

A Study on Food Service Marketing with Reference to Moodabidri and Karkala

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Abstract

Food service industries are those business, institutions and companies responsible for any meal prepared outside the home. This industry includes restaurants, school and hospital cafeterias, catering operations and many other formats. The Indian food industry is under huge growth, increasing its contributions to world food trade every year. In India the food sector has emerged as a high growth and high profit sector due to its immense potential for value addition particularly with food industry. The marketing strategies of food service industry is their high quality food, quick delivery and good service. The online food ordering business in India is witnessing exponential growth and has a promising growth because of its good marketing strategies and management. The hotels and restaurants in rural areas have more demand because of supplies of fresh and affordable foods with quality. But access to food may be limited by financial constraints or other factors such as transportation challenges. Otherwise even rural food servicing retailers have their own strategies like taste, affordable price and they are able to manage some extent. Food service managers are responsible for daily operations of restaurants and other establishment that prepare and serve food. In recent days even catering food service business is also growing. It might be owned by single owner or in the form of partnership. Their marketing strategy is providing hot or cold food to client at a remote location. The main aim of our study is to know how food service industry maintain the quality of food with affordable price.

Keywords: Food Service, Marketing Strategies, Food Quality, Restaurants

1. Introduction

The food service industry encompasses all of the activities, services, and business functions involved in preparing and serving food to people eating away from home. This includes all types of restaurants from fine dining to fast food. It also includes institutional food operations at locations such as schools and hospitals, as well as other specialty vendors such as food truck operators and catering businesses.

Food service is one of the largest part in growing economy. Food service marketing has many option for food production and service. Activities related with the food are included in the food service industry. If you are chose to work as a restaurants, hotels and catering operation, there are plenty of career paths that can lead to food service roles. Marketing strategy of food service mainly depends upon food safety and customer confidence. Food safety is closely related with customer confidence. If food service is healthy consumer confidence or satisfaction will increase. Food service industry provide plenty of employment

opportunities for the people. Food service by hotel, restaurants and catering is better than fast food service as fast food service does not include hygiene product.

Food service by hotel, restaurants and catering is better than fast food service as fast food does not include hygienic product. Food service provides a very dignified way to earn a livelihood for millions of Indians who otherwise would be hard pressed to make a living, succor to millions to millions of migrants who have come to major urban centers looking for better prospects and not having the comfort of a home or luxury of time to cook a daily meal for themselves, meet the food needs of hundreds of millions of highway, railways and air travelers provide social meeting and entertainment options to millions young people. Very important “supply chain” between the small farmers and other producers of food and related products especially producer and the end consumer.

The marketing of even a single food product can be a complicated process involving many producers and companies. The food marketing system is the largest direct and indirect non-government employer in the every hotels, restaurants and catering service. Food marketing is a chain of marketing activities that take place within the food system between a food organisation and the consumer. This has the potential to be a complicated procedure, as there are many processes that are used prior to the sale the food product. These include food processing, wholesaling, retailing, food service and transport.

Food Service Marketing

Consistency is one of the most challenging elements of a successful food industry to achieve. It requires clearly communicated guidelines and a full effort by every member of the team. To start:

- Standardized food recipes for all menu items along with standardized portion sizes, plate presentation diagrams, temperature guidelines and quality specifications.
- Comprehensive training program.
- Clear quality guidelines and purchase specifications communicated to suppliers and trained receiving personnel.

Today, India is facing two main challenges - poverty and unemployment - in the rural areas. Rural food processing industry establish linkages between agriculture and industry which provides an employment opportunity to the people of rural areas and improve the economic well-being by increasing their income, and also prevent the migration of rural people to cities which increases slums. Food processing industry plays a very significant role for the development of India as it links two pillar of an economy; agriculture and industry.

The food service industry in rural areas cannot provide high quality service than the urban areas. But the food that is provided by them are high quality as they gives more importance to consumer health. As the people are going to be more modern world and they are attracted to Chinese food, some hotels and restaurant are also provide the same thing to them in order to retain the customer. Even catering food service also more growing recent days. They provide the food which is preferred by the customer to their event like wedding, parties etc. Quality of food mainly depends upon the person responsible for the preparation of food. If they are good enough to prepare tasty food the customer arrival to the hotels and restaurants and demand for the catering services is more.

