

# Guess why people choose international food brands over local food brands? Examining the factors affecting Pakistani consumers in selecting an eating place

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## **Abstract**

*Urbanization and transformation has reinterpreted the Pakistani fast-food business and nowadays public has developed a habit of taking meals out of their homes selecting loftier and expedient choices. The consumption of fast-food is becoming popular in youth day-by-day. Escalation in the earnings of the flourishing middle-class has participated to the evolution of fast-food business. Fast-food restaurants have paved momentous inroads into the franchising business of Pakistan. Franchising is seemed as a very direct line to the development and progression of a business.*

*The current research is an effort to study the customers' "perception about their preferences of international food franchise (including McDonalds, Pizza Hut, Burger King, Dominos, Subway and KFC) over local fast food outlets". This work is based on exploration through primary data collection from 120 regular customers (respondents) living in a main city of Punjab, by using a structured-questionnaire. Plentiful features like quality of food, service, taste, environment, hygiene, health-food, easy takeaway etc. are studied to collect customers' insight about the selection of fast-food franchise for dining or off-time meals intake. The research exposed that taste and quality of the food items distress the regularity of stopovers to foodstuff openings followed by cleanliness and hygiene. It can set a guideline for business professionals of this business or entrepreneurs who are considering to start fast food business. This study can also be helpful for the local food franchises to flourish their business in parallel to international food chains. Consumer perception of our youth who is a major consumer of such food, can set a bench mark for the fast food sellers to develop certain features in accordance with the liking of the consumers that will lead them to expanded business for them and quality food at affordable prices for the consumers.*

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## I. INTRODUCTION

Food is the elementary need for all the living beings and we all make money to fulfil this elementary stipulation. A nutritious food is the foundation for a well-working body. The rapidly treated food that is being retailed at numerous openings have made it much prevalent and in a republic like Pakistan where the trade situations are changing from unscrupulous to eviler still keeping an superfluous space and suppleness for the fast-food industry.

The food-industry is roughly separated into two segments, first is the systematized sector and the second is disorganized segment. The earlier embrace food courts, retail-food chains, etc., but on the contrary later embrace “dhabas” and along the road stalls. The structured sector is predominantly renowned by its atmosphere, cleanliness and excellence of foodstuff and services. The upsurge in earnings and the altering life routine of “generation Y and Z” raised fast-food as an inseparable fragment of their existence. Eating food in a loftier food-retail franchise has come to be graspable to the common community. Though, the population of quick meal (fast-food) franchises in the evolving states is lesser as compared to established motherlands. An apparent growth in the amount of food openings in Pakistan throughout the preceding two decades is observed.

Furthermore, innovation and internationalization has restructured the Pakistani fast-food business. The flourishing working-class, growth in suburbanization and mounting expenses of our youth has complemented novel enormities to the progression of franchising industry. The outset of franchising is entrenched in the thoughts of prospective businesspersons. Franchising proposes an opportunity to new resourceful people to yield on a commercial plan. The foremost segment where franchising-model is achieving admiration comprises F&B (food and beverages), clothes, beauty and salons, education and training, showbiz, body-fitness and so on. In Pakistan we have observed that fast-food franchise business is greatly on the road to extension. Franchising is counted as the reckless and the inexpensive means of brand commercialization. The capability to increase customer base is a purpose of comprehensive marketplace research, often commenced by recognizing the needs and prospects of consumers and nourishing their demands. Great and recurrent customer circulation is an exclusive distinction of fast-food franchising. The escalation in shopping-malls culture has empowered the F & B industry to advance thrust. The diffusion and overstretch of fast-food franchises in diverse parts of numerous cities is connected with the growth of the economy, as it intensely specifies the increase in buying power of the customers.

The consumption patterns of the young generation are significantly changed in the last one to two decades. Though regular visits to a specific food channel often are determined by the aspects like flavor, environment, speedy service etc., “approximately 10 percent of the customers visited the outlet not out of choice but due to its convenient location (Kinnarry & Mrunmayee, 2014). Ninety percent of the customers choose a food outlet on the basis of their past experiences”. Nonetheless, the part of publicity and marketing in snowballing the amount and regularity of visits of consumers cannot be repudiated.

In terms of inclination of fast-food a previous study (Noor Ahmed, 2015) was carried out amongst the two dissimilar age clusters, an exciting finding was exhumed. The study outcomes validated that the normal regularity of visiting quick meal (fast-food) places is nearly once a week for both the age clusters. Although, young people are more expected to visit, still matured grownups have confirmed a greater inclination on the way to quick-meal ingestion. All fast-food chains in Pakistan are more prevalent among the matured clients, except Chicken Cottage and Dominos.

Several ethos exists in parallel in Pakistan and this disparity is revealed in the consumption behaviors of the common public as well. Lately, significant revolution has transpired in food feasting of Pakistani commonalities. Quick-meal (fast-food) ingestion has augmented profoundly. This intense shift headed for fast food ingesting is predominantly because public prefers ease and good flavor. Due to the evolving market drifts in this specific industry, the unpremeditated taste amongst the common people is now flocking.

The varying consumer inclinations, unstable lifestyles and existence of international chains have auxiliary facilitated and activated fast-food ingestion in Pakistan. The above-mentioned survey outcomes also specify the domination of multinationals; this is due to these chains have well-adjusted to souk led styles and altered their set of choices in order to gratify consumer desires.

