighting is very bright</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The colours we use in the restaurant are very bright

Type of music

Organisational Strategies and Goals

Vision statement highlight the importance of Interior design on performance

Mission statement highlight the importance of Interior design on business performance

We aspire to grow as a business

We have competitive edge over and above your competitors?
**Section C: Customer**

7: To what extent do you agree with the following statement on the influence of Interior design on business performance of restaurants within the retail industry? Key: 5 To Very Great Extent, 4 To Great Extent, 3 To Moderate Extent, 2 To Less Extent, 1 To No Extent (please put an X as appropriate)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ergonomics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In your opinion, do you think the restaurant have complied Ergonomics Requirements? How would you rate the restaurant? (Bear in mind the seating, circulation and other usable facilities to you as the customer)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **Branding**         |   |   |   |   |   |
| How long have you been coming to this restaurant? Rate your satisfaction as a short term customer. |   |   |   |   |   |

| **Ambience**         |   |   |   |   |   |
Do you feel comfortable or do you enjoy the lighting, colour and music in this restaurant?

1. Rate the lighting of this restaurant.

2. Rate the colour usage in this restaurant.

Rate the music played in this restaurant.

Organisational Strategies and Goals

Briefly, what are some of the innovations of this restaurant that have appealed to you as a customer? Please note them down and rate them.

1.

2.

3.

[End of Questionnaire]

Thank You!
## 1.3 Questionnaire for the Customer

**QUESTIONNAIRE**

**Instructions**

Kindly take a few minutes of your time and fill in this questionnaire and give it to a staff member on your way out. I appreciate your honest comments. Your impressions and your opinions are very important. Your input is needed as part of an Educational Research Study being conducted on the topic impact of interior design on business performance: a case of selected restaurants in Nairobi Central Business District, Kenya.

<table>
<thead>
<tr>
<th>QUESTION</th>
<th>DESIGN</th>
<th>Ergonomics</th>
<th>Branding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the restaurant design bring out the tenets of Interior Design? How would you rate the restaurant?</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
</tr>
<tr>
<td>In your opinion, do you think the restaurant have complied Ergonomics Requirements? How would you rate the restaurant? (Bear in mind the seating, circulation and other usable facilities to you as the customer)</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
<td></td>
</tr>
<tr>
<td>How long have you been coming to this restaurant? Rate your satisfaction as a long or short term customer.</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
</tr>
</tbody>
</table>
**Ambience**

Do you feel comfortable or do you enjoy the lighting, colour and music in this restaurant?

1. Rate the lighting of this restaurant.
2. Rate the colour usage in this restaurant.

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
</table>

**Strategy**

Briefly, what are some of the innovations of this restaurant that have appealed to you as a customer? Please note them down and rate them.

1.
2.
3.

**Use the following scorecard to rate the questions:**

<table>
<thead>
<tr>
<th>1</th>
<th>-</th>
<th>Exemplary</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>-</td>
<td>Good</td>
</tr>
<tr>
<td>3</td>
<td>-</td>
<td>Average</td>
</tr>
<tr>
<td>4</td>
<td>-</td>
<td>Wanting</td>
</tr>
</tbody>
</table>

[End of Questionnaire]

*Thank You!*
### Observation Schedule (to be used by researcher)

<table>
<thead>
<tr>
<th>Items to be Observed</th>
<th>GENERAL CONDITIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Good</td>
</tr>
<tr>
<td>Ergonomics</td>
<td></td>
</tr>
<tr>
<td><strong>Notes:</strong></td>
<td></td>
</tr>
<tr>
<td>Branding</td>
<td></td>
</tr>
<tr>
<td><strong>Notes:</strong></td>
<td></td>
</tr>
<tr>
<td>Ambience</td>
<td></td>
</tr>
<tr>
<td><strong>Notes:</strong></td>
<td></td>
</tr>
<tr>
<td>Business strategy</td>
<td></td>
</tr>
<tr>
<td><strong>Notes:</strong></td>
<td></td>
</tr>
</tbody>
</table>
### 1.5 Krejcie and Morgan Table

Table for Determining Sample Size from a Given Population

<table>
<thead>
<tr>
<th>N</th>
<th>S</th>
<th>N</th>
<th>S</th>
<th>N</th>
<th>S</th>
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<tbody>
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<td>220</td>
<td>140</td>
<td>1200</td>
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<td>14</td>
<td>230</td>
<td>144</td>
<td>1300</td>
<td>297</td>
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<td>19</td>
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<td>148</td>
<td>1400</td>
<td>302</td>
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<td>1500</td>
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<td>260</td>
<td>155</td>
<td>1600</td>
<td>310</td>
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<td>32</td>
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<td>159</td>
<td>1700</td>
<td>313</td>
</tr>
<tr>
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<td>162</td>
<td>1800</td>
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<tr>
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<td>290</td>
<td>165</td>
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<td>234</td>
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<td>243</td>
<td>9000</td>
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<tr>
<td>140</td>
<td>103</td>
<td>700</td>
<td>248</td>
<td>10000</td>
<td>370</td>
</tr>
<tr>
<td>150</td>
<td>108</td>
<td>750</td>
<td>254</td>
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<td>136</td>
<td>1100</td>
<td>285</td>
<td>100000</td>
<td>384</td>
</tr>
</tbody>
</table>

Note.—N is population size.  
S is sample size.

### The table above shows the summary of the population and sample size for the research study.
Dormiree College Ltd
134 Ngong Rd
273 34 24

Diamond Hotel Ltd 
134 Ngong Rd 
273 62 04 

Dina House Ltd
74 Market St
273 34 25

Designers Coffee Ltd
109 Miritini Rd
273 98 74

Diamond Design Ltd
74 Market St
273 98 74

Dining Room Ltd
201 Ngong Rd
273 19 21

Dine In
3081 Thika Rd
273 19 21

DiMare Ltd
59 Ngong Rd
273 74 20

Dian Bar & Restaurant
1005 Kileleshwa Rd
273 98 74

Ding Ding Restaurant
109 Miritini Rd
273 98 74

Dinner Time
74 Market St
273 98 74

Diners Club Ltd
74 Market St
273 98 74