

Restaurant Selection Behaviour among Young Adult Consumers – An Empirical Study in Coimbatore District, Tamil Nadu, India

***B. Nandhini**, Department of School of Management Studies, Bannari Amman Institute of Technology, Sathyamangalam, Tamilnadu, India 638 401. Email Id: nandhinibb@gmail.com

J. Ashok, Department of School of Management Studies, Bannari Amman Institute of Technology, Sathyamangalam, Tamilnadu, India 638 401. Email Id: ashokmgmt@gmail.com

Article Info

Volume 83

Page Number: 2824 - 2833

Publication Issue:

May - June 2020

Abstract:

In India, young-adult consumers today form a major part of the market segmentation. These young adult consumers have their own style and choice of selecting restaurants for various occasions. Though there are number of restaurants, people select and continue to visit some specific restaurants for some specific reasons. The ultimate aim of this paper is to determine young adult consumers' influential factors in restaurant selection and also their preferred restaurant type and service type. By determining these things various insights and suggestion can be provided to restaurateurs to attract and retain more consumers. For this study totally 17 factors were identified and demographics factors were also included based on the literature review. A self-contained questionnaire was prepared to collect the data primarily from 500 respondents who were majorly IT employees and college students in Coimbatore district of Tamil Nadu. Findings of this study expresses that cleanliness, privacy, quantity provided, food quality & taste are the major factors which make the young consumers to select the restaurants. It is also found that fine dine restaurant is mostly preferred by the young adult consumers and they prefer waiter services in the restaurant. It is also suggested to the restaurateurs to focus on these factors to attract and retain regular customers.

Article History

Article Received: 11 August 2019

Revised: 18 November 2019

Accepted: 23 January 2020

Publication: 10 May 2020

Keywords: Young adult consumers, restaurant selection, Food preference, Hotel preference

INTRODUCTION

India is known for most elevated number of youngsters in the universe and it is also the country of food lovers. Food consumption away from home is becoming a trend among young consumers. Student as customers are progressively unique and developing as major contributors of restaurant business. In general customers may come from diverse culture, different economic background and definitely each individual will have their unique preference towards restaurant and different factors (both intrinsic and extrinsic factors) may influence their restaurant selection. Now a days food is not only related to

fulfil the hunger of people instead it has numerous subtle purpose in lives of people. One of the challenge for the restaurateurs is to make customers select their restaurant than others.

Restaurant is the fastest growing sector in India as well as it has great growth worldwide. World's first restaurant was started in the year 1765 by the Parisian named Boulanger. According to the report of National Restaurant Association of India (NRAI) it is valued that restaurant business is worth U.S. \$52 billion and expected to reach U.S. \$66 billion by 2020. Almost 50% of Indian people dine out once in three months.

Dining out has recognized as three most popular recreational activities by Indian consumers, this is as per the Indian leisure and Entertainment report by knowledge tree company. Indian restaurant and food service industry consists of two distinct segment: organized and unorganized. The organized segment accounts for 30%-35% of the industry, whereas 65%-70% has been contributed by unorganized sector.

This research article analysis various factors involved in selection of restaurant by young adult customers and also comparison is made with demographic data to identify the differences.

PURPOSE OF THE STUDY

- To determine the factors that affect young adult consumer selection criteria in restaurants
- To provide an insight for the restaurateurs to attract and retain more consumers
- To find out demographic differences in preference to dine out in restaurant.
- To determine type of restaurant and service preferred by the young adult consumers

LITERATURE REVIEW

StutiSahni, Dr. FarhatMohsin (2017) ^[1]analysed the factors influencing fine dining restaurant selection in Delhi & NCR. The main focus of the study is to find out the consumption pattern in fine dining restaurant and to understand about the relationship between demographic factors and their preference in selecting the restaurant. The study has been conducted among 192 respondents. The study is carried out using ANOVA and Chi-square

test. And concluded that demographic variables were positively related with selection of restaurants. It is also found that customers give more preference to service quality than focusing on food and atmospheric quality and it is also identified that there is a considerable relationship between customer's purpose of visiting restaurant and their selection of restaurant. It is also made clear that restaurateurs should consider the demographics of the customer while framing their policies regarding food and service quality

