



Consumer Behavior and The Marketing Strategies of Fast Food Restaurants in India

KEYWORDS

Consumer Behavior, Fast Food Restaurants, Marketing Mix

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ABSTRACT *In the recent years one of the greatest challenge for the fast food industries is consumer behavior . The study consumer behavior encompasses not only why consumers make decisions to buy goods and services but also all the behaviors that consumers display in searching for, purchasing ,using, evaluating and disposing of products and services that they expect will satisfy their needs. Fast Food Industry in India became the fastest growing industry in the last decade when number of multinational organizations entered the market in order to increase and expand their market share and also its area of operations. It is very important that every industry should have the knowledge of consumers needs wants ,attitude and beliefs because these areas will help firms to improvise their marketing strategies by understanding issues such as how the consumers think feel and comprehend and select various competing brands ,how they are influenced by their environment .This paper mainly focused on the Marketing Strategies adopted by different fast food restaurants in India and also to know the reasons why Indian consumers are attracted towards the fast food ,beside knowing the health impacts due to the consumption of fast food . In this paper the study is mainly focused on the leading fast food restaurants Mc Donald's in India*

INTRODUCTION

CONSUMER BEHAVIOUR

Marketers have come to realize that their effectiveness in meeting consumer needs directly influences their profitability. The better they understand the factors underlying the consumer behavior, the better able they are to develop effective marketing strategies to meet consumer needs

The basic philosophy required for successful marketing -the importance of satisfying consumer may be simple ,but its implementation is complex .

So it requires that the company

- Define the consumer need
- Identify consumer segments that have these needs.
- Position new products or reposition the existing products to meet those needs
- Develop marketing strategies to communicate and deliver product benefits
- Evaluate these strategies for their effectiveness
- Ensure that such strategies do not deceive or mislead consumers and that they are implemented in a socially responsible manner

OBJECTIVES OF THE STUDY

- The Main Objective of this study is to identify the Marketing Strategies adopted by Mc Donalds India -leading fast food restaurant in India
- To identify the reasons why Indian consumers are attracted towards the fast food.

METHOD OF DATA COLLECTION

The Data collection method for this study was secondary data collection method. The data's for this study was collected through journals ,website ,books and articles

The Secondary Research offered the clues and correct direction for the study

REVIEW OF LITERATURE

Consumer Behaviour defined

The American Marketing Association has defined consumer behavior as "the dynamic interaction of affect and cognition behavior and the environment by which human beings conduct the exchange aspects of their lives" .

Peter D Bennett, Ed. Dictionary of Marketing Terms, 2nd Ed.1995

"Consumer behavior refers to the actions and the decisions process of people who purchase goods and services for personal consumption" .

CONSUMER BEHAVIOR APPLICATION IN MARKETING (Consumer Behaviour 2nd edition – Sathish K Batra & SHH Kazmi, Excel book publications)

Consumer behavior principles are applied in many areas of marketing. They are

Analyzing Market Opportunity

Consumer behavior study helps in identifying the unfilled needs and wants of consumers. This requires examining the trends and conditions operating in the market place ,consumers life style ,income level and the emerging influences .this may reveal unsatisfied needs and wants .

Selecting Target Market

A review of market opportunities often helps in identifying distinct consumer segments with very distinct and unique wants and needs. identifying these groups ,learning how they behave and how they purchase decisions enables the marketer to design and market products or services particularly suited to their wants and needs .

Marketing Mix Decisions

Once the unsatisfied needs and wants are identified, the marketer has to determine the right mix of product ,price ,place and promotion.

Product

The marketer designs the products or services that would satisfy unfilled needs or wants.

Further decisions regarding the product concern, the size, shape and the features. The marketer should also decide on packaging, important aspects of service, warranties and accessories.

Price

Marketers must decide what price to charge for the product or service .these decisions will influence the flow of revenue to the company .

Promotion

Promotion is considered with the marketing communications to consumers. The important promotions methods are advertising, personal selling, sales promotion, publicity and direct marketing.

The marketer has to decide which method would be most suitable to effectively reach the consumers.

The company should know the target consumers, their location and what do they access to and what are their media preferences etc.

Distribution

The distribution channel that is where and how to offer the products and services for sale.

REASONS WHY FAST FOOD IS BAD FOR HEALTH (<http://timesofindia.indiatimes.com/articleshow/16623434.cms>)

Contaminated Vegetables & High Refined Sugar

The Vegetables are generally contaminated with pesticides and refined sugar doesn't contain any nutrients and synergistic components.

Refined sugar and these vegetable lowers your immune system and also it lead to the formation of toxic metabolite which can hold up with respiration process and can destroy cells of the body.

Contains Hydrogenated Fats & Saturated Fats

Hydrogenated fat is commonly used for frying the food as it is cheap, When fat is heated in high temperatures it goes chemical conversions and becomes carcinogenic.

Junk foods are high in saturated fat. Due to this eating habit leads to heart diseases and can cause heart stroke and also obesity.

Extra Calories

Most fast foods are high in calories. They are usually processed and have chemical additives. Hence this doesn't increase the life's span

Artificial Sweeteners

Artificial sweeteners cause serious health problems as they can stimulate the brain cells. Thus, they are classified as neurotoxins by researchers. Avoiding these sweeteners are bad for health.

