Consumer Behavior in Fast Food Marketing in Bangladesh: A Case Study

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Abstract
The main objective of the study is to identify the determinants that influence consumer satisfaction in fast food marketing in Bangladesh. Data were collected from the students in a private industry in Dhaka city. Principal component factor analysis and SEM are employed for analyzing data. The results indicate that among the six explanatory variables, five are observed to statistically significantly influence consumer satisfaction in the fast food industry. These variables are food quality, service quality, food variety, outlet environment and convenient location.

Keywords: Fast food, Consumer behavior, Consumer satisfaction, Factors, Marketing

Introduction
Consumer behavior is relatively a new topic which evolved after the World War II (Fullerton, 2013). Since the early 1950s, the sellers market had disappeared and the buyers market had come up (Bedoya, 2003). This may refer to be a paradigm-shift which diverted the manufacturer’s attention from product to consumer and specially focused on the consumer behavior (Priest, Carter and Statt, 2013). The shift of marketing concept from simple selling to consumer-focused trade has become an independent field of study. The development of consumerism and consumer legislation emphasizes the significance which is given to the consumers and their behavior (Al-Jeralsy, 2008; Bedoya, 2003).

Consumer behavior signifies how individuals make decisions to utilize their valuable resources such as time, money and effort or consumption-related matters such as what they buy, when they buy and how they buy (Priest, Carter and Statt, 2013). It, thus, refers broadly to the study of individuals and the processes consumers like to search, select, use and dispose of products, services, experience or ideas to satisfy their needs as well as its impact on the consumer and society ((Priest, Carter and Statt, 2013; Wilkey, 1994).

Human beings are by nature subjective and heterogeneous (Ramia, 2012). This diverse trait of heterogeneity of people makes understanding consumer behavior complex and challenging task to marketers. For this reason, marketers emphasize the necessity to have a comprehensive knowledge of consumers’ purchasing behavior (Khan, 2006). In fact, this knowledge works as an important tool in the hands of marketers to forecast the future purchasing behavior of the customers and to device for marketing strategies in order to create a long term customer relationship.

As many other markets, the fast food market all over the world, including Bangladesh, has been growing fast and becoming much popular (Tabassum and Rahman, 2012; Islam and Ullah, 2010). Along with this positive development in the fast food market, the food habit and overall consumption pattern of the inhabitants of every country of the world has also been changing with similar pace (de Rezende and de Avelar, 2012; Park, 2004). Based on this backdrop, the fast food industry is chosen as the main focus of this research in order to investigate the consumer behavior in consuming fast food which can help marketers in forecasting as well as in developing proper marketing strategies for the food industries in Bangladesh.

The plan of this paper is as follows: first, the origin of fast food market and its growth patterns are explored. Second, the theoretical background is briefly reviewed, as are the relevant literatures on consumer behavior and fast food marketing. Next, the research model and hypotheses are presented, followed by a discussion of research method and findings from the data analysis. A discussion of the meaning of the results and their conclusions ends the paper.

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Fast Food Industry: Its Origin and Growth

The origin of fast food industry dates back to 1800s relating Thomas Jefferson who brought the French recipe for “pommes frites” (French Fries) for the first time to the US in 1802 (Bedoya, 2003). Despite, French fries had not been popular until 1920s (Schlosser, 2002). Another fast food favorite has a similar interesting story that is hamburger. This hamburger is originally a Russian recipe that was brought to Hamburg by German sailors anchoring Baltic ports. Afterwards, these sailors migrated to Cincinnati and keep devouring this Russian delicacy (Fantasia, 1995).

Thus, the history of modern fast food industry is of at least hundred years old (Schlosser, 2002). It was first introduced in the early 1900s with automatic vending machines from which simple foods and drinks could be bought by inserting right coins in the machine (Chavadi and Kokatnur, 2008). This innovative idea was picked up by the business community who made it popular with a slogan of “less work for mothers” and it later brought a huge change in the habit of the people in taking their foods. This concept also earned easy acceptance by the customers in cars, public commuters and trains (Chavadi and Kokatnur, 2008).