Latest indicators also exhibit that evolution in fast-food is boosting greatly making it one of the wildest rising industries in Pakistan. Likewise, it suggests a substantial unexploited marketplace that can be agitated by international and native brands. Even though Pakistan is reflected to be a pram in technology and several other areas, however someone cannot reject the extraordinary development and the prospect that fast-food business becomes heir to in Pakistan. Not merely its growth might add to macro-economic permanence but also, dormant desires of the customers may be encountered.

### **1.1 Fast-Food Chains in Pakistan**

Fast-food eating places have become more widespread gradually, in Pakistan, as is the situation at global level. Ease of consumption on the go, enhanced availability and reasonable prices have subsidized meaningfully to the evolution of fast-food eateries in Pakistan particularly restaurants representative of the renowned global names like McDonalds, KFC, Pizza Hut, Subway etc.

Fast-food eateries generally provide foodstuff like pizzas, burgers, rolls, fried chicken, sandwiches and chicken-nuggets. The finest word to pronounce the list of options of these eateries is “Meat-Sweet Diet” that is generally not much health-giving but tasty anyway. A few of the fast-food outlets in Pakistan only offer home delivery and takeout services. There are hundreds of fast-food cafeterias presently operative that are dispersed in all the major cities of Pakistan. The extra prevalent labels like Pizza Hut, KFC and McDonalds and Subway have outlets in more or less all the larger cities in Pakistan and their grid is increasing every year. Some fresh names like Burger King, Fat Burger and Hardees are also found in Pakistan that were started in the recent past. Particulars of some peak prevalent fast-food eateries in Pakistan are stated below:

**KFC:** KFC is considered as symbol of taste and quality in Pakistan. It is the oldest fast-franchise here. It has cross-country presence and inordinate set of choices. It is known as the 2<sup>nd</sup> largest fast-food name of the globe.

**McDonald's:** It is emerged as one of the utmost prevalent fast-food restaurant in the nation with presence in nearly all the main cities. It is famous for its outstanding quality of service, environment, yummy taste and reasonable rates. No doubt it is the largest fast-food chain on the globe.

**Pizza Hut:** Heart-throb of pizza lovers, "Pizza Hut" is the prime pizza eatery in Pakistan that is very prevalent for its inordinate flavors and eye-catching offers. It proposes an immoderate menu with diversity of banquets and superb dining zones. It is one of the largest pizza names on the globe.

**Domino's:** It is now another prominent pizza home in Pakistan with rising acceptance. It has presence in Lahore, Karachi, Rawalpindi and Islamabad.

**Hardee's:** Hardee's is a new popular fast-food brasserie in Pakistan with mouth-watering taste and attractive menu. It has presence in Lahore, Karachi, Islamabad, Multan and Faisalabad.

**Burger King:** It is one of the prominent and utmost prevalent fast-food brasseries on the globe. While it is a novice in Pakistan. It has presence in Lahore, Karachi, Multan and Islamabad.

**Subway:** It is having 94 outlets across Pakistan and consumers are attracted towards Subway because of its nutritious meal and customized burgers.

## 1.2 Harms with Fast Food

At the present time in the World harms of fast food are well-known all over the world. Fast food eateries are located almost in each country. The maximum prevalent of them are McDonald's, KFC, Pizza Hut and Burger King's eateries. With the low prices, spontaneous service and attractive environment, fast-food seems like the perfect "all-American" selection. A found fact is that over 25 percent of Americans ingest fast-food on daily basis. There are numerous arguments about the boons and detriments of fast-food; nonetheless, that business is flourishing.

Fast-food restaurants serve the potato as the most common vegetable in the form of fried potato sticks. There is no issue consuming fast-food infrequently, however if you are ingesting it more than one time a week, consider checking some better possibilities that are healthier and nutritious. Moreover, cumbersome, in the majority of cases, takes to glitches such as diabetes and coronary-issues. More terrifying is that it can also cause impotence, sleep apnea, high blood-pressure, gallstones, and many types of cancers, osteoarthritis, headaches, asthma, depression and low-back-pain. One more drawback of fast-food that is equally important to the previous ones is that it nearly doesn't comprise vitamins. Due to these complete shortcomings one should consider before picking fast-food. Alternatively, the paramount benefit of fast-food is that it saves time. If a person does not have ample time for cookery it is very appropriate to buy a readymade fast-food. Furthermore, ordering fast-food is handier while roaming.

Supporters of fast-foods confirm that these foodstuffs are harmless for the consumption of human beings; however, critics claim that effects of such foodstuff are evil for health. Hence, the peak severe disadvantage of fast-food is that it creates bad effects on vigor and health. Primarily, fast-food encloses a great number of calories, which can mark you bulky, and this is one of the most imperative glitches in USA, as we can observe that fast-food is typically prevalent there.

It is fascinating to jot down, that maximum folks consider that calories are damaging to our health, while this is a false image, as humans need them for metabolic rate. We can notice, that “one meal at a fast food restaurant contains all the calories you need for an entire day”. There can be certain dishes in their menu, which are not so harmful, for example, you can always discover salads and juices and we are usually ignoring them. Further, fast-foods are economical than the others and this is another reason of people’s choice for them. I am swayed that fast-food is detrimental than healthy, however if we eat it once in a while, it will not harm our health.