Marketing strategy can be taken by food service industry is providing quality food with reasonable price as people of rural areas prefer the hotels and restaurants only for leisure. Most of the workers like drivers, conductors and any other workers prefer the food which give the taste of home food, i.e. Ganji Oota. There are many small hotels which is only meant for providing Ganji Oota for such workers with fish related articles. This is also type of strategy which can be used by small entrepreneur.

Varieties of Food Available

South Indian	North Indian
Vada	Gobi related food items
Masala Vada	Aloo Matar
Masala Dosa	Kulcha
Appam	Biryani (Veg. and Non-veg.)
Idly	Butter Tikka
Palav	Chats
Veg Biryani	Chana Masala
Golibaje	Chicken Tikka and related items
Rava Idly	Dal Puri
Onion Dosa	Mushroom related items
Vangibath	
Parotta	
Payasam with meal	
Rasam	
Mosaranna	
Chicken	

Not just the above items, we have mentioned only few, food service hotels and restaurants in Moodubidire and Karkala area have average number of food articles in their menu because it requires more cost and expert cook for preparation of the north Indian food recipes. Availability of such person makes the food industry very expensive.

2. Objectives of Study

- (1) To know how food service industry maintain the quality of food and service.
- (2) To study variety of food available in various hotels and restaurant.
- (3) To study the impact of fast food on other service industry.
- (4) To study impact of GST rate on prices of food articles.
- (5) To know how the food service industry manage wastage of food.

3. Methodology

Research is based on the following two sources:

- Primary data
- Secondary data

Primary Data

Primary data is the data collected specifically for the study currently undertaken. It is first hand information which is directly collected from the respondents. The primary data is collected through questionnaire. The procedure followed and the collection of the primary data is directly interviewing of the respondents with the structured questionnaire.

Secondary Data

Secondary data is second hand information which is already collected. It includes various information collected from websites.

4. Limitations of Study

- (1) Limited area of study.
- (2) Limited time for study.
- (3) The data collected by questionnaire and interviews are believed to be factual.
- (4) The study confined to the local areas of Moodubidire and Karkala area.
- (5) We cannot generalize the study as the number of respondents were small.

5. Data Analysis and Interpretation

The data are analysed based on the questionnaire prepared. The data analysis and interpretation are shown for important questions below.

Table 1: Gender of the Respondents

Gender	No. of Respondents	Percentage
Male	19	63.3
Female	11	36.7
Total	30	100

The above table shows that, out of 30 respondents 19 were male and 11 were female. This clearly states that Men’s role in food service industry is more than women.

Gender:

30 responses

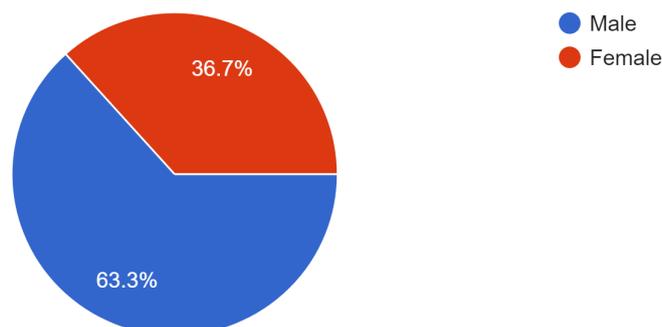


Table 2: Age of the Respondents

Age	No. of Respondents	Percentage
18-23	5	16.7
24-28	8	26.7
30-34	7	23.3
35 and above	10	33.3
Total	30	100

This table depicts that, Majority of the respondents were belongs to the age group of 35 and above, some were 24-28, few were 30-34 and some respondents belongs to the age group of 18-23 years.

Age(in years):

30 responses

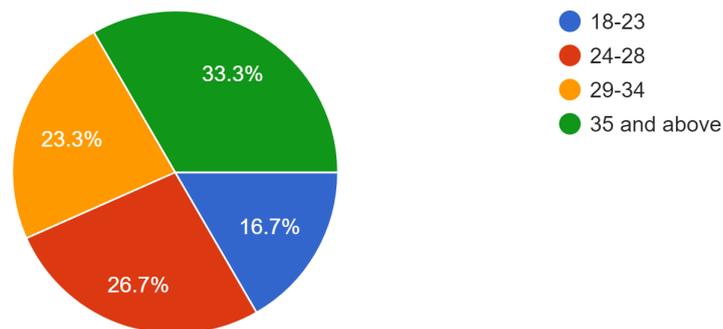


Table 3: Type of the Restaurant

Type of Restaurant	No. of Respondents	Percentage
Veg	16	53.3
Non-veg	5	16.7
Mixed	9	30
Total	30	100

Table shows that, Majority of the hotel were Vegeterian, some of the hotel were Non-veg, and few hotel were provide mixed food.