Another important fact associated with the development of fast food popularity is the massive entrance of women into the workforce right after the World War II when people were in search for alternatives for efficient food preparation (Bedoya, 2003). The modern fast food restaurant was appeared to be one step forward toward more efficient food consumption (Ritzer, 1996). Hence, fast food came into existence partially because of a need to “eat on the run” (Bedoya, 2003). Following this need, restaurants evolved into fast food layouts with services like early drive through or drive-in restaurants (Schlosser, 2002).

Following this practice, White Castle, the first fast food chain in the United States, started producing hamburgers in 1921 (Chavadi and Kokatnur, 2008). The fast food formula was appeared so successful that it attracted many giant food chains such as McDonald’s (1940), Burger King and TV Dinner (1950), Kentucky Fried Chicken (KFC, 1962), Taco Bell (1962), Wendys (1972) as a part of the fast food industry (Chavadi and Kokatnur, 2008; Bedoya, 2003).

The fast food industry has been remarkably growing in Bangladesh since the early 1990s (Tabassum and Rahman, 2012). Though there is no correct statistics of the total number of fast food restaurants in Bangladesh, thousands of restaurants are now serving millions of people in urban areas across the country (Bhuiyan, 2010). This has become multi-billion taka industry now (Farhana and Islam, 2011).

According to BBS (2012), in 2001 people spent 4.23 billion Bangladeshi currency of Taka (at current prices) on fast food; this figure was reported to be Taka 10.78 billion in 2010. In 2010, the GDP share of the fast food industry was 0.77 percent and 8 million people were employed in this sector (BBS, 2012). Considering this conspicuous growth of the industry, many fast food restaurant owners are planning to open more fast food outlets soon across the capital region of the country (Tabassum and Rahman, 2012).

Theoretical Underpinnings

Consumer behavior is contingent on some factors that determine individually or collectively the decision making process of consumers (Mankiw, 2006). The theory of consumer behavior postulates that consumers behave rationally and they have perfect information about the market. This implies that consumers are fully aware about their needs and demands and they know how to satisfy them in the best possible way. The theory also assumes that consumers’ decisions follow a logical process by which they can attain optimum value for their money spent on buying goods and services. However, consumer demand is contingent on three principal factors that are prices of the goods, consumer’s income and willingness to pay (Mankiw, 2006).

The Marshallian model of consumer behavior states that buyers tend to spend their fixed income on foods which provide them maximum satisfaction. According to Alfred Marshall, the purchasing decision of the consumers is influenced by their taste, preference and the price of other closely related goods. This simply results in the income and substitution effects. As is well-known, the Marshallian model provides cardinal utility function which can be represented as in the case of fast food consumption:

$$U = AB$$  \hspace{1cm} (1)

In the equation (1), U indicates utility of consumption, A and B represent the quantities of two fast food items. The utility of the consumer is maximized if the quantity of two fast food items s/he is able to get an infinity quantity of both A and B (Colander, 2008).
From the Marshallian consumer behavioral model, it can be deduced that if the consumer tends to spend one unit of money for having \( \lambda \) units of utility, \( \lambda \) is called the marginal utility of money (MU\(_m\)). If we denote the marginal utility of expenditure on buying foods as MU\(_x\), in the equilibrium,

\[
\text{MU}_m = \text{MU}_x
\]  

(2)

Furthermore, the Marshallian theory of consumer behavior puts forward that the net satisfaction is the result of difference between the total utility derived from the consumption of the bundle of food items and the total spending on the purchase of those items. Thus, the net satisfaction of the consumers’ decision problem can be represented as:

\[
z = u(x) - \lambda p.x
\]  

(3)

In the equation (3), \( z \) indicates the maximum satisfaction, \( x \) represents the consumption vectors and \( p \) indicates the price vectors.