### **1.3 Significance of the Study**

Folks of Pakistan are affectionate of consumption and do escalate any fresh thing that is being presented to them. This can be a major motive behind the willingness of all international brands to start their franchises in Pakistan. Amongst them several of them have by this time made their openings in the main cities of Pakistan. Fast Food Business is the second largest business in Pakistan, books for 27 percent of its value-added manufacturing and 16 percent of the total employment in production sector with an assessed 190 million customers. Pakistan embraces the globe’s 8<sup>th</sup> leading marketplace when it comes to fast-food and associated business. There are greater than 1000 big scale food treating enterprises in Pakistan. Seventy-five percent of rural based foodstuff producers are in pseudo casual segment with troubles in retrieving raw material, talent, knowledge, finance, and administration).

Pakistan’s fast-food sector is altering considerably with a persuaded shift in living styles and customary eating behaviors. “According to the survey [8] which was being made on the performance of the fast food business in Pakistan it was being revealed that an average consumer spends 42% of one’s income on food. A retail sale of processed foods is expanding by 10% annually. Supermarkets are gaining in popularity as a shopping venue and now account for about 10% of all retail food sales”. Furthermore, many western style fast-food restaurants are now operative in Pakistan that reflects an escalating admiration with that kind of food ingestion style.

As per an approximate calculation the fast-food industry in Pakistan is growing almost 21 percent annually [20] that shows the pace of the fast food industry growth in Pakistan is one of the wildest rising industries not only in Pakistan but even in the whole World. Fast Food is referred to as the one that is arranged and served in a little span of time and easier to consume. The fast-food business in Pakistan is experiencing an intensified boom. In spite of aggressive competition, this business is succeeded to generate viability and is well-accepted by the local commonalities. There is a likelihood of extraordinary progression in future as well.

With the aim of getting a valuable insight on this business, a radical technology-oriented marketing survey agency, named “Dynamic Research Consultancy”, has developed the first-ever “Online Research Panel” in Pakistan, to cater the investigation requirements of native and global brands. “In October 2013, it conducted a survey, which showed that larger proportion of females visits fast food chains than their male counterparts in Pakistan. The results proved that KFC and Pizza Hut have emerged as the most consumed fast food chains among both the genders and also, across both the age groups. Another interesting key finding was that McDonalds was more popular in females than in males. Reportedly, 42% females consume McDonalds as

compare to only 33% of males. Similarly, is the case of Nando's, 21% of the female respondents agreed to regularly visit it as compared to 12% male respondents. Chicken Cottage ranked as the least preferred among both the gender and both age groups".

#### **1.4 Purpose of the Study**

The aim of current research is to explore the customers' opinions of global fast-food franchises available in Pakistan that has recorded enormous progress in the last two decades approximately. Customers' opinion is deliberated as a fundamental determining factor of the regularity of visit to fast-food restaurants and to analyze the influence of international brands on the emergent fast food inclinations in Pakistan. The evolution of a franchise is dependent upon its acceptance among the patrons, and customers' opinion is dependent upon numerous factors like taste, quality, price etc. This study will determine the ordering preferences of customers in perspective with fast-food selection.

The purpose for steering this research is to explore the consumers' insight and preference of the fast-food by means of a survey questionnaire from the students of UMT Lahore, in command to augment the awareness in this arena and deliver commendations for channel proprietors and administrators. It is intended to evaluate the general consumer contentment level among fast food customers of global brands compared to local ones, by analyzing consumer conduct in terms of regularity of eatery visits, eatery choice norms, bases of direct impact on consumers' verdicts, etc., and to conclude key features of superficial value for customers, e.g., friends and family, price of the product, quality of food, variety of menu, advertising campaigns, etc. The study is also planned to discover the purchasing behaviour arrays of the young Pakistani buyers, approaches towards international and native brands and the preference for global brands.

## **II. LITERATURE REVIEW**

A review of the related literature on the research topic initiates with the contextual writings relating to the cataloging of the eating place, trailed by the summary of the collected works on fast food business. This segment supplementary delivers a hypothetical underpinning and determines with the conversation of the research gap.

### **2.1 Restaurants' Taxonomy**

Restaurants vary on the basis of variability in features like menu-style, prices offered, food quality, service quality and environment created on the locations. Restaurants are divided into two categories {Wood & Brotherton, 2008}: "full-service" and "limited-service" eateries. First type of brasseries offers comprehensive table facility to clients, while, in "limited-service restaurants" least table facility is presented. "Full-service restaurant category includes 'fine/formal dining (e.g. Michelin-starred restaurants), casual dining (e.g., family restaurants)' (Chen, 2014), dinner houses, while the limited-service restaurant category is represented by quick-service restaurants (e.g. fast food restaurants, catering trucks, salad bars), 'fast-casual dining (e.g. cafés)' (Chen, 2014, p. 9), cafeterias and buffets". This research work concentrates on the fast food segment.

Fine banqueting brasseries are expensive eating locations that offer complete table service and object upscale clients. They deliver the premium services through decent and trained serving personnel with food made of premium quality ingredients which marks an exorbitant menu. Wood & Brotherton (2008) also mentioned that this class of restaurant circles itself apart with premium class ornamentation and visually tempting food servings.

Literature submits that, unpremeditated banqueting diners are usually family-pleasant set-ups, as contrasting to premium dining places, which offers complete table service, and extensive range of list of options on judicious prices. The eating atmosphere of the restaurant is off-the-cuff and relaxed (Chen, 2014; Wood & Brotherton, 2008). On the contrary, Quick-service restaurants (QSRs) are categorized by least or occasional table provision, restricted list of options, and little price meal selections. "Customer-self-service, low labor costs, finished good inventory, process driven technology, development of habit forming purchases and advertising effectiveness" to be amongst the exclusive individualities of QSRs as described by Bujisic, Hutchinson & Parsa (2014).