AhsanAzim, Noor Ali Shah, ZeeshanMehmood, SajidMehmood, Mohammad MajidMehmoodBagram (2014) ^[2]in their paper titled "Factors Effecting the Customers Selection of Restaurants in Pakistan" analyzed the multiple factors considered by the people in Pakistan to select a restaurant. The study has been conducted among 148 people. Descriptive statistics technique was used to measure the responses. And it was concluded that the customers are very keen in selecting the restaurant based on the quality of the food and the way it is being served. We can also identify that people not only focus on the basic needs they also consider about their prestige and esteem. By the efficient management of financial and non-financial factors effectively it is easy to attract and maintain loyal customers

Nazrul Islam, MohitulAmeen Ahmed Mustafi, Md. Sazzad Ahmed, Md. Mamunur Rashid, MdAbrarUIKabir&ToufiqNazrul (2018) ^[3]analysed the major factors influencing the restaurant selection in Bangladesh. The study used both primary and secondary data, primary data has been collected from 325 respondents and secondary data is

from journals, periodicals, annual reports etc., the study is carried out using normality test, reliability analysis, discriminant validity, regression analysis. The study is concluded that factors can be grouped into five sectors customer service, availability of variety & junk food, maintenance of privacy, brand name and finally the availability of ready-made food.

Vimal Chandra Verm, Devashish Das Gupta (2018) ^[4] in their paper focused on the factors influencing dining out behaviour of students based on demographic data. The study was conducted among 181 respondents from different colleges. Factor Analysis with Varimax Rotation was carried out as one of the analysis. It is concluded that social media users are interested in browsing information related to food and restaurants so the review in social media creates a great impact on restaurants, to sustain in the market retaining customers. People who are conscious about the quality would prefer restaurants which provide good and healthy foods consistently.

Ankita Gupta (2019) ^[5] published a paper titled “A Study on Factor Influencing the Choice of Restaurants in Haryana”. Total 300 samples were taken for this study. Collected data is analysed using percentage analysis. It is concluded that price is the major influencing factor in selecting the restaurant this is followed by food quality and availability of variety in food, Review from friends and relatives, past experience, location, ambience, staff behaviour, environment, security, waiting time etc., billing process, dress code, space, bar facilities are minor influencing factors

Alina Shuhaida Mohammad Ramly,

Roslina Ahmadnand Shahrul Niza Ahmadin (2003) ^[6] published a paper titled “Factors Influencing Customers Patronizing Mamak Restaurants – A Survey in Shah Alam”. For this study survey was conducted among 230 customers. The data analysis is done using SPSS program to produce frequency, mean and standard deviation. It is concluded that major factors involved are location of the restaurant, operating hours, ambience, and taste.

Dr. A. Sulekha (2018) ^[7] published a paper titled “Factors Influencing the Diners to visit a particular Restaurant”. For this paper, survey has been conducted among 600 customers. Measure of dispersion and ANOVA result, reliability test were considered for the analysis. It is concluded that vegetarians were influenced by the factors like waiting time, promptness of service, professionalism and friendliness of server(s), server’s knowledge of menu, special attraction for kids and overall restaurant experience are the determinants whereas food quality, menu variety, menu pricing and value and restaurant location of restaurants influence the non-vegetarians. It is also found that non-vegetarians would like to dine out both in veg and non-veg restaurants. It is also concluded that food taste and preferences undergo continuous change with respect to travel, family status, socio-economic factors etc.,

RESEARCH METHODOLOGY

Descriptive research has been carried out among 500 respondents who were predominantly chosen from IT and Education industry in Coimbatore District of Tamil Nadu, India. The respondents chosen were between the age group of 18

and 35 years. The data collection method adopted for this study is self-contained questionnaire with all demographic and economic profile of the respondents. The time period of the research study was between November 2019 and January 2020.

ANALYSIS AND RESULTS

The data collected using questionnaire is fed into SPSS software and initial cleaning process was done. Normality test is used to determine the even distribution of data and through this test it found that it is a non-parametric data. Then non-parametric test like Kruskal-Wallis test, Mann Whitney test and Friedman test has been performed to find the significant relationship between the various factors and demographic data.

