RESEARCH PAPER

A study on the consumer patronage for Quick Service Restaurants

■ **Pooja S. Bhat, T. N. Venkata Reddy and P. K. Mandanna**

ABSTRACT

The value of the Indian restaurant market is expected to escalate to Rs. 51,000 crore by 2021.The study lays emphasis on the factors prompting and inducing the consumption of American food from American Food Restaurants (AFR) by the consumers in Bengaluru city apart from providing the necessary recommendations and suggestions to the AFR's. Primary data was collected from 90 consumers of American foods in Bengaluru city using a schedule and the data obtained was analysed byfactor analysis. The findings revealed that six factors; namely service quality, affordability and psychological factors, convenience and experience orientation, health and ambience, food quality and enjoyment and psychological dimension influenced the consumption of American food from AFR's by the consumers.The study recommends the restaurant managers to perform a detail demand survey at regular intervals to know about the unique needs and requirements of their customers.

KEY WORDS : Ambience, Bartletts test,Casual dining, Fine dining, KMO measure

Indian food industry has been flourishing in the current times. The value of the Indian restaurant market was Rs. 20,400 crore in 2016 and it is expected to escalate to Rs. 51,000 crore by 2021 (NRAI, 2016). Quick service restaurants (QSR) and casual dining happen to be the two most popular formats occupying 45 per cent and 32 per cent of the overall market, respectively (ASSOCHAM, 2016). The fine dining segment is growing at a healthy pace of 15 per cent, comprising around 50 players with about 150-200 outlets spread across several cities, worth Rs. 500 crores and estimated to reach Rs. 1,010 crores by 2018 (*hospitalitybizindia.com,* 2016). QSR or more popularly the American Food Restaurants (AFR) like Pizza Hut, KFC, Dominos, McDonalds, etc. has been developing exponentially in the modern times (Ibrahim and Vignali, 2005).

However, despite this growth, it could be seen that Indians still happen to love their roti, dal, curry and nautanki food which indicates that the acceptance of foreign cuisine is still confined to a limited section of the population. Consumers in the contemporary world are now ready to pay extra for a fine-dining experience, apart from desiring more food innovations given that they have ample choices to select from. Also being a highly competitive sector, with a large number of players,

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reduced customer loyalty can be seen and so it is left to the QSR players to either innovate or to perish. Restaurant chains are designing spaces that play on our need for both social interaction and secure territory (Robson,1999). Fast-food promotions affect the frequency of children's fast-food consumption (Grier *et al.,* 2007). Factors like availability issues, convenience, social increase in fast food use, easy to get fast foods anytime affect the fast food consumption (Kim *et al.,* 2004).

Objectives of the study:

The study lays emphasis on the factors prompting and inducing the consumption of American food from American Food Restaurants/QSR by the consumers in Bengaluru city apart from providing the necessary recommendations and suggestions to the AFR's.