In quick food eateries, the consumers wait in queue to order their food, find their own dining table and collect their own food from the counter by their self (Smith, 2013; Albala, 2015). Smith in 2013 wrote that, fast-casual brasseries generally emphasis on traditional foodstuffs, bakery products and salads that has inclined fast food cafes also to amend the list of options to comprise of salad, soups, smoothies, coffees, sandwiches, rolls and so on.

Literature categorizes restaurants in four styles of ownership / management configuration that include "sole- proprietorship, partnership, limited liability company (LLC) and corporation" (Parpal, 2015; Chen, 2014). "Sole proprietorship" restaurant is owned by a single person who manages it; operation of "partnership restaurants" is based on the partnership contract between 2 or more than 2 persons; characteristics of partnership and corporation are combined in LLC, and is governed by a treaty in which one shareholder is in command of the enterprise whereas additional shareholders usually serve in the board of governors. limited liability companies are generally consist of numerous minor to middle sized or family owned set-ups; commercial restaurants are autonomous legal bodies operation of which is isolated from its investors. They generally consist of large chain brasseries or reserved for franchises. Rendering to Cannon (2005) and Lesonsky (2012) in restaurant-chains all of the sites are possessed and all operating procedures are controlled by one Mother Corporation by means of a principal management structure. However, in a franchise configuration, a parental business vends the privileges to practice its business name, brand notion and business principle to the franchisee (investor). QSRs are customarily connected with series or franchise configuration (Payne, 2014).

## **2.2 Fast-Food Business**

Industrial development and universal capitalism has invigorated the advent of a new international cuisine (Akira & Saunier; 2009). The obscure type of food is fast-food. Fast food was categorized by Payne (2014) as a food which is prepared and served within least time and a fast food cafeteria is a type of quick service premise that serves fast food cuisine and provides no table service, though it may provide a dining area. In 2015, Brehm further suggested that "fast food refers to inexpensive food that is prepared and served quickly and easily and sold in restaurants and at snack bars". Raw materials of food offered in fast-food brasseries is normally kept ready and warm or cold in bulk ahead of time until ordered at the restaurant; packed and served to

consumer for takeaway or dine-in. Payne also remarks that fast-food eateries are commonly a part of a chain restaurant or a franchise, which practices uniform foods, savors, cooking procedures, or sometimes prepare the food partially and then they are distributed to each cafeteria from principal supply nets to dodge the handling expenses, manufacturing time, and to safeguard the uniformity of manufactured goods quality.

Jones (2002) and Funnell & Rogers (2011) analyzed that recent fast-food business is greatly be dependent on standardized processes and fabrication methods which mostly uses soft machinery and needs fewer skill. Many researches (Hogan, 1999; Tannock, 2001; Croslin, 2010; Funnell & Rogers, 2011) specify that ease of the service, regularity of value and quality, consistency in terms of stuffing and making and regularization of processes is the fundamental fragment of the success of fast-food business. Croslin in 2010 also revealed that “consistency” is a prime factor to customers’ revisit in the fast-food business. His study specifies that clients expect the quality and worth of the foodstuff to be steady in all merchants. Else, the transformation worth of the merchandise is vanished, and client might not reappear.

In maximum fast-food openings menus are generally consist of sandwiches, burgers, French-fries, fried pieces of chicken, cold-drinks, coffees, along-with better selections like chicken- grilled, potatoes in baked form, fruit juices and salads. Plastic or carton boxes are used to serve the meal which is wrapped in paper in order to minimize the operative expenses. By using such packaging the food is kept warm for an extended time, evades the transmission of bacteria, supports easy stowage and transference (Schlosser, 2001; Payne, 2014). Many global fast-food establishments have reformed their menus as per the native eating habits to match their needs. For example, vegan burgers are served in India frequently while, pork is not offered in Muslim nations as an alternative halal-food is offered to Muslim consumers, Norway folks like salmon sandwiches, and in Israel many fast-food eateries offer kosher stuffs on their list of options.

Smith (2013) found that foes of fast-food are apprehensive per its nutritional limitations whereas others disparage it for “destroying local culinary values”. Some criticizers (Schlosser, 2001; Donkersloot, 2002; Keller, 2008; Ferry, 2011; Etingoff, 2014) associate fast-food with lower nutritional diet causing obesity due to high carbohydrates. Donkersloot in 2002 claimed that fast-food is not well-adjusted in nutrition, and comprises loads of fats and calories’ that put negative effects on our health. Similarly, Keller (2008) deliberates that over-eating of fast-food can make a way to larger risk of chronic illnesses.

There are some people who take fast-food not as a soul culprit of health issues rather they keep a soft corner for it like Johansen (2012) shared the reverse view, and declared that fast-food is alone not the perpetrator of people’s wellness matters. The author conferred that the industry overall deals superior foodstuffs that are harmless for ingestion. Furthermore, the author contemplates fast food business as an optimistic vigor in societies that generates several careers, and generates incomes to indigenious markets. Despite all the condemnation, fast-food feasting has considerably amplified in the last few years (Ferry, 2011).

