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Exploring youth consumption behavior at branded fast food outlets at Chandigarh, India

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Abstract: In India eating out has evolved from an occasion-driven activity to an everyday activity and fast-food has become a significant symbol for the modern culture as it satisfies people in a relatively short time [6]. The fast food industry in India has evolved with the changing lifestyles of the young Indian population. The sheer variety of gastronomic preferences across the regions, hereditary or acquired, has brought about different modules across the country. In this paper efforts are taken to learn the youth consumption behavior at branded fast food outlets in Chandigarh. Survey analysis shows that majority of respondents prefer pizza, combo meals, burger followed by milkshakes and juices and they prefer to go to these outlets with friends and family. They use cash followed by debit and credit card as mode of payment. For choosing fast food outlets, price is major factor followed by brand name, variety, home delivery and sales promotion. Further respondents like to go to standalone outlets followed by ones inside malls and multiplex.
Keywords: fast food, youth consumption behavior, Chandigarh.

INTRODUCTION

Fast food is a very fast growing industry in world as well as in India especially in urban areas (small and large cities). Consumption of fast foods has become almost a global phenomenon, as more and more people are lured by it day in and day out irrespective of demographic traits. However, not much research literature is available on fast food references of consumers' especially young consumers in India. Fast food denotes food which is prepared and served quickly at outlets called fast food outlets. Finger food comprises most of the fast food, and can be eaten without cutlery. Fast foods include chips, sandwiches, hamburgers, fried chicken, French fries, chicken nuggets, fish, pizza or ice-cream, although many fast food restaurants offer slower foods like chilly mashed potatoes or salads. Liberalization of the Indian economy in the early 1990s and the subsequent entry of new players set a significant change in lifestyles and the food tastes of Indians. Fast food is one which gained acceptance of Indian palate after the multinational fast food players adapted the basic Indian food requirements viz. vegetarian meals and selected non-vegetarian options excluding beef and pork totally from their menu. Multinational fast food outlets initially faced protests and non-acceptance from Indian consumers. This was due to primary perception that these fast food players serve only chicken and do not serve vegetarian meals. In addition, fast food is perceived expensive besides being out-of-way meals in Indian culture. Today, fast food industry is getting adapted to Indian food requirements and is growing in India. It is gaining acceptance primarily from Indian youth and younger generations and is becoming part of life. Keeping in view the Indian habits and changing preferences towards food consumption, this study has its focus to understand the factors affecting the perception of Indian youth, in the age group of 20-30 years, towards consumption of fast food as well as towards making choice of fast food outlets.

LITERATURE REVIEW

Fast food have been defined by[1] as a "general term used for a limited menu of foods that lend themselves to production-line techniques; suppliers tend to specialize in products such as hamburgers, pizzas, chicken, or sandwiches". The fast food industry, originally conceived in Southern California during the 1940s, not only altered the eating habits of Americans, but also those in many other countries around the world, including Asian countries [7]. Fast food chains had been, innovative and forceful at inviting customers out of their kitchens up to fast food centers. Fast food chains had been, innovative and forceful at inviting customers out of their kitchens up to fast food centers [2], stated in his work, titled "Time, tastes and technology: the economic evolution of eating out" interpreted that the rising Americanization of eating out had tracked a culture of fast food and provided more importance to convenience and eating out behavior due to such certain reasons, dramatic changes occurred in fast food consumption of Asian countries [3]. Structural changes in the demand for food in Asia have projected that Asian countries had been undergoing transformations in their economies supported by rapid urbanization and this trend would continue in the years to come [4-5], 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 this study efforts are taken to understand the fast food consumption patterns of students in Manipal.

About Chandigarh

Chandigarh is a city and a union territory in the northern part of India that serves as the capital of the states of Punjab and Haryana. As a union territory, the city is ruled directly by the Union Government of India and is not part of either state. The master plan of the city was prepared by Swiss-French architect Le Corbusier, transformed from earlier plans created by the Polish architect Maciej Nowak and the American planner Albert Mayer. As of 2011 India census, Chandigarh had a population of 1,055,450 making for a density of about 9252 (7900 in 2001) persons per square kilometer.