In the analysis of consumer behavior, the interaction between changes in price and quantity consumer demand is an important context. As the fast food market in every country is highly competitive and the food items are close substitutes, the changes in price of the food items can have a significant influence on the quantity of purchase. The tenets of basic microeconomics teach that a reduction in the price of the fast food brand will cause a corresponding increase in quantity of demand of that food brand, ceteris paribus. However, this outcome can be referred as the result of price effect which can be divided into the substitution effects and the income effects (Mankiw, 2006). That is:

Total price effect = Substitution effect + Income effect

(4)

Consumers continuously face the situations that call for making the tradeoffs whenever they need to make any purchasing decisions. The trade-offs are inevitable, because the resources are scarce and consumers have to make a choice among numerous fast food product options. They need to combine budget constraints (limited income) and preferences in order to formulate a choice (Colander, 2008).

The budget constraints refer to the limited ability of consumers to buy food items with the given amount of disposable income. The slope of the budget line determines the substitution levels of the consumers between the fast food brands and the price differentials between them. The budget line is represented by the disposable income and the relative prices of fast food items (Colander, 2008).

However, there has been another sort of approach in utility analysis that is called ordinal utility function. In this approach, indifference curves are used in addition to the budget line. Indifference curve refers to the level of utility based on a given set of preferences and the budget line refers to the fixed level of disposable income. Higher or lower indifference curve represents higher or lower utility level. A rational consumer desires for attaining higher indifference curve as it represents higher level of utility, but there is a budget constraint. So, consumers try to maximize their utility as much their income permits them to do so.

If a consumer prefers two sets of fast food products (say fast food bundle of A and of B) equally, then s/he would be indifferent to choose any of the bundles. The reason is that, the consumer will derive equal level of satisfaction or utility form either of the bundle of the fast food brands. The indifference curve is the locus of the combination of different fast food brands that renders equal level of satisfaction or utility on its every point. The slope of the indifference curve is the marginal rate of substitution (MRS) between the two brands of the fast food items. The point, at which the MRS and the slope of the budget line are equal, is called optimal level of satisfaction (Mankiw, 2006). If there is a perfect substitute, the indifference curve exhibits a straight line. In this case, indifference curve and the budget line coincide to each other. In the fast food industry, consumers can have numerous differentiated product options with minimal variations in taste.

Thus, the comparison between what consumers can get (budget constraint) and their preferences (indifference curve) is significant in analyzing consumer behavior. The highest point on the indifference curve provides the optimal level of satisfaction that is within the limit of budget constraint. The optimal level occurs at the point where the indifference curve is tangent to the budget line. If there is a change in income, the optimal level of satisfaction and choices change. Therefore, budget line shifts and becomes parallel to the original --- inward for a reduction in income and outward for an addition in income. A new equilibrium then takes place on a higher indifference curve when there is a higher income. So, because income is higher, consumers who were unable to buy more of fast food could do so due to a rise in their disposable income. For a normal commodity like fast food, when there is an increase in income, more of it will be preferred. But the same cannot apply for inferior foods where less of it will be preferred with increasing income, ceteris paribus (Mankiw, 2006)
Literature Review

Consumer behavior such as consumers’ cognition, affection and behavioral reactions in the fast food industry is one of the interesting topics in today’s cutthroat competitive marketing arena (Brüggen, Foubert and Gremler, 2011). Despite the pervasiveness of customer satisfaction modeling, research to date does not provide a sufficient understanding of consumer responses to fast food makeovers. Various empirical studies document the relationships between customer loyalty and several factors such as product and service quality, brand trust, outlet environment, price and others (Nezakati, Kuan and Asgari, 2011). Research has demonstrated that customer response was influenced by many other parameters including abstract store characteristics (Baker, Parasuraman, Gewal and Voss, 2002).

However, underlying premises of the current study are that food quality, service, variety of foods, environment, price and location of the outlets influence consumer satisfaction. Underlying theory of consumer behavior in this study provides a robust theoretical basis for testing such premises whether they are related with consumer satisfaction in the fast food marketing.