Fast-food has made it a multi-billion-dollar business extended to every junction of the globe. Prominent fast-food eateries like McDonald’s, KFC, Pizza Hut, Burger King are MNCs with openings across the whole worlds as written by Schlosser (2001). The author submits that “Americans now spend more money on fast food than on higher education, personal computers, computer software or new cars. They spend more on fast food than on movies, books, magazines, newspapers, videos, and recorded music-combined”. Similarly, Jones (2002) visions fast-food business as an essential sector within a country’s economic system: “today the fast food

industry generates large revenues for its providers and a valuable contributor to government income, economic growth, the balance of payments and employment". Eventually, these readings revealed the connotation fast-food business embraces within the international economic system and folks' eating adoptions.

A reported reason for consuming at fast-food is that it is quickly served (Schlosser E., 2001). Public decide to select fast-food for the reason of liking the taste and favor prompt pleasure of the taste bud (Laroche and Parsa, 2000). Customers do the brands' selection of their choice in a multiple brand condition and are still one of the least realized phenomena in the business of fast food. Visiting fast food restaurant is an activity to spend time with friends and family (French SA et al, 2001). Another interesting feature that impacts ingestion of fast food is by "upper-class status feeling" as pointed out by Drewnowski and Spectre, (2000). There are people who have high-income or minimal-income. Customarily folks with little income group select wayside booths that are low-priced; hygiene is not a benchmark for them. Alternatively, high-income group opt branded eating place as hygiene and nourishment both the aspects are significant for them. One feature that affects the selection of fast food eateries be governed by the location either in metropolitan area or rural area (Herman and Polivy, 1984). They detected that as the concentration of fast food eateries is low in rural areas, so the ingestion of fast food is less as well. Dr. Qian Sun et al (2012) highlighted that "visual aesthetics" is now likewise imperative to the customer decision making course in India as the customary features of value and functionalities. Still, the research-work submits that inherent features are greater more significant than external features in the customer choice taking process in India. In 2011 Xiaoling Guo et al revealed that customers in China notice both functional and emphatic meanings of the brands. For customers in China, brand undertake numerous roles like "recall of past experiences", "quality sign" and "identify". Furthermore, "recall of past experiences" is a distinctive trademark utility for Chinese customers and has an optimistic effect on brand devotion.

### **2.3 Consumer Contentment and Protection**

For every company it is a prime concern to retain their customers and they keep on looking different ways for not only retention of present clients but also fascinating new clients while lasting economical and lucrative. As customers found new choices these days than before, they are extra malleable in their choices, and are continually considering for renewed practices. The qualities that consumers recognize as respected, and consider imperative when taking decision must be important for the managers of these businesses must consider to shape lucrative and lifelong association with clients (Walter, 2011).

Fast food eateries are operating in extremely competing and vibrant atmosphere. Consequently, it is imperative to get competing lead and lifelong term accomplishment for sustainability. This may be attained by sustaining durable relations with consumers, conferring their desires and generating worth for them (Benefield, Jones, Mason and Walton, 2011). Allison (2010) discloses that "relationship marketing underlines the importance of building long-term relationship with customers as opposed to the individual transaction perspective, and involves understanding the customers' needs as they go through the life cycle". Relationship Marketing is intended to deliver amplified worth to the client, which eventually produces a worth of generations-long relationship for the marketer (Brink & Berndt, 2008). Relationship Marketing advantage is predominantly appropriate for service businesses like banks, education, health care, hospitality etc. (Buttle, 1996). Customer loyalty is considered as the primary target of relationship marketing as studied by many

researchers (Shaw & Reed, 1999; Hennig-Thurau & Hansen, 2000; Cahill, 2007; Brink & Berndt, 2008; Malekian, 2009; Buttle & Maklan, 2011; Mason et al., 2011).

Customer devotion is momentous component for the fiscal wellbeing of a corporation and ‘possibly the premier source of concurrent benefit’ (Malekian, 2009). As claimed by many researchers, customers’ faithfulness conveys more confidence and firmness to the business, rises incomes and decreases costs with time; furthermore, it incurs less expense to conserve existing client base than obtaining new ones. There may be additional profits of client retention, like Cahill (2007), Brink & Berndt (2008) and Malekian (2009), indicated various aspects that make trustworthy clients to be better lucrative than infrequent clients. The authors specify that trustworthy consumers be likely to buy additional from the similar vendor on regular basis and they can deliver more verbal referrals (word-of-mouth publicity). Devoted customers be likely to be more agreeable to use further products and/or services presented by a merchant and this cluster of consumers condense operative costs, as these clients are acquainted with the trademark, additionally, holding clients upsurges the market portion of a firm.

Indeed, the more pleased and contented the consumers, the more maintainable are the associations. As long as this continues, the trade endures to mark a profit. Keeping customers gratified averts them from swapping over to contestants and inspires reprise transactions (McKenna, 1993). Thus, in command to be modest and efficacious, it is vital for the enterprises to be “customer-conscious” and to have information about their clients. Eventually, obtaining and incessantly updating information about consumer needs, desires, inspiration and conduct aids to advance business enactment. It leads corporations to shape robust association with clients and provide high gratification to them as disclosed by Mckenna (1993), Shaw & Reed, (1999) and Gronroos (2007).

#### **2.4 Finding a Research Gap**

What consumers perceive about a certain product or brand is a prime concern for all leading brands and “consumer perceptions” is the topic of collective interest, particularly in the service business. As fast food business builds momentous share of the “service business” and the “restaurant market”, it remained at the focus of consideration of academic research and abundant work is done on this subject. The main focus of such investigations in the fast food business includes the satisfaction features, service excellence, professed value and customer behavior.