Males constitute 55% of the population and females 45%. The sex ratio is 818 females for every 1,000 male which are the third lowest in the country, up from 773 in 2001. The child sex ratio is 880 females per thousand males, up from 819 in 2001. Chandigarh has an average literacy rate of 86.77%, higher than the national average; with male literacy of 90.81% and female literacy of 81.88%. 10.8% of the population is under 6 years of age.

In addition Chandigarh has over 2500 units registered under small-scale sector. The important industries are paper manufacturing, basic metals and alloys and machinery. Other industries are relating to food products, sanitary ware, auto parts, machine tools, pharmaceuticals and electrical appliances. Yet, with a per capita income of ₹99,262, Chandigarh is the richest city in India. Chandigarh's gross state domestic product for 2004 is estimated at $2.2 billion in current prices. Chandigarh has been rated as the "Wealthiest Town" of India. The RBI ranked Chandigarh as the twelfth largest deposit centre and tenth largest credit centre nationwide as of June 2012.

In Chandigarh the fast food joints are abundant and thrive, are given preference by the population living at the city and given that the majority of the people are affluent, running their family businesses, thus giving them more spending capacity to be delighted at the fast food joints with the variety of menus and abundant options. Students also form a large part of the population, thus youth consumption behavior can be studied to see what attracts the youth of Chandigarh towards a particular fast food outlet or restaurant.

METHODOLOGY

The study was carried out in city of Chandigarh. The population being "the youth of Chandigarh" and due consideration to the fact that the study is done in fast food outlets that are present and operating in Chandigarh. A sample size of 250 customers from seven major fast food brands within the city was taken into consideration for the purpose of this study. The questionnaires which were used as survey tool had been personally handed over to the recipients using convenient sampling method. A total of 181 filled in questionnaires were taken into consideration for analysis. Finally data gathered was analyzed using statistical tool, IBM SPSS V 16.0 and analysis included descriptive analysis, cross tabs.

Analysis and Outcomes

Exhibit 5.1 Demographics

Age (yrs.)	**%**	**Education**	**%**	**Profession**	**%**
15-19	11.1	Undergraduate	39.5	Student	35.8
20-24	32.1	Post Graduate	45.7	Businessman	24.7
25-29	21	Doctoral	13.6	Housewife	13.6
30-34	21	High School	1.2	Govt. Service	16
35 above	14.8			Pvt. Service	9.9
Gender	**%**	**Monthly Income (Rs.)**	**%**		
Male	61.7	<10,000	29.6		
Female	38.3	10,001-25,000	18.5		
		25,001-50,000	18.5		
		50,001-75,000	14.8		
		>75,000	18.5		

Inference

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From the exhibit 5.1, it is observed that, majority of participants (32.1%) were from the age group of 20-24years followed by 25-29yrs. And 30-34yrs. (21%). Further as far as educational discipline is concerned, majority were post graduates (45.7%) and students (35.8%) in the income range of less than 10,000.

Exhibit 5.2: Reasons for not eating at fast food outlets (multiple entry was allowed)

Reasons	**%**
Expensive	20
Unhygienic	30
Prefer home food	60
Lack of variety	30
Unhealthy	30
Overcrowded	20

Inference

From the exhibit 5.2, it can be observed that, majority of respondents (60%) prefer home food hence do not like to eat at fast food outlet followed by lack of variety and hygiene factor.

Exhibit 5.3: preferred brand outlet vs. mode of payment vs. spending pattern (Rs.)

	Cash	**Credit Card**	**Debit Card**	**Outlet Loyalty Cards**	**Meal Coupons**
KFC					
<500	50	12.5	29.2		
500-1000	35.5	19.4	19.4	6.5	3.2
1000-1500	41.7	8.3	33.3	8.3	8.3
1500-2000	33.3	66.7	33.3		
McDonalds					
<500	45.8	12.5	29.2		
500-1000	48.4	19.4	22.6		
1000-1500	41.7	8.3	33.3	8.3	16.7
1500-2000	33.3	66.7	33.3		
HOT MILLIONS					
<500	8.3	8.3	4.2		12.5
500-1000			6.5	3.2	6.5
1000-1500	16.7		8.3	8.3	8.3
1500-2000	66.7	66.7	66.7		66.7
GOPAL'S					
<500	20.8	4.2	12.5		
500-1000	25.8	16.1	6.5	3.2	3.2
1000-1500	8.3	8.3	8.3		
1500-2000	33.3	33.3	33.3		
SOFTY CORNER					
<500	16.7	4.2	12.5		
500-1000	9.7		16.1		
1000-1500	8.3			8.3	8.3
1500-2000	33.3	33.3	33.3		
BAKER'S BASKET					
<500	16.7	8.3	8.3		
500-1000	9.7	9.7	6.5	6.5	3.2
1000-1500		8.3	8.3		
1500-2000	66.7	66.7	66.7		
WRAPVILLE					
<500	12.5		4.2		
500-1000	3.2		3.2		
1000-1500	8.3		16.7		8.3
1500-2000	66.7	66.7	66.7		