Mason, Jones, Benefield and Walton (2013) investigated the consumer perception of fast food restaurants in America incorporating several explanatory variables such as food price, service speed, location of restaurant, quality of food, cleanliness, menu variety, quantity of food, ease of getting in and out and atmosphere. The results suggest that consumers are highly price sensitive. Besides, they put high importance on service speed, location of the outlets, food quality and clean environment of the restaurants.

Food habits of the people of a community are heavily influenced by their custom and tradition. A research, done by de Rezende and de Avelar (2012) in the case of Brazil, reports that variety of foods, convenience, younger age, higher income and higher education are observed to be significant to influence the habit of consuming fast food. The study compares its result with the case of England and it finds similar outcome that consumption of fast food is growing there. Nezakati, Kuan and Asghari (2011) reveal that they found a growing demand for fast food in Malaysia. The study investigated the factors that can influence the customer loyalty towards the fast food outlets. The findings of the study indicate that product quality, customer satisfaction and brand trust are the most important factors to statistically signify the customer loyalty.

Brüggen, Foubert and Gremler (2011) examined the effects of store remodeling which is to test (a) short- and long-term effects on customers’ cognitions, affect, and behavioral intentions; (b) the moderating impact of spontaneous versus planned and group versus single-customer store visits; and (c) the differential effects on two store performance measures: average customer spending and store traffic. The results show that, in line with adaptation-level theory, short-term remodeling effects lose strength in the long run (i.e., after six months). Furthermore, customers on a spontaneous trip or in a group tend to be more responsive to store remodeling than customers on a planned trip or alone. Finally, whereas average spending increases in the short run and then returns to the baseline, store traffic initially remains unaffected and even shows a dip in the long run. These findings imply that ignoring the time-variant character of remodeling effects, the nature of customers’ store visits, or the impact on store traffic may lead to inappropriate allocation of marketing resources.

According to the economic theory, consumption is the function of disposable income and their relationship is positive (Varian, 1992). As to the matter of this fact, higher income actually changes the consumption pattern as well. Thus, in many counties where income is growing, food habits of the people are also changing. Prime examples of such countries are Malaysia, South Korea, Brazil, Mexico and Bangladesh. Farhana and Islam (2011) explore the customer behavior towards fast food restaurants in Bangladesh. The results of the study reveal that quality of foods, conveniences, income, age and overall services provided to the customers are significant to influence the customer perception towards fast food restaurants. The study also reviews the customer loyalty which has an important relationship with customer services.

Driving up the sales volume is one of the short term goals of all marketers. In order to attain this objective, marketers follow different strategies. Luo, Wiles and Raithel (2013) study consumer attitude by “brand dispersion” or polarizing brand strategy by which marketers can improve sales figure. This study mentions the instance of McDonald which becomes able to polarize its brand and drives up its sales volume.

Tiwari and Varma (2008) focus on the understanding of consumer perception comparing two fast food giants --- Pizza Hut and McDonald based on seven attributes such as service, price, hygiene, ambience, food quality, variety and seating space. The study finds that there is a significant difference between Pizza Hut and
McDonalds on factors like price, hygiene and seating space. However, on rest of the attributes, the two fast food giants do not vary significantly and are more or less the same.

Fast food is not a recent phenomenon. However, its growth excelled after the 1950s owing to several emerging factors related to socioeconomic, technological and market perspectives (Chavadi and Kokatnur, 2008). Chavadi and Kokatnur (2008) employ SERVEQUAL to comprehend the consumer perceptions towards fast food industry and to identify the service gap between the experience and the expectation of fast food services.

