

Influential Factors affecting customers' purchasing intention in fast food restaurants

Dr. Sapna Sharma¹, Shilpa Kumari Rajak², Malvika Tiwari³

1.Associate Professor,SSIPMT, Raipur, C.G

2.Research Scholar,SSIPMT, Raipur, C.G

3.Research Scholar,SSIPMT, Raipur, C.G

ABSTRACT

The Fast-food restaurant business is one of the fastest growing industries in the world. All types of restaurants viz International or local are trying hard to attract and satisfy their customers. This has led restaurant industry in high competition. Therefore, this study is an attempt to identify the influential factors that affects customers 'purchasing intention in fast food restaurants as along with changing market trends, customers are now becoming more sophisticated and demanding. In this paper, Causal research method is implemented by collecting primary source of data from Raipur city. For interpretation of data, ANOVA and Multiple regression method is used for empirical analysis. The expected contribution of the study is to reveal the actual predictors and make a base for strategy formulation to fast food restaurant owners. The suggestions from the study helps in providing solution to satisfy and engage customer to elevate their loyalty towards fast food restaurant. The originality of this paper lies in the fact that this study makes valuable contribution towards identifying the influencing factors that affects customers' inclination and perceived purchasing value in their behavioral intention towards fast food restaurants.

Keywords- Purchasing intention, Customer satisfaction, service quality, SERVQUAL

1. Introduction

With a reach that spans across the globe, this multifaceted industry encompasses a broad spectrum of activities, from cultivation and production to distribution and retail. It has been rising exponentially in these couple of decades as people are on fast communication mode, traveling from place to place & living in different locations The food industry stands as a complex, global amalgamation of diverse businesses collectively responsible for supplying the majority of the world's food consumption. Those directly reliant on self-grown produce, such as farmers, can be considered outside the pervasive influence of the modern food industry. Fast Food, a distinctive category within the food industry, characterizes any food item that is efficiently served with minimal preparation time. This culinary phenomenon, rooted in the need for quick, ready-to-eat options, has become an integral part of contemporary dietary practices.

Fast Food is the term given to the food that can be prepared and served very speedily. Any meal with low preparation time can be considered to be Fast Food. The concept of Fast Food emerged during 1920s while 1950s first witnessed its quick spread. The idea of ready-cooked food for sale

is linked with urban development. In Ancient Rome cities, bread and wine were sold on street stands. A fixture of East Asian cities is the noodle shop. In the French Speaking Nations of West Africa, a variety of ready to eat grilled meat sticks were broadly sold. India, too, has contributed its own array of Fast-Food delights, with iconic dishes capturing the essence of quick-served, flavorful cuisine. These examples reflect the global and cultural diversity that has shaped the evolution of Fast Food, making it a dynamic and ever-evolving facet of the broader food industry. As we navigate the history and cultural influences surrounding Fast Food, it becomes evident that this culinary phenomenon is deeply intertwined with societal changes, urbanization, and the evolving preferences of a global population. This exploration sets the stage for a deeper examination of the factors that influence consumer attractiveness towards Fast Food.

1.1. Background of the Study

Globalization has popularized fast food industry within India in recent times. People's opinions about fast food establishments are shaped by past experiences and various sources of information. Ensuring customer satisfaction is the primary objective for fast food restaurants, as contented customers are likely to return to the same establishment.

There is a proliferation in Raipur of fast-food restaurants that enjoy considerable consumer favor. Many individuals opt for fast food restaurants for several reasons, such as the absence of someone to cook at home, time constraints, students in hostels seeking entertainment and enjoyable dining experiences, and families and friends choosing these establishments for quality bonding time. The appeal of fast-food restaurants lies in their swift and high-quality service. Being the capital city of Chhattisgarh, Raipur has witnessed cut throat competition in this industry very soon. Varieties of services, a good and unique ambience are what many restaurants are using as their key differentiators to survive in the competition. Now a day's people strive to find ways to save time out of their busy schedules for relaxation. The best way they see is to have food outside their home prepared by someone else and enjoy the meal in a perfect setting with best-in-class services.

This research delves into the dimensions of service quality and pricing that affects the customer purchasing behavior towards the fast-food restaurants. It becomes imperative for fast food establishments to offer customers a fitting blend of service and ambience at an appropriate cost. The primary focus of this study centers on identifying the factors that influence customers' preferences when selecting a specific restaurant. While previous research has explored aspects of service quality and the fast-food industry, this report includes select facets within this realm. Notably, recent times have witnessed a surge in studies related to the domain of fast-food restaurants.