The response has been received from 500 respondents out of which 59% were female respondents and 41% were male. Next demographic segmentation is based on age, through which it is found that 78% fall under the age group of 20-25, 9% of respondents are below 20, 8% of respondents are under the age group of 26-30 and 5% of them are under the age group of 31-35. It is evident that students who are under the age of 25 years mostly prefer to go to restaurants than people of higher age.

Based on the classification of occupation 53% of the respondents are students, 31% of the respondents are salaried people, 11% of respondents are self-employed and 5% of the respondents were home-makers. It also signifies that the best target population for the restaurateurs are the students. So, it is better to put up restaurants near academic area.

It is found that based on the classification under family income(per

month) majority(29%) fall under the category above 50000, 20% with family income between 40001 to 50000, 18% of them have their monthly family income between 30001-40000, followed by 17% and 16% income between 20001-30000 and below 20000 respectively.

It can be inferred through the frequency analysis that out of 500 respondents more than half of them i.e., 57% of them spend 501-1000 rupees in restaurant and almost equal number of customers i.e., 22% and 20% of them spend between 101-500 and above 1000 and only 1% of them spend below 100 rupees. It is notable through frequency analysis that 80% of customers go to restaurant for relaxation.

Preferred reason to dine out is analysed through which it is revealed that 40% of respondents prefer to dine out when hanging out with friends/family, followed by 24% of respondents prefer to dine out as a part of weekend enjoyment, nearly equal number of respondents prefer to dine out to try new foods and as a part of birthdays, anniversary, special days' celebration (i.e.) 16% and 14%, at last 4% of respondents like to dine out as their habit. Hence family friendly restaurants would be more preferable by the consumers. Most of the consumers prefer to have both vegetarian and non-vegetarian cuisine rather than vegetarian.

It is well-known that none of the respondent would like to go to restaurant during morning session, contrast to that more than half of the respondents i.e., 64% would like to visit restaurant during night times, 20% of respondents would dine out during evening sessions, least percentage is distributed during afternoon and late night(after 11pm) i.e., 10% and 6% respectively. Consolidated data has been

provided in Table 1(Demographic data of respondents)

Table 1:Demographic Profile of Respondents

Demographic Variable	Scale	Percentage n=500
Gender	Male	41.0
	Female	59.0
Age	Below 20	9.0
	20 – 25 Years	78.0
	26 – 30 Years	8.0
	31-35 Years	5.0
Occupation	Self Employed	11.0
	Salaried	31.0
	Student	53.0
	Home Maker	5.0
Family Income (per month)	Below 20000	17.0
	20001-30000	16.0
	30001-40000	18.0
	40001-50000	20.0
	Above 50000	29.0
Willingness to visit Restaurant	Yes	99.0
	No	1.0
Frequency of Visiting Restaurant	Once in a month	29.0
	Twice in a month	40.0
	Weekly	20.0
	Twice or thrice in a week	9.0
	Daily	2.0
Amount Spent in Restaurant	Below 100	1.0
	101-500	22.0
	501-1000	57.0
	Above 1000	20.0
Reason to Dine Out	Hanging out with family/friends	40.0
	Weekend enjoyment	24.0
	Want to try new foods	16.0

	Habitual	6.0
	Birthdays, Anniversary or some special days	14.0

Initially, exploratory factor analysis has been carried out to determine the factors that influence the decision of customers in selecting the restaurants. KMO value has been obtained to confirm the sampling adequacy and the result came out with the value of 0.826, which indicates that there

is enough sample to carry out the factor analysis. (Table 2) There were 17 variables in the questionnaire, which were dimensionally reduced to 4 factors through the factor analysis. The four factors were Appearance factor, Food factor, Service factor and Personal factor

Table 2 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.826
Bartlett's Test of Sphericity	Approx. Chi-Square	720.001
	df	136
	Sig.	.000

A consolidated table of the variables belonging to various factors is shown in Table 3.