Although the research produces valued contribution to literary information, still some limits are found like age cluster or professional background of population under study. Hence, the present study study delivers valuable understanding for the fast-food operatives in terms of “consumer behavior, perception of value attributes satisfaction factors from the consumer perspective and moreover, it contributes to the enrichment of the research literature on this subject”. This study has included the educated class of university students that are more prone to fast-food selection. Besides, as several countries observe diverse cultural and philosophical dogmas, customers will behave and act differently in dissimilar locations. Finally, in spite of the implication of this business within Pakistan’s economic system, little study is accomplished discovering customer insight of fast-food eateries in Pakistan. We have done in Lahore only while other areas of Pakistan should be addressed as well.

### **III. RESEARCH METHODOLOGY**

The determination of this study is to investigate the main factors that are part of the success of global fast-food chains against local chains, to focus the measures which customers value the maximum while picking dining places, to assess consumer gratification and to relate the awareness to augment business setup, mend marketing stratagems and escalate the consumer contentment and retention within the fast food business. The subsequent segments define the validation for the solicitation of procedural actions used to plan the study, to gather and examine the data. The research is guided by the following questions:

#### **3.1 Research Questions**

Q1 . The motives behind the customer inclination of international food franchise over the local ones?

Q2 . The manufactured goods qualities that are commonly considered by customers when ordering a fast-food product.

Q3 . The demographic characteristic of consumers who buy food from international food franchises more frequently.

#### **3.2 Research Design**

In this work the research design employed is a quantitative study as the main goal of the research was to recognize and assess the influences that customers distinguish to be imperative. Golden words by someone are “you can’t manage what you can’t measure”. In order to cope relationships with the customers that is a road to victory, it is essential to recognize and measure its main facets. For that reason, quantitative study is preeminently suitable for such projects. It permits gathering data from considerable inhabitants in a systematic manner, which sequentially allows the evidence to be treated, examined and deduced statistically as clarified by Nykiel (2007). He validates the acceptance of “quantitative design and claims that it is the most useful approach from a marketing perspective, since it allows collecting ‘measurable information that can be tracked over time’”. Consequently, quantitative research design is engaged as the investigation pursues to study the, opinion, behavior and approach of a bigger population and produce statistically convincing outcomes.

#### **3.3 Data Collection**

A structured questionnaire is used to collect the data. The target population is the youth of Lahore Pakistan especially those who are living away from their home towns and have come to Lahore for jobs and study. Sample constituted of 120 respondents who were selected randomly through “convenience sampling basis”. The youth segment of the age group between 18 to 25 years is considered as fast-food is more popular among these age-groups. By using a structured and close ended questionnaire to discover the perception of youth who are the regular consumers of fast-food from international and local food chains, primary data was collected.

### 3.4 Survey Technique

The employed technique is a survey research as a means for the primary type of data collection. It is used as a main tool to assemble quantitative data. The survey enclosed twenty-six close-ended and structured inquiries. The survey inquiries were developed based on the review of the literature and educational journals of the similar nature like Mason et al., (2011) and Goyal & Singh (2007).

Reviewing the conforming literature aided as the groundwork for guiding, establishing, and employing the survey inquiries. The survey was “pilot-tested” to gauge the precision, uniformity and eminence of the inquiries. Later on, it was dispersed to the objective spectators within campus and other locations near the campus where fast-food is served. O’Leary (2010) revealed that one of the benefits of employing survey is that this one provides respondents a feeling of secrecy that emboldens authentic and perilous responses.

### 3.5 Hypothesis

Variables chosen for this research are:

- Service Quality
- Quality of Food
- Hygiene
- Price Discounts
- Easy Takeaway
- Taste of products
- Home Delivery
- Ingredients
- Cleanliness
- Easy to Eat
- Convenience
- Environment
- Spending / Income
- Customer service

The hypotheses were framed on the basis of above twelve variables for the purpose of analysis.

**H<sub>0</sub>:** There is no significant association between the above selected variables and satisfaction level of customers of international food chains.

**H<sub>1</sub>:** There is a significant association between the above selected variables and satisfaction level of customers of international food chains.

#### IV. FINDINGS AND DATA ANALYSIS

The collected data is converted to percentages of different responses from the fast-food consumers and pie-graphs are plotted to get a clear picture of those responses, which are discussed below:

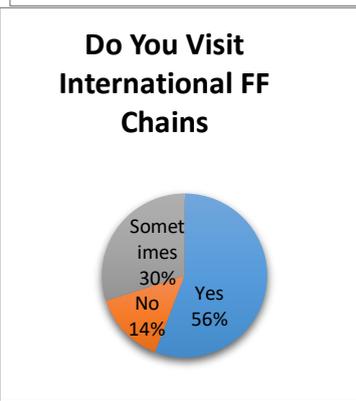
##### 1- Do You Like Fast Food?

A vast majority of 86% youth has shown interest in fast-food consumption. The rest 14% who said that they do not like fast-food are found to visit fast food restaurants occasionally as well.



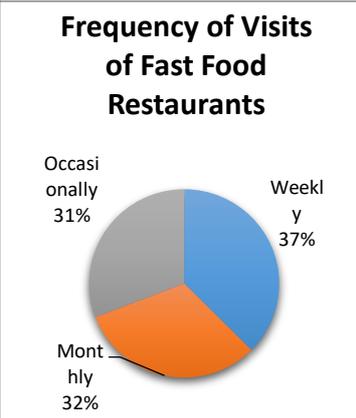
##### 2- Do You Visit International Fast Food Chains?

