

FACTORS CONTRIBUTING TO THE CHOICE OF LOCATION FOR  
A FOOD ESTABLISHMENT IN SELECTED TOWNS OF CAVITE

*Thesis*

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## **ABSTRACT**

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The study was conducted to determine the factors contributing to the choice of location for a food establishment in selected towns of Cavite. Specifically, the study aimed to describe the socio-economic characteristics of restaurant owners in selected towns of Cavite; identify the business profile of the restaurants; find out the considerations in choosing a location for restaurant; determine the difference between towns in terms of factors contributing to the choice of location; and determine the relationship between factors considered to the choice of location and business profile.

The study was conducted from November to December 2011 in seven selected towns in Cavite, namely: Bacoor, Dasmarinas City, General Trias, Imus, Silang, Tagaytay City and Tanza. The sample size was composed of 50 respondents. Quota sampling of respondents was used in the study.

Descriptive statistical tools, such as: frequency counts, mean, range and percentage were used in describing both the socio-demographic characteristics of restaurant owners/managers and characteristics of the restaurants. Likert Scaling was used to measure the degree of importance of different factors for the location decisions of the respondents and weighted mean was used to present the data. Mean and ranking were used to determine the difference between towns in terms of factors contributing to the



choice of location and Chi-square test was used to determine the relationship between factors considered to the choice of location and business profile.

Results showed that the mean age of the respondents was 40 years. The youngest respondent was 20 and the eldest was 73. More than half of the respondents were female (60%) and married (66%). Of the total respondents, 60 percent were managers, 26 percent were owners and only seven percent were owner/manager of restaurants.

Majority of the respondents were college graduates (68%), some were college undergraduates (16%), and vocational degree holders (10%).

With regards to the profile of the restaurants, the mean year of operation was seven and the average number of employees was 14. Eighty-four percent (84%) of the respondents rented the land for their business and the average cost of rent per month was PhP29, 510.

Fifty-eight percent of the restaurants had seating capacity of 50 to 70. Twenty-eight percent of the restaurants had a seating capacity above 70.

It was found that all the six stipulated factors (personal, environmental, demographic, economic, legal and competitive factors) were considered by the respondents in choosing their business' location. Environmental, demographic, economic, and competitive factors had average ratings which are verbally interpreted as "highly important", an indication that these factors were extremely influential for the restaurant owners and/or managers in selecting business location.

However, the degree of importance of these factors differed among the respondents of the respective towns in Cavite. Competitive factors turned as the most

influential among General Trias, Imus and Silang respondents, while economic factors received the highest mean among Bacoor and Tanza respondents. Demographic factors were most considered by Dasmariñas City respondents and environmental factors were most influential to Tagaytay City respondents.

Based on the chi-square analysis, this study disclosed that economic factors were significantly related to the years in operation, land ownership and rental fee of the restaurants. Legal factors were also significantly associated to the years in operation and seating capacity of the business. And lastly, demographic factors were significantly related to the land ownership of the restaurant.

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# **FACTORS CONTRIBUTING TO THE CHOICE OF LOCATION FOR A FOOD ESTABLISHMENT IN SELECTED TOWNS OF CAVITE<sup>1/</sup>**

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## **INTRODUCTION**

Food is a basic necessity. One business which deals with food preparation is a restaurant. Restaurants offer a large menu including a variety of cuisines. They offer meals that are cooked and prepared and is eaten at the premises.

Like every other country, the food industry has flourished very well in the Philippines. Filipinos love to eat and that is the reason why one can see a lot of restaurants and fast food restaurants scattered in the cities (manilareviews.com, 2010).

The restaurant business is a challenging and exciting one. It can be often prove to be extremely competitive, that owners should be prepared to handle all the issues and problems that they will encounter in the operations of the business (gourmetsupport.com).

Opening a restaurant involves numerous details that need to be taken care of. Owners would need to learn how to handle not just the employees and customers, but the