1.2. Status of Fast-Food Restaurant Business in India

Food Service and Restaurant Business Report 2022-23, reported that the fast-food service market may project an outstanding CAGR of 11.19% and climb up to USD 79.65 billion by 2028 showcasing a robust growth. In 2022, the QSR market that is Quick Service restaurants in India

was estimated to be USD 690.21 million which is now forecasted to reach USD 1069.3 million by 2027 expanding at 9.15% CAGR. (Francorp and restaurantindia.in, 2022) This will follow huge food service chains expanding their presence in India's smaller cities and profiting from a younger clientele, including McDonald's, Burger King, and Domino's, among others. The survey noted that Millions of people are found to consume fast food every day. And middleclass households' annual expenditure on fast food restaurants in India's Tier II and III cities increased by 108% in the previous two years.

2. Literature Review

A research paper by J. Xue, M.A. Khan, A Imran Khan and S.A. Abbas (2021) concluded that, identifying the fast food purchasing behaviors of consumers has took a pace in developing countries. The transition from joint family systems to a nuclear family model is especially noteworthy as a significant change in the social experience of food. In a study by J. Saujanya & Y. Nikitha (2022), the major attractions for Ready-To-Eat Food Products are taste, nutrition, convenience, and availability. Several factors, including taste, advertisement, schemes, and availability, influence brand choice. A majority of people frequently consume RTE products and express neutral satisfaction. When purchasing Ready-To-Eat Food Products, respondents consider taste, nutrition, and availability as crucial factors.

Another study by F. Katt and O. Meixner, (2020) states that the main challenge for vendors is to comprehend the reasons behind the shift from traditional meal planning to fast food consumption. Awareness of fast food and the specific characteristics of fast-food consumers can influence their choices. B. J. Gogoi, (2020) in his paper says that the researcher investigates whether the variety of products, food quality, service speed, price, and nutrition have an impact on consumer perception, potentially influencing purchase decisions. For this research, two prominent brands, Domino's Pizza and Pizza Hut, are selected to study the influence of consumer perception on buying decisions. In 2020, researchers Chang, Ma, and examined the concepts of value credentials and expected actions in evaluating consumer behaviour norms. Convictions are developed by various components, including learning, ability, and similarities, and are crucial for understanding attitude formation.

Researcher Ma in 2018 argued that a customer will also be pleased if the product they receive is made of a good quality. Brilliant service focuses on empowerment, innovation, and making employees' part of attitude and behaviors. In another study, Baek, Song, Kim, and Byon (2020), discovered that the perceived Customer Relationship Management (CRM) motive significantly influenced sport fans' attitudes and purchase intentions regarding team-licensed products. Additionally, fan attitudes demonstrated a significant impact on purchase intentions. Furthermore, the moderating effects of sport fans' altruism were found to be significant in the relationships between perceived CRM motive and purchase intention, as well as team attitude and purchase intention for team-licensed products. As a result, study showed that professional sport fans with high levels of altruism are more likely than those

with low altruism to perceive a team's CRM campaign motive as cause-oriented and express their support for the campaign.

Solanki & Jain, (2017) published an article on customer purchasing behavior in the ready-to-eat food business. The research aimed to analyze customer purchasing behavior in a ready-to-eat food business in northern India. They investigate that due to the lifestyle today's busy schedules make it difficult for customers to cook their own meals, leading them to seek out restaurants, cafes, and ready-to-eat goods to satisfy their need. Individuals who are alone and unmarried tend to choose ready-to-eat foods. Ali (2014) suggested fast food shops in India can manage and create new marketing tools and practices to promote more customer happiness and a better overall experience, developing customer relationships which may give them a competitive edge.

(Rezende, 2012), says that variety, convenience and higher income projected major consumption and preference towards eating out of home. Also, it was discovered that there were no hidden agenda or intention behind the in-style trend of eating out frequently. A study revealed that customers enjoy eating with their family and friends at the restaurants. They like outing and are always in search for a change in taste from the regular home cooked food. Usually, customers spend Rs. 1000 per week in fast food joints as per (Ehsan, 2012). (Anand, 2011), found in his study that excitement to eat outside, socializing, the modern ambience and taste for fast food were some of the fundamental determinants that impact preference of youth towards fast food joints in Urban India.