Table 3 Factor Analysis Matrix

Variables	1	2	3	4
Presentation of food	.561	.284	.333	.340
Pleasant aroma	.658	.268	.232	.393
Cleanliness.	.719	.095	.056	.118
Price.	.159	.747	.245	.137
Food quality & taste.	-.070	.701	.294	.287
Quantity provided	.056	.694	.350	.290
Parking facilities	.315	.387	.473	-.059
Ratings provided by the other customers	.448	-.091	.613	.122
Combo offers	.472	-.030	.584	.131
Quick service.	.034	.277	.769	.081
Staff cooperation and nice behaviour.	.266	.108	.666	.381
Near to my workplace or home.	.103	.247	.142	.706
Priority over other customers.	.207	.129	.243	.611
Crowd	.042	.060	-.020	.794
I tend to go to new restaurants every time to explore new food varieties	.187	.170	.392	.576
Privacy	.332	.020	-.055	.758
Based on my mood swings	.093	.291	.294	.682

From the factor analysis, the variables were summated to form new set of

variables based on the factor and Friedman Test was carried out to determine the most

influential factor. The result is shown in the below Table 4.

Table 4 Friedman Test

Ranks	
	Mean Rank
Appearance Factor	2.95
Food Factor	2.92
Service Factor	2.18
Personal Factor	1.96

The above table indicates that the Appearance factor (Presentation of Food, Cleanliness of the restaurant and Pleasant aroma inside the restaurant) and Food factor (Quality, Quantity, Taste and Price of food) were the most influential factors, followed by Service factor (Ratings by other customer, Combo offers, Quick service, Parking facilities and Staff cooperation) and the least influential factor is the customer's own personal factors (Restaurant nearer to their workplace,

crowd inside the restaurant, Preference to explore new food varieties, Privacy, Mood swings and Priority given to them over others).

To understand the type of service expected from the customer, a question related to how they want to be served inside the restaurant was asked. The results are given below in the Table 5. It indicates that the customers expect the waiter to serve food for them rather than them serving themselves.

Table 5 Preferred Service

Type of Service	Number of Respondents
Waiter	83
Buffet Service	29
Self Service	13
Semi Self Service	12

There was also a question related to the type of restaurant preferred by the customers to know the demand and

preference of the customers in selecting the restaurant. The result shown in Table 6

Table 6 Preference of Restaurant Type

Restaurant Type / Ranks	1	2	3	4	5	6	7	8	9
Fine Dining	45	19	6	7	9	1	3	1	9

Casual Dining	17	45	10	5	5	1	5	7	5
Café	17	13	35	4	6	6	9	20	5
Fast Food	11	22	12	29	3	11	4	2	6
Food Truck	17	13	10	7	29	8	7	5	4
Bakery	10	22	6	14	7	26	4	1	10
Buffet	11	22	13	3	4	2	31	8	6
Dessert	14	24	11	5	2	2	8	49	6
Themed	22	12	11	5	6	3	2	7	32

From the above table we can rank the type of restaurant preferred by the respondents as follows

1. Fine dining restaurant
2. Casual dining restaurant
3. Cafe
4. Fast food shops
5. Food truck
6. Bakery
7. Buffet
8. Dessert shops

9. Themed restaurant

Finally, Cluster Analysis was carried out to determine the different group of customers who have unique preferences. The 17 variables were clustered into 5 unique clusters based their opinion ranging from Strongly Agree (5) to Strongly Disagree (1). The following table (Table 7) shows the various clusters obtained through cluster analysis

.Table 7 Cluster Analysis

	Cluster				
	1	2	3	4	5
Presentation of food	4	3	2	5	3
Pleasant aroma	4	3	3	5	5
Cleanliness	4	4	4	5	5
Food quality & taste.	4	4	3	5	5
Quantity provided	4	3	3	5	5
Price.	4	3	2	5	4
Ratings provided by the other customers	4	3	4	5	3
Combo offers	4	3	3	5	4
Quick service.	4	4	3	5	4
Parking facilities	4	2	3	5	3
Staff cooperation and nice behaviour.	4	4	3	5	4
Privacy	4	4	2	5	4
Near to my workplace or home.	4	3	2	5	2
Priority over other customers.	3	3	3	5	3
Crowd	3	3	3	4	2
Based on my mood swings	4	3	4	5	5

I tend to go to new restaurants every time to explore new food varieties	4	3	4	5	3
--	---	---	---	---	---

Based on the above table, the four distinct group of customers have been identified as below.