METHODOLOGY

Primary data was collected from 90 consumers of American foods in Bengaluru city using a schedule. Factor analysis was used to identify the factors influencing the consumption of American food from American Food Restaurants by the consumers.
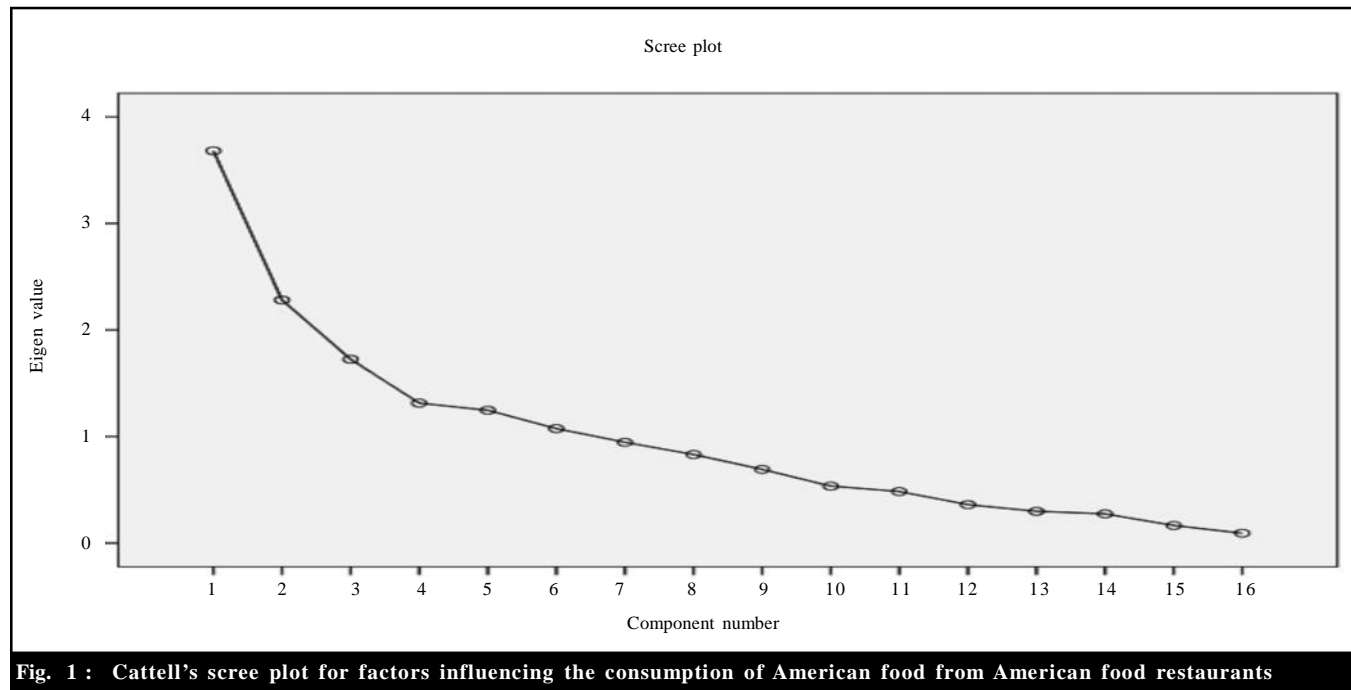
ANALYSIS AND DISCUSSION

The first step is to check the adequacy of the factor

analysis with the help of Kaiser-Meyer-Olkin (KMO) Measure and Bartlett's Test (Table 1). The KMO measure was 0.692 which reveals that the factors extracted account for fair amount of variance. The Chi-squarevalue for Bartlett's test was significant, thus rejecting the null hypothesis of independence among the variables.

Table 1: Kaiser-meyer-olkin measure and Bartlett's test for adequacy of factor analysis		
Kaiser-meyer-olkin measure of sampling adequacy		0.692
Bartlett's test of sphericity	Approximate chi-square	533.036
	Difference	120
	Significance	0.000

Although, it is possible to have as many factors as the number of variables, those factors with eigen values greater than one are considered for determining the number of factors. Therefore, with the help of Cattell's scree plot, the number of factors was determined (Fig.1). Cattell's Scree plot is a plot of the Eigen values that are associated with each of the factors extracted, against each factor. The major point of interest is where the curve begins to flatten. It can be seen that the sixth factor has an eigen value of more than 1, so only six factors were retained. The final objective of the analysis is the reproduction of the covariances and correlations which

Fig. 1 : Cattell's scree plot for factors influencing the consumption of American food from American food restaurants

are the important factors.

The correlation matrix of rotated factor loadings is presented in Table 2. From the table, it could be observed that "open for long hours", "credit card facility/ more than one mode of payment", "range of products" and "outstanding reputation (prestigious and high class)/ brand name" were substantially loaded on factor (component) 1, while "quick home delivery system", "familiarity and popularity of restaurant", "habitual since many years" and "offer international taste at low budget" were substantially loaded on factor 2, "American foods are laborious to prepare at home" and "international dining experience" were loaded on factor 3, "nutritious food", "hygiene and cleanliness" and "ambience of the restaurant" were loaded on factor 4, "authentic ingredients" and "like to try something new/willingness to experiment" were loaded on factor 5 and "current trend/ fad to consume foods from these outlets" was loaded on factor 6.

The most important factor considered by urban households while purchasing meat includes nutritive value, followed by taste, freshness, tenderness, source, price, fat content and ease of availability (Raghavendra, 2007). Certain participants are very critical regarding healthy menu identification at fast food restaurants (Cunha *et al.,* 2010). Food quality and safety are central

issues in today's food economics (Grunert, 2005). Traditional foods remain an important part of contemporary Sanikiluaq lifestyle (Wein *et al.,* 1996). Significant association was found between the adoption of buying behaviour of consumers and the factors that influence them to choose local products in Greece (Koutroulou and Tsourgiannis, 2011).