In study, Bryant (2008), investigated that how Spanish and American college students felt about fast food. The researchers looked into how perceptions are impacted by gender and culture. Value was prioritized more by American college males than by other respondents. Few American college boys emphasized the importance of nutrition. Compared to American students, more Spanish students expressed opposition to the growth of fast-food restaurants in their respective nations. Fast food accessibility was more crucial to Americans than it was to Spaniards. (Ryu, 2008) showed that restaurant environment is a substantial antecedent of customers' pleasure, arousal and behavioral intention in an upscale restaurant context.

In a study, (J. mattson, 2007), examined the attitudes and perceptions of fast food among Swedish high school students. According to the study, high school students generally have a strong view about how unwholesome consuming fast food on a regular basis is. These pupils were aware of the advantages and disadvantages of fast food . (C Akbay, 2007), examined the connection between fast food consumers' frequency of intake and their socioeconomic/demographic traits and attitudes. The findings demonstrated that a number of variables, including consumer attitude toward the price of fast food, health concerns, and child preference, strongly influenced the frequency of fast-food consumption. These variables included age, income, education, household size, and the presence of children.

(J Sulek, 2004), believed that food quality is one of the most vital parts in dining experience. Food quality is a chief factor that impacts the purchase intention in regard to the choice of restaurants.

Raajpoot, (2002), added that diversity of food, menu design, serving size, and food presentation in the food industry are important determinants of food quality. (Anita Goyal, 2007), found that young consumers frequently visit restaurants for entertainment and variety.. (KARA, 1997), examined the differences in how people view fast food businesses. The study's findings showed significant disparities in consumers' perceptions of frequent fast-food customers as well as preferences for those businesses among different age groups and frequency of patronage.

(Keillor, 1996), examined how national identity affected how people in Hong Kong viewed and felt about the fast-food options available. The study's findings confirmed the idea that fast food is more of a convenience food than a delight. According to the study's findings, both the menu's inclusion of classic fast-food items and the setting in which it is served are essential.

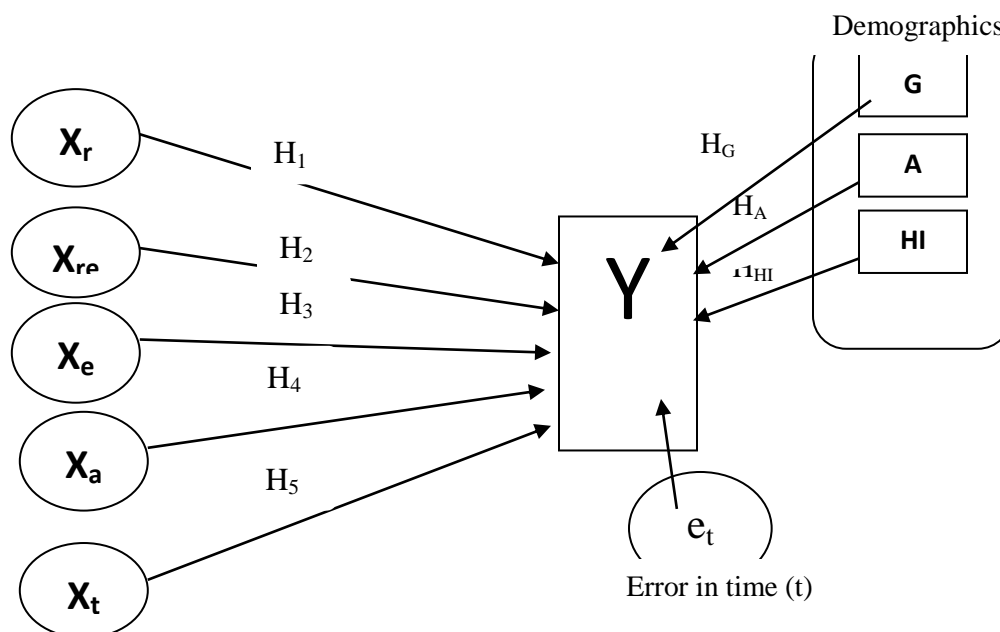
Research Gap -This brief study suggests that various studies have been conducted on quick Service Industries on innumerable dimensions in which Service Quality model is also included but no study is found to have covered all the dimensions of service quality model.

3.1 Research Framework and Variable Identification

For this study, causal model is framed in which the identified explanatory variables are to be regressed on customers purchasing intention as Endogenous Variable. The study to identify the factors responsible for increased purchasing intention of customers is based on SERVQUAL model, which was given by Parasuraman, Zeithaml and Berry, 1985). So, the variables theoretically are already established & here taken to be explanatory variables namely, Reliability, Responsiveness, Empathy, Assurance and Tangibles while Customer purchasing intention is taken to be Endogenous Variable.