The results are giving us a majority of 56% who are regularly visiting international fast-food chains in Lahore for food consumption. While second highest majority of 30% visits off-and-on such food places, making it clear to us that total of 86% youth population has habit of visiting such places as a preferable choice.



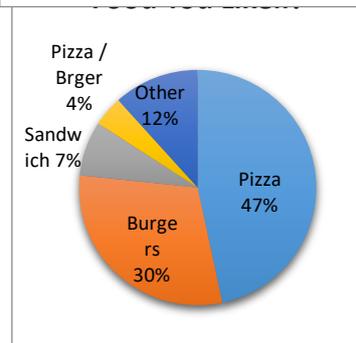
##### 3- Frequency of Visits of Fast Food Restaurants

According to the data collected, the frequency of people's visits to fast-food restaurants is on weekly basis i.e. 37%. Although we found many people are visiting such restaurants on daily basis but they are repeating visits at least after a week. And those who are repeating it on monthly basis came out to be 32%. While 31% people are visiting them just occasionally i.e. even taking more than a month time to repeat fast-food.



##### 4- What Type of Fast Food You Like?

Pizza is the most favorite fast-food of the youth living in Lahore with 47% liking followed by burgers that made place in 30% of our youth. Sandwiches are liked by only a small population of 7% while 4% people said they like both Pizza and burger. Some variety of fast food like "shawarmas" and "paratha-rolls" were not included in the questionnaire rather were kept in "others" category as this type of food is usually not

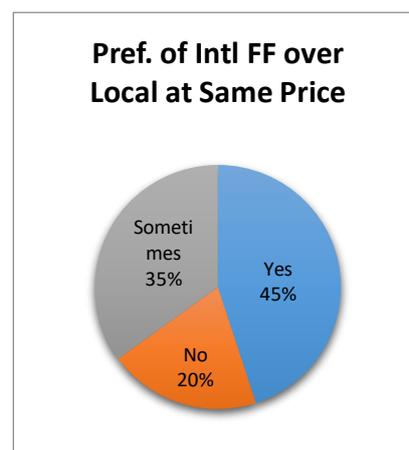


available at international fast-food chains, which is our primary concern in this survey.

**5- Preference of International Fast Food over Local at Same Price?**

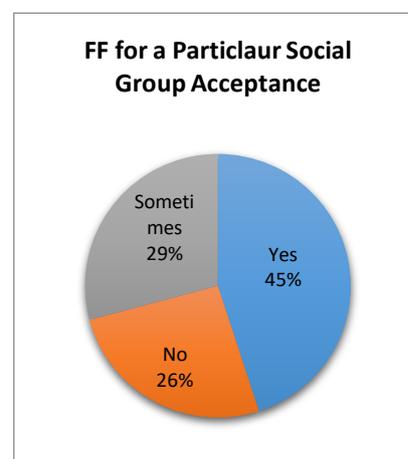
When asked whether you would like to prefer fast food from an international food franchise even if the prices are same with the local ones, we found a big majority preferring international food chain over local. Making a clear “yes” from 45% while those who are occasionally considering this preference were found to be 35% in population.

The purpose of this question was to evaluate and discover how important a factor such as price is in determining whether the consumers would go for the domestic brand or stick to the global one if both the products were in the same price range. The results found out that the consumers would go for the international brands whereas 20% would still purchase the domestic ones.



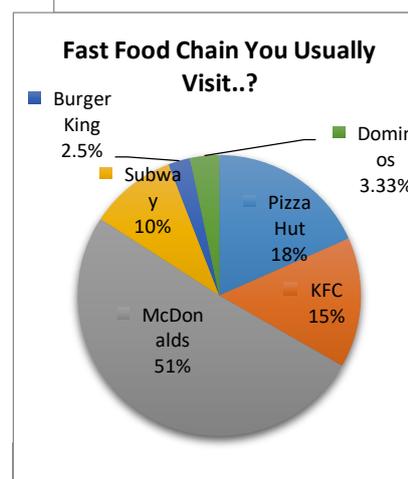
**6- International Fast Food for a social acceptance in a particular class?**

The results are indicating that our youth is keeping it in their minds that food consumption from international fast food chains is a status symbol. They will not be accepted in “upper-class” if they won’t be visiting such dining places. This kind of thinking is another reason of increase in the business of global food chains in Lahore.



**7- Fast Food outlets usually visited by our Youth?**

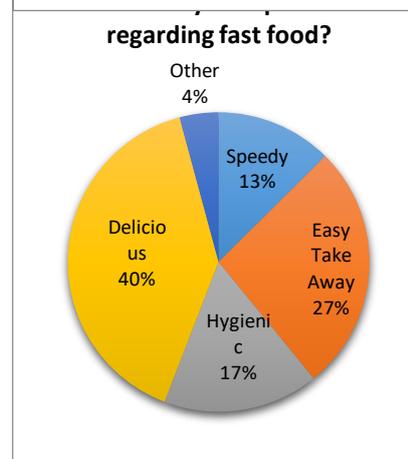
McDonalds came out to be the leading choice of our youth when it comes to fast food consumption with an outstanding 51% liking among majority of fast food chains now opened in nook-and- corners of Lahore. Nearest competitors spotted as “Pizza Hut” and “KFC” that are standing at 18% and 15% like respectively. McDonalds being the first fast-food entrant in Pakistan has maintained its glory by maintaining the taste, hygiene, and food and service quality. Keeping an all-time acceptance in different generations of Lahore who are living here from across Pakistan.



