

# Safe to Serve, Safe to Stay: Perceived Risk Management Effectiveness and Customer Satisfaction in Medium-Scale Restaurants in Cebu City

Christine J. Bucio<sup>1\*</sup>, John Michael S. Say<sup>2,3</sup>, Rizalyn A. Abella<sup>1,2</sup>, Nicole N. Baculi<sup>1</sup>, Rasyaj A. Esperat<sup>1</sup>, Riza C. Necesito<sup>1</sup>, Ron Manto<sup>1</sup>, and Kerk Dave E. Moralde<sup>1</sup>

<sup>1</sup> Southwestern University PHINMA, Cebu City

<sup>2</sup> University of Southern Philippines Foundation

\*[chja.bucio.swu@phinmaed.com](mailto:chja.bucio.swu@phinmaed.com), <sup>2</sup>[raabella.swu@phinmaed.com](mailto:raabella.swu@phinmaed.com), <sup>3</sup>[jsay@uspf.edu.ph](mailto:jsay@uspf.edu.ph)

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## ABSTRACT

This study determined the perceived effectiveness of risk management practices and their relationship with customer satisfaction in selected medium-scale restaurants in Cebu City. It focused on customer experiences related to safety management, security management, and sanitation and hygiene practices. Using a descriptive-correlational research design, data were gathered from 360 restaurant customers through a validated structured questionnaire. Descriptive statistics, weighted mean, standard deviation, and Pearson product-moment correlation were used to analyze the data. Findings showed that most respondents were 18-24 years old (38.33%), visited the restaurants two to three times per month (45.56%), and stayed for 30 minutes to one hour per visit (47.78%). Risk management practices were generally perceived as effective,

with sanitation and hygiene receiving the highest rating ( $M = 3.38$ , very effective), followed by security management ( $M = 3.27$ , very effective), and safety management ( $M = 3.21$ , effective). Customer satisfaction was very high across all dimensions, particularly sanitation and hygiene ( $M = 3.39$ ), safety ( $M = 3.33$ ), and security ( $M = 3.32$ ). Pearson correlation revealed a very strong and significant positive relationship between perceived risk management effectiveness and customer satisfaction ( $r = 0.89$ ,  $p < .001$ ). The study concludes that visible and consistent risk management practices, especially sanitation, safety, and security procedures, are strongly associated with customer satisfaction in medium-scale restaurant operations. Recommendations include strengthening safety signage, hazard prevention, security visibility, sanitation monitoring, and employee training to improve customer trust and dining experience.

**Keywords:** *risk management, customer satisfaction, sanitation and hygiene, safety practices, security management, restaurant operations*

## INTRODUCTION

Restaurants operate in a service environment where customers evaluate not only food quality and service efficiency but also their sense of safety, security, cleanliness, and health protection. In urban dining areas such as Cebu City, medium-scale restaurants are increasingly expected to manage operational risks while maintaining positive customer experiences. Risk management in food service includes the visible and consistent implementation of safety, security, sanitation, and hygiene practices that protect customers and strengthen trust in the establishment. Customer satisfaction is strongly shaped by how customers perceive the restaurant environment. Clean dining areas, safe walkways, visible security systems, orderly service procedures, and hygienic food handling signal professionalism and care. Studies in hospitality and food service show that perceived safety, hygiene, trust, and risk

reduction influence customer satisfaction and revisit intentions (Byrd et al., 2021; Kim et al., 2021; Jeong & Kim, 2022; Kumar et al., 2024). In the post-pandemic dining context, sanitation and health-related assurance have become particularly important in customer evaluations (Ntontis & Pappas, 2022; Shin & Kang, 2022).

Although risk management is important in restaurant operations, customers may not always perceive safety and security measures equally. Facility-based practices such as emergency exits, CCTV systems, fire safety equipment, and hazard-free walkways may be less visible than sanitation practices. This creates a need to examine which risk management dimensions customers recognize and how these perceptions relate to satisfaction. Local evidence from Cebu City restaurants is useful for improving operational practices and customer-centered risk management.

This study examined the perceived effectiveness of risk management practices and customer satisfaction among guests of selected medium-scale restaurants in Cebu City. Specifically, it described customer profiles, measured perceived effectiveness in safety, security, and sanitation and hygiene, assessed customer satisfaction in the same dimensions, tested the relationship between perceived effectiveness and satisfaction, and developed risk management recommendations for medium-scale restaurant operations.