Your Restaurant is

30 responses

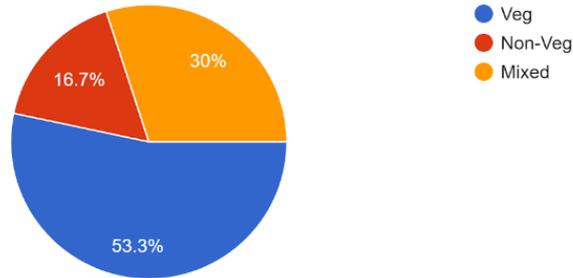


Table 4: Variety of Food Available

Variety of Food Available	No. of Respondents	Percentage
North Indian	3	10
South Indian	9	30
Chinese	4	13.3
All the above	14	46.7
Total	30	100

This table shows that majority of the hotel will provide all variety of food - North Indian, South Indian and Chinese.

Variety of food available in your restaurant

30 responses

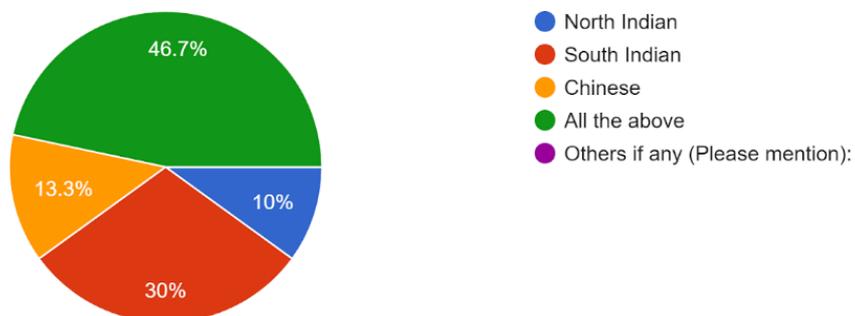


Table 5: Main Customer Base

Main Customer Base	No. of Respondents	Percentage
Other Shops	2	6.6
Leisure	7	20

Education	5	16.7
Walk-ins	13	46.7
All the above	3	10
Total	30	100

From the above table, it is observed that main customer base were walk-ins, followed by Leisure, Education and other shops.

Who is your main customer base?

30 responses

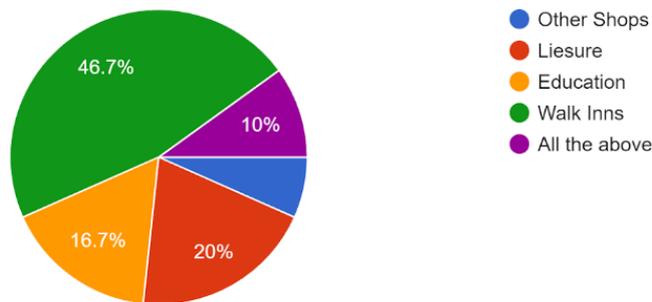


Table 6: Fluctuations in Occupancy on Daily Basis

Fluctuations in Occupancy	No. of Respondents	Percentage
Yes	22	73.3
No	8	26.7
Total	30	100

From the above table, it is clear that majority of the respondents opined that there is fluctuations in occupancy on daily basis.

Do you have fluctuations in the occupancy on daily basis?

30 responses

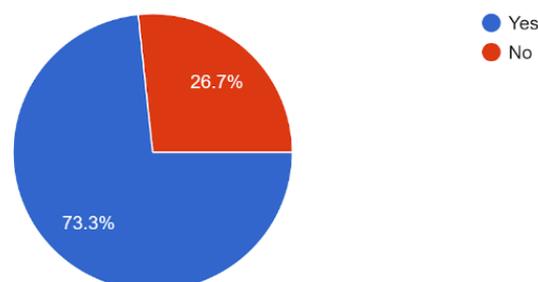


Table 7: Marketing Department

Marketing Department	No. of Respondents	Percentage
Yes	8	26.7
No	22	73.3
Total	30	100

This table shows that, majority of the respondents do not have their own marketing department. Out of 30 respondents, only 8 said that they have their own marketing department.