Park (2004) compares hedonic and utilitarian values in respect of Korean fast food consumers. The study finds that the Koreans are prone to be hedonic rather than utilitarian. This result implies that the Korean young people are used to coming out for taking fast food for merely making fun and enjoyment, even though the price of fast food is not cheap. This means that fast food restaurants are regarded not just as eating-places but also as pleasant and social places in Korea. This outcome was against another study done by Albert and Winner (2009) in the case of American fast food customers who prefer to buy fast food items with spare-change of dollars. It means that they are utilitarian customers who seek for cheaper fast food items rather than for having fun and enjoyment.

**Research Model and Hypotheses**

The research model used in this study, shown in Figure 1, is based on the theory of consumer behavior (Mankiw, 2006). The behavior in question is purchasing fast food by the consumers from any fast food outlets. Six hypotheses embodied in the model are listed below. The directionality stated in each hypothesis is derived from the prior discussion about the theory of consumer behavior.

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**Figure 1: Research Model**

The quality of the foods should be associated with the nutritious and healthy ingredients that provide extra food values to the consumers (Wailing and Larsson, 2009). Only satisfied consumers testify that any fast food outlet is quality oriented and good for health (Ashraf and Joarder, 2010). If an individual has the information that the foods of any particular outlet constitute high quality, then that information should provide positive influence towards the individual’s overall attitude and satisfaction. Therefore:

\[ H_1 : \text{The quality of fast food should be positively influence consumer satisfaction.} \]

In today’s service economy, many companies wrap satisfaction around their traditional offerings to sell them better. A satisfaction occurs when a company intentionally utilizes services as to engage individual consumers in a way that creates a memorable event (Ashraf and Joarder, 2010). Hence:

\[ H_2 : \text{The service provided by the fast food outlets to the consumers should positively influence consumer satisfaction.} \]
The wide range of varieties of foods provides more choices to the consumers (Chavadi and Kokatnur, 2008). If any fast food outlets are looking to boost consumer satisfaction, one of the most promising places to start is maintain wider varieties of foods. Thus:

$H_3$: The varieties of foods should positively influence the satisfaction of the fast food consumers.

The environment of the fast food outlets is important for the consumers. Especially for hedonic consumers like the Koreans (Park, 2004), who used to come to the restaurants for seeking enjoyment; clean, cozy and quite atmosphere of the restaurant can provide them enormous satisfaction. Thus:

$H_4$: The atmosphere of the fast food outlets should positively influence consumer satisfaction.

Based on the basic microeconomic theories, prices are important factors that can affect the demand of purchasing goods and services negatively (Mankiw, 2006). So, cheaper prices of the foods can stimulate the consumers to consume more frequently and can induce more satisfaction. Therefore:

$H_5$: The prices of fast foods should negatively influence consumer satisfaction.

Location is one of the most important factors in business and marketing relationship (Ferdous and chowdhury, 2010; Sharkey, Horel, Han and Huber, 2007). The location of the food outlets should have good communication systems which are conducive to build up a strong consumer relationship and to boost up overall satisfaction (Ndubisi and Chan, 2005). Thus:

$H_6$: The convenience of the location of the fast food outlets should positively influence consumer satisfaction.

### Research Design

Data collection took place in November 2013. A total of 339 undergraduate students were recruited from sophomore level classes at a private university in the capital region of Bangladesh to complete a questionnaire that contained measures of the constructs of concern. The questionnaire was pilot tested with a small number of undergraduate students. Table I lists descriptive statistics about the sample.

The approach to testing the consumer behavior model was based on that of used by Tiwari and Varma (2008) to test consumer satisfaction in the fast food marketing. Measures of quality of foods (five items), service quality (six), variety of foods (four), environment (six), food price (six) and convenient location (five) were selected based on Tiwari and Varma (2008). Consumer satisfaction was measured with a single item “I am satisfied with the service, food, and all other facilities of this fast food outlet.” While multiple items are preferred in many cases, a single item may be used in some contexts, as when individuals can be reckoned to answer to a single item with relatively higher level of precision (George, 2004; DeVellis, 2003). There were also four demographic questions included in the instrument. These items are included in the Appendix, and descriptive statistics for the scales are included in Table II.

