

# Consumers' Perception towards Branded Fast Food Restaurants – A Study in Erode City

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**ABSTRACT** - Fast food restaurant is one of the fastest-growing industry in India. The people prefer fast food restaurants for their convenience, time saving and relaxing dining experience. The lifestyle of the people is changing in day-to-day life which results in increasing number of people to choose fast food restaurants. Initially fast food restaurants faced assertive challenges in getting accepted by consumers due to cultural mismatch. Today, fast food industry is being fitted to food concern and is welcomed by public as well as getting famous by the country. Fast food chains are achieving acclaim among the youngsters. A firm can satisfy the customer by meeting the specific expectations of the product they have by virtue of interaction with the firm. A model of customer perception varies across firms depending on the product they offer. All the components or the attributes should focus on the quality, core service or the value. The customers experience these states as an emotion of delight. In order to increase the customer delight, the firm needs experience based expectations rather than the normal expectations. In this aspect, the study has made an attempt to analyse the consumers' perception towards branded fast food restaurants in Erode city.

**Keywords** – Consumer Perception, Food Restaurants, industry.

## I. INTRODUCTION

The colourful appearances of fast food restaurants edify their rapid spreads which make them very easy to identify in the major cities and some towns of the country. Today, the list of brand names in the industry is being extended, so far without an end in sight as high sales volume encourage new entrant to spring up incessantly. The level of competition in the fast food industry is only rivalled by that in the telecommunications and banking industries, as fast food restaurants concentrated in a particular surface in every environment considered viable to capture the market ahead of others. However, with the upsurge in the setting up fast food restaurants, retaining customers becomes an issue in particular when factors such as quality and safety are important consumer concerns. The companies are spending substantial resources to measure and manage their customer satisfaction. As competition and other environmental influences increase globally, there is growing emphases on quality improvement and cost reduction in companies to achieve customer satisfaction and enhance organizational value. Many companies and organizations have come to acknowledge the critical importance of being customer-oriented and customer-driven in all their activities.

The fast food industry is a product-offering as well as service-rendering industry. It poses a fundamental challenge for the management of fast food industry. and service quality is more difficult to measure than measuring product quality. The industry is closely linked to the hospitality and health care industry where high quality product/ service cannot be compromised or satisfied. Therefore, the failure of any firm to meet the required level of expectation may spell doom for the outfit. Thus, there is need to identify the consumers' perception towards branded fast food restaurant in order to ensure high customers satisfaction and continuous patronage.

## STATEMENT OF THE PROBLEM

The consumer's tastes and needs are dynamic, implying that every brand should constantly find the ways to offer freshness in order to remain relevant in the market place. The restaurant industry is no longer divided into clear-cut segments since the services offered may sometimes overlap. Many of the fast food restaurants offer similar products or services. Therefore, the way and manner their services are provided are critical in gaining competitive edge.

Eating at home remains very much ingrained in Indian culture and changes in eating habits are very slow moving. The growth in nuclear families, particularly in urban India,

exposure to global media and western cuisine and an increasing number of women joining the workforce, had an impact on eating out trends. The working people are not much interested in spending a lot of time for preparation of meals, travelling to pick up meals, or waiting for meals in restaurants. As a result, consumers rely on fast food. Knowing this, fast food providers are coming up with new ways to market their products that save time for consumers.

In such a competitive industry, marketers and business owners need to be updated with consumer perceptions of many aspects of their business. A consumer perception has been the subject of increasing interest, especially in the service industry. Thus, it has made significant for the research to focus on consumers' perception towards branded fast food restaurants in Erode city. This study provides answer for the following questions:

- How far the respondents have awareness on the branded fast food restaurants?
- What are the factors influencing the consumers to prefer branded fast food restaurants?
- What are the perceptions of the consumers towards branded fast food restaurants?

### OBJECTIVES OF THE STUDY

The main objectives of the study are,

- To know the factors influencing the consumers towards branded fast food restaurants in Erode city.
- To study the perception of consumers regarding branded fast food restaurants in Erode city.
- To offer suitable suggestions based on the findings of the study.

### SCOPE OF THE STUDY

The study has been undertaken to examine consumers' perception towards branded fast food restaurants. The scope of the study is restricted with the objectives of studying the factors influencing the consumers to prefer branded fast food restaurants and the perception of consumers regarding branded fast food restaurants.