## Literature Review

### *Risk Management in Restaurant Operations*

Risk management in restaurants refers to the systematic identification, prevention, and control of hazards that may affect customer safety, service continuity, employee performance, and business reputation. In food service operations, risk management includes safety procedures, emergency preparedness, sanitation protocols, food handling practices, and security measures. Kim and Lee (2022) emphasized that risk assessment strategies contribute to operational efficiency, while Park et al. (2021) linked safety management to workplace risk reduction in food service settings.

The COVID-19 pandemic heightened customer sensitivity to restaurant safety and hygiene. Byrd et al. (2021) noted that consumer risk perceptions during the pandemic were influenced by concerns about restaurant food, packaging, and safety practices. Shin and Kang (2022) similarly argued that cleanliness and technology-supported safety measures reduce perceived health risk and support customer confidence. These findings imply that customers judge dining establishments partly through risk-reducing signals visible in the service environment.

### *Safety, Security, Sanitation, and Customer Satisfaction*

Safety management includes emergency exits, hazard-free floors, safe equipment handling, fire safety equipment, and safe food preparation and service procedures. Customers are more likely to feel comfortable when physical hazards are controlled and when restaurants demonstrate preparedness for emergencies. Security management, on the other hand, includes protection of customers and belongings, adequate lighting, staff attentiveness, CCTV visibility, and orderly procedures during busy hours. Mensah et al. (2021) emphasized the importance of security risk management in hospitality establishments, while Chen and Xu (2022) associated security practices with customer experience.

Sanitation and hygiene are central to customer trust in restaurants. Customers assess cleanliness through dining tables, utensils, restrooms, food handling, staff appearance, and waste management. Lee et al. (2021) found that sanitation practices shape perceptions of food safety, while Carvalho et al. (2024) stressed that consumers use hygiene cues to evaluate safety in food service. Studies also show that hygiene, safety, and service quality influence satisfaction and behavioral intention (Kim et al., 2021; Marinković et al., 2021; Sarmiento & Apritado, 2022).

Customer satisfaction is a broad evaluative response formed from the total dining experience. Restaurant customers may be satisfied when services meet expectations, reduce perceived risks, and create confidence. Williams et al. (2021) linked risk management practices with satisfaction in restaurant operations, while Irsyad et al. (2023) showed that service quality and perceived value contribute to loyalty through customer satisfaction. These

studies support the view that effective risk management is not only a compliance requirement but also a service quality strategy.

### *Synthesis*

The reviewed literature shows that safety, security, sanitation, and hygiene are interconnected dimensions of restaurant risk management. These dimensions influence perceived trust, comfort, and satisfaction. Sanitation is often the most visible and immediate cue for customers, while safety and security systems may require clearer communication because they are sometimes passive or facility-based. The present study extends this literature by providing customer-based evidence from selected medium-scale restaurants in Cebu City and by examining the statistical relationship between perceived risk management effectiveness and customer satisfaction.

## **METHODS**

### **Research Design**

The study employed a descriptive-correlational research design. The descriptive component measured customers' perceptions of risk management effectiveness and customer satisfaction in safety, security, and sanitation and hygiene. The correlational component tested whether perceived effectiveness of risk management practices was significantly related to customer satisfaction.

### **Research Locale**

The study was conducted in selected medium-scale restaurants in Cebu City, including branches of Seoul Unlimited Samgyupsal, Sunburst Restaurant, and Sir Erot Restaurant. Establishments were classified as medium-scale based on combined indicators such as estimated monthly income, average daily customer volume, operating characteristics, and service capacity.