Inference

From the exhibit 5.3 it can be observed that respondents spending in the range of 1500-2000 (Rs.) use both cash as well as debit card across all the outlets, and with 1000-1500 and 500 – 1000 range using cash, credit card, and debit card majorly and also outlet loyalty card and meal coupon. However respondents in the range of less than 500 using majorly cash across outlets.

Exhibit 5.4 Preferred branded outlet vs. factor of importance vs. location of branded outlet 46.7% preferred KFC for the price, 40% for the convenience, 33.3% for the variety, 20% for home delivery and 13.8% for the sales promotion within the University Campus.18.8% preferred KFC for free Wi-Fi, 31.2% for the type of crowd within their multiplex.22.2% preferred KFC for the brand name in Stand Alone establishments.52.8% preferred McDonalds for the price, 47.2% for the convenience on Stand Alone establishments.28.6% preferred the outlet for the Variety and 6.7% for the Sales Promotion inside the Malls.

Exhibit 5.4 Preferred branded outlet vs. factor of importance vs. location of branded outlet 46.7% preferred KFC

KFC	**Price**	**Convenience**	**Variety**	**Free wi-fi**
Stand alones	38.9	36.1	22.2	13.9
Inside the mall	35.7	31	23.8	11.9
Inside university campus	46.7	40	33.3	13.3
Multiplex	25	25	18.8	18.8
MCDONALDS				
Stand alones	52.8	47.2	25	16.7
Inside the mall	38.1	33.3	28.6	9.5
Inside university campus	46.7	46.7	26.7	13.3
Multiplex	43.8	25	25	18.8
HOT MILLIONS				
Stand alones	13.9	13.9	16.7	11.1
Inside the mall	9.5	9.5	9.5	7.1
Inside university campus	6.7	6.7	0	6.7
Multiplex	12.5	18.8	18.8	12.5
GOPAL'S				
Stand alones	14.3	26.2	8.3	8.3
Inside the mall	26.7	13.3	19	7.1
Inside university campus	12.5	12.5	0	13.3
Multiplex	25	8.3	13	12.5
SOFTY CORNER				
Stand alones	16.7	13.9	13.9	8.3
Inside the mall	14.3	11.9	11.9	4.8
Inside university campus	6.7	6.7	0	6.7
Multiplex	13.9	18.8	25	12.5
BAKER'S BASKET				
Stand alones	11.1	22.2	13.9	8.3
Inside the mall	9.5	16.7	14.3	25
Inside university campus	6.7	6.7	0	7.1
Multiplex	12.5	18.8	18.8	6.7
WRAPVILLE				
Stand alones	5.6	11.1	11.1	5.6
Inside the mall	7.1	4.8	9.5	7.1
Inside university campus	13.3	13.3	13.3	6.7
Multiplex	6.2	12.5	18.8	18.8

KFC	**Home Delivery**	**Brand Name**	**Sales Promotion**	**Type Of Crowd**
Stand alones	11.1	22.2	8.3	19.4
Inside the mall	2.4	7.1	4.8	14.3
Inside university campus	20	13.3	13.3	26.7
Multiplex		12.5		31.2
MCDONALDS				
Stand alones	11.1	7.1	2.4	19.4
Inside the mall	9.5	13.3	6.7	14.3
Inside university campus	6.2	18.8		20
Multiplex	27.8	8.3		37.5
HOT MILLIONS				
Stand alones	8.3	11.1	2.8	7.1
Inside the mall	4.8	4.8		6.7
Inside university campus		6.7		18.8
Multiplex		12.5		13.9
GOPAL'S				
Stand alones	8.3	11.1	5.6	11.1
Inside the mall	9.5	2.4	2.4	16.7
Inside university campus		6.7	6.7	13.3
Multiplex		6.2		18.8
SOFTY CORNER				
Stand alones	5.6	13.9	2.8	11.1
Inside the mall	4.8	2.4		11.9
Inside university campus		6.7		6.7
Multiplex	6.2	6.2		25
BAKER'S BASKET				
Stand alones	12.5	6.2	2.8	13.9
Inside the mall	8.3	11.1		14.3
Inside university campus	4.8	4.8		6.7
Multiplex		6.7		18.8
WRAPVILLE				
Stand alones		5.6	2.8	5.6
Inside the mall		2.4	2.4	7.1
Inside university campus		6.7	6.7	6.7
Multiplex		6.2		18.8

