



E-ISSN: 2278-4136  
P-ISSN: 2349-8234  
JPP 2018; 7(1): 2533-2536  
Received: 15-11-2017  
Accepted: 16-12-2017

#### Pooja S Bhat

Ph.D Scholar (Agribusiness Management), Department of Agricultural and Rural Management, Tamil Nadu Agricultural University, Coimbatore, Tamil Nadu, India

#### TN Venkata Reddy

Department of Agricultural Marketing, Co-operation and Business Management, University of Agricultural Sciences, GKVK, Bengaluru, Karnataka, India

#### Dr. PK Mandanna

Department of Agricultural Marketing, Co-operation and Business Management, University of Agricultural Sciences, GKVK, Bengaluru, Karnataka, India

## An evaluation of the effect of age, gender, domicile status and profession on consumers most preferred brand of American food restaurant for dining

Pooja S Bhat, TN Venkata Reddy and Dr. PK Mandanna

#### Abstract

The food services market in India is projected to grow to Rs.4.98 trillion by 2021, increasing at an annual average rate of 10 per cent. With the market entry of a large number of Indian and foreign brands in the American Food Restaurant sector vying for customer attention, it has become difficult to keep away customers from bingeing and indulging at affordable outlets. The present study aims to check the effect of age, gender, domicile status and profession on the consumers most preferred brand of American Food Restaurant for dining. The study involved interviewing consumers of American style foods numbering 90 in Bengaluru city for their preference for American Food Restaurants and the data collected was analysed using Chi-Square Technique. Results revealed that there is impact of age, domicile status, occupation/profession and no impact of gender on consumers most preferred brand of American Food Restaurant for eating out.

**Keywords:** american food restaurants, bingeing, brands, cuisines, dining

#### Introduction

The food services market in India is projected to grow to Rs.4.98 trillion by 2021, increasing at an annual average rate of 10 per cent, from Rs.3.09 trillion in 2016, (NRAI<sup>1</sup>- Technopak<sup>2</sup>, 2016). With the market entry of a large number of Indian and foreign brands in the Quick Service Restaurant (QSR)/ American Food Restaurant (AFR)/ Limited Food Restaurant (LFR) sector vying for customer attention, it has become difficult to keep away customers from bingeing and indulging at affordable outlets. Being highly competitive and offering delicacies like burgers, pizzas, wraps, sandwiches, etc., their focus seems to be on providing customised cuisines suiting Indian palate on a platter. There are presently around 90-100 brands with approximately 2900-3000 outlets spread all across different cities along the length and breadth of the country. Indians in metropolitan cities don't generally need a specific reason/ cause or a distinctive occasion to eat out. Most Indians either love food/ are experimental, or would rather prefer spending their free time at AFR's, their most preferred destination/ easy get away when it comes to food. Most people these days consider visiting restaurants as ideal and premium places, the ones with quality and comfort for socializing, unwinding, relaxing, hanging out, spending time with family and loved ones apart from indulging in the wide variety of international cuisines that are served.

The current trends in the restaurant sector include Indian brands exploring foreign markets, brand expansion into smaller cities/ tier two and tier three cities, growth of food franchising, development of small formats like express outlets, smart carts/ kiosks, menu diversification and product innovations by the introduction of local flavours, technological innovations by the development of IVR system for placing orders. Despite their high appeal with consumers of varying ages, genders, socio-economic and demographic groups, races, cultures, yet they are bound by several challenges like cumbersome licensing, fluctuations in the food price, inflation, fragmented market, market expansion problems especially franchising, quality issues, fragmented supply chains, high costs of real estate, lack of skilled manpower and payment of multiple levels of taxes like VAT, excise, service tax besides different state taxes. The present study aims to check the effect of age, gender, domicile status and profession on the consumers most preferred brand of American Food Restaurant for dining out.

#### Methodology

The study involved interviewing consumers of American style foods numbering 90 in Bengaluru city for their preference across each of the American Food Restaurants over the others. A total of seven AFR's were chosen for the study *ie.*, McDonald's, Pizza Hut, Domino's, KFC, Papa Johns, Subway and Taco Bell from whom data was collected and

#### Correspondence

#### Pooja S Bhat

Ph.D Scholar (Agribusiness Management), Department of Agricultural and Rural Management, Tamil Nadu Agricultural University, Coimbatore, Tamil Nadu, India

analysed using Chi-Square Technique in order to study the dependence of variables like age, gender, domicile status and profession/ occupation on the consumers most preferred brand of AFR for eating out.