## II. RESEARCH METHODOLOGY

The study on consumers' perception towards branded fast food restaurants has been limited to the respondents located in Erode city only. In order to realise the objectives, the primary data is used. The required primary data have been collected through a survey method from the respondents during the period of April 2018 to July 2018. Besides the primary data, the secondary data were also collected from various sources like newspapers, magazines and websites to make highlights on fast food restaurants. The convenient sampling technique was employed in the selection of the sample. The number of items selected from the total population constitutes the sample size. Sample of 200 respondents were selected to carry out the present study in Erode city. The collected primary data has been analysed by applying important statistical tools such as Henry Garrett Ranking Technique and ANOVA.

### LIMITATIONS OF THE STUDY

- The data given by the respondents are limited to their own perception, opinion, emotion, knowledge, feelings and awareness.
- The data collected for the studies are quantitative being subject to personal bias of the respondents.
- Due to time constraint, the sample size was limited to 200 respondents and the findings might not be applicable to the total population.

## III. RESULTS AND DISCUSSION

The following are the findings of the study:

### Profile of the Respondents - Simple Percentage Analysis

In order to have knowledge on the profile of the respondents, it has been analysed by employing simple percentage analysis. The profile of the respondents has been classified as socio-economic profile and profile based on study related variables. It is shown in the following Table 1.

TABLE 1

Gender	Number of Respondents	Percentage (%)
Male	95	47.5
Female	105	52.5
<b>Total</b>	<b>200</b>	<b>100</b>
Age	Number of Respondents	Percentage (%)
Upto 20 years	43	21.5
21 - 30 years	58	29
31 - 40 years	53	26.5
Above 40 years	46	23
<b>Total</b>	<b>200</b>	<b>100</b>
Marital Status	Number of Respondents	Percentage (%)
Married	95	47.5
Unmarried	105	52.5
<b>Total</b>	<b>200</b>	<b>100</b>

Educational Qualification	Number of Respondents	Percentage (%)
Illiterate	41	20.5
School level	48	24
Graduate	42	21
Professional	69	34.5
<b>Total</b>	<b>200</b>	<b>100</b>
Occupational Status	Number of Respondents	Percentage (%)
Student	39	19.5
Business	29	14.5
Employed	64	32
Professional	30	15
Others	38	19
<b>Total</b>	<b>200</b>	<b>100</b>
Monthly Family Income	Number of Respondents	Percentage (%)
Upto Rs.20,000	65	32.5
Rs.20,001 - Rs.40,000	81	40.5
Above Rs.40,000	54	27
<b>Total</b>	<b>200</b>	<b>100</b>
Nature of the Family	Number of Respondents	Percentage (%)
Joint family	77	38.5
Nuclear family	123	61.5
<b>Total</b>	<b>200</b>	<b>100</b>
Size of the Family	Number of Respondents	Percentage (%)
Below 3 members	45	22.5
3 - 5 members	98	49
Above 5 members	57	28.5
<b>Total</b>	<b>200</b>	<b>100</b>
Area of Residence	Number of Respondents	Percentage (%)
Rural	59	29.5
Semi – Urban	66	33
Urban	75	37.5
<b>Total</b>	<b>200</b>	<b>100</b>
Sources of Awareness	Number of Respondents	Percentage (%)
Electronic Media	43	21.5
Print Media	46	23
Friends/Relatives	59	29.5
Others	52	26
<b>Total</b>	<b>200</b>	<b>100</b>
Preference of branded fast food restaurants	Number of Respondents	Percentage (%)
KFC	34	17
McDonald's	54	27
Domino's Pizza	40	20
Barbeque Nation	56	28
Others	46	23.5
<b>Total</b>	<b>200</b>	<b>100</b>
Reason For Preference	Number of Respondents	Percentage (%)
Reasonable price	27	13.5
Diverse menu	29	14.5
Convenient location	42	21
Taste and quality	57	28.5
Nutrition level of food items	34	17
Brand image	11	5.5
<b>Total</b>	<b>200</b>	<b>100</b>
Frequency of visit	Number of Respondents	Percentage (%)
Weekly once	39	19.5
Once/twice in a month	75	37.5
Two months once	45	22.5
Occasionally	41	20.5
<b>Total</b>	<b>200</b>	<b>100</b>
Type of food preferred	Number of Respondents	Percentage (%)
Vegetarian	79	39.5
Non – Vegetarian	121	60.5
<b>Total</b>	<b>200</b>	<b>100</b>
Opinion about the cost of branded fast food restaurants	Number of Respondents	Percentage (%)
Yes	105	52.5