Factor 1 labelled as "service quality", collects variables with higher loadings relating to the services offered by AFR's and the reputation of the AFR's. Similarly, factor 2 collects variables that relate to the cost aspects of American foods and the custom of visiting these AFR's. Hence, this factor is termed as "affordability and psychological factors". A high score on this factor reveals that the consumer was more concerned about the psychological attributes affecting the consumption of American foods. Factor 3 collects variables that relate to the convenience aspects and the dining experiences. For this reason, the third factor is labelled as "convenience and experience orientation". Such consumers who score high on convenience aspects have tight schedules with little or no time to cook.

Factor 4 collects variables that relate to nutrition, cleanliness and restaurant attributes. Thus, this factor is branded as "health and ambience". Factor 5 collects variables that relate to the authenticity of the food and

Sr. No.	Particulars	Component					
		1	2	3	4	5	6
1.	Authentic ingredients	0.025	-0.086	-0.119	-0.027	0.833	-0.003
2.	Nutritious food	0.212	0.034	0.171	0.720	0.024	0.012
3.	Hygiene and cleanliness	0.068	0.025	-0.022	0.812	0.082	-0.276
4.	Ambience of the restaurant	0.317	0.359	0.250	0.451	0.378	0.242
5.	Open for long hours	0.776	-0.169	-0.268	0.152	-0.105	-0.125
6.	Quick home delivery system	0.167	-0.821	0.017	-0.054	-0.081	0.194
7.	Credit card facility / more than one mode of payment	0.880	-0.134	0.110	0.109	0.061	-0.068
8.	Range of products	0.791	0.033	0.281	0.039	0.211	-0.068
9.	Familiarity and popularity of restaurant	0.165	0.621	0.183	0.325	-0.162	0.120
10.	Outstanding reputation (prestigious and high class) / Brand name	0.690	0.389	0.038	0.314	-0.194	0.162
11.	Current trend / fad to consume foods from these outlets	-0.050	-0.027	-0.016	-0.175	0.028	0.826
12.	Habitual since many years	0.301	-0.554	0.032	0.158	0.199	-0.391
13.	American foods are laborious to prepare at home	0.038	-0.018	-0.891	-0.124	0.045	0.075
14.	Offer international taste at low budget	0.109	0.559	0.203	-0.154	0.092	-0.502
15.	International dining experience	0.139	0.112	0.774	0.060	0.102	0.001
16.	Like to try something new / willingness to experiment	-0.002	0.017	0.178	0.120	0.779	-0.035

Table 2: Rotated component matrix for factors influencing the consumption of American food from American food restaurants

the nature of the consumers being experimental. For this reason, the fifth factor is labelled as "food quality and enjoyment". Factor 6 collects variables that relate to the trend/ fad in consuming these foods from these outlets. Consequently, this factor is categorized as "psychological dimension". "Customers rely on the taste and service quality thereby resulting in customer satisfaction (Ghimire, 2012) and (Rahmawaty *et al.,* 2013).

Factors such as personal issues, family and peer pressure significantly affect food choices among adolescents (Bargiota *et al.,* 2013). Price and novelties are considered important by the Young Canadian customers (Kara *et al.,*1995). Best quality, retailer's influence, ready availability and convenience are certain factors influencing brand preference of selected instant food products (Usha, 2007). Consumers within the top socio-economic groups are most careful about food ingredients (Koc and Ceylan, 2012).

Conclusion:

The study has highlighted six factors; namely service quality, affordability and psychological factors, convenience and experience orientation, health and ambience, food quality and enjoyment and psychological dimension which were influencing the consumption of American food from American Food Restaurants by the consumers. Quality, aroma, taste and flavour of coffee and tea were the most important attributes preferred in both, the urbanand rural regions of Karnataka (Varun, 2008).

Significant risk reductions were found to be associated with switching to organically grown produce by the organic produce buyers who were willing to pay greater prices to reduce perceived food safety risks (Williams and Hammitt, 2000). Positive opinions concerning the taste of western foods have a significant influence on processed potato consumption (Curtis *et al.,*2006). Women, the 30–39 age group, and university graduates have a higher score of food-consumption-and-purchasing attitude points (Ucar *et al.,* 2011). Socio-economic profile of the consumers act as the major determinants of the consumption pattern of milk (Kubendran and Vannirajan, 2005).

Most of the customers felt that the service offered in the parcel section was average. The customers faced problems of delayed service, low quantity in packed items and poor packing. So, the restaurant management should pay more attention to improve and strengthen the parcel section with quick service. Restaurant managers need to perform a detail demand survey at regular intervals to know about the unique needs and requirements of their customers.

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