Table 8: Marketing Objectives

Marketing Objectives	No. of Respondents	Percentage
To create brand awareness	3	33.3
To attract right segment	1	11.1
To expand business	5	55.6
Total	30	100

Above table depicts that most of the respondents said that the main marketing objective is to expand business; some of them opined that their objective is to create brand awareness; and one of the respondents said that their objective is to attract right segment.



Table 9: Media used for Promotion

Media used for Promotion	No. of Respondents	Percentage
Radio	0	0
TV	0	0
Pamphlets	3	30

Newspapers	1	10
No	26	60
Total	30	100

The above table shows that majority of the respondents do not use any media for promotion. Some of them use Pamphlets; and few of them use newspapers for promotion.

Which media is used for business promotion?

30 responses

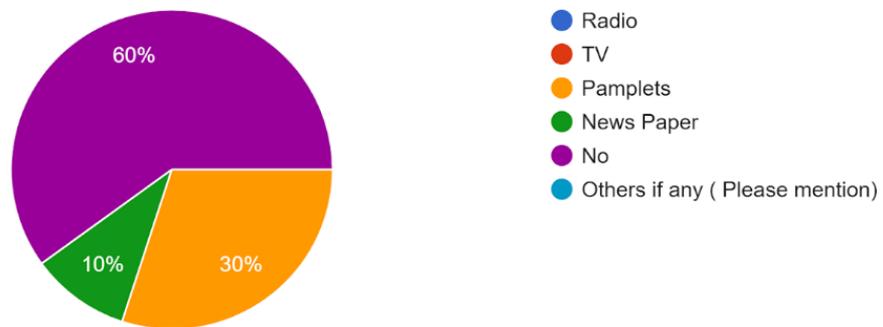


Table 10: Discount to Repeated Customers

Discount to Repeated Customers	No. of Respondents	Percentage
Yes	17	56.7
No	13	43.3
Total	30	100

The above table shows that, the majority hotels were not providing discount to repeated customers. Out of 30 only 13 hotels will provide discount to repeated customers.

Do you provide discount to repeated customers?

30 responses

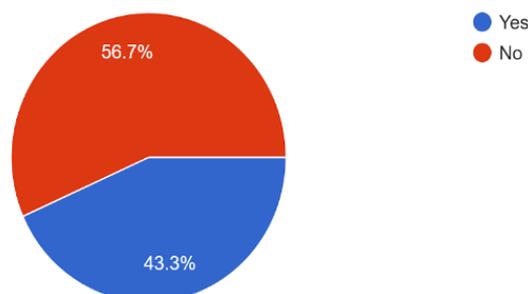


Table 11: Main Base for Price Fixation

Main Base for Price Fixation	No. of Respondents	Percentage
Cost of the raw materials used	20	50
Quality of the product	9	43.3
Prevailing demand for the product	1	6.7
Others	0	0
Total	30	100

From the above table it is clear that, the main base for price fixation is cost of the raw materials used, some respondents said that main base is quality of the product and some opines that they consider prevailing demand for the product as main base for fixation of price for the food articles provided by them.

Table 12: Impact of Fast Food on Business

Impact of Fast Food on Business	No. of Respondents	Percentage
Yes	15	50
No	15	50
Total	30	100

Above table shows that 50% of the respondents says that there is impact of fast food on their business.

Do you think that is there any impact of fast food on your business?

30 responses

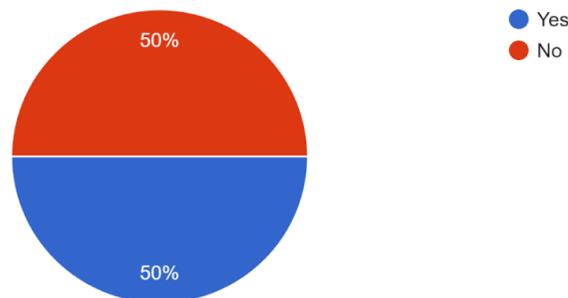


Table 13: Increase in Price Effect on Demand

Increase in Price Effect in Customer Demand	No. of Respondents	Percentage
Yes	2	6.7
No	29	93.3

Total	30	100
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This table shows that increase in price of the food due to GST do not have any effect on demand for the product.