ABOUT MCDONALD'S THE HISTORY

The world's largest chain of fast food restaurants is McDonald's Corporation. The headquarters is located in Oak Brook, Illinois, U.S. In the year 1940, the first American fast food developers Richard James and his brother Maurice James started the first barbecue restaurant in San Bernardino, California. In the year 1954 an American business man, distributor for milkshake machines Raymond Albert "Ray" Kroc joined McDonald's. And Kroc in the year 1955 started the first franchised restaurant in Des Plaines, Illinois, United States and in the later years, the business was developed world wide.

ORIGIN IN INDIA

In the year 1996, McDonald's started its first restaurant in Basant Lok, Vasant Vihar New Delhi, India. Locally owned by Hardcastle Restaurants Pvt Ltd (HPRL) and Connaught Plaza Restaurants Pvt Ltd (CPRL). Today there are about 310 McDonald's restaurants across India.

MARKETING STRATEGIES ADOPTED BY MCDONALD'S The Business model - Three-legged stool

The business model is represented by the "three-legged stool" of owner/operators, suppliers, and company employees. A McDonald's restaurant is operated by a franchisee, an

affiliate, or the corporation itself. McDonald's Corporation is mainly operated through franchise agreements and joint ventures and only 15% of McDonald's restaurants are owned and operated by McDonald's Corporation

McDonalds 5p's Marketing Strategy

The 5 Ps are

- Product
- Place
- Price
- Promotion
- People

5 Ps	2011	2012	2013
PRODUCT	Top of Form * McSpicy Chicken Burger, McSpicy Paneer Burger, McSpicy Chicken Wrap and McSpicy Paneer Wrap * Introduces Mcflurry (premium desserts) in Oreo and chocolate crispy flavors Bottom of Form	New product launch in the Happy Price Menu Spicy Fest – Introducing new spicy variants for a limited time period	Introduction of Masala Grill – April 2013 slim Mc Waf-o-Thin burger
PRICE	McDonald's products are classified in two categories, BA (Branded affordability) and BCV (Branded Core Value products) an example of BA is McAllo tikka and chicken Mcgrill burgers which cost consumer 20-30 rupees. BCV products mainly include McVeggie and McChicken Burgers that cost 50-60 indian rupees.	The McSpicy burgers are offered for Rs.89 (Rs 149 with Combo meal) and a bite of the Big Spicy wraps costs Rs.119 (Rs 179 with Combo meal), McEgg – Rs 25	Mc Waf-o-Thin veg variant Rs149 7 chicken Rs169
PLACE	The joint venture company runs 154 McDonald's outlets	300 across the country	319 stores
PROMOTION (advertising campaign, mascot Ronald, 'I'm lovin' international branding campaign	Wi-Fi services in its restaurants & McSpicy Festival, Happy price Menu	Launch of employee engagement programme – Voice of McDonald's & Introduces Spice Festival from April - June - Launches Spicy variants (Limited time offer) McSpicy Festival, Happy price Menu	McDonald's™ Celebrates National Breakfast Day McSpicy Festival, Happy price Menu & Toys of the Month

PEOPLE (Customers & Employees)	Each outlet is headed by a restaurant Manager and he is responsible for the daily operation & customer interaction. Delivery Crew members carry basic operation of restaurants and ensure customer satisfaction at the restaurants. On the job coaching and off the job coaching for employees and also international training programmes are also offered for employees.
	Basic qualities and qualifications : Communication skills, Put the Guests First, Achieving through Teamwork and Executing for Results. education qualification required for the restaurant crew level is he/she must be a 12th Std pass along with being 18 yrs or above.

FINDINGS & CONCLUSION

In the recent time the Consumer behavior is changed and their eating habits and the perceptions toward the fast food is changed due to the following reasons

- The increasing number of nuclear families
- Increase growth in the number of employed women
- High Income
- Advertising Trends (Positive effects towards the product)
- Ready to eat strategy (Fun and leisure time with family & Kids)

McDonalds when entered Indian markets in 1996 was not good in the sales later they decided not sell beef burgers but instead lamb and chicken burgers and have a larger selection of vegetarian food compared to the West.

Changing behaviors of the Indian consumer have no doubt contributed to the success of the organization. Some of the brand outlets first started only in major cities such as Delhi and Mumbai. Now, they expanded to cities like Pune, Surat, Ahmedabad, Rajkot, Nasik, Aurangabad, Kolhapur, Chandigarh, Jammu, Chennai, Bhubhaneswar, Goa and Bangalore, to meet major demand.

CONCLUSION

Which fast food do you eat most?

- McDonalds (41%)
- KFC (24%)
- Dominos Pizza (17%)
- Pizza Hut (13%)
- Burger King (5%)

The Recent study by many researchers found that most of the Indian consumers prefer McDonalds. Even though there are health impacts towards fast food the organization brings new innovative techniques to understand the consumers and they know how to understand the consumer better. If the organization wants to stand up in the markets it is very important to understand the consumer and the environment for the successful business. McDonalds adopted this strategy, Happy the consumers, satisfaction, happy the organization.

REFERENCE

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