Cluster 1: They select the restaurant based on the Appearance, Food and Service factors and do not much care about the personal factors.

Cluster 2: These set of customers are neutral to all the variables and the factors does not influence them much.

Cluster 3: The third category of consumers are not much agreeing to the fact that these factors may affect their restaurant selection.

Cluster 4: The fourth group of customers choose the restaurant based on all the

factors and they strongly agree towards those factors.

Cluster 5: These are the group of customers who look into the Appearance and Food factors of the restaurant, rather than the service and personal factors.

To know how many people, fall into each category, the following table (Table 8) has been obtained through Cluster analysis itself. From the Table, it is inferred that the Cluster 1 and Cluster 4 type of people are to be concentrated where their selection of restaurant is more based on the Appearance, Food and Service factors.

Table 8 Number of cases in each Cluster

Cluster	Count
1	230.000
2	45.000
3	40.000
4	130.000
5	55.000
Total	500.000

FINDINGS

Customers who are under the age of 25 years prefer going to restaurant and expect the waiter to serve them. Also, from the cluster analysis, we found that the aesthetic factors, quality and quantity of food and the extra services provided by the restaurant influence most of the customers to select the restaurant. The type of restaurant people prefers to hang out with their family and friends is fine dining restaurant during night time and prefer both vegetarian and non-vegetarian cuisine. Hence it is being suggested to the

restaurateurs and budding entrepreneurs to consider these factor preference of the customers and set up their restaurant to have more number of satisfied customers.

CONCLUSION

From this study, it is observed that people of young age tend to go to restaurant than people of higher age. Each category of people has each preference in selecting the restaurant and cuisine. Restaurateur can get various insights about the customer expectation and preference of

different customers. The similarities can also be grouped with demographic data and the restaurateurs can target the specific group of people.

LIMITATIONS OF THE STUDY AND FUTURE SCOPE

Since the study has been carried out in a very niche area (specific age group in a specific region), the results obtained from this study may not be applicable to all over the globe. Since people's culture and practices vary across the geographic locations, we cannot assure that the result obtained through this study will be the same all over. Hence the scope of this study expands to the geographic locations across the globe and people of all age categories.

REFERENCES

1. Stuti Sahni, Dr. Farhat Mohsin. (2017). Factors Influencing the Selection of Fine Dining Restaurant in Delhi & NCR: An Empirical Study. International Journal of Research and Innovation in Social Science (IJRISS), 1(4).
2. Ahsan Azim, Noor Ali Shah, Zeeshan Mehmood, Sajid Mehmood, Mohammad Majid Mehmood Bagram. (2014). Factors Effecting the Customers Selection of Restaurants in Pakistan. International Review of Management and Business Research, 3(2).
3. Nazrul Islam, Mohitul Ameen Ahmed Mustafi, Md. Sazzad Ahmed, Md. Mamunur Rashid, Md Abrar UI Kabir & Toufiq Nazrul. (2018). Factors Influencing the Selection of Restaurant for Dining in Dhaka City of Bangladesh. Global Journal of Management and Business Research: A Administration and Management, 18(7).
4. Vimal Chandra Verm, Devashish Das Gupta. (2018.) An Investigative Study of Factors Influencing Dining out in Casual Restaurants Among Young Consumers. European Business & Management, 4(1), 39-43.
5. Ankita Gupta. (2019). A Study on Factor Influencing the Choice of Restaurants in Haryana. IJRAR- International Journal of Research and Analytical Reviews, 6(1).
6. Alina Shuhaida Mohammad Ramly, Roslina Ahmadnand Shahrul Niza Ahmadin. (2003). Factors Influencing Customers Patronizing Mamak Restaurants – A Survey in Shah Alam. Second National Educators Conference.
7. Dr. A. Sulekha. (2018). Factors Influencing the Diners To Visit A Particular Restaurant. IJCRT, 6(3).