Table 14: “Retention of customer is better than creation of customer”. Do you agree?

Retention of Customer is Better than Creation	No. of Respondents	Percentage
Yes	20	66.7
No	10	33.33
Total	30	100

From the above table, it is clear that majority of the respondents said that retention of customer is better than creation of customer because it is difficult to create new customers; and retention of old customers helps to create new customers and ultimately helps to create demand.

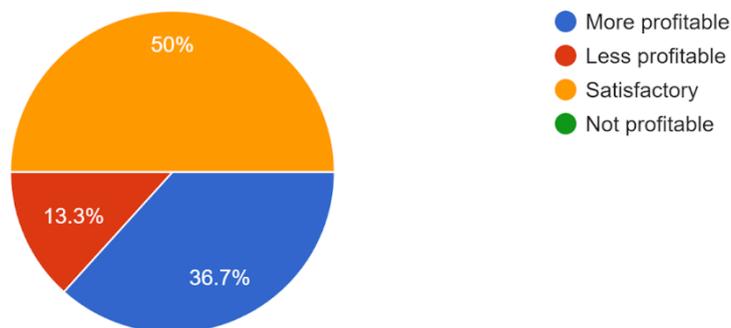
Table 15: What is your opinion regarding food service industry?

Opinion Regarding Food Service Industry	No. of Respondents	Percentage
More profitable	11	36.7
Less Profitable	4	13.3
Satisfactory	15	50
Not profitable	0	0
Total	30	100

This table shows that majority of the respondents said that the food service industry is satisfactorily profitable. Some of them opined that food service industry is more profitable. And few of them said that food service industry is less profitable.

What is your opinion regarding food service industry?

30 responses



6. Findings

- Most of the hotels do not have marketing department as they are in rural areas.
- Majority of hotels in Moodabidri and Karkala are vegetarian.
- Majority of non-veg hotel supply the wastage to pig farmers and other will throw it to garbage.
- Majority of hotels provide all type of food such as south Indian, North Indian and Chinese.
- As per the respondent answer catering food service provide the food which are preferred by the customer.
- GST charged on food articles is 5% and few hotels do not come under per view of GST.
- Customer arrival to the hotels in Moodbidri and Karkala is more on Saturday and Sundays.
- There is no much impact of fast food on the hotel and restaurant industry because fast food does not include hygiene content.
- It is found that there are more fluctuations in occupancy rate.
- Most of hotel owners agreed on retention of customer is better than creation of customer.
- The food which is remained in catering food service will be supplied to hostel in rural areas.
- Three hotels in Moodabidri i.e. Ballal Residency hotel, Pancharathna International Hotel and Nishmitha in Moodbidri and Swagath, Sagar, Prakash hotels provide lodging facility, hall for event; and more demand for lodging is by tourist.
- Majority of hotel owner do not provide discount to repeated customer.

7. Suggestions

- The hotel owners must have knowledge of GST even though they are not subject to GST.
- They have to separate the waste food, and they can even supply those food to orphanages.
- They can give advertisement to promote their business.

8. Conclusion

An attempt was made by researchers to study the food service marketing in Moodabidri and Karkala area. 30 respondents from this place were selected. Opinion from these respondents was collected with the help of well-structured questionnaire. With the help of data analysis and interpretation, finding were drawn by researchers. With the help of findings following conclusion and suggestions were drawn by researchers.

It is found that, majority of the respondents were from Vegetarian Restaurant; and the researchers also collected information from Non-veg. and Mixed Restaurants. The objective of the researchers were to know about the variety of foods available, impact of price on demand of the product, and marketing strategies adopted by the food service industries.

After scrutinised analysis of the data collected by the respondents, it is found that food service industry in Moodabidri and Karkala region do not focus much on marketing of the food services available in their restaurant.

From the above discussion, it is concluded that food service industry provides variety of food services, some of them provides discounts to regular customers and they strongly agree that retention of customer is better than creation of customers as it easy when compared to creation of customers. Although,

retention of old customers will leads to creation of new customers and finally it helps to increase demand for the product.

About the Author

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