A Study on Youths Perception and Preferences towards Fast Food Restaurants

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The study analysis the customer behaviour of youth towards fast food restaurants, the targeted segment, and the seasons for its popularity and the areas of improvement to boost its sales in the restaurants. A sample size of 100 is taken for the study to examine the perceptions and preferences of the youth. Improvement in customer service to attain high level of satisfaction is the goal kept in view. Factor analysis and discriminant analysis have been used as statistical tools to test the objectives of the study. The study advocates new and distinct techniques to be adopted by fast food restaurant for sustaining the interest of the youth.

Introduction

India is a place where food and food habits are matters of great concern. The food culture is also as diverse as India. It exhibits the diversity of tastes and flavours of Indian culture. We can find different food habits as well as varieties across India. The Indians embrace traditional food and western food on the same level. Therefore we can find assortments of cuisines all over India. The food habits of people range over demographic factors too. The youth may mostly prefer fast bites such as pizzas and burgers, whereas the elderly may opt for traditional parathas and dosas. In this present time, where people do not have time even to cook, eating out has become a common occurrence. It also gives them a variety of options to choose from and help save time and energy.

Let us now analyse the customer behaviour towards FAST FOOD RESTAURANT, the targeted segment, the reasons for its popularity and the areas of improvement to boost its sales in the restaurants.

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Literature Review

Anita Goyal (2007) studied the consumer perception about fast food in India. In her research paper, she estimated the importance of various factors affecting the choice of fast food outlets by young Indian consumers. The samples were collected among the youth segment and data was collected using structure questionnaire. The results indicated that young Indians have passion for visiting fast food outlets but home food is their first choice. They feel homemade food is much better than food served at fast food outlets. They have the highest value for taste and quality (nutritional values) followed by ambience and hygiene.

Kara et al. (1995) has presented the consumers' perceptions of and preferences for fast-food restaurants in the US and Canada. According to their study, the consumers in the age of 12 to 24 years look for variety, price, delivery service and location in America and for price and novelties in Canada. In the age group of 46 years to above 55 years cleanliness, nutritional value, quality and taste are considered by Americans and preference is given to nutritional value and seating capacity by Canadians in identifying fast food restaurants.

In Indian context, there is a growing concern towards health. Recent news article by Barker (2006) indicates that Indians are facing the problem of obesity and among kinds of food – fast food is one of the reasons for the same. However, there is gap of a particular research in Indian context to have a link between the health problems and fast food consumption. In future, genetically modified food may take the place of fast food of today (Onyango et al., 2004; Sharma, 2005).

Problems of the study

To identify the consumption patterns of customers, understand their needs and requirements to be better, to bring the necessary changes in business so as to improve the overall customer numbers and to increase the sales of the Fast Food Restaurants.

Objectives

1.   To understand the factors that lead to preference among youth for Fast food restaurants.

2.   To identify the challenges and methods to be adopted by the Fast food restaurants to increase their sales by increasing the number of customers

3.   To study and improve the customer satisfaction level through better service.

Research Methodology

Random sampling method was used to collect the data from the respondents. The population of the study is in-between the age group of 18 – 24 especially student community. The sample size of the study is around 100. A structured questionnaire was designed to collect data for the study. Both, primary and secondary data were collected and used for the study. The required primary data were collected from the respondents by direct personal interview, using the questionnaire method and the required secondary data were collected through various journals, magazines, newspapers, books, reports etc. the first part of the questionnaire was focused on the demographic and other general information of the respondents. The second part was focused on the different factors that has an influence on the perception of the respondents towards the food court. In order to make the analysis easy we have used five point Likert scale to differentiate the factors from one another. Statistical tools like Factor analysis and Discriminant analysis were used to test the objective of the study.

Data Analysis and Discussion

Discriminant Analysis

Discriminant analysis is useful to predict a group membership, so firstly we examine using group means whether there are any significant differences between groups on each of the independent variables tables provide the information. This technique can be used when there is a dependent variable and multiple independent variables. The dependent variable should be categorical in nature.

In our research study we use this method to determine the dependency of preference for fast food restaurants based on several factors of the customer such as age, profession and purchasing power. We can also estimate which among these factors contributes most to deciding their preference.

Wilk's Lamda Table

Wilks' lambda shows the significance of Discriminant function. Table 1 shows highly significant function (p-value less than 0.000) that provides the proportion of total variability which was not explained that it is the converse of squared canonical correlation which 28.1% unexplained.

Table 1. **Wilks' Lambda**

Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1	.281	17.193	3	.001

Canonical discriminant function co-efficient tables

The unstanardized co-efficients is used to create the Discriminant function (eq) just like regression equation. Using table 2.