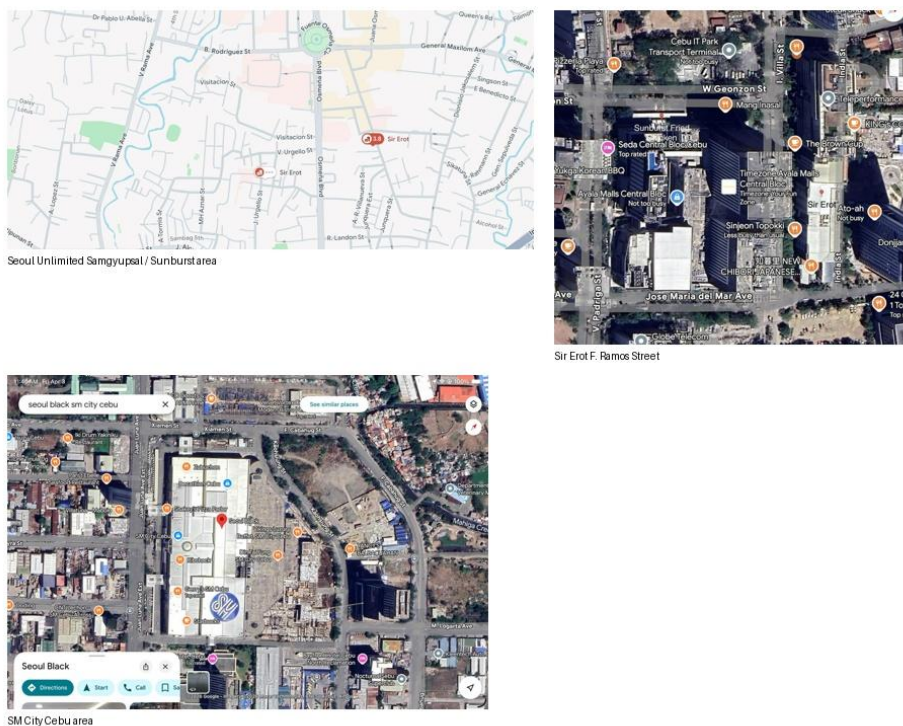


Figure 1. *Selected Restaurant Locations in Cebu City*

### Respondents and Sampling Procedure

The respondents were customers who had completed dining in the selected medium-scale restaurants during the data collection period. Convenience sampling was used because the study focused on actual customer perceptions immediately after a dining experience. A total of 360 respondents participated in the study. Respondents were classified according to age, frequency of visit, and length of stay per visit.

### Research Instrument

A structured survey questionnaire served as the main instrument. Section A gathered demographic and behavioral information. Section B measured perceived effectiveness of risk management practices in terms of safety management, security management, and sanitation and hygiene practices. Section C measured customer satisfaction with risk management practices in terms of safety, security, and sanitation. A four-point Likert scale was used to avoid neutral responses and encourage clear customer evaluation. The instrument was subjected to expert validation and reliability testing using Cronbach's alpha before administration.

Table 1. *Reliability Test Results*

| Section  | Cronbach's Alpha                           |
|--|--|
| Perceived Effectiveness of Risk Management Practices | Acceptable reliability (alpha $\geq$ 0.70) |
| Customer Satisfaction on Risk Management Practices   | Acceptable reliability (alpha $\geq$ 0.70) |

### Data Gathering Procedure

Permission was secured from selected restaurant management before data collection. Respondents were informed of the purpose of the study, voluntary participation, confidentiality, and their right to withdraw at any time. Hard-copy questionnaires were distributed to eligible customers after dining. Completed questionnaires were checked for completeness, coded, tabulated, and analyzed according to the research objectives.

### Data Analysis

Frequency and percentage described the respondent profile. Weighted mean and standard deviation measured perceived effectiveness of risk management practices and customer satisfaction. Pearson product-moment correlation tested the relationship between perceived effectiveness of risk management practices and customer satisfaction at the 0.05 level of significance.

### Ethical Considerations

The study observed informed consent, privacy and confidentiality, protection from harm, fairness and inclusivity, voluntary participation, cultural sensitivity, responsible data collection, integrity in reporting, and appropriate debriefing. No personally identifiable information was collected, and all results were reported in aggregate form for academic purposes.

## RESULTS AND DISCUSSION

### Profile of the Respondents

Table 2. *Demographic and Behavioral Profile of Respondents (n = 360)*

| Variable | Category | f   | %     |
|----------|----------|-----|-------|
| Age      | 18-24    | 138 | 38.33 |
|          | 25-34    | 108 | 30.00 |
|          | 35-44    | 78  | 21.67 |

|                    |                 |     |       |
|--------------------|-----------------|-----|-------|
|                    | 45+             | 36  | 10.00 |
| Frequency of Visit | First time      | 142 | 39.44 |
|                    | 2-3 times/month | 164 | 45.56 |
| Length of Stay     | Weekly or more  | 54  | 15.00 |
|                    | <30 min         | 52  | 14.44 |
|                    | 30 min-1 hr     | 172 | 47.78 |
|                    | 1-2 hrs         | 110 | 30.56 |
|                    | >2 hrs          | 26  | 7.22  |

The respondents were mainly young customers, with the largest group aged 18-24 years old. Most visited the restaurants two to three times per month and stayed for 30 minutes to one hour per visit. This profile suggests that the selected restaurants serve a moderately engaged customer base with short-to-moderate dining duration. These customers are likely to notice visible elements of restaurant operations such as cleanliness, staff attentiveness, and comfort of the dining environment.