No	95	47.5
<b>Total</b>	<b>200</b>	<b>100</b>
<b>Consumers implications for improvements</b>	<b>Number of Respondents</b>	<b>Percentage (%)</b>
Improved seating space	13	6.5
Indication of nutritional value of items	25	12.5
Increased variety of menu items	38	19
More choices of healthy menu	41	20.5
Ethnic/Local food	48	24
Increased number of service (for e.g. Home delivery)	35	17.5
<b>Total</b>	<b>200</b>	<b>100</b>
<b>Problems towards branded fast food restaurants</b>	<b>Number of Respondents</b>	<b>Percentage (%)</b>
Yes	188	94
No	12	6
<b>Total</b>	<b>200</b>	<b>100</b>

**The socio-economic profile of the respondents indicates that,**

- The majority (52.5) of the respondents are female.
- The majority (29%) of the respondents comes under the age group of 21-30 years.
- The majority (52.5%) of the respondents are unmarried.
- The majority (34.5%) of the respondents are professional.
- The majority (32%) of the respondents are employed.
- The majority (40.5%) of the respondents monthly income ranges from Rs. 20,001 – Rs.40,000.
- The majority (61.5%) of the respondents belongs to the nuclear family.
- The majority (49%) of the respondents belongs to the family size of 3-5 members.
- The majority (37.5%) of the respondents are in urban area.

**The profile of the respondents based on study related variables indicates that,**

- The majority (29.5 %) of the respondents are aware of the branded fast food restaurants through friends and relatives.
- The majority of (28%) of the respondents mostly prefer Barbeque Nation.
- The majority (28.5 %) of the respondents prefer branded fast food restaurants for taste and quality.
- The majority (37.5%) of the respondents visit the branded fast food restaurants once/twice in a month.
- The majority (60.5) of the respondents prefer non-vegetarian food items in branded fast food restaurants.
- The majority (52.5 %) of the respondents’ opinion about the cost of branded fast food restaurants is too expensive.
- The majority (24%) of the respondents are suggesting to Ethic/ Local food.
- The majority (94%) of the respondents are facing problems towards branded fast food restaurants.

**Factors Influencing to Prefer Branded Fast Food Restaurants – Henry Garrett Ranking Technique**

The factors influencing the consumers’ preference towards branded fast food restaurants is then analysed by applying Henry Garrett Ranking Technique. The ranking of the factors influencing the consumers’ preference towards branded fast food restaurants is shown in Table 2.

**TABLE 2 FACTORS INFLUENCING TO PREFER THE BRANDED FAST FOOD RESTAURANTS – HENRY GARRETT’S RANKING TECHNIQUE**

Factors	Ranks	Scale and score value of ranks													Total	Total Score	Mean Score	Rank
		I 84	II 76	III 67	IV 62	V 58	VI 53	VII 50	VIII 46	IX 42	X 37	XI 33	XII 26	XIII 16				
Food served in hot and fresh manner	F	21	29	10	30	21	14	11	3	8	15	14	7	17	200	10953	54.76	IV
	FX	1764	2204	670	1860	1218	742	550	138	336	555	432	182	272				
Reasonable price	F	5	10	5	12	5	12	23	21	16	26	20	28	17	200	8595	42.97	XIII
	FX	420	760	335	744	290	636	1150	966	672	962	660	728	272				
Pleasant odour in the restaurant	F	17	24	16	11	16	9	13	10	5	21	10	20	28	200	9758	48.79	VII
	FX	1428	1824	1072	682	928	477	650	460	210	777	330	520	400				
Hand wash and dinning are kept clean	F	7	11	20	12	10	25	17	26	16	20	13	13	10	200	9798	48.99	VI
	FX	588	836	1340	744	580	1325	850	1196	672	740	429	338	160				
Adequate number of suppliers for customers	F	18	23	23	13	18	25	2	12	15	23	5	14	9	200	10782	53.91	V
	FX	1512	1748	1541	806	1044	1325	100	552	630	851	165	364	144				
Delivery time	F	5	6	11	13	10	16	19	15	27	20	22	26	10	200	8923	44.61	XI
	FX	420	456	737	806	580	848	950	690	1134	740	726	676	160				
Quick	F	1	6	10	17	25	12	32	21	21	8	17	17	13	200	9305	46.52	IX

preparation	FX	84	456	670	1054	1450	636	1600	966	882	296	561	442	208				
Staff ambience	F	5	4	6	10	9	17	19	18	31	17	33	14	17	200	8603	43.01	XII
	FX	420	304	402	620	522	901	950	828	1302	629	1089	364	272				
Proximity and accessibility	F	12	6	10	8	15	13	8	30	18	24	21	15	20	200	9016	45.08	X
	FX	1008	456	670	496	870	689	400	1380	756	888	693	390	320				
Wide choice of menu	F	35	20	19	17	12	17	15	14	6	5	7	13	20	200	11024	55.12	III
	FX	2940	1520	1273	1054	696	901	750	644	252	185	231	338	240				
Quality and taste of food items	F	15	6	17	5	17	21	26	8	17	5	17	24	22	200	9368	46.84	VIII
	FX	1260	156	1139	310	986	1113	1300	368	714	185	561	624	352				
Spending time with friends/ relative	F	34	39	32	23	16	9	6	12	4	1	9	3	12	200	12419	62.09	I
	FX	2556	2964	2144	1426	928	477	300	552	168	37	297	78	192				
Home delivery	F	25	16	21	29	26	10	9	10	16	15	12	6	5	200	11328	56.64	II
	FX	2100	1216	1407	1798	1508	530	450	460	672	555	396	156	80				
<b>Total</b>		<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>				