### Results and Discussion

The discoveries of this study obtained are emphasized below under appropriate headings:

#### Consumers most preferred brand of AFR for eating out as influenced by age

Effect of age on consumers most preferred brand of AFR for eating out is presented in Table 1. It is clear from the Table that nearly half of the consumers (42.10%) below the age of 25 years preferred McDonald's followed by KFC (21.05%), Domino's (15.79%), Pizza Hut (13.15%), Subway (5.27%) and Taco Bell (2.64%). Consumers belonging to the age group of 26-35 preferred Domino's (28.58%), followed by Pizza Hut (22.85%), KFC (20%), McDonald's (17.14%), Taco Bell (8.58%) and Papa Johns (2.85%). None of the consumers in this age group patronized Subway. A little more than half of the consumers (55.56%) belonging to the age group of 36-45 preferred KFC, followed by one third of the consumers (33.33%) preferring McDonald's and only a small per cent preferring Pizza Hut (11.11%). Nearly two thirds of the consumers (62.50%) belonging to the age group of above 45 years preferred eating out from McDonald's, followed by one fourth who preferred Pizza Hut (25%) and Domino's (12.50%). None of the consumers in the age group of 36-45 and above 45 years preferred eating out from Taco Bell, Subway and Papa Johns. Also, consumers in the age group of below 25 years did not prefer Papa Johns for eating out while consumers belonging to the age group of 36-45 were found to not be consuming American foods from Domino's and consumers with age more than 45 years did not consume American foods from KFC. Calculated Chi-square value for this Table is 41.2330 which is higher than the Table value ie. 28.869 at 5 per cent significance level which shows that the test is significant. Calculated value shows that there is impact of age on the consumers most preferred brand of AFR for eating out.

McDonald's brings new innovative techniques to understand the consumers and they know how to understand the consumer better. McDonald's with their ready to eat strategy (fun and leisure time with family and kids), use of Customer Relationship Management, new formats like McCafe, having wifi internet links and database marketing has attracted different segments of the consumer target groups. As McDonald's have the facility for the celebration of birthday parties and kitty parties, variety of combo meals like personalised menus at customised costs, the consumers preferred it. McDonald's philosophy of QSCV (Quality, Service, Cleanliness and Value) is the guiding force behind their service to the customers in India. McDonald's also offers happy meal that consists of a drink, potato fries, a burger along with a small toy in order to attract its young consumers especially the kids.

Consumers did not prefer eating out from Taco Bell, Subway and Papa Johns as these are relatively new brands of AFR's in the market in their initial stages of development with relatively fewer operating outlets. More so, these restaurants do not provide any new offers and discounts to consumers in order to attract and persuade them for repeat consumption. Price conscious consumers and value seekers preferred consuming foods from McDonald's and KFC which provide

combo meals for the entire family. Similar findings have been reported by Goyal and Singh (2007)<sup>[3]</sup> in their study.

#### Consumers most preferred brand of AFR for eating out as influenced by gender

Effect of gender on consumers most preferred brand of AFR for eating out is presented in Table 2. It can be noticed from the Table that nearly half of the male consumers (42.86%) preferred McDonald's, followed by KFC (22.86%), Pizza Hut (11.42%), Domino's (8.58%). Taco Bell and Subway were preferred by an equal per cent of consumers (5.71%) each. Least preferred brand of AFR for eating out was Papa Johns (2.86%). Female consumers who accounted for a major portion of the consumers patronizing AFR's were found to indicate their first preference for McDonald's (27.28%) followed by Domino's (25.46%), KFC (21.81%), Pizza Hut (21.81%) and Taco Bell (3.64%). Female consumers were found to not patronize Papa Johns and Subway brand of AFR's. It can be concluded that both male and female consumers considered McDonald's as their most important brand of AFR for eating out.

Calculated Chi-square value for this Table is 12.0409 which is lesser than the Table value ie. 12.5916 at 5 per cent significance level which shows that the test is insignificant. Calculated value shows that there is no impact of gender on the consumers most preferred brand of AFR for eating out. This indicates that regardless of the brand of AFR, consumers always look for an opportunity to consume foods from these AFR's. Given the fact that there is an increasing number of women who work outside home and most families comprise of double income individuals, consumers look out for proximity of the restaurants to their workplaces or homes rather than their preference for a particular brand of restaurant. Similar findings have been reported by Goyal and Singh (2007)<sup>[3]</sup> in their study.