For exploring the consumer behavior in fast food marketing, the study employs principal component factor analysis. As SEM is a robust substitute to other multivariate regression techniques which are limited to presenting only a single relationship between the dependent and independent variables, this study also utilizes the structural equation modeling (SEM) technique through SPSS and AMOS. First, the principal component factor analysis was accomplished. The factor loading for each item accounted was above 0.6 cutoff levels. Reliability analyses were done measuring Cronbach’s alphas. Both factor loadings and Cronbach’s alphas are shown in Table III. The measurement model with variable loadings appears in Figure 3. Measures of reliability for all scales are included in Table III. The correlations and Kaiser-Meyer-Olkin (KMO) Measures are presented in Table IV. The statistical significance of the paths in the model was tested using AMOS, with a sample size of 1, for 339 samples. Using one-tailed tests, five of six paths were statistically significant, two at the p, 0.05 level, and three at p, 0.01, providing support for $H_1$, $H_2$, $H_3$, $H_4$, and $H_6$. The evaluated model is shown in Figure 4, with adjusted t-statistics and path coefficients listed in Table V.

### Results and Discussion

Several past surveys have reported that consumer behavior of taking fast food is widely diverse to identify the factors that determine the consumer’s satisfaction. This study hypothesized six different factors and demonstrated that at least five factors are important to influence consumer satisfaction in fast food marketing. Among these five factors, service quality ($\lambda = 7.91$, % of variance explained = 10.786 and Cronbach’s $\alpha = .73$) is observed to be the first component in which two items such as friendly salesperson and prompt service are identified as the most instrumental to consider consumer satisfaction.
The second most important factor is observed to be the quality of food ($\lambda = 2.83$, % of variance explained = 8.813 and Cronbach’s $\alpha = .72$). The items that exhibit loading values more than .60 are nutritious food and the food which causes no health problem. Food price is the third component ($\lambda = 1.86$, % of variance explained = 8.392 and Cronbach’s $\alpha = .75$) in which three item variables are identified as the key factors in determining consumer satisfaction. These items are cheap, reasonable and special price. The next component to food price is location convenience ($\lambda = 1.62$, % of variance explained = 8.256 and Cronbach’s $\alpha = .71$). In this component, two items are identified to be most important which are convenient place and good communication.

### Table II: Consumer’s Evaluation on Fast Food Marketing

<table>
<thead>
<tr>
<th>Factor Name</th>
<th>Variables</th>
<th>Factor Loading</th>
<th>% of Variance Explained</th>
<th>Cronbach’s Reliability Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality ($\lambda = 7.91$)*</td>
<td>Q6 Salespersons are friendly</td>
<td>.68</td>
<td>10.786</td>
<td>.73</td>
</tr>
<tr>
<td>Food quality ($\lambda = 2.83$)*</td>
<td>Q4 Food is nutritious</td>
<td>.68</td>
<td>8.813</td>
<td>.72</td>
</tr>
<tr>
<td>Food price ($\lambda = 1.86$)*</td>
<td>Q22 Food price is cheap</td>
<td>.83</td>
<td>8.392</td>
<td>.75</td>
</tr>
<tr>
<td>Location convenience ($\lambda = 1.62$)*</td>
<td>Q28 Place is convenient</td>
<td>.66</td>
<td>8.256</td>
<td>.71</td>
</tr>
<tr>
<td>Environment ($\lambda = 1.36$)*</td>
<td>Q18 Decoration is outstanding</td>
<td>.65</td>
<td>7.837</td>
<td>.78</td>
</tr>
<tr>
<td>Food variety ($\lambda = 1.21$)*</td>
<td>Q14 Tasty varieties are available</td>
<td>.67</td>
<td>6.274</td>
<td>.67</td>
</tr>
<tr>
<td>Food price ($\lambda = 1.05$)*</td>
<td>Q26 It offers occasional deals</td>
<td>.70</td>
<td>5.431</td>
<td>.74</td>
</tr>
</tbody>
</table>