3.2 Conceptual Framework

The variables namely, Reliability, Responsiveness, Empathy, Assurance and Tangibles are taken to be explanatory on purchasing intention



Source: Researchers' Own Construct based on literature

$$\hat{Y} = \beta_0 + \sum_{i=1}^5 \beta_i X_i + e_t$$

$$\hat{Y} \cong A + G + I$$

Where,

- β_0 = Intercept Variable
- β_1 = Slope Variable
- e_t = Error in t time
- Variables- Reliability (X_r), Responsiveness (X_{re}), Empathy (X_e), Assurance (X_a) and Tangibles (X_t),
- Customer purchasing intention (Y)
- A, G, HI = Demographics (Age, Gender, Household Income)

3.3 Hypothesis of the study

The hypothesis for this study is as follows:

- H_1 : Reliability has a significant impact on customer purchasing intention
- H_2 : Responsiveness has a significant impact on customer purchasing intention
- H_3 : Empathy has a significant impact on customer purchasing intention
- H_4 : Assurance has a significant impact on customer purchasing intention.
- H_5 : Tangibles has a significant impact on customer purchasing intention
- H_G : Gender is significantly associated with purchasing intention
- H_A : Age is significantly associated with customer purchasing intention
- H_{HI} : Household Income is significantly associated with customer purchasing intention

3. Research Methodology

The population of the study has been considered to be the Indian customers of restaurants as Raipur has an influence of North and South India. The sample frame includes the customers from Raipur City. The study needs to measure the impact of service quality on customers' intention towards purchasing in fast food restaurants, so the causal research design has been considered. The data has been collected through structured questionnaires with 5-point Likert's scale through systematic random sampling. The sampling distribution was used for all the weekdays and weekends. Total 341 samples were collected against planned 385 following the Cochran's formula for infinite population:

$$n = \frac{Z^2 pq}{e^2}$$

Where n = Sample Size

Z= Standard Normal Variate

e = Significance Level

p = the estimated proportion of an attribute

q = 1-p

Since the study includes multiple explanatory variables with an endogenous variable on interval scale, multiple regression analysis has been used for analysis. ANOVA has been used to test the association of demographics with intention

4. Data Analysis and Interpretation

(Table 5.1) Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.371 ^a	0.138	0.125	1.263
a. Predictors: (Constant), X ₅ , X ₂ , X ₄ , X ₃ , X ₁				

Model summary (Table 5.1) explains that in conducting the regression there is no redundancy in the data.

(Table 5.2) Regression ANOVA Table

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	84.788	5	16.958	11.538	0.000
	Residual	534.076	336	1.595		
	Total	618.863	341			
a. Dependent Variable: Y						
b. Predictors: (Constant), X ₅ , X ₂ , X ₄ , X ₃ , X ₁						

ANOVA (Table 5.2) explains that the regression model is significant for the study. So, the model and the data indicate a model-fit which suggests that the application of regression is adequate for the study.

(Table 5.3) The Beta Coefficients

Coefficients (Table 5.3)					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-0.070	0.519		-0.135	0.894
X ₁	0.215	0.067	0.169	3.219	0.001
X ₂	0.186	0.084	0.115	2.207	0.027
X ₃	0.263	0.069	0.197	3.790	0.000
X ₄	0.169	0.067	0.132	2.559	0.012
X ₅	0.262	0.084	0.165	3.159	0.002
a. Dependent Variable: Y					

The Beta Coefficients (Table 5.3) shows that all the explanatory variables are significant at 5% level of significance.

Demographic Analysis:**(Table 5.4) Gender**

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.769	1	7.769	4.308	0.038
Within Groups	612.093	339	1.803		
Total	618.862	341			

(Table 5.5) Age

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.350	3	2.117	1.163	0.322
Within Groups	612.515	337	1.819		
Total	619.862	341			

(Table 5.6) Household Income

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.110	3	1.368	0.748	0.524
Within Groups	615.764	337	1.824		
Total	618.872	341			

Analysis (Table 5.4, 5.5, 5.6). while conducting the demographic analysis, age groups are not significantly different from one another. The same is applied in the case of income but male & female customers are having different opinions

Interpretation

From the analysis, Hypothesis H₁, H₂, H₃, H₄, H₅ are accepted; which means, Reliability, Responsiveness, Empathy, Assurance and Tangibles are significant variables to determine the customer inclination towards fast food restaurants. In demographic analysis, Age groups and household income are not significantly different from one another. but in analysis of gender male & female customers are having different opinions in customer purchasing intention towards fast food industry.