18.8% chose McDonalds for free Wi-Fi, 27.8% for Home Delivery and 37.5% for the type of Crowd within their Multiplex.18.8% chose McDonalds for the Brand Name in the University Campus.13.9% of the people chose Hot Millions for Price, 2.8% chose it for Sales Promotion and 8.3% for Home delivery from Stand Alone establishments.18.8% chose the Outlet for Convenience, 12.5% for free Wi-Fi, 12.5% for the Brand Name and 18.8% for Variety in their multiplex.18.8% chose Hot Millions for the type of crowd within the university campus.9.5% chose Goal's for the home delivery, 11.1% for the brand name followed by 26.2% for convenience at Standalone joints.6.7% chose Goal's for the sales promotion and 13.3% for the free Wi-Fi inside their university campus. This followed by 18.8% for the type of crowd and 13% for the variety at the multiplex and 26.7% for the price at the mall.16.7% chose Softy corner for the price followed by 13.9% for the brand name and 2.8% for the sales promotion at the Stand alone outlet.18.8% chose it for convenience, 6.2% for home delivery and 25% for the crowd at the multiplex.19% chose Softy Corner for variety at the Malls.13.3% chose Softy Corner because of the free Wi-Fi in their university campus followed by 11.9% because of the type of crowd.22.2% chose Baker's Basket for the convenience followed by a 12.5% for home delivery at Stand Alone outlets.25% chose the outlet for free Wi-Fi and 14.3% for the type of crowd at the Mall.6.7% chose Baker's Basket for the type of crowd followed by 7.1% for the free Wi-Fi at the University Campus.

CONCLUSION

From the researched study, it is learnt that the youth who have opted not to eat at Fast Food Outlets generally prefer home cooked food (60%) followed by lack of variety (30%), believe that the food is unhealthy (30%) and unhygienic (30%) and also feel its overcrowded. Among the respondents who eat at Fast Food Outlets prefer milkshakes (33.3%), sandwiches (33.3%) and ice cream (33.3%), burgers (66.7%) and pizzas (66.7%) on a fortnightly basis. Juices (22.2%), combo meals and rice are preferred on a weekly and monthly basis. As far as the income and payment mode are concerned, majority of the respondents have preferred cash as a mode of payment followed by debit card and credit card. However, very few have shown interest towards meal coupon and outlet loyalty card.

As far as spending is concerned majority of the respondents who use credit card as a mode of payment are in the spending range of Rs. 1500-2000 at unbranded outlets and Rs. 1000-2000 for branded outlets and pay using a debit card. Whereas cash is used by respondents for spending below Rs. 500 at branded outlets. As far as amenities and type of outlet is concerned majority of the respondents had chosen price, convenience as a major factor followed by the brand name, type of crowd and variety. Home delivery and sales promotion are given lesser importance. As far as the place of the outlet is concerned for branded Fast Food Outlets, majority of the respondents have given equal importance to stand alone outlets, inside the mall, multiplex and inside university campus. Whereas for unbranded Fast Food Outlets, the respondents prefer standalone outlets and outlets which are inside the multiplex and minimal preference is given to outlets inside the mall and university campus.

Finally to conclude, consumer acceptance of food served at fast food outlets is very essential for the future development of fast food outlets in any economy. Despite the fact that the rating of fast food outlets' qualities under study in view of mean score is high yet shoppers visit fast food outlets for entertainment only, change or in delighting their companions yet surely not as a substitute of home-made food. Customers request more information to identify with cleanliness issues and dietary estimations of the results of fast food outlets. Taking into account the examination of results, we can say that with more worthiness of fast food outlets and change in way of life, rivalry among fast food outlets will be more noticeable in the days to come.

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