Cumulative % of variance explained = 55.789%

*Numbers in the parentheses in the first column represent eigenvalues of the corresponding factors

The fifth component is identified as environment of the food outlet ($\lambda = 1.21$, % of variance explained = 6.274 and Cronbach’s $\alpha = .78$). It has three items which are important to consider consumer satisfaction such as decoration, interior design and sound control. Then the food variety is ranked as another important component to influence consumer satisfaction ($\lambda = 1.21$, % of variance explained = 6.274 and Cronbach’s $\alpha = .67$). In this component, two items are significant such as tasty food and availability of wide variety of food. It also has another component which belongs to food price. The items of this component are identified as promotional price of fast food marketing namely, offers of occasional deal and family package.

### Table III: Descriptive statistics for constructs

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>339</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5280</td>
<td>.66813</td>
</tr>
<tr>
<td>Service</td>
<td>339</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6170</td>
<td>.61638</td>
</tr>
<tr>
<td>Variety</td>
<td>339</td>
<td>1.25</td>
<td>5.00</td>
<td>3.5391</td>
<td>.71707</td>
</tr>
<tr>
<td>Environment</td>
<td>339</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5954</td>
<td>.69070</td>
</tr>
<tr>
<td>Price</td>
<td>338</td>
<td>1.00</td>
<td>5.00</td>
<td>2.8585</td>
<td>.76043</td>
</tr>
<tr>
<td>Location</td>
<td>339</td>
<td>1.00</td>
<td>5.00</td>
<td>3.3740</td>
<td>.75120</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>339</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6047</td>
<td>.93428</td>
</tr>
</tbody>
</table>
Table IV: Correlations and KMO measure of sampling adequacy (on diagonal in italic)

<table>
<thead>
<tr>
<th></th>
<th>Quality</th>
<th>Service</th>
<th>Variety</th>
<th>Environment</th>
<th>Price</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>.78</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>.602**</td>
<td>.77</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variety</td>
<td>.321**</td>
<td>.477**</td>
<td>.62</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td>.543**</td>
<td>.583**</td>
<td>.486**</td>
<td>.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>.259**</td>
<td>.369**</td>
<td>.405**</td>
<td>.261**</td>
<td>.73</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>.276**</td>
<td>.382**</td>
<td>.354**</td>
<td>.391**</td>
<td>.487**</td>
<td>.73</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>.474**</td>
<td>.497**</td>
<td>.414**</td>
<td>.508**</td>
<td>.324**</td>
<td>.406**</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed)

The study undertook the KMO and Bartlett’s test. The Kaiser-Meyer-Olkin (KMO) measures for six factors are provided on diagonal in italic in Table IV. Interpretations of the KMO measures as characterized by Kaiser (1974) range from mediocre (above 0.60) to middling (above 0.70) to meritorious (above 0.80). Since the KMO Measures of Sampling Adequacy meet the minimum criteria, we do not have a problem that requires us to examine the Anti-Image Correlation Matrix.

Finally, the study employed the structural equation modeling (SEM) using AMOS as used by Byrne (2001). As the structural equation modeling consists of measurement and structural models, the measurement models pertain to how observed variables relate to unobserved variables. This is important in the social sciences as every study is going to be missing information and variables. There are confounding variables in research that are not included in the model, but which have an influence on outcome. SEM addresses this kind of complex relationship by creating a theoretical model of relationship that is then tested to see if the theory matches the data. As such, SEM is a confirmatory procedure, in which a model is proposed, a theoretical diagram is generated and an examination how close the data is to the model is completed. The measurement models are shown below in Figure 2.