### Perceived Effectiveness of Risk Management Practices

Table 3. *Perceived Effectiveness of Safety Management Practices*

| Statement  | Mean | SD   | Interpretation |
|--|------|------|----------------|
| Emergency exits are clearly marked and easily accessible within the restaurant | 3.09 | 0.72 | Agree          |
| Floors, walkways, and dining areas are free from hazards                       | 3.13 | 0.64 | Agree          |
| Staff demonstrate proper handling of equipment to prevent accidents            | 3.23 | 0.65 | Agree          |
| Fire safety equipment is visible and well-maintained                           | 3.24 | 0.69 | Agree          |
| Safety guidelines are observed during food preparation and service             | 3.27 | 0.67 | Strongly Agree |
| The restaurant environment feels physically safe for customers                 | 3.27 | 0.69 | Strongly Agree |
| Factor Mean  | 3.21 | 0.26 | Effective      |

Safety management practices were rated effective overall. The highest indicators were the observance of safety guidelines during food preparation and service and the customers' feeling of physical safety. However, emergency exit visibility and hazard-free walkways received comparatively lower means. This implies that customers recognized safety efforts but may require clearer and more visible facility-based safety cues.

Table 4. *Perceived Effectiveness of Security Management Practices*

| Statement   | Mean | SD   | Interpretation |
|---|------|------|----------------|
| Security measures are present to protect customers and their belongings               | 3.23 | 0.64 | Agree          |
| The restaurant maintains adequate lighting in dining and entrance areas               | 3.30 | 0.64 | Strongly Agree |
| Staff remain attentive to unusual or suspicious activities                            | 3.29 | 0.70 | Strongly Agree |
| Security personnel or systems (e.g., CCTV cameras) are noticeable within the premises | 3.21 | 0.71 | Agree          |

|  |      |      |                |
|--|------|------|----------------|
| Orderly procedures are followed during busy hours to prevent conflicts or disturbances | 3.26 | 0.68 | Strongly Agree |
| The overall security of the restaurant promotes peace of mind while dining             | 3.34 | 0.64 | Strongly Agree |
| Factor Mean  | 3.27 | 0.29 | Very Effective |

Security management practices were perceived as very effective. Customers most strongly recognized the restaurant’s overall security and peace of mind while dining. The visibility of security personnel or systems, however, had a relatively lower mean. This suggests that security measures should not only be present but also be sufficiently visible to reassure customers.

Table 5. *Perceived Effectiveness of Sanitation and Hygiene Practices*

| Statement  | Mean | SD   | Interpretation |
|--|------|------|----------------|
| Dining tables, utensils, and service areas appear clean and sanitized            | 3.36 | 0.67 | Strongly Agree |
| Staff observe proper personal hygiene  | 3.40 | 0.63 | Strongly Agree |
| Food is handled in a hygienic manner   | 3.41 | 0.66 | Strongly Agree |
| Restrooms are clean, functional, and regularly maintained                        | 3.39 | 0.67 | Strongly Agree |
| Waste is properly managed and disposed of  | 3.36 | 0.69 | Strongly Agree |
| The restaurant follows visible sanitation practices that support customer health | 3.39 | 0.65 | Strongly Agree |
| Factor Mean  | 3.38 | 0.28 | Very Effective |

Sanitation and hygiene obtained the highest factor mean among all risk management dimensions. Customers strongly agreed that food handling, staff hygiene, restrooms, waste disposal, and visible sanitation practices were effectively implemented. This finding reflects the continuing importance of cleanliness as a direct and highly visible indicator of restaurant safety and professionalism.

### Customer Satisfaction with Risk Management Practices

Table 6. *Customer Satisfaction by Risk Management Dimension*

| Dimension              | Factor Mean | Interpretation |
|------------------------|-------------|----------------|
| Safety                 | 3.33        | Very Satisfied |
| Security               | 3.32        | Very Satisfied |
| Sanitation and Hygiene | 3.39        | Very Satisfied |

Customers were very satisfied across safety, security, and sanitation dimensions. Sanitation and hygiene generated the highest satisfaction rating, confirming that cleanliness is a major contributor to a favorable dining experience. Safety and security also received very satisfied ratings, showing that customers valued the protective measures implemented by the restaurants. These findings support literature suggesting that restaurant satisfaction is influenced by the perceived ability of the establishment to reduce risk and provide a safe and comfortable environment.