Preference = -1.075 + (-.038)*Age + (-.531)*Profession + (1.262)*Expenditure

The Discriminant coefficients of standardized form beta shows the partial contributions of variable to Discriminant function controlling for other variables in the above equation. The equation 1 is used to asses all Independent variables contribution to Discriminant function to provide information of each variable.

Table 2. **Unstandardized Canonical Discriminant Function Coefficients**

	Function 1
Age	-.038
Profession	-.531
Monthly Expenditure on eating at FAST FOOD RESTAURANT	1.262
(Constant)	-1.075
Unstandardized coefficients	

Group centroid table

Using Group centroid of the predictor variables, it indicates the preference of eating at Fast food restaurant whose says Yes have a mean of 0.254 while No have a mean of -0.955 Cases with scores close to centroid are forecasted as belonging to that group.

Table 3. **Functions at Group Centroids**

Do you prefer eating at Food Court (FAST FOOD RESTAURANT) ?	Function 1
Yes	.254
No	-.955

Unstandardized canonical discriminant functions evaluated at group means

Factor Analysis

It is a method useful to describe the variability among observed variables in terms of potentially lower no of unobserved variables called factors. It is possible for variations in three or four observed variables reflect the variations in fewer unobserved variables such joint variations in response to unobserved latent variables.The observed variables are called linear combination of the potential factors. Using Table 4, The KMO value for the test has come out to be 0.736. This is greater than '0.5', which means it is prudent to embark on the "Factor Analysis" for our research.

Table 4. **KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.736
Bartlett's Test of Sphericity	Approx. Chi-Square	309.947
	Df	55
	Sig.	.000

we have focused on the "VARIMAX-Rotated Component Matrix" to bifurcate the factor that influences the customer to eat at Fast food restaurants.

Table 5. **Rotated Component Matrix^a**

	Component		
	1	2	3
Budget is a constraint to my eating out at FAST FOOD RESTAURANT	.289	-.068	.798
The menu has a good variety of items	.672	.120	.086
The food orders are correct and complete	.493	.393	-.119
The food is served hot and fresh	.601	.445	.017
The quality of food is excellent	.868	.049	-.075
The food is tasty and flavourful	.788	.239	.005
Employees are friendly and courteous	.099	.870	-.002
Prompt Service	.259	.769	-.039
Availability of sauces, utensils, napkins, etc. is good	.511	.319	.063
Value for price paid	.673	.167	-.375
xQ11	-.367	.048	.733

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Table 6. **Using Rotated Component Matrix the components can be classified in 3 factors**

FACTOR 1- Food Related	FACTOR-2 Employee Related	FACTOR-3 Price Related
Variety of Items	Friendly & Courteous Employees	Budget Constraint
Accurate Orders	Prompt Services	Increase of food prices affecting eating at FAST FOOD RESTAURANT
Hot & Fresh Food Servings Excel Quality of food Pungent & Tasty Food Availability of Sausages, Napkins, etc. Value for Price Paid		

It can be easy for the Restaurant officials to analyse the customer on the basis of the above mentioned aspects. This can help them to concentrate on specific criterion to retain the existing customer and also to attract new ones.

Reliability Analysis

To understand the problems of the study and analyse the same, the data provided by the respondents should be valid. For this, we conduct a reliability test of the factors that we have classified the respondents into. According to this test, we can determine if the respondents are reliable or unreliable.

Perception towards	No. of variables	Cronbach's alpha
Food related	7	0.8375
Employee related	2	0.684
Price related	2	0.956

The consistency of the respondents is checked using the value of Cronbach's Alpha. A value above 0.5 indicates that the respondents are consistent in their response. Since the value obtained is greater than the required cut off in the above factors. we can safely say that the respondents are reliable.

Suggestions

- It is found that a majority of customers are not fully satisfied with the friendliness of staff. So it is suggested that the store should conduct soft skills training and make them more customer service oriented. Regular monitoring of staff's behaviour towards customers is also suggested here.

- Though most of the customers are happy with the varieties of menu available in Fast Food Restaurant, it can be suggested to add more customized menu and the menu should be reviewed every 3 months.

- It is suggested that the Fast food restaurant should think of the design of different innovative advertising campaigns.

- Overall, Fast Food restaurants should give more focus to the quality of its food and service to improve the business.

Conclusion

Based on the above study it is found that most of the customers are willing to spend more if food quality and varieties can be improved. There is a wide scope for improvement in terms of employee friendliness. The

food court can be further extended since the limited seating space affects it negatively. It can also bring about some new marketing strategies like introduction of food coupons for regular customers. Thus by adopting some new and distinctive techniques the food court can turn out to be the best hang out place for students, faculties and other staff.

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