#### Consumers most preferred brand of AFR for eating out as influenced by domicile status

Influence of domicile status on consumers most preferred brand of AFR for eating out is presented in Table 3. It can be noticed that nearly one thirds of the North Indian consumers (31.58%) preferred KFC, Domino's (26.31%), McDonald's (18.42%), Pizza Hut (13.16%), Taco Bell (7.90%) and Subway (2.63%). None of the North Indian consumers preferred eating out from Papa Johns. Nearly half of the South Indian consumers preferred McDonald's (44.69%) followed by Pizza Hut (21.27%), Domino's (14.90%) and KFC (14.90%). Papa Johns and Taco Bell were preferred by an equal per cent of consumers (2.12%) each. Consumers did not prefer eating out from Subway. Half of the North East Indian consumers preferred McDonald's (50%) followed by an equal per cent of consumers preferring KFC and Pizza Hut (25%) each. Cent per cent of the Foreign National consumers ate out from Subway. Calculated Chi-square value for this Table is 80.8990 which is higher than the Table value ie. 28.8693 at 5 per cent significance level which shows that the test is highly significant. Calculated value shows that there is impact of domicile status on the consumers most preferred brand of AFR for eating out.

According to the 2011 census, the major communities of Bengaluru who share a long history in the city other than the Kannadigas are the Telugus and the Tamilians. This apart, there are other communities that include the Tuluvas and the Konkanis of coastal Karnataka, the Kodavas of the Kodagu district, as well as Malayalees, Punjabis, Rajasthanis,

Gujaratis, Sindhis, and Bengalis. North Indians preferring to eat out from KFC can be substantiated by the fact that majority of the North Indians are non-vegetarians and KFC offers a wide range of menu catering to the non-vegetarian segment. McDonald's on the other hand is preferred by South Indians as most South Indians are vegetarians and McDonald's has a wide menu for the vegetarian segment of the consumers. Foreign National consumers consuming American foods from Subway can be attributed to the fact that Subway is a globally recognized brand and is much popular in the International scenario unlike McDonald's which enjoys comparatively less popularity. However in Bengaluru, Subway has only two outlets and this is the reason for lesser number of consumers preferring them.

### Consumers most preferred brand of AFR for eating out as influenced by occupation/ profession

Effect of occupation/ profession on consumers most preferred brand of AFR for eating out is presented in Table 4. It is clear from the Table that Students formed the single largest group of consumers consuming American foods from AFR's. One third of the student consumers (32.25%) preferred McDonald's, followed by an equal per cent of consumers preferring KFC and Pizza Hut (22.58%). Domino's (12.91%) and Taco Bell (9.68%) were also preferred by the consumers. Among the software professionals who accounted for the second largest group of consumers patronizing AFR's, one third preferred KFC (33.34%), followed by McDonald's (29.63%), Domino's (22.23%) and Pizza Hut (7.40%). Least preferred brand of AFR for eating out was Papa Johns (3.70%) and Subway (3.70%). None of the consumers frequented Taco Bell. One third of the bank employees

preferred McDonald's and KFC (33.33%) each followed by an equal per cent of consumers preferring Domino's and Taco Bell (16.67%). Pizza Hut was not preferred by the consumers belonging to this group. Half of the government employees who were consumers to AFR's preferred Pizza Hut (50%) followed by one third of the consumers who preferred McDonald's (33.33%) and Subway (16.67%). A little more than one third of the private sector employee consumers consumed American foods from McDonald's (35.30%), followed by Domino's (29.41%), Pizza Hut (23.52%) and KFC (11.17%). None of the consumers consumed American foods from Taco Bell. Two thirds of the businessmen who ate from AFR's preferred McDonald's, followed by one third who preferred KFC (33.34%). None of the consumers preferred Taco Bell, KFC and Pizza Hut. Students, private sector employees, businessmen and bank employee consumers were not fond of Subway and Papa Johns.

Calculated Chi-square value for this Table is 67.4548 which is higher than the Table value i.e. 43.7729 at 5 per cent significance level which shows that the test is significant. Calculated value shows that there is impact of occupation/ profession on consumers most preferred brand of AFR for eating out. With greater disposable incomes, there is greater expenditure by the consumers and so these consumers prefer eating out from costlier brands of restaurants. Students on the other hand, with limited finances, prefer McDonald's as it offers food at relatively lower prices. Consumers belonging to other professions prefer KFC as it offers a wider variety of menu options particularly for the non-vegetarian segment. Similar findings have been reported by Goyal and Singh (2007)<sup>[3]</sup> in their study.

**Table 1:** Consumers most preferred brand of AFR for eating out as influenced by age (n=90)

Sl. No.	Age group (in years)	American Food Restaurants							Total
		Mc Donald's	Domino's	Taco Bell	Subway	KFC	Papa Johns	Pizza Hut	
1.	Below 25	16 (42.10)	6 (15.79)	1 (2.64)	2 (5.27)	8 (21.05)	0 (0.00)	5 (13.15)	38 (100.00)
2.	26-35	6 (17.14)	10 (28.58)	3 (8.58)	0 (0.00)	7 (20.00)	1 (2.85)	8 (22.85)	35 (100.00)
3.	36-45	3 (33.33)	0 (0.00)	0 (0.00)	0 (0.00)	5 (55.56)	0 (0.00)	1 (11.11)	9 (100.00)
4.	Above 45	5 (62.50)	1 (12.50)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)	2 (25.00)	8 (100.00)
Total		30	17	4	2	20	1	16	90 (100.00)