### Relationship Between Risk Management Effectiveness and Customer Satisfaction

Table 7. *Correlation Between Perceived Risk Management Effectiveness and Customer Satisfaction*

| Variables  | r-value | p-value | Interpretation                    | Decision    |
|--|---------|---------|-----------------------------------|-------------|
| Perceived effectiveness of risk management practices and customer satisfaction | 0.89    | 0.000   | Very strong positive relationship | Significant |

The correlation analysis revealed a very strong and statistically significant positive relationship between perceived effectiveness of risk management practices and customer satisfaction. The null hypothesis was therefore rejected. This result means that customers who perceived restaurant risk management practices as more effective also reported higher satisfaction. The finding confirms that safety, security, sanitation, and hygiene are not merely operational requirements but are customer-experience factors that shape confidence and satisfaction.

### Risk Management Recommendations

Table 8. *Proposed Risk Management Recommendations for Medium-Scale Restaurants*

| Area for Improvement         | Recommended Action   |
|------------------------------|--|
| Emergency exits and pathways | Install clearer emergency exit signs and maintain accessible emergency routes.                                   |
| Physical hazards             | Conduct regular inspection and maintenance of floors, walkways, and dining areas.                                |
| Security visibility          | Increase visibility of CCTV cameras, security signages, and monitoring systems.                                  |
| Formal protocols             | Develop standardized protocols covering safety, security, sanitation, and emergency preparedness.                |
| Employee capability          | Conduct continuous training on emergency response, hazard prevention, customer safety, sanitation, and hygiene.  |
| Customer communication       | Use visible reminders and customer-oriented informational materials to communicate safety and security measures. |
| Feedback monitoring          | Conduct periodic customer feedback assessments and operational audits.   |

The proposed recommendations focus on the areas with comparatively lower mean scores while sustaining the highly rated sanitation practices. Since risk management effectiveness was strongly associated with customer satisfaction, improvements in visible safety and security systems may further strengthen trust and enhance the overall dining experience.

### CONCLUSION

The study concluded that risk management practices significantly influence customer satisfaction in selected medium-scale restaurants in Cebu City. Customers generally perceived the restaurants' safety, security, and sanitation and hygiene practices as effective to very effective. Among these dimensions, sanitation and hygiene emerged as the most visible and highly rated component of risk management.

Customer satisfaction was very high across all dimensions, with sanitation and hygiene again receiving the highest rating. This indicates that cleanliness, safe food handling, and visible hygiene practices are central to customers' positive dining experiences. Safety and security also contributed to satisfaction, although selected structural and system-based indicators such as emergency exit visibility, hazard-free walkways, and CCTV visibility require further enhancement.

The very strong and significant positive relationship between perceived risk management effectiveness and customer satisfaction confirms that customers are more satisfied when restaurants demonstrate consistent and visible risk management practices. Thus, medium-scale restaurants may improve customer trust, confidence, and satisfaction by strengthening safety, security, sanitation, and hygiene systems.

### Recommendations

Medium-scale restaurants should install clearer and more visible emergency exit signages and ensure that emergency pathways remain accessible to improve customer awareness and preparedness.

Restaurant managers should conduct regular inspections of floors, walkways, dining areas, equipment, and food preparation spaces to minimize physical hazards and promote a safer environment. Security systems such as CCTV cameras, security signages, adequate lighting, and staff monitoring should be made more visible to increase customer confidence and sense of protection.

Restaurants should sustain high sanitation and hygiene standards through regular cleaning, disinfection, restroom maintenance, proper waste disposal, and strict observance of personal hygiene among staff.

Formal and standardized risk management protocols should be developed for safety, security, sanitation, hygiene, and emergency preparedness. These protocols should be supported by continuous employee training.

Customer feedback assessments and operational audits should be conducted periodically to identify areas needing improvement and to ensure that risk management practices remain responsive to customer expectations.

Future researchers may conduct similar studies in other hospitality establishments and may include additional variables such as food quality, service efficiency, ambiance, employee perspectives, and managerial risk management practices.

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