The evaluated model is represented in Figure 3 which indicates the paths that are significant or not. In the model, it is apparent that all the factors except the price of food are significantly influencing consumer satisfaction confirming the acceptability of the hypotheses set in the model. The path coefficients and corresponding t-value are provided in Table V which shows that $H_1$, $H_2$, $H_3$, $H_4$ and $H_6$ are accepted to positively influence consumer satisfaction in fast food industry. It implies that food quality, service quality, variety of foods, environment of the outlets, and location convenience are the most important factors which need to be improved in order to increase consumer satisfaction in fast food marketing.
Figure 2: Measurement Model with Path Coefficients

Figure 3: Evaluated Model

H1: Food quality
H2: Service
H3: Food variety
H4: Environ
H5: Food price
H6: Location

R² = .41

ns → p > .05 → p > .01
Table V: Adjusted t-statistics and standardized path coefficients for hypothesized paths in the model

<table>
<thead>
<tr>
<th>Path</th>
<th>Path Coeff.</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Food quality to consumer satisfaction</td>
<td>.23</td>
<td>3.423**</td>
</tr>
<tr>
<td>H2: Service quality to consumer satisfaction</td>
<td>.15</td>
<td>2.165*</td>
</tr>
<tr>
<td>H3: Food variety to consumer satisfaction</td>
<td>.14</td>
<td>2.254*</td>
</tr>
<tr>
<td>H4: Outlet environment to consumer satisfaction</td>
<td>.22</td>
<td>3.236**</td>
</tr>
<tr>
<td>H5: Food price to consumer satisfaction</td>
<td>.06</td>
<td>.913</td>
</tr>
<tr>
<td>H6: Outlet location to consumer satisfaction</td>
<td>.19</td>
<td>3.079**</td>
</tr>
</tbody>
</table>

** p>0.01, * p>0.05

In the evaluated model, price of food is appeared to be not significant which implies that fast food consumers in this region of Bangladesh do not care about it meaning they have adequate income earning to pay for the fast food. This outcome is consistent with the present positive socioeconomic trend of Bangladesh where per capita income crosses $1000 which is much higher than before (Parvez, 2013).

The results indicate that consumers of the fast food industry care about quality of foods, quality of services, food variety, pleasant environment of the outlets and convenient communication links with the food outlets. These findings are similar to those reported in other studies on fast food industries. Like Tiwari and Varma (2008), Farhana and Islam (2011) and Tabassum (2012), there is a strong relationship between consumer satisfaction and variety of food, food quality, service quality and location. Like Chavadi and Kokatnur (2008), Barber and Scarcelli (2009) and Barber and Scarcelli (2009), there is a strong relationship between consumer satisfaction and clean environment of fast food outlets.

As the study employed SEM, it is imperative to investigate about model fit indices of the analyses. In SEM, the fit indices establish whether, overall, the model is acceptable. If the model is acceptable, researchers then establish whether specific paths are significant. Thus, a structural model was estimated to test study hypotheses 1 through 6 for this study, which targets the relationship between consumer satisfaction and six explanatory factors related to fast food industry. The results showed the goodness-of-fit indices ($\chi^2 = 649.554$, $p = 0.000$, $df = 15$, RMSEA= 0.354, NFI = 0.921, IFI = 0.923, NNFI = 0.91, CFI = 0.92, RFI = .853) have met an adequate level. This result implies that the analyses have an acceptable level of predictability in terms of improving the services related to fast food marketing in Bangladesh.

Conclusion

The fast food industry is booming in Bangladesh. Most of the fast food chain companies are now operating their business in Dhaka and other metropolitan cities in Bangladesh. As the per capita national income of Bangladesh has crossed triple digit, consumers can now afford to consume the fast food even in the expensive outlets. Based on this derivative related to fast food industry in Bangladesh, the study specifically intends to examine the consumer satisfaction which can be influenced by several independent factors. Altogether six factors are hypothesized such as quality of food, quality of service, variety of food, environment of the outlets, price of food and location convenience to influence consumer satisfaction in fast food marketing. The findings indicate that all of the factors except price of food have significantly impacted on consumer satisfaction. Based on this outcome, it is important for the fast food industry to rigorously consider these factors for improving consumer satisfaction in Bangladesh.

References:


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