$$x^2 = 41.2330^*$$

Note: Figures in parentheses represents percentage to the row total

\*: Significant at 5 per cent level

**Table 2:** Consumers most preferred brand of AFR for eating out as influenced by gender (n=90)

Sl. No.	Gender	American Food Restaurants							Total
		Mc Donald's	Domino's	Taco Bell	Subway	KFC	Papa Johns	Pizza Hut	
1.	Male	15(42.86)	3(8.58)	2(5.71)	2(5.71)	8(22.86)	1(2.86)	4(11.42)	35(100.00)
2.	Female	15(27.28)	14(25.46)	2(3.64)	0(0.00)	12(21.81)	0(0.00)	12(21.81)	55(100.00)
Total		30	17	4	2	20	1	16	90(100.00)

$$x^2 = 12.0409$$

Note: Figures in parentheses represents percentage to the row total

**Table 3:** Consumers most preferred brand of AFR for eating out as influenced by domicile status (n=90)

Sl. No.	Domicile status	American Food Restaurants							Total
		Mc Donald's	Domino's	Taco Bell	Subway	KFC	Papa Johns	Pizza Hut	
1.	North Indian	7(18.42)	10(26.31)	3(7.90)	1(2.63)	12(31.58)	0(0.00)	5(13.16)	38(100.00)
2.	South Indian	21(44.69)	7(14.90)	1(2.12)	0(0.00)	7(14.90)	1(2.12)	10(21.27)	47(100.00)
3.	North East Indian	2(50.00)	0(0.00)	0(0.00)	0(0.00)	1(25.00)	0(0.00)	1(25.00)	4(100.00)
4.	Foreign Nationals	0(0.00)	0(0.00)	0(0.00)	1(100.00)	0(0.00)	0(0.00)	0(0.00)	1(100.00)
Total		30	17	4	2	20	1	16	90(100.00)

$$x^2 = 80.8990^*$$

Note: Figures in parentheses represents percentage to the row total

\*: Significant at 5 per cent level

**Table 4:** Consumers most preferred brand of AFR for eating out as influenced by occupation/ profession (n=90)

Sl. No.	Occupation/ profession	American Food Restaurants							Total
		Mc Donald's	Domino's	Taco Bell	Subway	KFC	Papa Johns	Pizza Hut	
1.	Student	10(32.25)	4(12.91)	3(9.68)	0(0.00)	7(22.58)	0(0.00)	7(22.58)	31(100.00)
2.	Software professional	8(29.63)	6(22.23)	0(0.00)	1(3.70)	9(33.34)	1(3.70)	2(7.40)	27(100.00)
3.	Bank employee	2(33.33)	1(16.67)	1(16.67)	0(0.00)	2(33.33)	0(0.00)	0(0.00)	6(100.00)
4.	Government employee	2(33.33)	0(0.00)	0(0.00)	1(16.67)	0(0.00)	0(0.00)	3(50.00)	6(100.00)
5.	Private sector employee	6(35.30)	5(29.41)	0(0.00)	0(0.00)	2(11.77)	0(0.00)	4(23.52)	17(100.00)
6.	Business	2(66.66)	1(33.34)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	3(100.00)
Total		30	17	4	2	20	1	16	90(100.00)
$\chi^2 = 67.4548^*$									

**Note:** Figures in parentheses represents percentage to the row total, \*: Significant at 5 per cent level

### Conclusion

There is impact of age, domicile status and occupation/ profession on consumers most preferred brand of AFR for eating out. However, there is no impact of gender on consumers most preferred brand of AFR for eating out.

### Recommendations and Suggestions

Brand loyalty is an important factor in American foods. It is very hard to persuade the consumers to switch brands. Any new firm entering into the market should study these aspects very critically. The quality aspects coupled with the competitive prices may lead to the change in brands. The innovative firms need to make a note of these points while entering into businesses of such kind. AFR's can also support activities and involve themselves in charity, cultural, sports, social and other kinds of public events. They can also explore strategic tie-ups and sponsorships of sports events. Corporate Social Responsibility activities may also be taken up by the AFR's like child education, pulse polio etc.

Brand positioning should be done by keeping in mind, the target customers, their requirements, lifestyles, behavioural aspects and other influencing factors. The companies should develop their unique logo, mascot/ symbol that can be identified with their brand. Companies are also required to build their brands with the help of packaging, point-of-purchase advertising, delivery vehicles, retail outlets, marketing communication and sponsorships. They need to develop and manage a brand persona that customers recognize and like.

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