**8- What is your Opinion regarding Fast Food?**

While exploring the reason for international fast food preference over local chains, we came to know about the perception people are keeping about the global giants are that:

- i. Their food is delicious (40%)
- ii. They have easy takeaway service (27%)

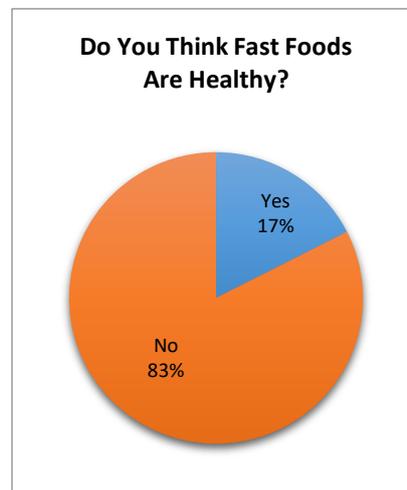


- iii. They are making hygienic food (17%)
- iv. They are speedy in serving the clients (13%)

While only 4% have other reasons to choose them.

**9-** Do You Think International Fast Food is Healthy?

Here we came up with interesting information that a vast majority (83%) does not consider fast food as a healthy choice and even then they are consuming it. While a minority of 17% has no knowledge whether fast is healthy or not. This is giving us a feeling that our youth has more concern about taste, quick service and cleanliness rather than food they are consuming is healthy or not.



**10-** Your preference for the International fast food is due to?

The features of international fast food chains that has outclassed our local ones in attracting the youth here is mentioned below in descending order:

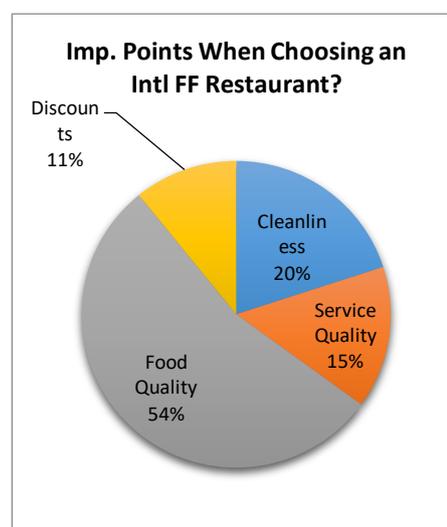
- i. Taste (38%)
- ii. Quality (32%)
- iii. Environment (11%)
- iv. Convenience (11%)
- v. Discounts (5%)
- vi. Others (4%)



The perception of fast food selection based on price discount offers is simply rejected here with only 5% people considering it. Ultimately our people’s hearts are won by “taste” and “quality” as major attractors.

**11-** Important points considered when choosing an International Fast Food Chain

It is always imperative to know the thinking of the masses when they do a certain choice, for any business to flourish. Our major choice-leaders emerged as food quality (54%), cleanliness (20%), and service quality (15%) while discounts shared only 11%. It gives a clear-cut picture for such business owners that discount promotions won’t be attracting the real client



to your outlet but food quality will surely do to bind them with your brand.

#### **4.1 PRECINCTS**

A small number of limits were faced during this study. Primarily, the study was restricted to a specific topographical zone i.e. Lahore in Punjab Pakistan only, which limited the generalizability of the research to comparable atmospheres up to some magnitude. Another limit is that survey method was employed to gather the facts and survey-technique is commonly vulnerable to restricted amount of inquiries. Furthermore, survey-technique is powerless of illuminating the intentions hidden inside a certain conduct or view, revealed by Mitchell & Jolley (2013).

#### **4.2 MORAL CONTEMPLATIONS**

This study was carried out sternly in agreement with ethical values and codes. Contribution in the data collection was on volunteer basis and it was conceded with the approval of the respondents. All potential respondents were cognizant about the purpose of the work and they were prompted that it was voluntary to participate in this survey. If approved, they might continue to survey inquiries. The participants were able to remove from contribution at all-time devoid of any menace or distress of retaliation. No personal information of the respondents was required by the survey such as personal names, contact numbers or email IDs, etc.

### **V. CONCLUSION**

The investigation outcomes and descriptive examination of the quantitative records used in this study displays the prime determination as to scrutinize the consumer behaviour and the insight of the fast-food industry. The opinions of the clients gathered were examined in relations of eating practices, aspects that impact on eating place selection, consumer contentment stage, regularity and determination of eating-place visit and customer inferences regarding the forthcoming enhancements. Furthermore, the outcomes also assisted to discourse the inquiry queries set in the start of the research. A general approach of questioning within the larger fast-food business confirms that these are apprehensions in several formations.

The outcomes exposed that during a process of picking a restaurant, customers consider the “taste and quality of the foodstuff” in the earliest place, then comes the “hygiene and cleanliness” in the food making and in the dining zone. Customers likewise show concern to the “quality of service” and “service speed” (quick management of orders) while also considering carte du jour selection. It infers that fast-food sellers predominantly must focus on these considerations in addition to other service features. Although the majority of clients voiced contentment with their banqueting visits at fast-food restaurants, the outcomes noticeably showed that customers don’t stopover at these locations only for foodstuff.

When inquired what enhancements they would love to see, many customers suggested to see additional adoptions of better food alternatives, and better seats, inclusion of the of food-items with higher nutritional worth, bigger food variation and vegan food selections. Hence, to conserve maintainable evolution and competitive benefit, it is indispensable for fast-food suppliers to ponder the customer wishes and anticipations.

### **Acknowledgement**

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