Conclusion

From the study It is concluded that from inferential analysis For demographics against customer purchasing intention via ANOVA and for psychographic analysis via multiple regression method, gender of customers is significant demographic variable on customer purchasing intention, and is considered to be the influential factor while different age & income groups is

found to be insignificant from the analysis. So, as suggestion, strategy makers should make their action plan considering the gender of the customers. Means the strategy for the male customers should be different from female customers. Further, all the explanatory variables viz Reliability, Responsiveness, Empathy, Assurance and Tangibles are found to have significant impact on customer's purchasing intention towards fast food in restaurants.

References

1. Akbay C., Tiryaki G.Y., and Gul A., (2007), "Consumer characteristics influencing fast food consumption in Turkey", *Food control*, Vol.18, pp904-913.
2. Ali, Ahmed, Nazir, Zafar, Zahid (2014). "Impact of Different Determinants on Customer's Satisfaction Level (A case of Fast-Food Restaurant)". *International Journal of Business and Management Invention* Volume 3, Issue 9, pp 32-40, ISSN (Online): 2319 – 8028
3. Anand R., (2011), "A study of determinants impacting consumers food choice with reference to the fast-food consumption in India", *Society and Business Review*, Vol.6, No.2, pp 176-187
4. Ehsan, U. (2012). Factors important for the selection of fast-food restaurants: an empirical study across three cities of Pakistan. *British Food Journal*, 114(9), 1251-1264.
5. Goyal Anita and Singh, N.P. (2007), "Consumer perception about Ready-to-eat in India: an exploratory study", *British Food Journal*, Vol.109, Iss.2, p.182-195.
6. J. Saujanya & Yadigiri Nikitha (2022) "Consumer Perception Towards Ready-To-Eat Food Products", Volume 9, Issue 6 (ISSN-2349-5162).
7. Y. Baek, H.S. Song, D.H. Kim, and K. K. Byon, "Causerelated marketing and purchase intention toward team-licensed products: moderating effects of sport consumers' altruism," *Sustainability*, vol. 12, no. 8, p. 3183, 2020
8. Jian Xue , Mohsin Ali Khan, Ahmad Imran Khan and Syed Arslan Abbas (2021) "Purchasing Intentions toward Fast Food: The Mediating Role of Consumer Attitudes toward Fast Food", *Hindawi Journal of Food Quality* Volume 2021, Article ID 9931083, 17 pages.
9. B. J. Gogoi, "Changing consumer preferences: factors influencing choice of fast food outlet," *Academy of Marketing Studies Journal*, vol. 24, no. 1, pp. 1–17, 2020.
10. F. Katt and O. Meixner, "Is it all about the price? An analysis of the purchase intention for organic food in a discount setting by means of structural equation modeling," *Foods*, vol. 9, no. 4, p. 458, 2020.

11. H.-P. Chang, C.-C. Ma, and H.-S. Chen, “.The impacts of young consumers’ health values on functional beverages purchase intentions,” International Journal of Environmental Research and Public Health, vol. 17, no. 10, p. 3479, 2020
12. Islam N., and Ullah G.M.S. (2010), “Factors affecting consumers’ preferences on fast food items in Bangladesh”, The journal of Applied Business Research, Vol. 26, No. 4, pp 131-146.
13. Kara et al., (1997),” Marketing Strategies for fast food restaurants: a customer view”, International Journal of Contemporary Hospitality Management, Vol.7, No.4, pp16-22.
14. Kothari C.R., Garg G. Research Methodology, Edition 3
15. Mattsson J., and Helmersson H., (2007), “Eating fast food: Attitudes of high school students”, International Journal of consumer studies, Vol.31, pp 117-121.
16. Raajpoot, N. (2002). TANGSERV: A multiple item scale for measuring tangible quality in foodservice industry. Journal of Food Service Business Research, 5(3), 109-127.
17. Rezende and Avelar. (2012),” Factors that influence the consumption of fast food outside the home”, International Journal of Consumer Studies, Vol.36, pp 213- 240
18. Sulek, J. & Hensley, R.L. (2004). The Relative Importance of Food, Atmosphere and Fairness of wait: The Case of a Fullservice Restaurant. Cornell Hotel and Restaurant Administration Quarterly, 45(3), 235-247.
19. <https://shodhganga.inflibnet.ac.in/bitstream/10603/37291/4/chapter2.pdf>