(Note: x= Scale value: f= Number of respondents: fx=score

From the analysis, the majority of the respondents are influencing to prefer branded fast food restaurants is spending time with friends/ relatives, home delivery and wide choice menu.

**Consumers’ Perception Towards Branded Fast Food Restaurants - ANOVA**

The relationship between the selected independent variables (age, gender, marital status, educational qualification, occupational status, consumers’ preference, frequency of visit) and consumers’ perception towards branded fast food restaurants have been examined by framing a null hypothesis. The framed null hypothesis has been analysed with ANOVA at 5 per cent level of significance. It is shown in the following Table 3.

**TABLE 3 Relationship Between Independent Variables and Consumers’ Perception Towards Branded Fast Food Restaurants –ANOVA**

Variables	Source of variation	Sum of square	Df	Mean Square	F- Ratio	F- Table value	Result
Gender	Between groups	1.591	2	.796	3.246	2.99	Insignificant
	Within groups	48.284	197	.245			
	Total	49.875	199				
Age	Between groups	22.326	2	14.663	13.078	2.99	Insignificant
	Within groups	220.869	197	1.121			
	Total	250.195	199				
Marital status	Between groups	1.349	2	.675	2.738	2.99	Significant
	Within groups	48.526	197	.246			
	Total	49.875	199				
Educational Qualification	Between groups	8.914	2	4.097	3.769	2.99	Insignificant
	Within groups	214.161	197	1.087			
	Total	222.355	199				
Occupational status	Between groups	5.603	2	2.802	1.527	2.99	Significant
	Within groups	361.392	197	1.834			
	Total	366.995	199				
Consumers preference	Between groups	3.176	2	1.588	0.815	2.99	Significant
	Within groups	384.004	197	1.949			
	Total	387.180	199				
Frequency of visit	Between groups	3.093	2	1.547	1.478	2.99	Significant
	Within groups	206.187	197	1.047			
	Total	209.280	199				

From the analysis, it is found that there is no significant relationship between gender, age, educational qualification and perception level of the respondents towards branded fast food restaurants. It is also revealed that there is a significant relationship between marital status, occupational status, consumers preference, frequency of visit and perception level of the respondents towards branded fast food restaurants.

**IV. SUGGESTIONS**

The following suggestions are made based on the findings of the present study:

- The study reveals that the maximum of the respondents are influenced by spending time with friends/relatives, home delivery and wide choice of menu towards branded fast food restaurants. Therefore, it is suggested that the service provider of the fast food restaurants should undertake the training programme often to the sales personnel in order to improve the service quality.
- It is found from the analysis that there exist a significant relationship between frequency of visit and consumers’ perception towards branded fast food restaurants. Hence, it is suggested that the management of fast food restaurant should endeavour to improve on

their empathy by providing more care and personalised service to consumers in order to make them to revisit the restaurants again.

- It is inferred that majority of the respondents' opinion about the cost of branded fast food restaurant is too expensive. Hence, it is suggested that the service provider fast food restaurant should offer their products price are nominal to the customers according to the region.

## V. CONCLUSION

The emergence of the fast food restaurant has transformed urban food culture in India to some extent. In India, fast food culture emerged after independence. Eating at home used to be a significant aspect of Indian culture. However, over a period of time, with a growth in the number of nuclear families, economic growth and increasing per capita income as well as globalization, fast food culture gained prominence.

With the liberalization of the economy in 1992, new multinational fast food giants targeted India as a huge potential market with their outlets. Burger King, Pizza Hut, Domino's Pizza, McDonald's and KFC outlets are functioning in shopping malls and other public areas. Changing consumer behaviour and favourable demographics led India to witness a tremendous growth in fast food restaurant industry.

The study inferred that the maximum of the respondents prefer Barbeque Nation fast food restaurant and most of the respondents are highly influenced by spending time with friends/ relatives. Hence, it can be concluded that the management of fast food restaurants may improve the level of perception and satisfaction if the above mentioned suggestions are implemented.

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